

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,)
Complainant,) Docket No. UE-110876
v.) Docket No. UG-110877
AVISTA CORPORATION d/b/a) Docket No. UE-120436
AVISTA UTILITIES,) Docket No. UG-120437
Respondent.) (*consolidated*)
_____)
)

EXHIBIT NO. __ (MPG-11)

MULTI-STAGE GROWTH DCF MODEL

September 19, 2012

Avista Corporation

Multi-Stage Growth DCF Model

Line	Company	13-Week AVG Stock Price ¹ (1)	Annualized Dividend ² (2)	First Stage Growth ³ (3)	Second Stage Growth					Third Stage Growth ⁴ (9)	Multi-Stage Growth DCF (10)
					Year 6 (4)	Year 7 (5)	Year 8 (6)	Year 9 (7)	Year 10 (8)		
1	ALLETE, Inc.	\$40.78	\$1.84	5.50%	5.40%	5.30%	5.20%	5.10%	5.00%	4.90%	9.81%
2	Alliant Energy Corporation	\$45.37	\$1.80	6.12%	5.92%	5.72%	5.51%	5.31%	5.10%	4.90%	9.39%
3	American Electric Power Comp	\$40.22	\$1.88	3.66%	3.86%	4.07%	4.28%	4.49%	4.69%	4.90%	9.44%
4	Avista Corporation	\$26.51	\$1.16	4.72%	4.75%	4.78%	4.81%	4.84%	4.87%	4.90%	9.44%
5	Black Hills Corporation	\$32.06	\$1.48	6.00%	5.82%	5.63%	5.45%	5.27%	5.08%	4.90%	10.08%
6	Cleco Corporation	\$42.01	\$1.25	3.00%	3.32%	3.63%	3.95%	4.27%	4.58%	4.90%	7.64%
7	DTE Energy Company	\$58.87	\$2.35	4.59%	4.64%	4.69%	4.74%	4.80%	4.85%	4.90%	9.00%
8	Edison International	\$45.38	\$1.30	2.89%	3.23%	3.56%	3.90%	4.23%	4.57%	4.90%	7.51%
9	EI Paso Electric Company	\$32.46	\$1.00	4.02%	4.16%	4.31%	4.46%	4.61%	4.75%	4.90%	7.94%
10	FirstEnergy Corp.	\$48.46	\$2.20	2.82%	3.16%	3.51%	3.86%	4.21%	4.55%	4.90%	9.08%
11	Great Plains Energy Inc.	\$21.12	\$0.87	6.38%	6.13%	5.88%	5.64%	5.39%	5.15%	4.90%	9.63%
12	Hawaiian Electric Industries, Inc	\$28.04	\$1.24	7.17%	6.79%	6.42%	6.04%	5.66%	5.28%	4.90%	10.22%
13	IDACORP, Inc.	\$41.15	\$1.32	4.67%	4.71%	4.74%	4.78%	4.82%	4.86%	4.90%	8.21%
14	OGE Energy Corp.	\$52.96	\$1.57	5.29%	5.23%	5.16%	5.10%	5.03%	4.97%	4.90%	8.08%
15	Otter Tail Corporation	\$22.54	\$1.19	5.00%	4.98%	4.97%	4.95%	4.93%	4.92%	4.90%	10.48%
16	PG&E Corporation	\$44.81	\$1.82	2.24%	2.69%	3.13%	3.57%	4.01%	4.46%	4.90%	8.49%
17	Pinnacle West Capital Corporat	\$51.42	\$2.10	5.82%	5.67%	5.52%	5.36%	5.21%	5.05%	4.90%	9.44%
18	Portland General Electric Comf	\$26.31	\$1.08	4.13%	4.26%	4.39%	4.52%	4.64%	4.77%	4.90%	9.00%
19	PPL Corporation	\$28.05	\$1.44	1.33%	1.93%	2.52%	3.12%	3.71%	4.31%	4.90%	9.20%
20	Public Service Enterprise Group	\$32.07	\$1.42	3.12%	3.41%	3.71%	4.01%	4.31%	4.60%	4.90%	9.05%
21	SCANA Corporation	\$47.69	\$1.98	4.81%	4.83%	4.84%	4.86%	4.87%	4.89%	4.90%	9.23%
22	Sempra Energy	\$67.48	\$2.40	3.67%	3.87%	4.08%	4.28%	4.49%	4.69%	4.90%	8.34%
23	TECO Energy, Inc.	\$17.85	\$0.88	3.36%	3.62%	3.87%	4.13%	4.39%	4.64%	4.90%	9.60%
24	UIL Holdings Corporation	\$35.38	\$1.73	4.58%	4.63%	4.69%	4.74%	4.79%	4.85%	4.90%	9.92%
25	Westar Energy, Inc.	\$29.65	\$1.32	5.80%	5.65%	5.50%	5.35%	5.20%	5.05%	4.90%	9.83%
26	Average	\$38.35	\$1.54	4.43%	4.51%	4.58%	4.66%	4.74%	4.82%	4.90%	9.12%
27	Median										9.23%

Sources:

- ¹ SNL Financial, downloaded on August 13, 2012.
- ² The Value Line Investment Survey, May 25, June 22, and August 3, 2012.
- ³ Exhibit No. ___(MPG-5).
- ⁴ Blue Chip Financial Forecasts, June 1, 2012 at 14.