

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-16)

TREASURY AND UTILITY BOND YIELDS

September 19, 2012

Avista Corporation

Treasury and Utility Bond Yields

<u>Line</u>	<u>Date</u>	<u>Treasury Bond Yield¹</u> (1)	<u>"A" Rated Utility Bond Yield²</u> (2)	<u>"Baa" Rated Utility Bond Yield²</u> (3)
1	08/10/12	2.74%	3.96%	4.86%
2	08/03/12	2.65%	3.97%	4.84%
3	07/27/12	2.63%	3.95%	4.86%
4	07/20/12	2.55%	3.87%	4.79%
5	07/13/12	2.58%	3.94%	4.86%
6	07/06/12	2.66%	4.02%	4.95%
7	06/29/12	2.76%	4.13%	4.99%
8	06/22/12	2.75%	4.13%	4.96%
9	06/15/12	2.70%	4.08%	4.90%
10	06/08/12	2.77%	4.16%	4.97%
11	06/01/12	2.53%	3.92%	4.75%
12	05/25/12	2.85%	4.20%	5.02%
13	05/18/12	2.80%	4.08%	4.85%
14	Average	2.69%	4.03%	4.89%
15	Spread To Treasury		1.34%	2.20%

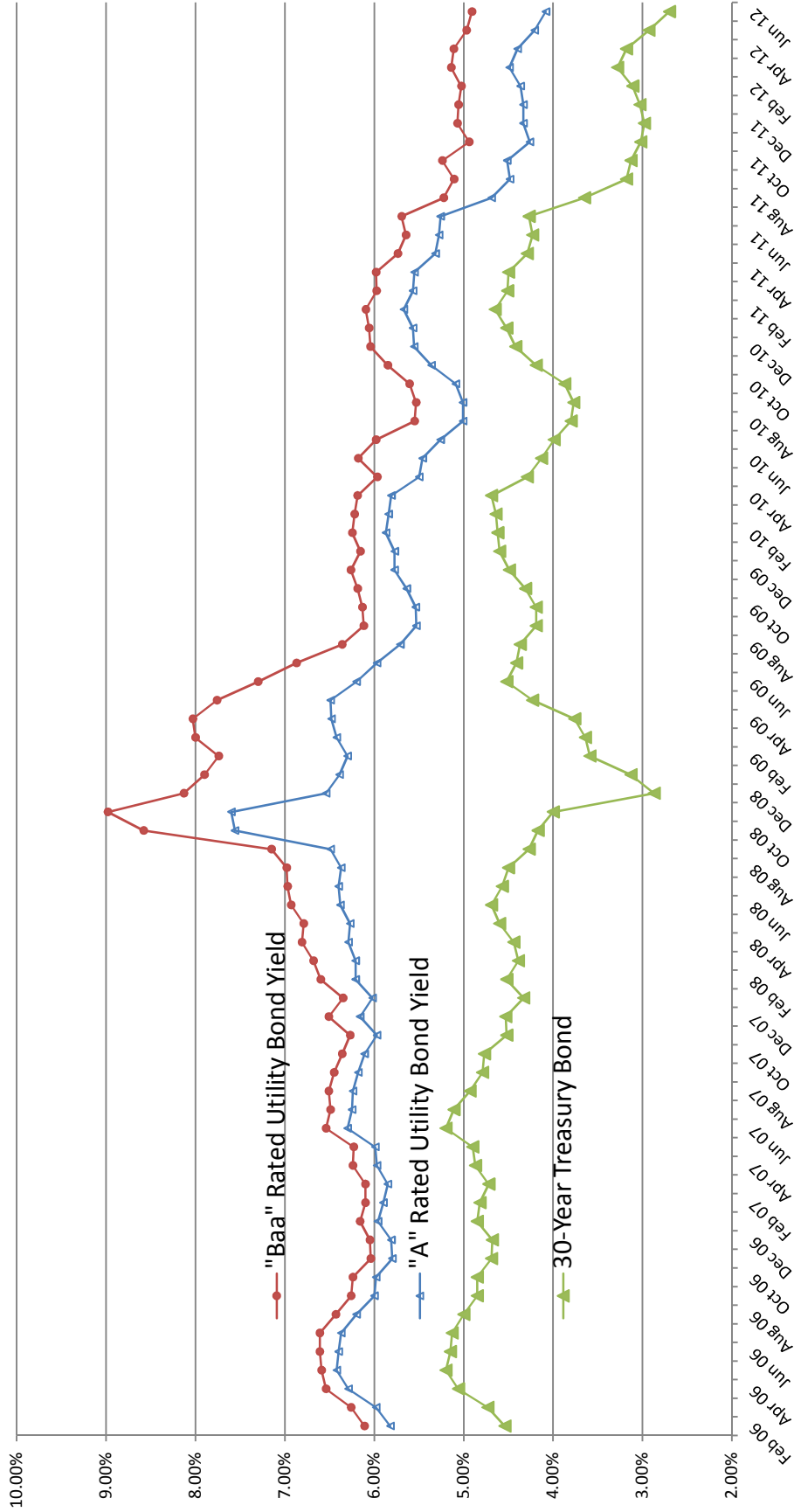
Sources:

¹ St. Louis Federal Reserve: Economic Research, <http://research.stlouisfed.org>.

²<http://credittrends.moodys.com/>.

Avista Corporation

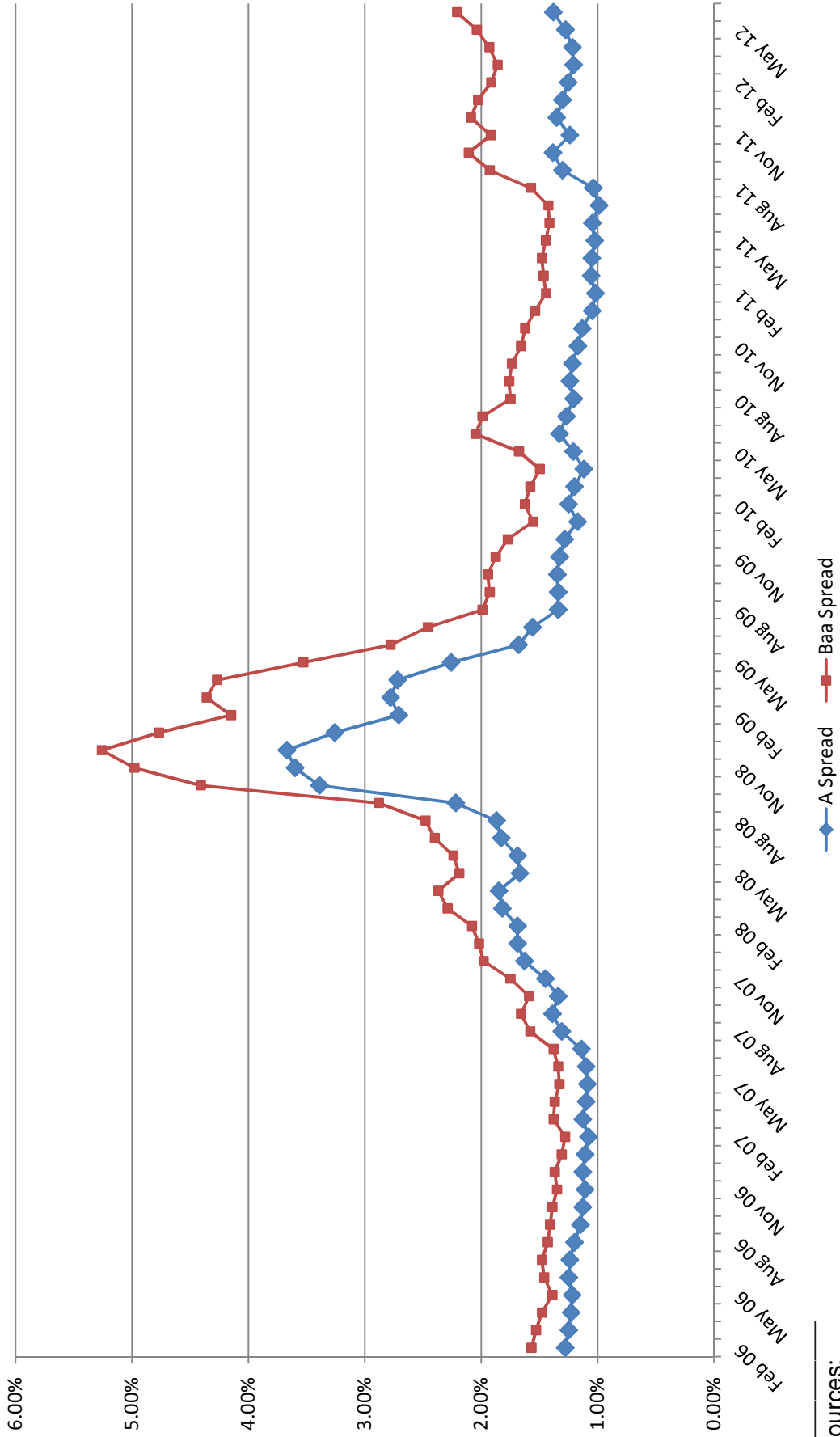
Trends in Bond Yields



Sources:
Merchant Bond Record.
www.moody.com, Bond Yields and Key Indicators.
St. Louis Federal Reserve: Economic Research, <http://research.stlouisfed.org/>

Avista Corporation

Yield Spread Between Utility Bonds and 30-Year Treasury Bonds



Sources:

Merchant Bond Record.

www.moody.com, Bond Yields and Key Indicators.

St. Louis Federal Reserve: Economic Research, <http://research.stlouisfed.org/>