

**Exh. DCP-9  
Dockets UE-240006/UG-240007  
Witness: David C. Parcell**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**AVISTA CORPORATION,**

**Respondent**

**DOCKETS UE-240006 & UG-240007  
(Consolidated)**

**EXHIBIT TO**

**TESTIMONY OF**

**DAVID C. PARCELL**

**ON BEHALF OF STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Proxy Companies DCF Cost Rates*

**July 3, 2024**

## PROXY COMPANIES DIVIDEND YIELD

COMPANY	Qtr DPS	March - May 2024			YIELD	
		DPS	HIGH	LOW		AVERAGE
<b>Proxy Group</b>						
ALLETE	\$0.71	\$2.84	\$65.86	\$55.86	\$60.86	4.7%
Avista Corp.	\$0.48	\$1.92	\$38.91	\$32.70	\$35.81	5.4%
Black Hills Corp	\$0.65	\$2.60	\$58.80	\$50.73	\$54.77	4.7%
IDACORP	\$0.83	\$3.32	\$99.21	\$86.47	\$92.84	3.6%
MGE Energy	\$0.43	\$1.71	\$82.52	\$61.94	\$72.23	2.4%
NorthWestern Corp	\$0.65	\$2.60	\$53.03	\$47.23	\$50.13	5.2%
OGE Energy	\$0.42	\$1.67	\$37.30	\$32.37	\$34.84	4.8%
Otter Tail Corp	\$0.47	\$1.87	\$97.19	\$80.00	\$88.60	2.1%
Pinnacle West Capital	\$0.88	\$3.52	\$78.77	\$67.52	\$73.15	4.8%
Portland General Electric	\$0.48	\$1.90	\$45.49	\$39.49	\$42.49	4.5%
Average						<b>4.2%</b>

Source: Yahoo! Finance.

**PROXY COMPANIES  
 RETENTION GROWTH RATES**

COMPANY	2019	2020	2021	2022	2023	Average	2024	2025	2027-2029	Average
<b>Proxy Group</b>										
ALLETE	2.3%	2.0%	1.5%	2.5%	3.5%	2.4%	2.5%	2.5%	3.5%	2.8%
Avista Corp.	4.9%	0.9%	1.4%	1.1%	1.2%	1.9%	1.5%	2.0%	2.0%	1.8%
Black Hills Corp	3.8%	3.8%	3.3%	3.4%	2.9%	3.4%	2.5%	3.0%	3.0%	2.8%
IDACORP	4.2%	3.9%	3.7%	3.7%	3.4%	3.8%	3.5%	3.5%	3.5%	3.5%
MGE Energy	4.6%	4.2%	5.0%	4.9%	5.0%	4.7%	6.0%	6.5%	7.0%	6.5%
NorthWestern Corp	3.1%	2.0%	2.3%	1.7%	1.4%	2.1%	2.0%	2.5%	3.0%	2.5%
OGE Energy	3.6%	2.8%	3.6%	3.0%	3.5%	3.3%	4.5%	4.5%	5.5%	4.8%
Otter Tail Corp	4.0%	4.1%	11.3%	12.4%	7.5%	7.9%	7.0%	7.0%	5.0%	6.3%
Pinnacle West Capital	3.8%	3.5%	4.2%	1.7%	1.9%	3.0%	2.0%	2.5%	3.0%	2.5%
Portland General Electric	3.1%	4.1%	3.5%	3.1%	1.6%	3.1%	3.0%	3.5%	3.5%	3.3%
Average						<b>3.6%</b>				<b>3.7%</b>

Source: Value Line Investment Survey.

**PROXY COMPANIES  
PER SHARE GROWTH RATES**

COMPANY	5-Year Historic Growth Rates				Est'd '21-'23 to '27-'29 Growth Rates			
	EPS	DPS	BVPS	Average	EPS	DPS	BVPS	Average
<b>Proxy Group</b>								
ALLETE	0.5%	3.5%	3.0%	2.3%	6.0%	3.5%	3.5%	4.3%
Avista Corp.	1.0%	4.5%	3.5%	3.0%	6.0%	4.5%	3.5%	4.7%
Black Hills Corp	4.0%	6.0%	6.5%	5.5%	3.5%	4.0%	3.5%	3.7%
IDACORP	3.5%	6.5%	4.5%	4.8%	5.0%	5.5%	4.0%	4.8%
MGE Energy	6.5%	4.5%	6.0%	5.7%	7.0%	3.5%	4.5%	5.0%
NorthWestern Corp	0.0%	3.5%	4.0%	2.5%	4.0%	2.0%	3.0%	3.0%
OGE Energy	4.5%	6.5%	1.5%	4.2%	6.5%	3.0%	5.5%	5.0%
Otter Tail Corp	14.5%	4.0%	6.0%	8.2%	4.5%	7.0%	8.0%	6.5%
Pinnacle West Capital	2.0%	5.0%	3.5%	3.5%	4.5%	1.5%	4.5%	3.5%
Portland General Electric	3.0%	6.0%	3.0%	4.0%	6.0%	5.5%	4.0%	5.2%
Average				<b>4.4%</b>				<b>4.6%</b>

Source: Value Line Investment Survey.

**PROXY COMPANIES  
PROJECTIONS OF EARNINGS PER SHARE GROWTH**

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<b>Proxy Group</b>	Value Line	First Call	Zack's	Average
ALLETE	6.0%	8.10%	8.10%	7.4%
Avista Corp.	6.0%	6.20%	6.21%	6.1%
Black Hills Corp	3.5%	0.70%	na	2.1%
IDACORP	5.0%	4.40%	4.38%	4.6%
MGE Energy	7.0%	5.40%	5.35%	5.9%
NorthWestern Corp	4.0%	4.50%	5.16%	4.6%
OGE Energy	6.5%	<b>-12.34%</b>	5.00%	5.8%
Otter Tail Corp	4.5%	9.00%	na	6.8%
Pinnacle West Capital	4.5%	7.20%	8.22%	6.6%
Portland General Electric	6.0%	<b>12.50%</b>	5.14%	5.6%
Average				<b>5.5%</b>

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Note: EPS growth rates in shaded cells are not included in averages, since they are outliers.

**PROXY COMPANIES  
DCF COST RATES**

COMPANY	ADJUSTED YIELD	HISTORIC RETENTION GROWTH	PROSPECTIVE RETENTION GROWTH	HISTORIC PER SHARE GROWTH	PROSPECTIVE PER SHARE GROWTH	PROJECTED EPS GROWTH	AVERAGE GROWTH	DCF RATES
<b>Proxy Group</b>								
ALLETE	4.8%	2.4%	2.8%	2.3%	4.3%	7.4%	3.9%	8.6%
Avista Corp.	5.5%	1.9%	1.8%	3.0%	4.7%	6.1%	3.5%	9.0%
Black Hills Corp	4.8%	3.4%	2.8%	5.5%	3.7%	2.1%	3.5%	8.3%
IDACORP	3.7%	3.8%	3.5%	4.8%	4.8%	4.6%	4.3%	8.0%
MGE Energy	2.4%	4.7%	6.5%	5.7%	5.0%	5.9%	5.6%	8.0%
NorthWestern Corp	5.3%	2.1%	2.5%	2.5%	3.0%	4.6%	2.9%	8.2%
OGE Energy	4.9%	3.3%	4.8%	4.2%	5.0%	5.8%	4.6%	9.5%
Otter Tail Corp	2.2%	7.9%	6.3%	8.2%	6.5%	6.8%	7.1%	9.3%
Pinnacle West Capital	4.9%	3.0%	2.5%	3.5%	3.5%	6.6%	3.8%	8.7%
Portland General Electric	4.6%	3.1%	3.3%	4.0%	5.2%	5.6%	4.2%	8.8%
Mean	4.3%	3.6%	3.7%	4.4%	4.6%	5.5%	4.3%	<b>8.6%</b>
Median	4.8%	3.2%	3.1%	4.1%	4.8%	5.8%	4.0%	<b>8.7%</b>
Composite - Mean		<b>7.9%</b>	8.0%	8.7%	8.9%	<b>9.8%</b>	8.6%	
Composite - Median		8.0%	<b>7.9%</b>	8.9%	9.5%	<b>10.6%</b>	8.8%	

Note: negative values not used in calculations.

Sources: Prior pages of this schedule.