Exh. DCP-7 Dockets UE-170485/UG-170486 Witness: David C. Parcell

#### BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

## WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

**Respondent.** 

DOCKETS UE-170485 and UG-170486 (Consolidated)

#### EXHIBIT TO TESTIMONY OF

## **David C. Parcell**

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

Proxy Companies Average Common Equity Ratios

October 27, 2017

# PROXY COMPANIES COMMON EQUITY RATIOS (EXCLUDING SHORT-TERM DEBT)

COMPANY	2012	2013	2014	2015	2016	Average	2020-2022
Parcell Proxy Group							
ALLETE	56.3%	55.4%	55.8%	53.7%	58.0%	55.8%	61.0%
Alliant Energy	48.4%	50.8%	47.5%	51.4%	47.2%	49.1%	48.0%
Avista Corp.	49.2%	48.6%	49.0%	50.0%	48.8%	49.1%	55.0%
Black Hills Corp	56.8%	48.4%	52.1%	44.0%	33.5%	47.0%	40.5%
El Paso Electric Co.	45.2%	48.6%	46.5%	47.3%	47.3%	47.0%	48.5%
Hawaiian Electric Industries	53.1%	55.0%	53.8%	55.5%	57.5%	55.0%	51.5%
IDACORP	54.5%	53.4%	54.7%	54.4%	55.2%	54.4%	57.5%
NorthWestern Corp	46.2%	46.5%	46.6%	46.9%	48.0%	46.8%	52.0%
OGE Energy	49.3%	56.9%	54.1%	55.7%	58.9%	55.0%	48.0%
Otter Tail Corp	54.4%	57.9%	53.5%	57.6%	57.0%	56.1%	59.0%
Pinnacle West Capital	55.4%	60.0%	59.0%	57.0%	54.4%	57.2%	54.0%
Portland General Corp	52.9%	48.7%	47.3%	52.2%	51.6%	50.5%	49.5%
PNM Resources	48.7%	49.7%	51.9%	45.5%	44.0%	48.0%	46.5%
SCANA Corp	45.6%	46.4%	47.4%	48.1%	46.9%	46.9%	46.0%
Vectren	49.6%	46.7%	53.3%	49.4%	52.7%	50.3%	54.5%
Average						51.2%	51.4%
Median						50.3%	51.5%
McKenzie Electric Group							
ALLETE	56.3%	55.4%	55.8%	53.7%	58.0%	55.8%	61.0%
Ameren Corp	49.4%	53.7%	51.7%	49.7%	51.3%	51.2%	50.5%
Avangrid, Inc.			83.2%	76.9%	77.0%	79.0%	76.0%
Avista Corp	49.2%	48.6%	49.0%	50.0%	48.8%	49.1%	55.0%
Black Hills Corp	56.8%	48.4%	52.1%	44.0%	33.5%	47.0%	40.5%
CMS Energy Corp	31.6%	32.2%	31.0%	31.4%	32.6%	31.8%	35.5%
Dominion Energy	38.2%	37.3%	34.6%	34.9%	32.6%	35.5%	29.5%
DTE Energy	51.2%	52.3%	50.0%	49.8%	44.4%	49.5%	43.5%
Edison International	46.2%	46.2%	47 00/	10 70/	40.00/	47 40/	47.0%
		40.270	47.2%	46.7%	49.2%	47.1%	47.070
El Paso Electric	45.2%	48.6%	47.2% 46.5%			47.1% 47.0%	48.5%
El Paso Electric		48.6%		46.7% 47.3% 51.3%	49.2% 47.3% 44.5%		
	45.2%	48.6% 55.2%	46.5%	47.3%	47.3%	47.0%	48.5%
El Paso Electric Exelon Corp	45.2% 53.5% 53.1%	48.6% 55.2% 55.0%	46.5% 52.8% 53.8%	47.3% 51.3% 55.5%	47.3% 44.5% 57.5%	47.0% 51.5% 55.0%	48.5% 47.0% 51.5%
El Paso Electric Exelon Corp Hawaiian Electric IDACORP	45.2% 53.5% 53.1% 54.5%	48.6% 55.2% 55.0% 53.4%	46.5% 52.8% 53.8% 54.7%	47.3% 51.3%	47.3% 44.5% 57.5% 55.2%	47.0% 51.5% 55.0% 54.4%	48.5% 47.0% 51.5% 57.5%
El Paso Electric Exelon Corp Hawaiian Electric IDACORP Northwestern Corp	45.2% 53.5% 53.1% 54.5% 46.2%	48.6% 55.2% 55.0% 53.4% 46.5%	46.5% 52.8% 53.8% 54.7% 46.6%	47.3% 51.3% 55.5% 54.4% 46.9%	47.3% 44.5% 57.5% 55.2% 48.0%	47.0% 51.5% 55.0% 54.4% 46.8%	48.5% 47.0% 51.5% 57.5% 52.0%
El Paso Electric Exelon Corp Hawaiian Electric IDACORP Northwestern Corp Otter Tail Corp	45.2% 53.5% 53.1% 54.5% 46.2% 54.4%	48.6% 55.2% 55.0% 53.4% 46.5% 57.9%	46.5% 52.8% 53.8% 54.7% 46.6% 53.5%	47.3% 51.3% 55.5% 54.4% 46.9% 57.6%	47.3% 44.5% 57.5% 55.2% 48.0% 57.0%	47.0% 51.5% 55.0% 54.4% 46.8% 56.1%	48.5% 47.0% 51.5% 57.5% 52.0% 59.0%
El Paso Electric Exelon Corp Hawaiian Electric IDACORP Northwestern Corp Otter Tail Corp PG&E Corp	45.2% 53.5% 53.1% 54.5% 46.2% 54.4% 50.4%	48.6% 55.2% 55.0% 53.4% 46.5% 57.9% 52.5%	46.5% 52.8% 53.8% 54.7% 46.6% 53.5% 50.7%	47.3% 51.3% 55.5% 54.4% 46.9% 57.6% 50.4%	47.3% 44.5% 57.5% 55.2% 48.0% 57.0% 52.1%	47.0% 51.5% 55.0% 54.4% 46.8% 56.1% 51.2%	48.5% 47.0% 51.5% 57.5% 52.0% 59.0% 52.5%
El Paso Electric Exelon Corp Hawaiian Electric IDACORP Northwestern Corp Otter Tail Corp	45.2% 53.5% 53.1% 54.5% 46.2% 54.4%	48.6% 55.2% 55.0% 53.4% 46.5% 57.9%	46.5% 52.8% 53.8% 54.7% 46.6% 53.5%	47.3% 51.3% 55.5% 54.4% 46.9% 57.6%	47.3% 44.5% 57.5% 55.2% 48.0% 57.0%	47.0% 51.5% 55.0% 54.4% 46.8% 56.1%	48.5% 47.0% 51.5% 57.5% 52.0% 59.0%
El Paso Electric Exelon Corp Hawaiian Electric IDACORP Northwestern Corp Otter Tail Corp PG&E Corp Portland General Electric	45.2% 53.5% 53.1% 54.5% 46.2% 54.4% 50.4% 52.9%	48.6% 55.2% 55.0% 53.4% 46.5% 57.9% 52.5% 48.7%	46.5% 52.8% 53.8% 54.7% 46.6% 53.5% 50.7% 47.3%	47.3% 51.3% 55.5% 54.4% 46.9% 57.6% 50.4% 52.2%	47.3% 44.5% 57.5% 55.2% 48.0% 57.0% 52.1% 51.6%	47.0% 51.5% 55.0% 54.4% 46.8% 56.1% 51.2% 50.5%	48.5% 47.0% 51.5% 57.5% 52.0% 59.0% 52.5% 49.5%

Source: Value Line Investment Survey.