

**Exh. DCP-8
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 Basis for Selection

October 27, 2017

**PROXY COMPANIES
BASIS FOR SELECTION**

Company	Market Capitalization (\$000)	Common Equity Ratio	Value Line Safety	S&P Stock Ranking	S&P Bond Rating	Moody's Bond Rating
Avista Corp.	\$3,300,000	48.8%	2	A-	BBB	Baa1
Parcell Proxy Group						
ALLETE	\$4,000,000	58.0%	2	A-	BBB+	A3
Alliant Energy	\$9,800,000	47.2%	2	B+	A-	Baa1
Black Hills Corp	\$3,700,000	33.5% *	2	B	BBB	Baa2
El Paso Electric Co.	\$2,100,000	47.3%	2	B	BBB	Baa1
Hawaiian Electric Industries	\$3,500,000	57.5%	2	A-	BBB-	Baa2
IDACORP	\$4,200,000	55.2%	2	A	BBB	Baa1
NorthWestern Corp	\$2,900,000	48.0%	3	A+	BBB	A2
OGE Energy	\$7,100,000	58.9%	2	A-	A-	A1
Otter Tail Corp	\$1,700,000	57.0%	2	B	BBB	Baa2
Pinnacle West Capital	\$9,600,000	54.4%	1	A-	A-	A3
Portland General Corp	\$4,000,000	51.6%	2	A-	BBB	A3
PNM Resources	\$3,000,000	44.0%	3	B	BBB+	Baa3
SCANA Corp	\$9,100,000	46.9%	2	A	BBB+	Baa3
Vectren	\$5,500,000	52.7%	2	B+	A-	A2
McKenzie Electric Group						
ALLETE	\$4,000,000	58.0%	2	A-	BBB+	A3
Ameren Corp	\$15,000,000	51.3%	2	B	BBB+	Baa1
Avangrid, Inc.	\$15,000,000	77.0%	2	NR	BBB+	Baa1
Avista Corp	\$3,300,000	48.8%	2	A-	BBB	Baa1
Black Hills Corp	\$3,700,000	33.5%	2	B	BBB	Baa2
CMS Energy Corp	\$1,400,000	32.6%	2	A-	BBB+	Baa1
Dominion Energy	\$50,000,000	32.6%	2	B	BBB+	Baa2
DTE Energy	\$20,000,000	44.4%	2	A-	BBB+	Baa1
Edison International	\$25,000,000	49.2%	2	B	BBB+	A3
El Paso Electric	\$2,100,000	47.3%	2	B	BBB	Baa1
Exelon Corp	\$37,000,000	44.5%	3	B	BBB	Baa2
Hawaiian Electric	\$3,500,000	57.5%	2	A-	BBB-	Baa2
IDACORP	\$4,200,000	55.2%	2	A	BBB	Baa1
Northwestern Corp	\$2,900,000	48.0%	3	A+	BBB	A2
Otter Tail Corp	\$1,700,000	57.0%	2	B	BBB	Baa2
PG&E Corp	\$34,000,000	52.1%	2	B	BBB+	A3
Portland General Electric	\$4,000,000	51.6%	2	A-	BBB	A3
Sempra Energy	\$28,000,000	47.3%	2	B+	BBB+	Baa1

* The common equity ratio of Black Hills Corp in 2016 was 33.5%. However, historically this company has had a common equity ratio of well over 40% and is projected to have a common equity ratio of over 40% by Value Line. The relatively low 2016 common equity ratio, due to the merger of SourceGas, is deemed to be temporary. As a result, this company is included in Mr. Parcell's proxy group.

Sources: Value Line, S&P Stock Guide.