

**Exh. DCP-12
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 ROE and M/B Ratios

October 27, 2017

**PROXY COMPANIES
RATES OF RETURN ON AVERAGE COMMON EQUITY**

COMPANY	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2002-2008 Average	2009-2016 Average	2017	2018	2020-22
Parcell Proxy Group																				
ALLETE				12.0%	13.2%	13.4%	11.4%	7.3%	8.2%	9.5%	8.7%	8.4%	8.6%	9.4%	8.3%		8.6%	8.0%	8.5%	9.0%
Alliant Energy	5.7%	9.1%	8.5%	10.3%	9.4%	11.5%	10.2%	7.5%	10.8%	10.4%	11.1%	11.4%	11.5%	10.6%	9.9%	9.2%	10.4%	11.5%	12.0%	13.0%
Avista Corp.	4.5%	6.7%	4.6%	5.8%	8.8%	4.1%	7.6%	8.4%	8.5%	8.6%	6.4%	8.7%	8.1%	7.8%	8.6%	6.0%	8.1%	7.5%	7.5%	7.5%
Black Hills Corp	12.1%	8.9%	7.9%	9.4%	9.6%	10.9%	0.7%	8.4%	5.9%	3.6%	7.1%	9.1%	9.6%	9.5%	8.9%	8.5%	7.8%	11.0%	10.0%	10.5%
El Paso Electric Co.	6.3%	6.5%	6.3%	6.7%	10.5%	11.9%	11.4%	9.4%	11.7%	13.0%	11.4%	10.0%	9.5%	8.2%	9.3%	8.5%	10.3%	9.0%	9.0%	9.5%
Hawaiian Electric Industries	11.9%	11.1%	9.3%	9.7%	9.3%	7.7%	7.0%	5.9%	7.7%	9.1%	10.4%	9.7%	9.5%	8.5%	12.4%	9.4%	9.2%	8.5%	8.5%	9.0%
IDACORP	7.1%	4.2%	8.2%	7.3%	9.4%	7.1%	8.0%	9.3%	9.8%	10.5%	9.9%	10.1%	10.2%	9.7%	9.4%	7.3%	9.9%	9.0%	9.0%	9.0%
NorthWestern Corp					6.4%	6.9%	8.4%	9.4%	9.6%	10.9%	9.3%	9.5%	10.3%	9.0%	10.0%		9.8%	9.5%	9.5%	10.0%
OGE Energy	11.1%	13.2%	12.7%	12.5%	15.0%	14.7%	13.0%	12.9%	13.5%	14.0%	13.2%	13.2%	12.5%	10.3%	10.0%	13.2%	12.5%	11.0%	11.0%	12.0%
Otter Tail Corp	15.2%	12.0%	10.8%	11.6%	10.4%	10.4%	5.9%	3.7%	2.1%	2.7%	6.9%	9.4%	10.3%	9.9%	9.7%	10.9%	6.8%	9.5%	9.5%	10.0%
Pinnacle West Capital	8.6%	8.3%	8.2%	6.7%	9.2%	8.5%	6.1%	6.8%	9.3%	8.7%	9.8%	9.9%	9.2%	9.7%	9.4%	7.9%	9.1%	9.5%	9.5%	10.0%
Portland General Corp					5.9%	11.5%	6.5%	6.2%	8.0%	9.0%	8.3%	7.7%	9.1%	8.2%	8.3%		8.1%	8.5%	8.5%	9.5%
PNM Resources	6.3%	6.7%	7.9%	8.6%	8.4%	3.4%	0.5%	3.1%	4.8%	5.8%	6.6%	6.9%	6.7%	7.6%	7.6%	6.0%	6.1%	8.0%	8.0%	9.5%
SCANA Corp	11.7%	12.4%	12.6%	12.4%	10.9%	11.0%	11.5%	10.7%	10.5%	10.0%	10.2%	10.5%	11.1%	10.4%	10.6%	11.8%	10.5%	10.0%	10.5%	11.0%
Vectren	13.3%	11.6%	9.9%	12.3%	9.5%	11.6%	9.9%	10.6%	9.4%	9.7%	10.6%	8.9%	10.5%	12.0%	12.2%	11.2%	10.5%	12.0%	12.0%	12.0%
Average	9.5%	9.2%	8.9%	9.6%	9.7%	9.6%	7.9%	8.0%	8.7%	9.0%	9.3%	9.6%	9.8%	9.4%	9.6%	9.2%	9.2%	9.5%	9.5%	10.1%
Median	9.9%	9.0%	8.4%	9.7%	9.4%	10.9%	8.0%	8.4%	9.3%	9.5%	9.8%	9.5%	9.6%	9.5%	9.4%	9.3%	9.4%	9.5%	9.5%	10.0%
McKenzie Electric Group																				
ALLETE				12.0%	13.2%	13.4%	11.4%	7.3%	8.2%	9.5%	8.7%	8.4%	8.6%	9.4%	8.3%		8.6%	8.0%	8.5%	9.0%
Ameren Corp	10.8%	12.2%	10.0%	10.3%	8.5%	9.3%	8.8%	8.4%	8.5%	7.6%	8.0%	7.7%	8.8%	8.5%	9.3%	10.0%	8.4%	9.5%	9.5%	10.0%
Avangrid, Inc.														4.3%	4.1%			4.5%	4.5%	5.0%
Avista Corp	4.5%	6.7%	4.6%	5.8%	8.8%	4.1%	7.6%	8.4%	8.5%	8.6%	6.4%	8.7%	8.1%	7.8%	8.6%	6.0%	8.1%	7.5%	7.5%	7.5%
Black Hills Corp	12.1%	8.9%	7.9%	9.4%	9.6%	10.9%	0.7%	8.4%	5.9%	3.6%	7.1%	9.1%	9.6%	9.5%	8.9%	8.5%	7.8%	11.0%	10.0%	10.5%
CMS Energy Corp	nmf	nmf	7.2%	10.4%	6.2%	6.6%	12.1%	8.3%	11.8%	12.5%	12.7%	13.2%	13.2%	13.7%	13.5%	8.5%	12.4%	13.5%	13.5%	13.5%
Dominion Energy	14.9%	12.0%	12.9%	9.4%	14.3%	12.2%	18.1%	14.7%	14.7%	13.5%	14.3%	16.1%	15.3%	15.6%	15.5%	13.4%	15.0%	13.5%	15.0%	19.0%
DTE Energy	13.7%	9.7%	8.1%	10.2%	7.5%	7.7%	7.5%	8.7%	9.6%	9.1%	9.2%	8.6%	11.1%	9.3%	9.7%	9.2%	9.4%	11.0%	10.5%	10.5%
Edison International	15.4%	15.8%	3.9%	17.4%	14.9%	13.4%	13.4%	10.9%	10.7%	10.2%	15.2%	12.7%	13.5%	12.1%	11.0%	13.5%	12.0%	11.0%	11.0%	12.0%
El Paso Electric	6.3%	6.5%	6.3%	6.7%	10.5%	11.9%	11.4%	9.4%	11.7%	13.0%	11.4%	10.0%	9.5%	8.2%	9.3%	8.5%	10.3%	9.0%	9.0%	9.5%
Exelon Corp	19.4%	19.7%	20.3%	23.0%	24.5%	26.7%	25.5%	23.9%	19.5%	17.8%	8.2%	9.0%	8.0%	9.4%	6.4%	22.7%	12.8%	9.0%	9.0%	9.5%
Hawaiian Electric	11.9%	11.1%	9.3%	9.7%	9.3%	7.7%	7.0%	5.9%	7.7%	9.1%	10.4%	9.7%	9.5%	8.5%	12.4%	9.4%	9.2%	8.5%	8.5%	9.0%
IDACORP	7.1%	4.2%	8.2%	7.3%	9.4%	7.1%	8.0%	9.3%	9.8%	10.5%	9.9%	10.1%	10.2%	9.7%	9.4%	7.3%	9.9%	9.0%	9.0%	9.0%
Northwestern Corp					6.4%	6.9%	8.4%	9.4%	9.6%	10.9%	9.3%	9.5%	10.3%	9.0%	10.0%		9.8%	9.5%	9.5%	10.0%
Otter Tail Corp	15.2%	12.0%	10.8%	11.6%	10.4%	10.4%	5.9%	3.7%	2.1%	2.7%	6.9%	9.4%	10.3%	9.9%	9.7%	10.9%	6.8%	9.5%	9.5%	10.0%
PG&E Corp	nmf	nmf	13.8%	11.7%	13.2%	11.9%	12.8%	11.3%	10.0%	9.6%	6.9%	5.9%	9.5%	6.0%	8.2%	12.7%	8.4%	10.0%	10.0%	10.0%
Portland General Electric					5.9%	11.5%	6.5%	6.2%	8.0%	9.0%	8.3%	7.7%	9.1%	8.2%	8.3%		8.1%	8.5%	8.5%	9.5%
Sempra Energy	20.7%	19.4%	20.7%	15.7%	16.1%	14.1%	13.7%	13.8%	10.9%	11.4%	10.4%	9.7%	10.2%	11.2%	8.5%	17.2%	10.8%	9.5%	10.0%	13.0%
Average	12.7%	11.5%	10.3%	11.4%	11.1%	10.9%	10.5%	9.9%	9.8%	9.9%	9.6%	9.7%	10.3%	9.5%	9.5%	11.3%	9.9%	9.6%	9.6%	10.4%
Median	12.9%	11.6%	8.8%	10.3%	9.6%	10.9%	8.8%	8.7%	9.6%	9.6%	9.2%	9.4%	9.6%	9.4%	9.3%	10.4%	9.3%	9.5%	9.5%	10.0%

Source: Calculations made from data contained in Value Line Investment Survey.

**PROXY COMPANIES
MARKET TO BOOK RATIOS**

COMPANY	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2002-2008 Average	2009-2016 Average
Parcell Proxy Group																	
ALLETE				212%	219%	195%	156%	113%	127%	138%	136%	152%	151%	146%	153%		140%
Alliant Energy	110%	97%	120%	131%	155%	173%	131%	103%	131%	147%	161%	169%	197%	196%	214%	131%	165%
Avista Corp.	85%	94%	111%	115%	135%	127%	110%	94%	106%	119%	123%	125%	143%	141%	158%	111%	126%
Black Hills Corp	143%	134%	134%	165%	153%	164%	124%	77%	108%	109%	121%	161%	181%	152%	186%	145%	137%
El Paso Electric Co.	140%	120%	148%	176%	179%	179%	134%	102%	134%	164%	163%	161%	158%	152%	167%	154%	150%
Hawaiian Electric Industries	153%	151%	179%	181%	192%	166%	166%	113%	140%	150%	164%	156%	167%	175%	169%	170%	154%
IDACORP	134%	112%	125%	122%	139%	132%	104%	94%	113%	119%	123%	136%	159%	158%	177%	124%	135%
NorthWestern Corp					160%	147%	109%	105%	122%	138%	146%	159%	174%	167%	171%		148%
OGE Energy	147%	154%	178%	187%	205%	197%	145%	139%	180%	197%	204%	231%	228%	184%	170%	173%	192%
Otter Tail Corp	245%	209%	185%	183%	178%	200%	167%	108%	120%	123%	152%	196%	196%	186%	207%	195%	161%
Pinnacle West Capital	116%	114%	130%	130%	129%	127%	100%	90%	113%	125%	141%	153%	158%	160%	172%	121%	139%
Portland General Corp					153%	140%	101%	83%	97%	109%	117%	131%	145%	148%	155%		123%
PNM Resources	95%	93%	124%	147%	134%	125%	72%	50%	68%	86%	100%	109%	127%	129%	156%	113%	103%
SCANA Corp	137%	158%	171%	179%	167%	158%	141%	121%	134%	135%	152%	154%	160%	158%	174%	159%	149%
Vectren	174%	170%	175%	185%	179%	175%	157%	133%	142%	153%	160%	180%	216%	218%	222%	174%	178%
Average	140%	134%	148%	163%	165%	160%	128%	102%	122%	134%	144%	158%	171%	165%	177%	147%	147%
Median	139%	127%	141%	176%	160%	164%	131%	103%	122%	135%	146%	156%	160%	158%	171%	148%	144%
McKenzie Electric Group																	
ALLETE				212%	219%	195%	156%	113%	127%	138%	136%	152%	151%	146%	153%		140%
Ameren Corp	163%	162%	161%	172%	164%	159%	122%	83%	81%	92%	106%	125%	152%	149%	165%	158%	119%
Avangrid, Inc.													146%	84%			
Avista Corp	85%	94%	111%	115%	135%	127%	110%	94%	106%	119%	123%	125%	143%	141%	158%	111%	126%
Black Hills Corp	143%	134%	134%	165%	153%	164%	124%	77%	108%	109%	121%	161%	181%	152%	186%	145%	137%
CMS Energy Corp	137%	80%	90%	125%	142%	177%	127%	117%	148%	170%	192%	218%	239%	254%	276%	125%	202%
Dominion Energy	158%	180%	196%	242%	229%	256%	238%	186%	207%	235%	272%	313%	362%	352%	327%	214%	282%
DTE Energy	145%	142%	132%	140%	134%	143%	101%	91%	116%	121%	137%	153%	170%	173%	180%	134%	143%
Edison International	117%	108%	153%	205%	194%	208%	149%	101%	111%	117%	146%	166%	177%	182%	191%	162%	149%
El Paso Electric	140%	120%	148%	176%	179%	179%	134%	102%	134%	164%	163%	161%	158%	152%	167%	154%	150%
Exelon Corp	191%	227%	280%	356%	401%	481%	415%	271%	169%	200%	154%	125%	124%	117%	114%	336%	159%
Hawaiian Electric	153%	151%	179%	181%	192%	166%	166%	113%	140%	150%	164%	156%	167%	175%	169%	170%	154%
IDACORP	134%	112%	125%	122%	139%	132%	104%	94%	113%	119%	123%	136%	159%	158%	177%	124%	135%
Northwestern Corp					160%	147%	109%	105%	122%	138%	146%	159%	174%	167%	171%		148%
Otter Tail Corp	245%	209%	185%	183%	178%	200%	167%	108%	120%	123%	152%	196%	196%	186%	207%	195%	161%
PG&E Corp	149%	203%	196%	179%	201%	203%	144%	149%	148%	146%	145%	143%	147%	161%	168%	182%	151%
Portland General Electric					153%	140%	101%	83%	97%	109%	117%	131%	145%	148%	155%		123%
Sempra Energy	155%	172%	178%	186%	190%	194%	151%	135%	136%	128%	153%	187%	223%	220%	203%	175%	173%
Average	151%	150%	162%	184%	186%	192%	154%	119%	128%	140%	150%	165%	180%	177%	181%	170%	156%
Median	147%	147%	157%	179%	178%	177%	134%	105%	122%	128%	146%	156%	167%	160%	170%	160%	144%

Source: Calculations made from data contained in Value Line Investment Survey.