

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-15_____

DOCKET NO. UG-15_____

EXHIBIT NO. ____ (AMM-12)

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

DIVIDEND YIELD

| | | | (a) | (b) | |
|----|-------------------|-----------------------|--------------|------------------|--------------|
| | <u>Company</u> | <u>Industry Group</u> | <u>Price</u> | <u>Dividends</u> | <u>Yield</u> |
| 1 | Church & Dwight | Household Products | \$ 77.77 | \$ 1.24 | 1.6% |
| 2 | Coca-Cola | Beverage | \$ 42.68 | \$ 1.30 | 3.0% |
| 3 | Colgate-Palmolive | Household Products | \$ 69.28 | \$ 1.50 | 2.2% |
| 4 | ConAgra Foods | Food Processing | \$ 36.57 | \$ 1.00 | 2.7% |
| 5 | Gen'l Mills | Food Processing | \$ 52.99 | \$ 1.66 | 3.1% |
| 6 | Hormel Foods | Food Processing | \$ 52.08 | \$ 1.00 | 1.9% |
| 7 | Kellogg | Food Processing | \$ 65.97 | \$ 1.96 | 3.0% |
| 8 | Kimberly-Clark | Household Products | \$ 115.21 | \$ 3.36 | 2.9% |
| 9 | McCormick & Co. | Food Processing | \$ 74.09 | \$ 1.60 | 2.2% |
| 10 | McDonald's Corp. | Restaurant | \$ 93.40 | \$ 3.40 | 3.6% |
| 11 | PepsiCo, Inc. | Beverage | \$ 96.44 | \$ 2.74 | 2.8% |
| 12 | Procter & Gamble | Household Products | \$ 90.88 | \$ 2.58 | 2.8% |
| 13 | Smucker (J.M.) | Food Processing | \$ 101.35 | \$ 2.59 | 2.6% |
| 14 | Verizon Com. | Telecommunications | \$ 47.48 | \$ 2.20 | 4.6% |
| 15 | Wal-Mart Stores | Retail Store | \$ 85.72 | \$ 1.92 | 2.2% |
| | Average | | | | 2.8% |

(a) Average of closing prices for 30 trading days ended Jan. 9, 2015.

(b) The Value Line Investment Survey, *Summary & Index* (Jan. 9, 2015).

GROWTH RATES

| | (a) | (b) | (c) | (d) |
|---------------------|------------------------------|-------------|--------------|----------------|
| | Earnings Growth Rates | | | |
| <u>Company</u> | <u>V Line</u> | <u>IBES</u> | <u>Zacks</u> | <u>Reuters</u> |
| 1 Church & Dwight | 10.0% | 9.84% | 9.80% | 8.70% |
| 2 Coca-Cola | 6.5% | 3.63% | 6.53% | 3.63% |
| 3 Colgate-Palmolive | 10.5% | 8.13% | 8.29% | 7.50% |
| 4 ConAgra Foods | 8.0% | 9.30% | 8.20% | 9.80% |
| 5 Gen'l Mills | 7.0% | 6.63% | 7.10% | 5.70% |
| 6 Hormel Foods | 11.0% | 10.47% | 8.00% | 7.10% |
| 7 Kellogg | 6.5% | 5.67% | 5.60% | 4.03% |
| 8 Kimberly-Clark | 9.5% | 7.00% | 7.37% | 7.00% |
| 9 McCormick & Co. | 8.0% | 8.00% | 7.80% | 6.95% |
| 10 McDonald's Corp. | 7.0% | 5.18% | 8.27% | 4.62% |
| 11 PepsiCo, Inc. | 8.5% | 7.56% | 7.28% | 7.28% |
| 12 Procter & Gamble | 7.5% | 8.10% | 7.97% | 8.23% |
| 13 Smucker (J.M.) | 8.0% | 5.20% | 5.85% | 3.93% |
| 14 Verizon Com. | 8.0% | 8.33% | 9.38% | 10.25% |
| 15 Wal-Mart Stores | 6.5% | 5.67% | 5.80% | 4.34% |

(a) The Value Line Investment Survey (Nov. 28, Oct. 24, Oct. 31, Dec. 19, & Dec. 26, 2014).

(b) www.finance.yahoo.com (retrieved Jan. 14, 2015).

(c) www.zacks.com (Retrieved Jan. 14, 2015).

(d) www.reuters.com (retrieved Jan. 14, 2015).

DCF COST OF EQUITY ESTIMATES

| | (a) | (a) | (a) | (a) |
|----------------------|---------------------------------|--------------|--------------|----------------|
| | Cost of Equity Estimates | | | |
| <u>Company</u> | <u>V Line</u> | <u>IBES</u> | <u>Zacks</u> | <u>Reuters</u> |
| 1 Church & Dwight | 11.6% | 11.4% | 11.4% | 10.3% |
| 2 Coca-Cola | 9.5% | 6.7% | 9.6% | 6.7% |
| 3 Colgate-Palmolive | 12.7% | 10.3% | 10.5% | 9.7% |
| 4 ConAgra Foods | 10.7% | 12.0% | 10.9% | 12.5% |
| 5 Gen'l Mills | 10.1% | 9.8% | 10.2% | 8.8% |
| 6 Hormel Foods | 12.9% | 12.4% | 9.9% | 9.0% |
| 7 Kellogg | 9.5% | 8.6% | 8.6% | 7.0% |
| 8 Kimberly-Clark | 12.4% | 9.9% | 10.3% | 9.9% |
| 9 McCormick & Co. | 10.2% | 10.2% | 10.0% | 9.1% |
| 10 McDonald's Corp. | 10.6% | 8.8% | 11.9% | 8.3% |
| 11 PepsiCo, Inc. | 11.3% | 10.4% | 10.1% | 10.1% |
| 12 Procter & Gamble | 10.3% | 10.9% | 10.8% | 11.1% |
| 13 Smucker (J.M.) | 10.6% | 7.8% | 8.4% | 6.5% |
| 14 Verizon Communic. | 12.6% | 13.0% | 14.0% | 14.9% |
| 15 Wal-Mart Stores | 8.7% | 7.9% | 8.0% | 6.6% |
| Average (b) | 10.9% | 10.2% | 10.3% | 10.3% |
| Midpoint (c) | 10.8% | 10.4% | 11.0% | 11.6% |

(a) Sum of dividend yield (Exhibit No.__(AMM-12), p. 1) and respective growth rate (Exhibit No.__(AMM-12), p. 2).

(b) Excludes highlighted figures.

(c) Average of low and high values.