

PUGET SOUND ENERGY

**MECHANICAL DCF COST OF EQUITY CAPITAL
 ELECTRIC UTILITIES**

Company	Value Line Projected			IBES	Zacks	Average	Div. Yield	DCF
	EPS	DPS	BVPS	EPS	EPS	Growth	(Sch. 2)	Result
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
SO	4.50%	4.00%	4.50%	4.84%	4.76%	4.52%	4.52%	9.04%
ALE	7.00%	3.50%	4.00%	6.00%	6.50%	5.40%	3.90%	9.30%
LNT	5.00%	4.50%	4.00%	5.87%	5.68%	5.01%	3.78%	8.79%
AEP	4.50%	4.00%	4.00%	3.64%	3.38%	3.90%	4.19%	8.09%
CNL	5.50%	10.00%	5.00%	8.00%	8.00%	7.30%	3.23%	10.53%
ETR	-3.50%	0.50%	3.00%	0.00%	n/a	1.75%	4.82%	6.57%
WR	6.00%	3.00%	5.00%	4.80%	5.10%	4.78%	4.20%	8.98%
WEC	5.50%	12.00%	3.50%	5.55%	5.20%	6.35%	3.41%	9.76%
EIX	2.50%	5.50%	4.50%	-1.89%	4.58%	4.27%	2.86%	7.13%
IDA	2.00%	7.00%	4.50%	4.00%	4.00%	4.30%	3.15%	7.45%
NWE	3.00%	4.00%	4.50%	5.00%	5.00%	4.30%	3.69%	7.99%
PCG	4.00%	2.50%	3.00%	3.12%	1.35%	2.79%	3.96%	6.75%
PNW	5.00%	2.00%	3.50%	7.25%	4.13%	4.38%	3.81%	8.19%
POR	3.50%	3.50%	3.50%	4.77%	6.53%	4.36%	3.57%	7.93%
XEL	4.50%	4.50%	4.50%	5.11%	4.88%	4.70%	3.77%	8.47%

OVERALL AVERAGE 8.33%

AVERAGE W/O ETR, CNL 8.30%

Average 4.54%
 Standard Deviation 1.29%
 Avg. + 2 S.D. 7.13%
 Avg. -2 S.D. 1.95%

Columns [1], [2], and [3], from Value Line Ratings and Reports, May 3, May 24, and June 21, 2013.
 Columns [4] and [5], Data from Yahoo.com., and Zacks.com.
 Column [6] = ([1]+[2]+[3]+[4]+[5])/5
 Column [7], Value Line year-ahead dividend yield.
 Column [8] = [6]+[7]
 Column [9] = [7]+([1]+[4]+[5])/3