

**Exhibit No. DCP-16  
Dockets UE-090704 and UG-090705  
Witness: David C. Parcel**

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**DOCKET UE-090704**

**DOCKET UG-090705**

**EXHIBIT TO TESTIMONY OF**

**DAVID C. PARCELL**

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

*Risk Indicators*

**November 17, 2009**

## RISK INDICATORS

GROUP	VALUE LINE SAFETY	VALUE LINE BETA	VALUE LINE FIN STR	S & P STK RANK
S & P's 500 Composite	2.6	1.05	B++	B+
PROXY GROUP	2.9	0.76	B+	B
S&P Electric Utilities	2.4	0.75	B++	B+
Integrated Electric Utilities	2.4	0.71	B++	B+

Sources: Value Line Investment Survey, Standard & Poor's Stock Guide.

### Definitions:

Safety rankings are in a range of 1 to 5, with 1 representing the highest safety or lowest risk.

Beta reflects the variability of a particular stock, relative to the market as a whole. A stock with a beta of 1.0 moves in concert with the market, a stock with a beta below 1.0 is less variable than the market, and a stock with a beta above 1.0 is more variable than the market.

Financial strengths range from C to A++, with the latter representing the highest level.

Common stock rankings range from D to A+, with the later representing the highest level.

**RISK INDICATORS**

COMPANY	VALUE LINE SAFETY	VALUE LINE BETA	VALUE LINE FIN STR		S & P STK RANK	
<b>Comparison Group</b>						
Allegheny Energy	3.0	1.00	B++	3.67	B	3.00
Avista Corp	3.0	0.70	B+	3.33	B+	3.33
Cleco	3.0	0.65	B+	3.33	B	3.00
Empire District Electric	3.0	0.75	B+	3.33	B+	3.33
Great Plains Energy	3.0	0.75	B+	3.33	B	3.00
Hawaiian Electric Industries	3.0	0.70	B+	3.33	B+	3.33
Pinnacle West Capital	3.0	0.75	B+	3.33	B	3.00
Westar Energy	2.0	0.75	B++	3.67	B	3.00
Average	2.9	0.76	B+	3.42	B	3.12
<b>S&amp;P Electric Utilities</b>						
Allegheny Energy	3.0	1.00	B++	3.67	B	3.00
American Electric Power	3.0	0.70	B++	3.67	B	3.00
Ameren	3.0	0.80	B++	3.67	B+	3.33
CMS Energy	3.0	0.80	B	3.00	B	3.00
CenterPoint Energy	3.0	0.80	B	3.00	B	3.00
Consolidated Edison	1.0	0.65	A+	4.33	B+	3.33
Constellation Energy	3.0	0.80	B+	3.33	B	3.00
DTE Energy	3.0	0.75	B+	3.33	B	3.00
Dominion Resources	2.0	0.70	B++	3.67	B+	3.33
Duke Energy	2.0	0.65	A	4.00	B	3.00
Edison International	3.0	0.80	B++	3.67	B	3.00
Entergy	2.0	0.70	A	4.00	A	4.00
Exelon	1.0	0.85	A+	4.33	B+	3.33
FPL Group	1.0	0.75	A+	4.33	A	4.00
FirstEnergy Corp	2.0	0.80	A	4.00	A-	3.67
Integrus Energy	3.0	0.95	B+	3.33	B+	3.33
PG&E	2.0	0.55	B++	3.67	B	3.00
PPL Corp	3.0	0.70	B++	3.67	B+	3.33
Pepco Holdings	3.0	0.80	B	3.00	B	3.00
Pinnacle West Capital	3.0	0.75	B+	3.33	B	3.00
Progress Energy	2.0	0.65	B++	3.67	B	3.00
Public Service Enterprise	3.0	0.80	B++	3.67	B+	3.33
Sempra Energy	2.0	0.85	A	4.00	B+	3.33
Southern Company	1.0	0.55	A	4.00	A-	3.67
TECO Energy	3.0	0.85	B	3.00	B	3.00
Wisconsin Energy	2.0	0.65	B++	3.67	B+	3.33
Xcel Energy Inc.	2.0	0.65	B++	3.67	B	3.00
Average	2.4	0.75	B++	3.65	B+	3.23
<b>Integrated Electric Utilities</b>						
Allegheny Energy	3.0	1.00	B++	3.67	B	3.00
ALLETE	2.0	0.70	A	4.00	B	3.00
American Electric Power	3.0	0.70	B++	3.67	B	3.00
Ameren	3.0	0.80	B++	3.67	B+	3.33
Cleco	3.0	0.65	B+	3.33	B	3.00
DPL Inc	3.0	0.60	B++	3.67	B+	3.33
Duke Energy	2.0	0.65	A	4.00	B	3.00
Edison International	3.0	0.80	B++	3.67	B	3.00
Empire District Electric	3.0	0.75	B+	3.33	B+	3.33
Entergy	2.0	0.70	A	4.00	A	4.00
FirstEnergy	2.0	0.80	A	4.00	A-	3.67
FPL Group	1.0	0.75	A+	4.33	A	4.00
Hawaiian Electric	3.0	0.70	B+	3.33	B+	3.33
IDACORP	3.0	0.70	B+	3.33	B	3.00
NV Energy	3.0	0.90	B	3.00	B	3.00
PG&E	2.0	0.55	B++	3.67	B	3.00
Portland General	2.0	0.70	B++	3.67	NR	
Progress Energy	2.0	0.65	B++	3.67	B	3.00
Southern Co.	1.0	0.55	A	4.00	A-	3.67
UniSource Energy	3.0	0.70	C++	2.67	B	3.00
Xcel Energy Inc.	2.0	0.65	B++	3.67	B	3.00
Average	2.43	0.71	B++	3.64	B+	3.23