

Exhibit No. ____ (DCP-7)
Dockets UE-121697, et al.
Witness: David C. Parcell

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-121697 and
UG-121705 (*consolidated*)**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.

Respondent.

**DOCKETS UE-130137 and
UG-130138 (*consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

David C. Parcell

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

Proxy Companies DCF Cost Rate

December 3, 2014

**COMPARISON COMPANIES
DIVIDEND YIELD**

COMPANY	Qtr DPS	January - March, 2013			YIELD	
		DPS	HIGH	LOW		AVERAGE
Parcell Proxy Group						
ALLETE	\$0.475	\$1.90	\$49.50	\$41.39	\$45.45	4.2%
Avista	\$0.305	\$1.22	\$27.48	\$24.10	\$25.79	4.7%
Black Hills Corp	\$0.380	\$1.52	\$44.32	\$36.89	\$40.61	3.7%
Cleco	\$0.338	\$1.35	\$47.17	\$40.39	\$43.78	3.1%
Hawaiian Electric	\$0.310	\$1.24	\$27.92	\$25.50	\$26.71	4.6%
IDACORP	\$0.380	\$1.52	\$48.53	\$43.13	\$45.83	3.3%
NorthWestern Corp	\$0.380	\$1.52	\$40.35	\$35.06	\$37.71	4.0%
Otter Tail Corp	\$0.297	\$1.19	\$31.34	\$25.17	\$28.26	4.2%
Pepco Holdings	\$0.270	\$1.08	\$21.43	\$18.82	\$20.13	5.4%
Portland General Corp	\$0.270	\$1.08	\$30.53	\$27.42	\$28.98	3.7%
TECO Energy	\$0.220	\$0.88	\$17.87	\$16.71	\$17.29	5.1%
UIL Holdings	\$0.432	\$1.73	\$39.89	\$35.86	\$37.88	4.6%
Westar Energy	\$0.340	\$1.36	\$33.35	\$28.59	\$30.97	4.4%
Average						4.2%
Gorman Proxy Group						
ALLETE	\$0.475	\$1.90	\$49.50	\$41.39	\$45.45	4.2%
Alliant Energy Corp	\$0.470	\$1.88	\$50.23	\$43.73	\$46.98	4.0%
American Electric Power Co.	\$0.470	\$1.88	\$48.68	\$42.92	\$45.80	4.1%
Avista Corp	\$0.305	\$1.22	\$27.48	\$24.10	\$25.79	4.7%
Cleco Corp	\$0.338	\$1.35	\$47.17	\$40.39	\$43.78	3.1%
CMS Energy	\$0.255	\$1.02	\$27.95	\$24.60	\$26.28	3.9%
Consolidated Edison	\$0.615	\$2.46	\$61.13	\$54.95	\$58.04	4.2%
DTE Energy	\$0.620	\$2.48	\$68.38	\$60.33	\$64.36	3.9%
Edison International	\$0.338	\$1.35	\$51.24	\$44.92	\$48.08	2.8%
Great Plains Energy, Inc.	\$0.217	\$0.87	\$23.20	\$20.39	\$21.80	4.0%
IDACORP, Inc.	\$0.380	\$1.52	\$48.53	\$43.13	\$45.83	3.3%
Integrus Energy Group	\$0.680	\$2.72	\$58.27	\$52.55	\$55.41	4.9%
Northeast Utilities	\$0.367	\$1.47	\$43.49	\$38.60	\$41.05	3.6%
NorthWestern Corp	\$0.380	\$1.52	\$40.35	\$35.06	\$37.71	4.0%
PG&E Corp	\$0.455	\$1.82	\$44.57	\$40.29	\$42.43	4.3%
Pinnacle West Capital Corp	\$0.545	\$2.18	\$57.96	\$51.50	\$54.73	4.0%
Portland General Electric	\$0.270	\$1.08	\$30.53	\$27.42	\$28.98	3.7%
TECO Energy	\$0.220	\$0.88	\$17.87	\$16.71	\$17.29	5.1%
UIL Holdings	\$0.432	\$1.73	\$39.89	\$35.86	\$37.88	4.6%
Westar Energy	\$0.340	\$1.36	\$33.35	\$28.59	\$30.97	4.4%
Wisconsin Energy Corp	\$0.340	\$1.36	\$42.95	\$37.03	\$39.99	3.4%
Xcel Energy Inc.	\$0.270	\$1.08	\$29.74	\$26.77	\$28.26	3.8%
Average						4.0%
Morin Proxy Group						
Alliant Energy Corp	\$0.470	\$1.88	\$50.23	\$43.73	\$46.98	4.0%
Avista Corp	\$0.305	\$1.22	\$27.48	\$24.10	\$25.79	4.7%
Black Hills Corp.	\$0.380	\$1.52	\$44.32	\$36.89	\$40.61	3.7%
CenterPoint Energy	\$0.207	\$0.83	\$24.05	\$19.34	\$21.70	3.8%
CMS Energy	\$0.255	\$1.02	\$27.95	\$24.60	\$26.28	3.9%
Consolidated Edison	\$0.615	\$2.46	\$61.13	\$54.95	\$58.04	4.2%
Dominion Resources	\$0.563	\$2.25	\$58.25	\$51.92	\$55.09	4.1%
DTE Energy	\$0.620	\$2.48	\$68.38	\$60.33	\$64.36	3.9%
Duke Energy	\$0.765	\$3.06	\$72.68	\$64.44	\$68.56	4.5%
Integrus Energy Group	\$0.680	\$2.72	\$58.27	\$52.55	\$55.41	4.9%
MGE Energy	\$0.263	\$1.05	\$55.87	\$50.89	\$53.38	2.0%
Northeast Utilities	\$0.367	\$1.47	\$43.49	\$38.60	\$41.05	3.6%
NorthWestern Corp	\$0.380	\$1.52	\$40.35	\$35.06	\$37.71	4.0%
NV Energy	\$0.190	\$0.76	\$20.34	\$18.28	\$19.31	3.9%
OGE Energy	\$0.209	\$0.83	\$70.16	\$55.39	\$62.78	1.3%
Pepco Holdings	\$0.270	\$1.08	\$21.43	\$18.82	\$20.13	5.4%
PG&E Corp	\$0.455	\$1.82	\$44.57	\$40.29	\$42.43	4.3%
SCANA Corp.	\$0.507	\$2.03	\$51.23	\$45.57	\$48.40	4.2%
Sempra Energy	\$0.630	\$2.52	\$80.21	\$70.61	\$75.41	3.3%
TECO Energy	\$0.220	\$0.88	\$17.87	\$16.71	\$17.29	5.1%
UIL Holdings	\$0.432	\$1.73	\$39.89	\$35.86	\$37.88	4.6%
UNS Energy	\$0.435	\$1.74	\$36.96	\$31.76	\$34.36	5.1%
Vectren Corp.	\$0.355	\$1.42	\$35.45	\$29.47	\$32.46	4.4%
Wisconsin Energy Corp	\$0.340	\$1.36	\$42.95	\$37.03	\$39.99	3.4%
Xcel Energy Inc.	\$0.270	\$1.08	\$29.74	\$26.77	\$28.26	3.8%
Average						4.0%

Source: Yahoo! Finance.

**COMPARISON COMPANIES
RETENTION GROWTH RATES**

COMPANY	2008	2009	2010	2011	2012	Average	2013	2014	2016-'18	Average
Parcell Proxy Group										
ALLETE	3.9%	0.5%	1.5%	2.9%	2.3%	2.2%	2.0%	2.5%	4.0%	2.8%
Avista	3.7%	4.1%	3.3%	3.1%	1.5%	3.1%	2.5%		3.0%	2.8%
Black Hills Corp	0.0%	3.2%	0.7%	0.0%	1.5%	1.1%	1.5%	3.0%	3.5%	2.7%
Cleco	4.5%	4.7%	6.1%	6.3%	5.5%	5.4%	4.5%	4.5%	5.0%	4.7%
Hawaiian Electric	0.5%	0.0%	1.4%	2.1%	2.5%	1.3%	2.5%		3.5%	3.0%
IDACORP	3.4%	4.8%	5.5%	6.5%	5.5%	5.1%	4.5%		3.5%	4.0%
NorthWestern Corp	2.3%	3.2%	3.5%	4.7%	2.5%	3.2%	3.0%		4.0%	3.5%
Otter Tail Corp	0.0%	0.0%	0.0%	0.0%	0.0%		1.0%	1.5%	3.0%	1.8%
Pepco Holdings	4.2%	0.0%	0.8%	0.3%	1.0%	1.3%	1.5%	1.5%	2.5%	1.8%
Portland General Corp	2.0%	1.5%	3.0%	4.1%	3.5%	2.8%	3.5%		4.0%	3.8%
TECO Energy	0.0%	2.1%	3.1%	3.9%	2.4%	2.3%	1.0%	2.0%	4.0%	2.3%
UIL Holdings	1.0%	1.2%	1.7%	1.1%	1.5%	1.3%	2.0%	2.5%	3.0%	2.5%
Westar Energy	1.2%	0.8%	3.1%	2.7%	4.0%	2.4%	3.0%	3.0%	4.0%	3.3%
Average						2.6%				3.0%
Gorman Proxy Group										
ALLETE	3.9%	0.5%	1.5%	2.9%	2.3%	2.2%	2.0%	2.5%	4.0%	2.8%
Alliant Energy Corp	3.8%	0.9%	3.8%	3.3%	3.9%	3.1%	4.0%	4.0%	4.0%	4.0%
American Electric Power Co.	5.1%	4.6%	3.1%	4.2%	3.5%	4.1%	3.5%	4.0%	4.0%	3.8%
Avista Corp	3.7%	4.1%	3.3%	3.1%	1.5%	3.1%	2.5%		3.0%	2.8%
Cleco Corp	4.5%	4.7%	6.1%	6.3%	5.5%	5.4%	4.5%	4.5%	5.0%	4.7%
CMS Energy	8.4%	4.1%	6.9%	5.6%	5.0%	6.0%	5.5%	5.5%	5.0%	5.3%
Consolidated Edison	3.1%	2.5%	3.2%	3.1%	3.5%	3.1%	3.0%	3.5%	3.5%	3.3%
DTE Energy	1.7%	2.9%	4.0%	3.4%	3.5%	3.1%	3.0%	3.5%	3.5%	3.3%
Edison International	8.6%	6.7%	6.5%	6.3%	6.5%	6.9%	6.0%		6.0%	6.0%
Great Plains Energy, Inc.	0.0%	0.9%	3.4%	2.0%	2.2%	1.7%	3.0%	2.5%	2.8%	2.8%
IDACORP, Inc.	3.4%	4.8%	5.5%	6.5%	5.5%	5.1%	4.5%		3.5%	4.0%
Integrus Energy Group	0.0%	0.0%	2.3%	0.7%	2.6%	1.1%	2.0%	2.0%	2.5%	2.2%
Northeast Utilities	5.3%	4.7%	5.0%	5.0%	2.0%	4.4%	3.5%	3.5%	4.0%	3.7%
NorthWestern Corp	2.3%	3.2%	3.5%	4.7%	2.5%	3.2%	3.0%		4.0%	3.5%
PG&E Corp	6.8%	5.5%	3.9%	3.4%	2.5%	4.4%	3.0%		4.0%	3.5%
Pinnacle West Capital Corp	0.3%	0.7%	3.1%	2.8%	3.5%	2.1%	3.5%	3.5%	3.5%	3.5%
Portland General Electric	2.0%	1.5%	3.0%	4.1%	3.5%	2.8%	3.5%		4.0%	3.8%
TECO Energy	0.0%	2.1%	3.1%	3.9%	2.4%	2.3%	1.0%	2.0%	4.0%	2.3%
UIL Holdings	1.0%	1.2%	1.7%	1.1%	1.5%	1.3%	2.0%	2.5%	3.0%	2.5%
Westar Energy	1.2%	0.8%	3.1%	2.7%	4.0%	2.4%	3.0%	3.0%	4.0%	3.3%
Wisconsin Energy Corp	7.0%	6.2%	7.0%	6.8%	6.5%	6.7%	5.5%	5.5%	4.5%	5.2%
Xcel Energy Inc.	3.8%	3.7%	3.6%	4.3%	4.0%	3.9%	4.0%		4.0%	4.0%
Average						3.6%				3.6%
Morin Proxy Group										
Alliant Energy Corp	3.8%	0.9%	3.8%	3.3%	3.9%	3.1%	4.0%	4.0%	4.0%	4.0%
Avista Corp	3.7%	4.1%	3.3%	3.1%	1.5%	3.1%	2.5%		3.0%	2.8%
Black Hills Corp.	0.0%	3.2%	0.7%	0.0%	1.5%	1.1%	1.5%	3.0%	3.5%	2.7%
CenterPoint Energy	9.9%	3.6%	3.8%	5.0%	5.5%	5.6%	4.5%	4.5%	5.0%	4.7%
CMS Energy	8.4%	4.1%	6.9%	5.6%	5.0%	6.0%	5.5%	5.5%	5.0%	5.3%
Consolidated Edison	3.1%	2.5%	3.2%	3.1%	3.5%	3.1%	3.0%	3.5%	3.5%	3.3%
Dominion Resources	8.4%	4.7%	5.3%	4.0%	3.4%	5.2%	4.5%	4.5%	5.0%	4.7%
DTE Energy	1.7%	2.9%	4.0%	3.4%	3.5%	3.1%	3.0%	3.5%	3.5%	3.3%
Duke Energy	0.6%	1.1%	2.1%	2.2%	1.0%	1.4%	2.0%	2.0%	3.0%	2.3%
Integrus Energy Group	0.0%	0.0%	2.3%	0.7%	2.6%	1.1%	2.0%	2.0%	2.5%	2.2%
MGE Energy	4.4%	3.4%	4.4%	4.7%	4.9%	4.4%	5.0%	4.5%	5.0%	4.8%
Northeast Utilities	5.3%	4.7%	5.0%	5.0%	2.0%	4.4%	3.5%	3.5%	4.0%	3.7%
NorthWestern Corp	2.3%	3.2%	3.5%	4.7%	2.5%	3.2%	3.0%		4.0%	3.5%
NV Energy	4.1%	2.7%	3.6%	1.4%	5.0%	3.4%	3.5%		3.5%	3.5%
OGE Energy	5.4%	6.0%	6.7%	7.7%	7.2%	6.6%	6.0%	5.5%	5.0%	5.5%
Pepco Holdings	4.2%	0.0%	0.8%	0.3%	1.0%	1.3%	1.5%	1.5%	2.5%	1.8%
PG&E Corp	6.8%	5.5%	3.9%	3.4%	2.5%	4.4%	3.0%		4.0%	3.5%
SCANA Corp.	4.4%	3.6%	3.8%	3.6%	4.0%	3.9%	4.0%	4.0%	4.5%	4.2%
Sempra Energy	9.7%	9.3%	7.0%	6.5%	4.5%	7.4%	4.5%		6.0%	5.3%
TECO Energy	0.0%	2.1%	3.1%	3.9%	2.4%	2.3%	1.0%	2.0%	4.0%	2.3%
UIL Holdings	1.0%	1.2%	1.7%	1.1%	1.5%	1.3%	2.0%	2.5%	3.0%	2.5%
UNS Energy	0.0%	8.4%	6.7%	5.4%	2.0%	4.5%	3.5%	5.5%	4.5%	4.5%
Vectren Corp.	2.0%	2.6%	1.6%	1.9%	2.9%	2.2%	3.0%	3.5%	4.0%	3.5%
Wisconsin Energy Corp	7.0%	6.2%	7.0%	6.8%	6.5%	6.7%	5.5%	5.5%	4.5%	5.2%
Xcel Energy Inc.	3.8%	3.7%	3.6%	4.3%	4.0%	3.9%	4.0%	0.0%	4.0%	2.7%
Average						3.7%				3.7%

Source: Value Line Investment Survey, as of February and March of 2013.

**COMPARISON COMPANIES
PER SHARE GROWTH RATES**

COMPANY	5-Year Historic Growth Rates				Est'd '10-'12 to '16-'18 Growth Rates			
	EPS	DPS	BVPS	Average	EPS	DPS	BVPS	Average
Parcell Proxy Group								
ALLETE	-2.5%	4.5%	5.5%	2.5%	7.0%	3.5%	4.0%	4.8%
Avista	9.5%	12.5%	4.0%	8.7%	3.5%	5.0%	3.0%	3.8%
Black Hills Corp	-4.0%	2.5%	4.0%	0.8%	9.0%	2.0%	2.0%	4.3%
Cleco	10.0%	2.0%	10.0%	7.3%	7.0%	10.5%	5.5%	7.7%
Hawaiian Electric	-3.0%	0.0%	1.5%	-0.5%	9.0%	2.0%	4.5%	5.2%
IDACORP	8.5%	0.0%	5.0%	4.5%	2.0%	8.0%	4.5%	4.8%
NorthWestern Corp		13.0%	2.0%	7.5%	5.0%	4.5%	4.5%	4.7%
Otter Tail Corp	-18.5%	0.5%	-1.0%	-6.3%	20.0%	1.5%	2.0%	7.8%
Pepco Holdings	-4.5%	1.5%	0.5%	-0.8%	6.0%	1.0%	1.5%	2.8%
Portland General Corp	8.5%	2.0%	2.0%	5.3%	5.5%	3.5%	3.5%	4.2%
TECO Energy	3.5%	1.5%	6.5%	3.8%	3.5%	2.0%	2.5%	2.7%
UIL Holdings	4.5%	0.0%	-0.5%	1.3%	4.0%	0.0%	4.5%	2.8%
Westar Energy	1.5%	5.0%	4.5%	3.7%	5.0%	3.0%	4.0%	4.0%
Average				2.9%				4.6%
Gorman Proxy Group								
ALLETE	-2.5%	4.5%	5.5%	2.5%	7.0%	4.5%	5.5%	5.7%
Alliant Energy Corp	4.0%	8.0%	3.5%	5.2%	4.5%	4.5%	4.0%	4.3%
American Electric Power Co.	1.0%	4.0%	4.5%	3.2%	4.5%	4.0%	4.0%	4.2%
Avista Corp	9.5%	12.5%	4.0%	8.7%	3.5%	5.0%	3.0%	3.8%
Cleco Corp	10.0%	2.0%	10.0%	7.3%	7.0%	10.5%	5.5%	7.7%
CMS Energy	8.5%	2.0%	2.0%	5.3%	7.0%	10.0%	5.0%	7.3%
Consolidated Edison	4.5%	1.0%	4.5%	3.3%	3.5%	1.5%	3.5%	2.8%
DTE Energy	6.0%	2.0%	4.0%	4.0%	4.0%	4.5%	4.0%	4.2%
Edison International	6.0%	5.5%	8.5%	6.7%	2.5%	4.5%	2.0%	3.0%
Great Plains Energy, Inc.	-6.0%	-12.5%	5.0%	-4.5%	6.5%	6.0%	2.5%	5.0%
IDACORP, Inc.	8.5%	0.0%	5.0%	4.5%	2.0%	8.0%	4.5%	4.8%
Integrus Energy Group	-0.5%	3.0%	0.5%	1.0%	3.5%	0.5%	3.0%	2.3%
Northeast Utilities	18.0%	8.5%	3.5%	10.0%	6.5%	8.5%	7.5%	7.5%
NorthWestern Corp		13.0%	2.0%	7.5%	5.0%	4.5%	4.5%	4.7%
PG&E Corp	3.5%	16.0%	6.5%	8.7%	3.5%	2.0%	4.0%	3.2%
Pinnacle West Capital Corp	1.0%	1.5%		1.3%	6.5%	3.0%	3.5%	4.3%
Portland General Electric	8.5%		2.0%	5.3%	5.5%	3.5%	3.5%	4.2%
TECO Energy	3.5%	1.5%	6.5%	3.8%	3.5%	2.0%	2.5%	2.7%
UIL Holdings	4.5%	0.0%	-0.5%	1.3%	4.0%	0.0%	4.5%	2.8%
Westar Energy	1.5%	5.0%	4.5%	3.7%	5.0%	3.0%	4.0%	4.0%
Wisconsin Energy Corp	10.0%	17.0%	7.0%	11.3%	6.5%	13.0%	3.5%	7.7%
Xcel Energy Inc.	4.5%	3.5%	4.5%	4.2%	6.0%	5.0%	4.5%	5.2%
Average				4.7%				4.6%
Morin Proxy Group								
Alliant Energy Corp	4.0%	8.0%	3.5%	5.2%	4.5%	4.5%	4.0%	4.3%
Avista Corp	9.5%	12.5%	4.0%	8.7%	3.5%	5.0%	3.0%	3.8%
Black Hills Corp.	-4.0%	2.5%	4.0%	0.8%	9.0%	2.0%	2.0%	4.3%
CenterPoint Energy	3.0%	7.0%	13.5%	7.8%	4.0%	3.0%	5.5%	4.2%
CMS Energy	8.5%	0.0%	2.0%	3.5%	7.0%	10.0%	5.0%	7.3%
Consolidated Edison	4.5%	1.0%	4.5%	3.3%	3.5%	1.5%	3.5%	2.8%
Dominion Resources	6.5%	6.5%	3.5%	5.5%	5.5%	6.0%	3.5%	5.0%
DTE Energy	6.0%	2.0%	4.0%	4.0%	4.0%	4.5%	4.0%	4.2%
Duke Energy	7.0%		-4.0%	1.5%	4.5%	2.0%	3.5%	3.3%
Integrus Energy Group	-0.5%	3.0%	0.5%	1.0%	3.5%	0.5%	3.0%	2.3%
MGE Energy	6.0%	2.0%	5.5%	4.5%	4.5%	3.5%	5.0%	4.3%
Northeast Utilities	18.0%	8.5%	3.5%	10.0%	6.5%	8.5%	7.5%	7.5%
NorthWestern Corp		13.0%	2.0%	7.5%	5.0%	4.5%	4.5%	4.7%
NV Energy	4.0%		4.0%	4.0%	11.5%	14.0%	3.5%	9.7%
OGE Energy	8.5%	2.0%	8.5%	6.3%	4.0%	5.0%	7.0%	5.3%
Pepco Holdings	-4.5%	1.5%	0.5%	-0.8%	6.0%	1.0%	1.5%	2.8%
PG&E Corp	3.5%	16.0%	6.5%	8.7%	3.5%	2.0%	4.0%	3.2%
SCANA Corp.	2.0%	4.0%	4.5%	3.5%	4.5%	2.0%	5.0%	3.8%
Sempra Energy	2.5%	8.5%	9.5%	6.8%	4.5%	9.0%	5.0%	6.2%
TECO Energy	3.5%	1.5%	6.5%	3.8%	3.5%	2.0%	2.5%	2.7%
UIL Holdings	4.5%	0.0%	-0.5%	1.3%	4.0%	0.0%	4.5%	2.8%
UNS Energy	10.5%	14.5%	5.5%	10.2%	6.5%	5.5%	5.5%	5.8%
Vectren Corp.	1.0%	2.5%	3.0%	2.2%	6.0%	2.5%	4.0%	4.2%
Wisconsin Energy Corp	10.0%	17.0%	7.0%	11.3%	6.5%	13.0%	3.5%	7.7%
Xcel Energy Inc.	4.5%	3.5%	4.5%	4.2%	6.0%	5.0%	4.5%	5.2%
Average				5.0%				4.7%

Source: Value Line Investment Survey, as of February and March of 2013.

**COMPARISON COMPANIES
DCF COST RATES**

COMPANY	ADJUSTED YIELD	HISTORIC RETENTION GROWTH	PROSPECTIVE RETENTION GROWTH	HISTORIC PER SHARE GROWTH	PROSPECTIVE PER SHARE GROWTH	FIRST CALL EPS GROWTH	AVERAGE GROWTH	DCF RATES	
Parcell Proxy Group									
ALLETE	4.2%	2.2%	2.8%	2.5%	4.8%	4.00%	1/	3.3%	7.5%
Avista	4.8%	3.1%	2.8%	8.7%	3.8%	4.30%		4.5%	9.4%
Black Hills Corp	3.8%	1.1%	2.7%	0.8%	4.3%	6.00%		3.0%	6.8%
Cleco	3.2%	5.4%	4.7%	7.3%	7.7%	8.00%		6.6%	9.8%
Hawaiian Electric	4.7%	1.3%	3.0%	neg	5.2%	3.30%		3.2%	7.9%
IDACORP	3.4%	5.1%	4.0%	4.5%	4.8%	3.30%		4.4%	7.7%
NorthWestern Corp	4.1%	3.2%	3.5%	7.5%	4.7%	5.30%		4.8%	9.0%
Otter Tail Corp	4.3%		1.8%	neg	7.8%	6.00%		5.2%	9.5%
Pepco Holdings	5.4%	1.3%	1.8%	neg	2.8%	5.40%		2.8%	8.3%
Portland General Corp	3.8%	2.8%	3.8%	5.3%	4.2%	5.86%	1/	4.4%	8.2%
TECO Energy	5.2%	2.3%	2.3%	3.8%	2.7%	1.80%		2.6%	7.7%
UIL Holdings	4.6%	1.3%	2.5%	1.3%	2.8%	8.59%		3.3%	7.9%
Westar Energy	4.5%	2.4%	3.3%	3.7%	4.0%	6.50%	1/	4.0%	8.5%
Mean	4.3%	2.6%	3.0%	4.5%	4.6%	5.3%		4.0%	8.3%
Median	4.3%	2.3%	2.8%	4.2%	4.3%	5.4%		4.0%	8.2%
Composite - Mean		7.0%	7.3%	8.9%	8.9%	9.6%		8.3%	
Composite - Median		6.6%	7.1%	8.5%	8.6%	9.7%		8.3%	
Gorman Proxy Group									
ALLETE	4.3%	2.2%	2.8%	2.5%	5.7%	5.33%	1/	3.7%	8.0%
Alliant Energy Corp	4.1%	3.1%	4.0%	5.2%	4.3%	6.01%	1/	4.5%	8.6%
American Electric Power Co.	4.2%	4.1%	3.8%	3.2%	4.2%	3.71%	1/	3.8%	8.0%
Avista Corp	4.8%	3.1%	2.8%	8.7%	3.8%	4.17%	1/	4.5%	9.3%
Cleco Corp	3.2%	5.4%	4.7%	7.3%	7.7%	8.00%	1/	6.6%	9.8%
CMS Energy	4.0%	6.0%	5.3%	5.3%	7.3%	5.89%	1/	6.0%	10.0%
Consolidated Edison	4.3%	3.1%	3.3%	3.3%	2.8%	2.77%	1/	3.1%	7.4%
DTE Energy	3.9%	3.1%	3.3%	4.0%	4.2%	4.55%	1/	3.8%	7.8%
Edison International	2.9%	6.9%	6.0%	6.7%	3.0%	3.71%	1/	5.3%	8.1%
Great Plains Energy, Inc.	4.1%	1.7%	2.8%	neg	5.0%	5.88%	1/	3.8%	7.9%
IDACORP, Inc.	3.4%	5.1%	4.0%	4.5%	4.8%	4.00%	1/	4.5%	7.9%
Integrus Energy Group	5.0%	1.1%	2.2%	1.0%	2.3%	5.67%	1/	2.5%	7.4%
Northeast Utilities	3.7%	4.4%	3.7%	10.0%	7.5%	7.61%	1/	6.6%	10.3%
NorthWestern Corp	4.1%	3.2%	3.5%	7.5%	4.7%	4.89%	1/	4.8%	8.9%
PG&E Corp	4.4%	4.4%	3.5%	8.7%	3.2%	1.46%	1/	4.2%	8.6%
Pinnacle West Capital Corp	4.1%	2.1%	3.5%	1.3%	4.3%	6.13%	1/	3.5%	7.5%
Portland General Electric	3.8%	2.8%	3.8%	5.3%	4.2%	5.65%	1/	4.3%	8.1%
TECO Energy	5.2%	2.3%	2.3%	3.8%	2.7%	2.89%	1/	2.8%	8.0%
UIL Holdings	4.6%	1.3%	2.5%	1.3%	2.8%	6.08%	1/	2.8%	7.4%
Westar Energy	4.5%	2.4%	3.3%	3.7%	4.0%	5.47%	1/	3.8%	8.2%
Wisconsin Energy Corp	3.5%	6.7%	5.2%	11.3%	7.7%	5.30%	1/	7.2%	10.8%
Xcel Energy Inc.	3.9%	3.9%	4.0%	4.2%	5.2%	5.11%	1/	4.5%	8.4%
Mean	4.1%	3.6%	3.6%	5.2%	4.6%	5.0%		4.4%	8.5%
Median	4.1%	3.1%	3.5%	4.5%	4.3%	5.3%		4.3%	8.1%
Composite - Mean		7.7%	7.7%	9.3%	8.7%	9.1%		8.5%	
Composite - Median		7.2%	7.6%	8.6%	8.3%	9.4%		8.4%	

Note: Negative values not used in calculations.

1/ Projected EPS growth rates as shown in Exhibit No. ____ (MPG-10).

Sources: Prior pages of this exhibit.

**COMPARISON COMPANIES
DCF COST RATES**

COMPANY	ADJUSTED YIELD	HISTORIC RETENTION GROWTH	PROSPECTIVE RETENTION GROWTH	HISTORIC PER SHARE GROWTH	PROSPECTIVE PER SHARE GROWTH	FIRST CALL EPS GROWTH 1/	AVERAGE GROWTH	DCF RATES
Morin Proxy Group								
Alliant Energy Corp	4.1%	3.1%	4.0%	5.2%	4.3%	6.1%	4.5%	8.6%
Avista Corp	4.8%	3.1%	2.8%	8.7%	3.8%	4.3%	4.5%	9.4%
Black Hills Corp.	3.8%	1.1%	2.7%	0.8%	4.3%	6.0%	3.0%	6.8%
CenterPoint Energy	3.9%	5.6%	4.7%	7.8%	4.2%	5.7%	5.6%	9.5%
CMS Energy	4.0%	6.0%	5.3%	3.5%	7.3%	6.0%	5.6%	9.6%
Consolidated Edison	4.3%	3.1%	3.3%	3.3%	2.8%	3.3%	3.2%	7.5%
Dominion Resources	4.2%	5.2%	4.7%	5.5%	5.0%	5.0%	5.1%	9.3%
DTE Energy	3.9%	3.1%	3.3%	4.0%	4.2%	5.0%	3.9%	7.8%
Duke Energy	4.5%	1.4%	2.3%	1.5%	3.3%	4.1%	2.5%	7.1%
Integrus Energy Group	5.0%	1.1%	2.2%	1.0%	2.3%	5.3%	2.4%	7.4%
MGE Energy	2.0%	4.4%	4.8%	4.5%	4.3%	4.0%	4.4%	6.4%
Northeast Utilities	3.7%	4.4%	3.7%	10.0%	7.5%	7.2%	6.6%	10.2%
NorthWestern Corp	4.1%	3.2%	3.5%	7.5%	4.7%	5.3%	4.8%	9.0%
NV Energy	4.1%	3.4%	3.5%	4.0%	9.7%	15.1%	7.1%	11.2%
OGE Energy	1.4%	6.6%	5.5%	6.3%	5.3%	5.4%	5.8%	7.2%
Pepco Holdings	5.4%	1.3%	1.8%	neg	2.8%	5.4%	2.8%	8.3%
PG&E Corp	4.4%	4.4%	3.5%	8.7%	3.2%	2.5%	4.5%	8.8%
SCANA Corp.	4.3%	3.9%	4.2%	3.5%	3.8%	4.8%	4.0%	8.3%
Sempra Energy	3.4%	7.4%	5.3%	6.8%	6.2%	4.3%	6.0%	9.4%
TECO Energy	5.2%	2.3%	2.3%	3.8%	2.7%	1.8%	2.6%	7.7%
UIL Holdings	4.6%	1.3%	2.5%	1.3%	2.8%	4.5%	2.5%	7.1%
UNS Energy	5.2%	4.5%	4.5%	10.2%	5.8%	6.3%	6.3%	11.5%
Vectren Corp.	4.4%	2.2%	3.5%	2.2%	4.2%	5.0%	3.4%	7.9%
Wisconsin Energy Corp	3.5%	6.7%	5.2%	11.3%	7.7%	5.4%	7.3%	10.8%
Xcel Energy Inc.	3.9%	3.9%	2.7%	4.2%	5.2%	4.9%	4.2%	8.1%
Mean	4.1%	3.7%	3.7%	5.2%	4.7%	5.3%	4.5%	8.6%
Median	4.1%	3.4%	3.5%	4.3%	4.3%	5.0%	4.5%	8.3%
Composite - Mean		7.8%	7.8%	9.3%	8.8%	9.4%	8.6%	
Composite - Median		7.5%	7.6%	8.5%	8.5%	9.1%	8.6%	

Note: Negative values not used in calculations.

1/ Projected EPS growth rates as shown in Exhibit No. ____ (RAM-5).

Sources: Prior pages of this exhibit.