

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND )  
TRANSPORTATION COMMISSION, )  
Complainant, )  
v. )  
PUGET SOUND ENERGY, INC., )  
Respondent. )  
\_\_\_\_\_ )

Docket Nos. UE-111048/UG-111049  
(consolidated)

**EXHIBIT NO.\_\_(MPG-23)**

**DR. OLSON REVISED DCF MULTI-STAGE GROWTH DCF MODEL**

December 7, 2011

# Puget Sound Energy

## Dr. Olson Revised DCF Multi-Stage Growth DCF Model

Line	Company	26-Week Stock Price <sup>1</sup> (1)	Dividend Yield <sup>2</sup> (3)	Dividend (2)	First Stage Growth <sup>3</sup> (4)	Second Stage Growth					Third Stage Growth <sup>4</sup> (10)	Multi-Stage Growth DCF (11)
						Year 6 (5)	Year 7 (6)	Year 8 (7)	Year 9 (8)	Year 10 (9)		
1	Alliant Energy	\$37.37	4.38%	\$1.64	9.30%	8.57%	7.83%	7.10%	6.37%	5.63%	4.90%	10.87%
2	CMS Energy	\$18.77	4.47%	\$0.84	5.88%	5.72%	5.55%	5.39%	5.23%	5.06%	4.90%	9.88%
3	Great Plains Energy	\$19.31	4.30%	\$0.83	8.90%	8.23%	7.57%	6.90%	6.23%	5.57%	4.90%	10.63%
4	NV Energy	\$14.05	3.31%	\$0.47	11.75%	10.61%	9.47%	8.33%	7.18%	6.04%	4.90%	10.15%
5	OGE Energy	\$45.47	3.24%	\$1.47	6.95%	6.61%	6.27%	5.93%	5.58%	5.24%	4.90%	8.77%
6	Pinnacle West Capital	\$41.56	5.04%	\$2.09	6.38%	6.13%	5.89%	5.64%	5.39%	5.15%	4.90%	10.68%
7	TECO Energy	\$17.67	4.61%	\$0.81	6.09%	5.89%	5.69%	5.50%	5.30%	5.10%	4.90%	10.10%
8	Westar Energy	\$25.37	4.91%	\$1.25	6.53%	6.26%	5.99%	5.72%	5.44%	5.17%	4.90%	10.58%
9	Wisconsin Energy	\$29.59	2.97%	\$0.88	8.50%	7.90%	7.30%	6.70%	6.10%	5.50%	4.90%	8.80%
10	<b>Average</b>	<b>\$27.69</b>	<b>4.14%</b>	<b>\$1.14</b>	<b>7.81%</b>	<b>7.32%</b>	<b>6.84%</b>	<b>6.35%</b>	<b>5.87%</b>	<b>5.38%</b>	<b>4.90%</b>	<b>10.05%</b>
11	<b>Median</b>											<b>10.15%</b>

Sources:

<sup>1</sup> <http://moneycentral.msn.com>, downloaded on November 29, 2011.

<sup>2</sup> Exhibit No. \_\_\_(CEO-3).

<sup>3</sup> Exhibit No. \_\_\_(CEO-4).

<sup>4</sup> *Blue Chip Economic Indicators*, October 10, 2011 at 15.