

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	
TRANSPORTATION COMMISSION,	)	
	)	<b>Docket No. UE-050684</b>
Complainant,	)	
	)	<b>Docket No. UE-050412</b>
vs.	)	
	)	<i>(consolidated)</i>
PACIFICORP d/b/a PACIFIC POWER &	)	
LIGHT COMPANY	)	
	)	
Respondent.	)	

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**EXHIBIT NO. \_\_\_\_ (MPG-16)**

**DCF SUMMARY RESULTS**

**November 3, 2005**

# PacifiCorp Washington

## DCF Summary Results

<u>Line</u>	<u>Witness</u>	<u>Traditional DCF Model</u> (1)	<u>LT GDP DCF Model</u> (2)	<u>Two-Stage DCF Model</u> (3)	<u>Average DCF Model</u> (4)
	<b>Hadaway</b>				
1	Average	9.3%	11.2%	10.8%	<b>10.4%</b>
2	Median	9.5%	11.2%	10.7%	<b>10.5%</b>
	<b>Gorman</b>				
3	Average	9.0%	10.1%	9.8%	<b>9.6%</b>
4	Median	9.2%	10.1%	9.7%	<b>9.7%</b>

# PacifiCorp Washington

## Discounted Cash Flow Analysis Traditional Constant Growth DCF Model

Line	Utility	Stock Price (P0) (1)	Next Year's Div (D1) (2)	Dividend Yield (3)	2009 DPS (4)	2009 EPS (5)	Retention Rate (B) (6)	2009 BVPS (7)	ROE (R) (8)	BxR Growth (9)	Zacks (10)	Value Line (11)	GDP (12)	Average Growth (13)	ROE (14)
1	Alliant Energy	27.20	1.14	4.19%	1.32	2.10	37.14%	26.30	7.99%	2.97%	4.00%	3.00%	5.50%	3.87%	8.1%
2	Ameren Corp.	49.95	2.54	5.09%	2.54	3.15	19.37%	33.85	9.31%	1.80%	3.90%	0.50%	5.50%	2.93%	8.0%
3	CH Energy	46.53	2.16	4.64%	2.20	3.00	26.67%	33.50	8.96%	2.39%	N/A	1.50%	5.50%	3.13%	7.8%
4	Cleco Corp.	20.36	0.90	4.42%	0.90	1.50	40.00%	13.75	10.91%	4.36%	4.00%	0.50%	5.50%	3.59%	8.0%
5	Consolidated Edison	43.00	2.30	5.35%	2.36	2.95	20.00%	32.60	9.05%	1.81%	3.00%	N/A	5.50%	3.44%	8.8%
6	Empire District Energy East Corp.	22.74	1.28	5.63%	1.28	1.75	26.86%	16.50	10.61%	2.85%	5.00%	8.00%	5.50%	5.34%	11.0%
7	Energy East Corp.	26.02	1.21	4.65%	1.45	2.00	27.50%	21.50	9.30%	2.56%	5.00%	3.00%	5.50%	4.01%	8.7%
8	Entergy Corp.	68.78	2.41	3.50%	3.01	5.40	44.26%	49.80	10.84%	4.80%	6.90%	6.50%	5.50%	5.92%	9.4%
9	Exelon Corp.	44.44	1.68	3.78%	1.92	3.60	46.67%	21.95	16.40%	7.65%	5.40%	6.50%	5.50%	6.26%	10.0%
10	FPL Group, Inc.	38.77	1.54	3.97%	1.90	2.95	35.59%	26.45	11.15%	3.97%	5.40%	4.00%	5.50%	4.72%	8.7%
11	MGE Energy	35.06	1.38	3.94%	1.44	2.45	41.22%	18.85	13.00%	5.36%	N/A	6.00%	5.50%	5.62%	9.6%
12	NSTAR	55.65	2.42	4.35%	2.70	4.25	36.47%	34.25	12.41%	4.53%	4.80%	3.50%	5.50%	4.58%	8.9%
13	Progress Energy	43.30	2.44	5.64%	2.50	3.20	21.88%	35.65	8.98%	1.96%	3.70%	N/A	5.50%	3.72%	9.4%
14	SCANA Corp.	38.55	1.66	4.31%	1.90	3.25	41.54%	29.00	11.21%	4.66%	4.50%	5.00%	5.50%	4.91%	9.2%
15	Southern Co.	32.70	1.52	4.65%	1.70	2.50	32.00%	18.65	13.40%	4.29%	4.50%	4.50%	5.50%	4.70%	9.3%
16	Vectren Corp.	26.90	1.23	4.57%	1.35	1.95	30.77%	17.25	11.30%	3.48%	5.90%	4.50%	5.50%	4.84%	9.4%
17	Xcel Energy, Inc.	17.65	0.93	5.27%	1.11	1.58	29.75%	15.17	10.42%	3.10%	3.90%	4.00%	5.50%	4.12%	9.4%
18	Group Average	37.51	1.69	4.58%	1.86	2.80	32.80%	26.18	10.90%	3.68%	4.66%	4.07%	5.50%	4.45%	9.0%
19	Group Median			4.57%											9.2%

Source:  
Exhibit No. \_\_\_\_ (SCH-4), Page 2 of 5.

# PacifiCorp Washington

## Discounted Cash Flow Analysis Constant Growth DCF Model Long-Term GDP Growth

Line	Utility	Stock Price (P0) (15)	Next Year's Div (D1) (16)	Dividend Yield (17)	GDP (18)	ROE Col.17+18 (19)
1	Alliant Energy	27.20	1.14	4.19%	5.50%	9.69%
2	Ameren Corp.	49.95	2.54	5.09%	5.50%	10.59%
3	CH Energy	46.53	2.16	4.64%	5.50%	10.14%
4	Cleco Corp.	20.36	0.90	4.42%	5.50%	9.92%
5	Consolidated Edison	43.00	2.30	5.35%	5.50%	10.85%
6	Empire District Energy East Corp.	22.74	1.28	5.63%	5.50%	11.13%
7	Energy East Corp.	26.02	1.21	4.65%	5.50%	10.15%
8	Energy Corp.	68.78	2.41	3.50%	5.50%	9.00%
9	Exelon Corp.	44.44	1.68	3.78%	5.50%	9.28%
10	FPL Group, Inc.	38.77	1.54	3.97%	5.50%	9.47%
11	MGE Energy	35.06	1.38	3.94%	5.50%	9.44%
12	NSTAR	55.65	2.42	4.35%	5.50%	9.85%
13	Progress Energy	43.30	2.44	5.64%	5.50%	11.14%
14	SCANA Corp.	38.55	1.66	4.31%	5.50%	9.81%
15	Southern Co.	32.70	1.52	4.65%	5.50%	10.15%
16	Vectren Corp.	26.90	1.23	4.57%	5.50%	10.07%
17	Xcel Energy, Inc.	17.65	0.93	5.27%	5.50%	10.77%
18	<b>Group Average</b>	<b>37.51</b>	<b>1.69</b>	<b>4.58%</b>	<b>5.50%</b>	<b>10.1%</b>
19	<b>Group Median</b>			<b>4.57%</b>		<b>10.1%</b>

Source:  
Exhibit No. (SCH-4), Page 3 of 5.

# PacifiCorp Washington

## Discounted Cash Flow Analysis Low Near-Term Growth Two-Stage Growth DCF Model

<u>Line</u>	<u>Utility</u>	Next Year's Div.(D <sub>1</sub> ) (20)	2009 DPS (21)	Annual Change to 2008 (22)	Stock Price.(P <sub>0</sub> ) (23)	Year 1 Div (24)	Year 2 Div (25)	Year 3 Div (26)	Year 4 Div (27)	Year 5 Div (28)	ROE =IRR (30)
1	Alliant Energy	1.14	1.32	6.00%	-27.2	1.14	1.20	1.26	1.32	1.39	9.6%
2	Ameren Corp.	2.54	2.54	0.00%	-49.95	2.54	2.54	2.54	2.54	2.68	9.9%
3	CH Energy	2.16	2.20	1.33%	-46.53	2.16	2.17	2.19	2.20	2.32	9.6%
4	Cleco Corp.	0.9	0.90	0.00%	-20.36	0.90	0.90	0.90	0.90	0.95	9.3%
5	Consolidated Edison	2.3	2.36	2.00%	-43	2.30	2.32	2.34	2.36	2.49	10.2%
6	Empire District Energy East Corp.	1.28	1.28	0.00%	-22.74	1.28	1.28	1.28	1.28	1.35	10.4%
7	Energy Corp.	1.21	1.45	8.00%	-26.02	1.21	1.29	1.37	1.45	1.53	10.2%
8	Entergy Corp.	2.41	3.01	20.00%	-68.78	2.41	2.61	2.81	3.01	3.18	9.2%
9	Exelon Corp.	1.68	1.92	8.00%	-44.44	1.68	1.76	1.84	1.92	2.03	9.2%
10	FPL Group, Inc.	1.54	1.90	12.00%	-38.77	1.54	1.66	1.78	1.90	2.00	9.6%
11	MGE Energy	1.38	1.44	2.00%	-35.06	1.38	1.40	1.42	1.44	1.52	9.0%
12	NSTAR	2.42	2.70	9.33%	-55.65	2.42	2.51	2.61	2.70	2.85	9.6%
13	Progress Energy	2.44	2.50	2.00%	-43.3	2.44	2.46	2.48	2.50	2.64	10.5%
14	SCANA Corp.	1.66	1.90	8.00%	-38.55	1.66	1.74	1.82	1.90	2.00	9.7%
15	Southern Co.	1.52	1.70	6.00%	-32.7	1.52	1.58	1.64	1.70	1.79	9.9%
16	Vectren Corp.	1.23	1.35	4.00%	-26.9	1.23	1.27	1.31	1.35	1.42	9.8%
17	Xcel Energy, Inc.	0.93	1.11	6.00%	-17.65	0.93	0.99	1.05	1.11	1.17	10.8%
18	<b>Group Average</b>	<b>1.69</b>	<b>1.86</b>	<b>5.57%</b>	<b>-37.51</b>						<b>9.8%</b>
19	<b>Group Median</b>										<b>9.7%</b>

Source:  
Exhibit No. (SCH-4), Page 4 of 5.