

**PACIFICORP**

DCF GROWTH RATES

<u>COMPANY</u>	<u>br</u>	+	<u>sv=g*((M/B+1)/2-1)</u>	=	<u>g</u>
CV	3.50%	+	1.50% (( 1.10 - 1)/2-1)	=	3.57%
FPL	5.50%	+	1.75% (( 2.16 - 1)/2-1)	=	6.52%
FE	5.00%	+	2.00% (( 1.86 - 1)/2-1)	=	5.86%
GMP	6.00%	+	0.00% (( 1.44 - 1)/2-1)	=	6.00%
PGN	3.00%	+	2.00% (( 1.37 - 1)/2-1)	=	3.37%
SO	4.25%	+	1.50% (( 2.41 - 1)/2-1)	=	5.31%
AEE	3.50%	+	3.00% (( 1.74 - 1)/2-1)	=	4.61%
CNL	4.25%	+	1.00% (( 2.05 - 1)/2-1)	=	4.78%
EDE	4.00%	+	3.00% (( 1.57 - 1)/2-1)	=	4.86%
ETR	6.50%	+	##### (( 1.87 - 1)/2-1)	=	6.28%
HE	3.25%	+	1.75% (( 1.73 - 1)/2-1)	=	3.89%
PNM	6.00%	+	1.50% (( 1.40 - 1)/2-1)	=	6.30%
PNW	4.50%	+	1.75% (( 1.29 - 1)/2-1)	=	4.76%

Average Market-to-Book Ratio = 1.69

CV = Central Vermont P. S.  
FPL = FPL Group  
FE = FirstEnergy Corp.  
GMP = Green Mountain Power  
PGN = Progress Energy  
SO = Southern Company  
AEE = Ameren Corp.  
CNL = Cleco Corporation  
EDE = Empire District Electric  
ETR = Entergy Corp.  
HE = Hawaiian Electric  
PNM = PNM Resources

g\*= expected growth in number of shares outstanding

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**GROWTH RATE COMPARISON**

COMPANY	DCF	Value Line Projected			First Call	Value Line Historic			First Call & VL	5-yr Compound Hist.		
	Growth	EPS	DPS	BVPS	EPS	EPS	DPS	BVPS	AVGS.	EPS	DPS	BVPS
CV	3.57%	2.00%	0.50%	-0.50%	n/a	8.50%	0.50%	2.00%	2.17%	nmf	0.89%	0.75%
FPL	6.52%	7.50%	10.50%	8.00%	5.00%	4.50%	4.00%	6.00%	6.50%	3.43%	5.63%	5.10%
FE	5.86%	10.00%	3.50%	6.00%	5.00%	1.00%	2.00%	6.00%	4.79%	1.86%	-3.74%	5.83%
GMP	6.00%	3.50%	10.00%	3.00%	n/a	37.50%	-6.50%	#####	7.83%	nmf	12.70%	5.50%
PGN	3.37%	0.00%	2.00%	2.50%	3.80%	5.50%	3.00%	8.50%	3.61%	nmf	2.73%	3.79%
SO	5.31%	4.00%	3.50%	5.50%	5.00%	2.50%	1.00%	#####	2.86%	0.88%	2.01%	-1.61%
AEE	4.61%	2.00%	0.00%	4.00%	4.00%	1.50%	0.00%	4.00%	2.21%	-1.42%	0.00%	5.58%
CNL	4.78%	1.50%	0.00%	3.50%	3.50%	4.00%	2.00%	4.00%	2.64%	-2.29%	1.15%	2.21%
EDE	4.86%	8.00%	0.00%	2.00%	2.00%	-3.50%	0.00%	2.00%	1.50%	-1.53%	0.00%	1.63%
ETR	6.28%	6.50%	11.00%	5.00%	7.00%	11.00%	1.50%	5.50%	6.79%	9.14%	12.62%	4.58%
HE	3.89%	2.50%	0.00%	3.00%	3.00%	1.00%	0.00%	2.50%	1.71%	3.38%	0.00%	3.69%
PNM	6.30%	8.00%	10.50%	5.00%	12.00%	-2.00%	4.50%	5.00%	6.14%	0.64%	7.76%	5.92%
PNW	4.76%	3.50%	5.00%	3.00%	4.50%	-3.00%	7.00%	4.00%	3.43%	-2.18%	6.18%	3.65%
		4.54%	4.35%	3.85%		5.27%	1.46%	3.65%		1.19%	3.69%	3.59%
AVERAGES	5.09%	4.24%			4.98%	3.46%			4.01%	2.82%		

Zack's growth rates: CV-n/a, FPL-5.4%, FE-4.3%, GMP-n/a, PGN-4.1%, SO-4.5%, AEE-4.9%, CNL-4%, EDE-5%, ETR-7.2%, HE-3.5%, PNM-7.7%, and PNW-5.2%. Zack's average earnings growth = 5.05%.