

PACIFICORP
Dr. Hadaway's Market Price Approach DCF Analysis
(Revised 1/26/06)

Company	Next Year's Dividend	2009 Dividend	Annual Change to 2009	Average P/E Ratio†	2009 EPS	2009 Price	CASH FLOWS				ROE=Internal Rate of Return	
							Recent Price	Year 1 Dividend	Year 2 Dividend	Year 3 Dividend		Year 4 Div+Price
1 Alliant Energy Co.	\$1.11	\$1.26	\$0.05	15.8	\$2.15	\$33.86	-\$28.29	\$1.11	\$1.16	\$1.21	\$35.12	8.5%
2 Ameren	\$2.54	\$2.54	\$0.00	16.7	\$3.35	\$55.78	-\$52.81	\$2.54	\$2.54	\$2.54	\$58.32	6.1%
3 CH Energy Group	\$2.16	\$2.20	\$0.01	15.5	\$3.25	\$50.21	-\$46.85	\$2.16	\$2.17	\$2.19	\$52.41	6.3%
4 Con. Edison	\$2.30	\$2.36	\$0.02	15.4	\$3.00	\$46.05	-\$46.61	\$2.30	\$2.32	\$2.34	\$48.41	4.7%
5 Empire District	\$1.28	\$1.28	\$0.00	16.7	\$1.50	\$25.05	-\$21.71	\$1.28	\$1.28	\$1.28	\$26.33	9.2%
6 Energy East Corp.	\$1.16	\$1.35	\$0.06	14.4	\$2.00	\$28.80	-\$24.49	\$1.16	\$1.22	\$1.29	\$30.15	9.0%
7 FPL Group, Inc.	\$1.52	\$1.82	\$0.10	16.5	\$2.95	\$48.68	-\$44.21	\$1.52	\$1.62	\$1.72	\$50.50	6.1%
8 MGE Energy, Inc.	\$1.38	\$1.44	\$0.02	17.2	\$2.45	\$42.14	-\$35.38	\$1.38	\$1.40	\$1.42	\$43.58	8.2%
9 NSTAR	\$1.21	\$1.35	\$0.05	15.0	\$2.00	\$29.90	-\$28.05	\$1.21	\$1.26	\$1.30	\$31.25	6.1%
10 Progress Energy	\$2.44	\$2.50	\$0.02	13.2	\$3.40	\$44.88	-\$43.68	\$2.44	\$2.46	\$2.48	\$47.38	6.3%
11 SCANA Corp.	\$1.66	\$1.90	\$0.08	14.3	\$3.25	\$46.31	-\$40.72	\$1.66	\$1.74	\$1.82	\$48.21	7.4%
12 Southern Co.	\$1.53	\$1.71	\$0.06	15.1	\$2.45	\$37.00	-\$34.78	\$1.53	\$1.59	\$1.65	\$38.71	6.1%
13 Vectren Corp.	\$1.23	\$1.35	\$0.04	15.0	\$1.95	\$29.15	-\$27.36	\$1.23	\$1.27	\$1.31	\$30.50	6.2%
14 Xcel Energy Inc.	\$0.88	\$1.05	\$0.06	14.4	\$1.50	\$21.53	-\$18.99	\$0.88	\$0.94	\$0.99	\$22.58	8.1%
GROUP AVERAGE												7.1%
GROUP MEDIAN												6.3%

†Average of current and estimated 2009 P/E ratios from Value Line.

Data: Hadaway Rebuttal Exhibit (SCH-15).

Model: Hadaway Testimony in Docket UE-032065, Exhibit 46, p. 49, column 18; Exhibit 46, p. 51.