

MULTI-STAGE DCF MODEL

## SUMMARY OF RESULTS

| <u>Company</u>           | <u>Implied<br/>Cost of Equity</u> |
|--------------------------|-----------------------------------|
| Alliant Energy           | 11.8%                             |
| Central Hudson G&E       | 10.3%                             |
| CINergy, Inc.            | 10.9%                             |
| Conectiv                 | 11.1%                             |
| Consolidated Edison      | 10.4%                             |
| LG&E Energy              | 12.2%                             |
| PECO Energy              | 10.9%                             |
| PS Enterprise Group      | 10.6%                             |
| Puget Sound Energy       | 11.8%                             |
| RGS Energy Group         | 11.5%                             |
| Sempra Energy            | 11.9%                             |
| Sierra Pacific Resources | <u>12.2%</u>                      |
| Low                      | 10.3%                             |
| <b>Average (a)</b>       | <b>11.3%</b>                      |
| High                     | 12.2%                             |