

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,)
Complainant,)
v.)
PACIFICORP d/b/a PACIFIC POWER &)
LIGHT COMPANY,)
Respondent.)

Docket No. UE-100749

EXHIBIT NO.__(MPG-20)
ADJUSTED HADAWAY DCF

October 5, 2010

PacifiCorp

Summary of Adjusted Hadaway DCF

<u>Line</u>	<u>Description</u>	<u>Hadaway</u> (1)	<u>Hadaway</u> <u>Adjusted*</u> (2)
<u>Constant Growth DCF</u>			
1	Average	10.4%	10.4%
2	Median	10.6%	10.6%
<u>Long-Term Constant Growth DCF</u>			
3	Average	10.8%	9.7%
4	Median	10.9%	9.8%
<u>Multi-Stage Growth DCF</u>			
5	Average	10.6%	9.6%
6	Median	10.8%	9.8%

Sources:

Pages 2 to 4.

* The adjustment reflects changing the GDP Growth Rate to 4.9%.

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Adjusted Hadaway Constant Growth DCF Model Analysts' Growth Rates

<u>Line</u>	<u>Company</u>	<u>Recent Stock Price</u> (1)	<u>Next Year's Dividend</u> (2)	<u>Dividend Yield</u> (3)	<u>Analysts' Growth Rates</u>			<u>Average Growth Rate</u> (7)	<u>Constant Growth DCF</u> (8)
					<u>Value Line</u> (4)	<u>Zacks</u> (5)	<u>Thomson</u> (6)		
1	ALLETE	\$31.98	\$1.76	5.50%	NA	3.70%	5.33%	4.52%	10.0%
2	Alliant Energy Co.	\$32.03	\$1.62	5.04%	7.00%	4.00%	5.60%	5.53%	10.6%
3	Black Hills Corp	\$27.59	\$1.46	5.29%	8.50%	6.00%	6.00%	6.83%	12.1%
4	Con. Edison	\$43.92	\$2.39	5.44%	2.50%	3.00%	3.25%	2.92%	8.4%
5	DPL Inc.	\$27.23	\$1.25	4.57%	6.50%	5.00%	4.47%	5.32%	9.9%
6	DTE Energy Co.	\$43.69	\$2.18	4.99%	7.00%	5.00%	5.00%	5.67%	10.7%
7	Duke Energy	\$16.61	\$0.98	5.90%	5.50%	4.40%	4.33%	4.74%	10.6%
8	Edison Internat.	\$33.88	\$1.32	3.89%	3.50%	5.00%	2.03%	3.51%	7.4%
9	Entergy Corp.	\$78.81	\$3.00	3.81%	5.00%	4.00%	6.53%	5.18%	9.0%
10	NextEra Energy	\$48.62	\$2.00	4.11%	7.00%	7.10%	7.32%	7.14%	11.3%
11	IDACORP	\$32.91	\$1.23	3.75%	4.50%	5.00%	5.00%	4.83%	8.6%
12	Northeast Utilities	\$26.16	\$1.07	4.07%	7.00%	7.90%	7.81%	7.57%	11.6%
13	NSTAR	\$34.71	\$1.68	4.84%	5.50%	6.00%	5.73%	5.74%	10.6%
14	PG&E Corp.	\$42.84	\$1.87	4.36%	6.50%	7.70%	7.16%	7.12%	11.5%
15	Portland General	\$19.20	\$1.08	5.60%	3.50%	5.80%	6.00%	5.10%	10.7%
16	Progress Energy	\$39.13	\$2.51	6.41%	4.50%	4.00%	3.72%	4.07%	10.5%
17	SCANA Corp.	\$36.49	\$1.91	5.23%	3.50%	5.30%	5.32%	4.71%	9.9%
18	Sempra Energy	\$51.01	\$1.78	3.50%	5.50%	7.00%	7.00%	6.50%	10.0%
19	Southern Co.	\$32.38	\$1.82	5.62%	4.50%	7.10%	4.77%	5.46%	11.1%
20	Vectren Corp.	\$23.71	\$1.38	5.82%	4.50%	5.80%	5.00%	5.10%	10.9%
21	Wisconsin Energy	\$49.34	\$1.70	3.45%	8.00%	8.70%	9.87%	8.86%	12.3%
22	Xcel Energy Inc.	\$20.96	\$1.02	4.85%	6.50%	5.70%	6.18%	6.13%	11.0%
23	Average	\$36.05	\$1.68	4.82%	5.55%	5.60%	5.61%	5.57%	10.4%
24	Median			4.92%				5.39%	10.6%

Source:

Exhibit No.____(SCH-6), page 2 of 5.

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Adjusted Hadaway Constant Growth DCF Model Long-Term GDP Growth

<u>Line</u>	<u>Company</u>	<u>Recent Stock Price</u> (1)	<u>Next Year's Dividend</u> (2)	<u>Dividend Yield</u> (3)	<u>GDP Growth*</u> (4)	<u>Long-Term Constant Growth DCF</u> (5)
1	ALLETE	\$31.98	\$1.76	5.50%	4.90%	10.4%
2	Alliant Energy Co.	\$32.03	\$1.62	5.04%	4.90%	9.9%
3	Black Hills Corp	\$27.59	\$1.46	5.29%	4.90%	10.2%
4	Con. Edison	\$43.92	\$2.39	5.44%	4.90%	10.3%
5	DPL Inc.	\$27.23	\$1.25	4.57%	4.90%	9.5%
6	DTE Energy Co.	\$43.69	\$2.18	4.99%	4.90%	9.9%
7	Duke Energy	\$16.61	\$0.98	5.90%	4.90%	10.8%
8	Edison Internat.	\$33.88	\$1.32	3.89%	4.90%	8.8%
9	Entergy Corp.	\$78.81	\$3.00	3.81%	4.90%	8.7%
10	NextEra Energy	\$48.62	\$2.00	4.11%	4.90%	9.0%
11	IDACORP	\$32.91	\$1.23	3.75%	4.90%	8.6%
12	Northeast Utilities	\$26.16	\$1.07	4.07%	4.90%	9.0%
13	NSTAR	\$34.71	\$1.68	4.84%	4.90%	9.7%
14	PG&E Corp.	\$42.84	\$1.87	4.36%	4.90%	9.3%
15	Portland General	\$19.20	\$1.08	5.60%	4.90%	10.5%
16	Progress Energy	\$39.13	\$2.51	6.41%	4.90%	11.3%
17	SCANA Corp.	\$36.49	\$1.91	5.23%	4.90%	10.1%
18	Sempra Energy	\$51.01	\$1.78	3.50%	4.90%	8.4%
19	Southern Co.	\$32.38	\$1.82	5.62%	4.90%	10.5%
20	Vectren Corp.	\$23.71	\$1.38	5.82%	4.90%	10.7%
21	Wisconsin Energy	\$49.34	\$1.70	3.45%	4.90%	8.3%
22	Xcel Energy Inc.	\$20.96	\$1.02	4.85%	4.90%	9.8%
23	Average	\$36.05	\$1.68	4.82%	4.90%	9.7%
24	Median			4.92%		9.8%

Sources:

Exhibit No.____(SCH-6), page 3 of 5.

* Blue Chip Financial Forecasts, June 1, 2010 at 14.

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Adjusted Hadaway Low Near-Term Growth Two-Stage Growth DCF Model

Line	Company	Recent Stock Price (1)	2009 Forecasted Dividend (2)	2012 Forecasted Dividend (3)	Annual Change to 2012 (4)	Cash Flows					GDP Growth* (10)	Two-Stage Growth DCF (11)
						2009 Dividend (5)	2010 Dividend (6)	2011 Dividend (7)	2012 Dividend (8)	2013 Dividend (9)		
1	ALLETE	\$31.98	\$1.76	\$1.80	\$0.01	\$1.76	\$1.77	\$1.79	\$1.80	\$1.89	4.90%	9.8%
2	Alliant Energy Co.	\$32.03	\$1.62	\$1.92	\$0.10	\$1.62	\$1.72	\$1.82	\$1.92	\$2.01	4.90%	10.1%
3	Black Hills Corp	\$27.59	\$1.46	\$1.56	\$0.03	\$1.46	\$1.49	\$1.53	\$1.56	\$1.64	4.90%	9.8%
4	Con. Edison	\$43.92	\$2.39	\$2.46	\$0.02	\$2.39	\$2.41	\$2.44	\$2.46	\$2.58	4.90%	9.8%
5	DPL Inc.	\$27.23	\$1.25	\$1.50	\$0.09	\$1.25	\$1.33	\$1.42	\$1.50	\$1.57	4.90%	9.7%
6	DTE Energy Co.	\$43.69	\$2.18	\$2.60	\$0.14	\$2.18	\$2.32	\$2.46	\$2.60	\$2.73	4.90%	10.0%
7	Duke Energy	\$16.61	\$0.98	\$1.10	\$0.04	\$0.98	\$1.02	\$1.06	\$1.10	\$1.15	4.90%	10.7%
8	Edison Internat.	\$33.88	\$1.32	\$1.50	\$0.06	\$1.32	\$1.38	\$1.44	\$1.50	\$1.57	4.90%	8.7%
9	Entergy Corp.	\$78.81	\$3.00	\$3.60	\$0.20	\$3.00	\$3.20	\$3.40	\$3.60	\$3.78	4.90%	8.8%
10	NextEra Energy	\$48.62	\$2.00	\$2.40	\$0.13	\$2.00	\$2.13	\$2.27	\$2.40	\$2.52	4.90%	9.2%
11	IDACORP	\$32.91	\$1.23	\$1.40	\$0.06	\$1.23	\$1.29	\$1.34	\$1.40	\$1.47	4.90%	8.6%
12	Northeast Utilities	\$26.16	\$1.07	\$1.25	\$0.06	\$1.07	\$1.13	\$1.19	\$1.25	\$1.31	4.90%	9.0%
13	NSTAR	\$34.71	\$1.68	\$2.05	\$0.12	\$1.68	\$1.80	\$1.93	\$2.05	\$2.15	4.90%	10.0%
14	PG&E Corp.	\$42.84	\$1.87	\$2.20	\$0.11	\$1.87	\$1.98	\$2.09	\$2.20	\$2.31	4.90%	9.3%
15	Portland General	\$19.20	\$1.08	\$1.20	\$0.04	\$1.08	\$1.12	\$1.16	\$1.20	\$1.26	4.90%	10.3%
16	Progress Energy	\$39.13	\$2.51	\$2.58	\$0.02	\$2.51	\$2.53	\$2.56	\$2.58	\$2.71	4.90%	10.7%
17	SCANA Corp.	\$36.49	\$1.91	\$2.05	\$0.05	\$1.91	\$1.96	\$2.00	\$2.05	\$2.15	4.90%	9.8%
18	Sempra Energy	\$51.01	\$1.78	\$2.10	\$0.11	\$1.78	\$1.89	\$1.99	\$2.10	\$2.20	4.90%	8.4%
19	Southern Co.	\$32.38	\$1.82	\$2.10	\$0.09	\$1.82	\$1.91	\$2.01	\$2.10	\$2.20	4.90%	10.5%
20	Vectren Corp.	\$23.71	\$1.38	\$1.50	\$0.04	\$1.38	\$1.42	\$1.46	\$1.50	\$1.57	4.90%	10.4%
21	Wisconsin Energy	\$49.34	\$1.70	\$2.40	\$0.23	\$1.70	\$1.93	\$2.17	\$2.40	\$2.52	4.90%	9.0%
22	Xcel Energy Inc.	\$20.96	\$1.02	\$1.10	\$0.03	\$1.02	\$1.04	\$1.07	\$1.10	\$1.15	4.90%	9.5%
23	Average	\$36.05	\$1.68	\$1.93	\$0.08	\$1.68	\$1.76	\$1.84	\$1.93	\$2.02	4.90%	9.6%
24	Median											9.8%

Sources:

Exhibit No.____(SCH-6), page 4 of 5.

* Blue Chip Financial Forecasts, June 1, 2010 at 14.