

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-9)
SUSTAINABLE GROWTH

October 5, 2010

PacifiCorp

Sustainable Growth Rate

| Line | Company | 3 to 5 Year Projections | | | | | | | | | Growth Rate Plus S * V ¹ (10) |
|------|---------------------|-------------------------|------------------|------------------|---------------|---------------|---------------|---------------|---------------|--------------------|---------------------------------------------------|
| | | Dividends | Earnings | Book Value | | Adjustment | Adjusted | Payout | Retention | Internal | |
| | | Per Share (1) | Per Share (2) | Per Share (3) | ROE (4) | Factor (5) | ROE (6) | Ratio (7) | Rate (8) | Growth Rate (9) | |
| 1 | ALLETE | \$1.80 | \$2.50 | \$29.25 | 8.55% | 1.01 | 8.63% | 72.00% | 28.00% | 2.42% | 3.05% |
| 2 | Alliant Energy Co. | \$1.92 | \$3.60 | \$31.05 | 11.59% | 1.02 | 11.84% | 53.33% | 46.67% | 5.53% | 5.87% |
| 3 | Black Hills Corp | \$1.60 | \$2.50 | \$31.50 | 7.94% | 1.01 | 8.03% | 64.00% | 36.00% | 2.89% | 2.95% |
| 4 | Con. Edison | \$2.46 | \$3.85 | \$41.10 | 9.37% | 1.01 | 9.48% | 63.90% | 36.10% | 3.42% | 3.53% |
| 5 | DPL Inc. | \$1.50 | \$2.90 | \$12.00 | 24.17% | 1.03 | 24.80% | 51.72% | 48.28% | 11.97% | 13.69% |
| 6 | DTE Energy Co. | \$2.60 | \$4.25 | \$46.50 | 9.14% | 1.02 | 9.33% | 61.18% | 38.82% | 3.62% | 3.97% |
| 7 | Duke Energy | \$1.05 | \$1.50 | \$18.00 | 8.33% | 1.01 | 8.40% | 70.00% | 30.00% | 2.52% | 2.53% |
| 8 | Edison Internat. | \$1.50 | \$3.50 | \$39.50 | 8.86% | 1.03 | 9.10% | 42.86% | 57.14% | 5.20% | 5.20% |
| 9 | Entergy Corp. | \$4.15 | \$7.75 | \$59.50 | 13.03% | 1.03 | 13.37% | 53.55% | 46.45% | 6.21% | 4.75% |
| 10 | NextEra Energy | \$2.40 | \$5.00 | \$44.75 | 11.17% | 1.04 | 11.57% | 48.00% | 52.00% | 6.02% | 6.79% |
| 11 | IDACORP | \$1.40 | \$3.10 | \$36.50 | 8.49% | 1.02 | 8.68% | 45.16% | 54.84% | 4.76% | 5.10% |
| 12 | Northeast Utilities | \$1.30 | \$2.50 | \$26.00 | 9.62% | 1.02 | 9.85% | 52.00% | 48.00% | 4.73% | 5.23% |
| 13 | NSTAR | \$2.05 | \$3.25 | \$22.75 | 14.29% | 1.03 | 14.68% | 63.08% | 36.92% | 5.42% | 4.15% |
| 14 | PG&E Corp. | \$2.40 | \$4.50 | \$38.25 | 11.76% | 1.08 | 12.68% | 53.33% | 46.67% | 5.92% | 8.26% |
| 15 | Portland General | \$1.20 | \$2.00 | \$23.25 | 8.60% | 1.01 | 8.71% | 60.00% | 40.00% | 3.48% | 3.28% |
| 16 | Progress Energy | \$2.58 | \$3.55 | \$38.00 | 9.34% | 1.01 | 9.47% | 72.68% | 27.32% | 2.59% | 2.91% |
| 17 | SCANA Corp. | \$2.00 | \$3.50 | \$35.25 | 9.93% | 1.02 | 10.17% | 57.14% | 42.86% | 4.36% | 5.74% |
| 18 | Sempra Energy | \$2.05 | \$5.00 | \$49.75 | 10.05% | 1.03 | 10.36% | 41.00% | 59.00% | 6.11% | 5.72% |
| 19 | Southern Co. | \$2.10 | \$3.00 | \$23.25 | 12.90% | 1.02 | 13.22% | 70.00% | 30.00% | 3.97% | 5.53% |
| 20 | Vectren Corp. | \$1.50 | \$2.25 | \$22.00 | 10.23% | 1.02 | 10.48% | 66.67% | 33.33% | 3.49% | 3.79% |
| 21 | Wisconsin Energy | \$2.40 | \$5.00 | \$40.75 | 12.27% | 1.03 | 12.62% | 48.00% | 52.00% | 6.56% | 6.56% |
| 22 | Xcel Energy Inc. | \$1.15 | \$2.00 | \$19.75 | 10.13% | 1.02 | 10.34% | 57.50% | 42.50% | 4.40% | 4.96% |
| 23 | Average | \$1.96 | \$3.50 | \$33.12 | 10.90% | 1.02 | 11.17% | 57.60% | 42.40% | 4.80% | 5.16% |
| 24 | Median | | | | | | | | | | 5.03% |

Sources:

The Value Line Investment Survey, June 25, August 6, and August 27, 2010.

¹ Page 2, Column 9.

PacifiCorp

Sustainable Growth

| Line | Company | 13-Week | 2009 | Market | Common Shares | | Growth | S Factor ³ | V Factor ⁴ | S * V ⁵ |
|------|---------------------|--------------------------|------------------------|-------------|----------------------------------------|---------------|--------------|-----------------------|-----------------------|--------------------|
| | | Average | Book Value | to Book | Outstanding (in Millions) ² | | | | | |
| | | Stock Price ¹ | Per Share ² | Ratio | 2009 | 3-5 Years | (6) | (7) | (8) | (9) |
| | | (1) | (2) | (3) | (4) | (5) | | | | |
| 1 | ALLETE | \$35.60 | \$26.41 | 1.35 | 35.20 | 38.50 | 1.81% | 2.44% | 25.80% | 0.63% |
| 2 | Alliant Energy Co. | \$34.26 | \$25.07 | 1.37 | 110.66 | 116.00 | 0.95% | 1.29% | 26.81% | 0.35% |
| 3 | Black Hills Corp | \$30.44 | \$27.84 | 1.09 | 38.97 | 40.25 | 0.65% | 0.71% | 8.54% | 0.06% |
| 4 | Con. Edison | \$46.03 | \$36.46 | 1.26 | 281.12 | 287.00 | 0.41% | 0.52% | 20.79% | 0.11% |
| 5 | DPL Inc. | \$25.26 | \$9.25 | 2.73 | 118.97 | 125.00 | 0.99% | 2.71% | 63.38% | 1.72% |
| 6 | DTE Energy Co. | \$46.88 | \$37.96 | 1.23 | 165.40 | 178.00 | 1.48% | 1.83% | 19.03% | 0.35% |
| 7 | Duke Energy | \$16.94 | \$16.62 | 1.02 | 1309.00 | 1335.00 | 0.39% | 0.40% | 1.87% | 0.01% |
| 8 | Edison Internat. | \$33.38 | \$30.20 | 1.11 | 325.81 | 325.81 | 0.00% | 0.00% | 9.52% | 0.00% |
| 9 | Entergy Corp. | \$77.17 | \$45.54 | 1.69 | 189.12 | 170.00 | -2.11% | -3.57% | 40.99% | -1.46% |
| 10 | NextEra Energy | \$52.27 | \$31.35 | 1.67 | 413.62 | 438.00 | 1.15% | 1.92% | 40.02% | 0.77% |
| 11 | IDACORP | \$35.04 | \$29.17 | 1.20 | 47.90 | 52.00 | 1.66% | 1.99% | 16.76% | 0.33% |
| 12 | Northeast Utilities | \$27.80 | \$20.37 | 1.36 | 175.62 | 188.00 | 1.37% | 1.87% | 26.74% | 0.50% |
| 13 | NSTAR | \$37.06 | \$17.30 | 2.14 | 106.81 | 101.00 | -1.11% | -2.38% | 53.32% | -1.27% |
| 14 | PG&E Corp. | \$44.25 | \$17.53 | 2.52 | 370.60 | 400.00 | 1.54% | 3.88% | 60.39% | 2.35% |
| 15 | Portland General | \$19.33 | \$20.50 | 0.94 | 75.21 | 90.00 | 3.66% | 3.45% | -6.05% | -0.21% |
| 16 | Progress Energy | \$41.56 | \$33.30 | 1.25 | 281.00 | 300.00 | 1.32% | 1.64% | 19.88% | 0.33% |
| 17 | SCANA Corp. | \$38.28 | \$27.71 | 1.38 | 123.00 | 147.00 | 3.63% | 5.01% | 27.61% | 1.38% |
| 18 | Sempra Energy | \$50.24 | \$36.54 | 1.38 | 246.50 | 234.00 | -1.04% | -1.42% | 27.27% | -0.39% |
| 19 | Southern Co. | \$35.27 | \$18.15 | 1.94 | 819.65 | 890.00 | 1.66% | 3.23% | 48.54% | 1.57% |
| 20 | Vectren Corp. | \$24.45 | \$17.23 | 1.42 | 81.10 | 84.00 | 0.71% | 1.00% | 29.52% | 0.30% |
| 21 | Wisconsin Energy | \$54.00 | \$30.51 | 1.77 | 116.91 | 116.90 | 0.00% | 0.00% | 43.50% | 0.00% |
| 22 | Xcel Energy Inc. | \$21.84 | \$15.92 | 1.37 | 457.51 | 493.00 | 1.51% | 2.07% | 27.10% | 0.56% |
| 23 | Average | \$37.61 | \$25.95 | 1.51 | 267.71 | 279.52 | 0.94% | 1.30% | 28.70% | 0.36% |

Sources and Notes:

¹ <http://moneycentral.msn.com>, downloaded on September 14, 2010.

² *The Value Line Investment Survey*, June 25, August 6, and August 27, 2010.

³ Expected Growth in the Number of Shares, Column (3) * Column (6).

⁴ Expected Profit of Stock Investment, [1 - 1 / Column (3)].

⁵ Column (7) * Column (8).