

Exhibit \_\_\_ (JWW-4)  
Docket No. UG-040640, et al.  
Witness: John W. Wilson

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.

Respondent.

DOCKET NO. UG-040640  
DOCKET NO. UE-040641  
(consolidated)

EXHIBIT TO TESTIMONY OF

JOHN W. WILSON

DCF Cost of Equity Indications

September 23, 2004

## DCF Cost of Equity Indications

### Comparable Companies

<u>Company</u>	<u>Recent Dividend Yield</u>	<u>Historic Dividend</u>	<u>Projected Growth</u>	
		<u>Growth (10 yrs)</u>	<u>Value Line</u>	<u>IBES</u>
Avista	2.9%	-8.9%	7.4%	4.0%
MDU	2.8%	4.1%	5.4%	9.0%
PNM	3.0%	6.4% <sup>1/</sup>	3.9%	5.0%
Puget	4.4%	-5.9%	2.3%	6.0%
Sierra Pacific	0	NMF	0	2.0%
Alliant	3.8%	-6.3%	3.0%	4.0%
Aquila	0	NMF	0	0
MGE	4.3%	1.3%	0.7%	NA
WPS	4.8%	2.1%	1.8%	6.0%
Wisconsin Energy	2.6%	-5.0%	4.6%	6.0%
Scana	3.8%	0.1%	5.2%	5.0%
TECO	5.7%	-2.2%	5.6%	4.0%
Average	3.18%	-1.43%	3.33%	4.64%
Adjusted Average <sup>2/</sup>	3.81%	2.8%	3.99%	5.1%

Adjusted D/P + g = 7.77% (average)  
6.6% (low)  
8.9% (high)

<sup>1/</sup> PNM dividend historic growth is for six years.

<sup>2/</sup> Adjusted average excludes zero and negative values.