

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	
TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	
	)	
v.	)	Docket No. UE-130043
	)	
PACIFICORP D/B/A PACIFIC POWER &	)	
LIGHT COMPANY,	)	
	)	
Respondent.	)	
_____	)	

**EXHIBIT NO.\_\_(MPG-9)**  
**SUSTAINABLE GROWTH RATE**

**June 21, 2013**

# PacifiCorp

## Sustainable Growth Rate

Line	Company	3 to 5 Year Projections										Sustainable Growth Rate (11)
		Dividends Per Share (1)	Earnings Per Share (2)	Book Value Per Share (3)	Book Value Growth (4)	ROE (5)	Adjustment Factor (6)	Adjusted ROE (7)	Payout Ratio (8)	Retention Rate (9)	Internal Growth Rate (10)	
1	ALLETE	\$2.20	\$3.75	\$36.25	3.53%	10.34%	1.02	10.52%	58.67%	41.33%	4.35%	5.59%
2	Alliant Energy Co.	\$2.20	\$3.70	\$34.50	4.08%	10.72%	1.02	10.94%	59.46%	40.54%	4.43%	5.14%
3	Avista Corp.	\$1.40	\$2.00	\$24.00	2.65%	8.33%	1.01	8.44%	70.00%	30.00%	2.53%	2.95%
4	Black Hills Corp	\$1.70	\$3.00	\$33.00	3.43%	9.09%	1.02	9.24%	56.67%	43.33%	4.01%	4.29%
5	DTE Energy Co.	\$3.05	\$4.75	\$52.50	4.18%	9.05%	1.02	9.23%	64.21%	35.79%	3.30%	4.45%
6	IDACORP	\$1.90	\$3.65	\$43.45	4.38%	8.40%	1.02	8.58%	52.05%	47.95%	4.11%	4.24%
7	Integrus Energy	\$2.80	\$4.00	\$45.75	3.33%	8.74%	1.02	8.89%	70.00%	30.00%	2.67%	3.58%
8	Portland General	\$1.30	\$2.25	\$26.75	3.18%	8.41%	1.02	8.54%	57.78%	42.22%	3.61%	3.72%
9	Sempra Energy	\$3.00	\$5.50	\$53.00	4.55%	10.38%	1.02	10.61%	54.55%	45.45%	4.82%	5.39%
10	Southern Co.	\$2.30	\$3.25	\$25.75	4.07%	12.62%	1.02	12.87%	70.77%	29.23%	3.76%	4.77%
11	Westar Energy	\$1.52	\$2.60	\$28.15	4.22%	9.24%	1.02	9.43%	58.46%	41.54%	3.92%	4.50%
12	Wisconsin Energy	\$2.00	\$3.00	\$21.00	3.07%	14.29%	1.02	14.50%	66.67%	33.33%	4.83%	4.89%
13	Xcel Energy Inc.	\$1.35	\$2.25	\$23.00	4.80%	9.78%	1.02	10.01%	60.00%	40.00%	4.00%	4.68%
14	<b>Average</b>	<b>\$2.06</b>	<b>\$3.36</b>	<b>\$34.39</b>	<b>3.81%</b>	<b>9.95%</b>	<b>1.02</b>	<b>10.14%</b>	<b>61.48%</b>	<b>38.52%</b>	<b>3.87%</b>	<b>4.48%</b>

Sources and Notes:

Cols. (1), (2) and (3): The Value Line Investment Survey, March 22, May 3, and May 24, 2013.

Col. (4): [ Col. (3) / Page 2 Col. (2) ] ^ (1/5) - 1.

Col. (5): Col. (2) / Col. (3).

Col. (6): [ 2 \* (1 + Col. (4)) ] / (2 + Col. (4)).

Col. (7): Col. (6) \* Col. (5).

Col. (8): Col. (1) / Col. (2).

Col. (9): 1 - Col. (8).

Col. (10): Col. (9) \* Col. (7).

Col. (11): Col. (10) + Page 2 Col. (9).

# PacifiCorp

## Sustainable Growth Rate

Line	Company	13-Week Average Stock Price <sup>1</sup> (1)	2012 Book Value Per Share <sup>2</sup> (2)	Market to Book Ratio (3)	Common Shares Outstanding (in Millions) <sup>2</sup>		Growth (6)	S Factor <sup>3</sup> (7)	V Factor <sup>4</sup> (8)	S * V (9)
					2012 (4)	3-5 Years (5)				
1	ALLETE	\$49.40	\$30.48	1.62	39.40	43.50	2.00%	3.24%	38.30%	1.24%
2	Alliant Energy Co.	\$50.72	\$28.25	1.80	110.99	116.00	0.89%	1.59%	44.30%	0.71%
3	Avista Corp.	\$27.44	\$21.06	1.30	59.81	64.00	1.36%	1.78%	23.26%	0.41%
4	Black Hills Corp	\$46.00	\$27.88	1.65	44.21	45.20	0.44%	0.73%	39.39%	0.29%
5	DTE Energy Co.	\$69.20	\$42.78	1.62	172.35	189.00	1.86%	3.01%	38.18%	1.15%
6	IDACORP	\$48.01	\$35.07	1.37	50.16	51.00	0.33%	0.46%	26.96%	0.12%
7	Integrus Energy	\$59.03	\$38.84	1.52	77.90	85.00	1.76%	2.67%	34.20%	0.91%
8	Portland General	\$30.98	\$22.87	1.35	75.56	76.75	0.31%	0.42%	26.19%	0.11%
9	Sempra Energy	\$81.15	\$42.42	1.91	242.37	250.00	0.62%	1.19%	47.73%	0.57%
10	Southern Co.	\$46.33	\$21.09	2.20	867.77	905.00	0.84%	1.85%	54.48%	1.01%
11	Westar Energy	\$33.02	\$22.89	1.44	126.50	135.00	1.31%	1.89%	30.69%	0.58%
12	Wisconsin Energy	\$42.61	\$18.05	2.36	229.04	229.50	0.04%	0.09%	57.63%	0.05%
13	Xcel Energy Inc.	\$29.92	\$18.19	1.65	487.96	514.00	1.05%	1.72%	39.21%	0.67%
14	<b>Average</b>	<b>\$47.22</b>	<b>\$28.45</b>	<b>1.68</b>	<b>198.77</b>	<b>208.00</b>	<b>0.99%</b>	<b>1.59%</b>	<b>38.50%</b>	<b>0.60%</b>

Sources and Notes:

<sup>1</sup> SNL Financial, downloaded on June 10, 2013

<sup>2</sup> The Value Line Investment Survey, March 22, May 3, and May 24, 2013.

<sup>3</sup> Expected Growth in the Number of Shares, Column (3) \* Column (6).

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