

Exhibit No. \_\_\_\_ (MPG-7)  
Docket Nos. UE-060266/UG-060267  
Witness: Michael P. Gorman

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-060266  
Docket No. UG-060267**

**EXHIBIT NO. \_\_\_\_ (MPG-7)**

**CONSTANT GROWTH DCF MODEL**

**July 19, 2006**

# Puget Sound Energy

## Constant Growth DCF Model

<u>Line</u>	<u>Electric Utility</u>	<u>13-Week AVG Stock Price<sup>1</sup></u> (1)	<u>AVG (%) Growth</u>	<u>Annual Dividend<sup>2</sup></u> (3)	<u>Adjusted Yield</u> (4)	<u>Constant Growth DCF</u> (5)
1	American El. Power	\$ 33.69	3.28%	\$ 1.48	4.54%	7.81%
2	Ameren Corp.	\$ 49.87	5.60%	\$ 2.54	5.38%	10.98%
3	Cleco Corp.	\$ 22.32	8.00%	\$ 0.90	4.35%	12.35%
4	DTE Energy	\$ 40.33	4.72%	\$ 2.06	5.35%	10.07%
5	Empire Dist. Elec.	\$ 21.78	2.92%	\$ 1.28	6.05%	8.96%
6	Energy East Corp.	\$ 23.68	4.39%	\$ 1.16	5.11%	9.50%
7	FirstEnergy Corp.	\$ 51.96	4.63%	\$ 1.80	3.62%	8.25%
8	IDACORP, Inc.	\$ 33.66	4.70%	\$ 1.20	3.73%	8.43%
9	NiSource Inc.	\$ 21.34	3.36%	\$ 0.92	4.46%	7.82%
10	OGE Energy	\$ 31.35	3.00%	\$ 1.33	4.38%	7.38%
11	Pepco Holdings	\$ 22.92	5.09%	\$ 1.04	4.77%	9.86%
12	Pinnacle West Capital	\$ 39.73	7.18%	\$ 2.00	5.40%	12.58%
13	Puget Energy Inc.	\$ 20.95	5.27%	\$ 1.00	5.02%	10.29%
14	Xcel Energy Inc.	\$ 18.72	4.67%	\$ 0.86	4.81%	9.48%
15	<b>Average</b>	<b>\$ 30.88</b>	<b>4.77%</b>	<b>\$ 1.40</b>	<b>4.78%</b>	<b>9.6%</b>

Sources:

<sup>1</sup> <http://moneycentral.msn.com>, downloaded on July 11, 2006.

<sup>2</sup> The Value Line Investment Survey; May 12, June 2, June 30, 2006.