

PACIFIC POWER & LIGHT COMPANY
Strunk's DCF With Forward-lookng Dividend Yields

<u>Sample Company</u>	<u>Projected Div. Yield†</u>	<u>Earnings Growth</u>	<u>Sustainable Growth</u>	<u>DCF Result</u>
	[1]	[2]	[3]	[4]=[1]+([2]+[3])/2
LNT	3.80%	4.80%	5.36%	8.88%
AEP	4.00%	4.23%	6.08%	9.16%
AVA	4.30%	5.00%	3.38%	8.49%
BKH	2.80%	4.00%	5.54%	7.57%
CNP	3.90%	3.77%	9.65%	10.61%
CNL	3.20%	8.00%	4.82%	9.61%
ED	4.50%	2.07%	3.93%	7.50%
D	3.40%	6.77%	4.75%	9.16%
DTE	3.70%	5.28%	4.08%	8.38%
DUK	4.40%	2.96%	5.15%	8.46%
EE	3.10%	3.70%	4.80%	7.35%
IDA	3.10%	4.00%	4.94%	7.57%
NEE	3.20%	6.48%	6.39%	9.63%
NU	3.50%	6.81%	10.35%	12.08%
NWE	3.50%	7.00%	3.47%	8.74%
OGE	2.50%	5.00%	6.59%	8.29%
POM	5.20%	6.17%	2.66%	9.61%
PNW	4.20%	4.23%	4.68%	8.66%
POR	3.50%	13.84%	4.28%	12.56%
SCG	4.20%	4.20%	4.98%	8.79%
SO	5.00%	3.53%	4.29%	8.91%
WR	4.00%	2.90%	6.36%	8.63%
WEC	3.60%	4.86%	5.36%	8.71%
XEL	4.00%	4.62%	5.24%	<u>8.93%</u>
			Average	9.01%
			Median	8.76%
			Average Without NU & POR	8.71%

† Data from Value Line, *Summary & Index*, March 7, 2014.