

**PACIFIC POWER & LIGHT COMPANY
DCF GROWTH RATE PARAMETERS**

COMPANY	INTERNAL GROWTH				EXTERNAL GROWTH	
NEE	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.5239	12.5%	6.55%	31.35	413.62	
2010	0.5781	13.5%	7.80%	34.36	420.86	
2011	0.5436	13.5%	7.34%	35.92	416.00	
2012	0.4737	11.9%	5.64%	37.90	424.00	
2013	0.4534	11.4%	5.17%	41.47	435.00	
AVERAGE GROWTH			6.50%	7.50%		1.27%
2014	0.3895	10.5%	4.09%		443.00	1.84%
2015	0.4255	11.0%	4.68%		458.00	3.93%
2017-2019	0.4222	12.0%	5.07%	7.00%	470.00	1.56%

COMPANY	INTERNAL GROWTH				EXTERNAL GROWTH	
SO	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.2543	12.4%	3.15%	18.15	819.65	
2010	0.2373	12.2%	2.89%	19.21	843.34	
2011	0.2667	12.5%	3.33%	20.32	865.13	
2012	0.2734	12.8%	3.50%	21.09	867.77	
2013	0.2556	12.5%	3.19%	21.43	887.09	
AVERAGE GROWTH			3.22%	5.50%		2.00%
2014	0.2571	12.5%	3.21%		902.00	1.68%
2015	0.2586	12.5%	3.23%		904.00	0.95%
2017-2019	0.2738	12.5%	3.42%	4.00%	940.00	1.17%

COMPANY	INTERNAL GROWTH				EXTERNAL GROWTH	
TE	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.2000	10.3%	2.06%	9.75	213.90	
2010	0.2743	11.2%	3.07%	10.10	214.90	
2011	0.3307	12.0%	3.97%	10.50	215.80	
2012	0.2281	10.7%	2.44%	10.58	216.60	
2013	0.0435	8.5%	0.37%	10.74	217.30	
AVERAGE GROWTH			2.38%	3.00%		0.40%
2014	0.0737	8.0%	0.59%		233.50	7.46%
2015	0.1200	8.5%	1.02%		233.50	3.66%
2017-2019	0.2963	11.0%	3.26%	2.50%	233.50	1.45%

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ALE	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.0688	6.6%	0.45%	26.41	35.20	
2010	0.1963	7.7%	1.51%	27.26	35.80	
2011	0.3283	8.7%	2.86%	28.78	37.50	
2012	0.2868	8.1%	2.32%	30.48	39.40	
2013	0.2776	7.8%	2.17%	32.44	41.40	
AVERAGE GROWTH			1.86%	5.00%		4.14%
2014	0.3000	7.5%	2.25%		45.50	9.90%
2015	0.3200	8.5%	2.72%		46.00	5.41%
2017-2019	0.3867	9.0%	3.48%	4.50%	47.50	2.79%

COMPANY	INTERNAL GROWTH			EXTERNAL GROWTH		
LNT	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.2063	6.8%	1.40%	25.07	110.66	
2010	0.4255	9.9%	4.21%	26.09	110.89	
2011	0.3818	9.5%	3.63%	27.14	111.02	
2012	0.4098	10.3%	4.22%	28.25	110.99	
2013	0.4286	10.3%	4.41%	29.45	110.98	
AVERAGE GROWTH			3.58%	3.50%		0.07%
2014	0.4411	11.0%	4.85%		111.00	0.02%
2015	0.4359	11.5%	5.01%		112.00	0.46%
2017-2019	0.4074	11.5%	4.69%	4.00%	115.00	0.71%

COMPANY	INTERNAL GROWTH			EXTERNAL GROWTH		
OGE	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.4662	12.7%	5.92%	10.52	194.00	
2010	0.5133	12.9%	6.62%	11.73	195.20	
2011	0.5607	13.4%	7.51%	13.06	196.20	
2012	0.5531	12.8%	7.08%	14.00	197.60	
2013	0.5619	12.8%	7.19%	15.30	198.50	
AVERAGE GROWTH			6.87%	8.50%		0.57%
2014	0.5463	12.5%	6.83%		200.00	0.76%
2015	0.5095	12.0%	6.11%		201.00	0.63%
2017-2019	0.4600	12.0%	5.52%	7.00%	204.00	0.55%

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WR	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.0625	6.2%	0.39%	20.59	109.07	
2010	0.3111	8.5%	2.64%	21.25	112.13	
2011	0.2849	7.7%	2.19%	22.03	125.70	
2012	0.3860	9.5%	3.67%	22.89	126.50	
2013	0.4009	9.5%	3.81%	<u>23.32</u>	<u>127.46</u>	
AVERAGE GROWTH			2.54%	4.50%		3.97%
2014	0.4286	9.5%	4.07%		128.50	0.82%
2015	0.4667	9.5%	4.43%		129.00	0.60%
2017-2019	0.4621	9.5%	4.39%	5.00%	135.00	1.16%

COMPANY	INTERNAL GROWTH			EXTERNAL GROWTH		
EIX	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.6142	10.8%	6.63%	30.20	325.81	
2010	0.6209	10.4%	6.46%	32.44	325.81	
2011	0.6006	10.5%	6.31%	30.86	325.81	
2012	0.7121	15.9%	11.32%	28.95	325.81	
2013	0.6376	12.5%	7.97%	<u>30.50</u>	<u>325.81</u>	
AVERAGE GROWTH			7.74%	3.00%		0.00%
2014	0.5797	10.5%	6.09%		325.81	0.00%
2015	0.5948	11.0%	6.54%		325.81	0.00%
2017-2019	0.5444	11.0%	5.99%	5.50%	325.81	0.00%

COMPANY	INTERNAL GROWTH			EXTERNAL GROWTH		
IDA	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.5455	8.9%	4.85%	29.17	47.90	
2010	0.5932	9.3%	5.52%	31.01	49.41	
2011	0.6429	10.1%	6.49%	33.19	49.95	
2012	0.5935	9.6%	5.70%	35.07	50.16	
2013	0.5687	9.9%	5.63%	<u>36.84</u>	<u>50.23</u>	
AVERAGE GROWTH			5.64%	5.50%		1.19%
2014	0.5086	9.0%	4.58%		50.23	0.00%
2015	0.4783	8.5%	4.07%		50.20	-0.03%
2017-2019	0.4521	8.0%	3.62%	4.00%	51.20	0.38%

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NWE	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.3366	9.3%	3.13%	21.86	36.00	
2010	0.3645	9.4%	3.43%	22.64	36.23	
2011	0.4308	10.8%	4.65%	23.68	36.28	
2012	0.3451	9.0%	3.11%	25.09	37.22	
2013	0.3821	9.1%	<u>3.48%</u>	<u>26.60</u>	<u>38.75</u>	
AVERAGE GROWTH			3.56%	3.50%		1.86%
2014	0.3725	9.0%	3.35%		39.50	1.94%
2015	0.3891	9.5%	3.70%		39.55	1.03%
2017-2019	0.3667	9.5%	3.48%	4.00%	39.70	0.49%

COMPANY	INTERNAL GROWTH				EXTERNAL GROWTH	
PNW	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.0708	6.9%	0.49%	32.69	101.43	
2010	0.3182	9.0%	2.86%	33.86	108.77	
2011	0.2977	8.6%	2.56%	34.98	109.25	
2012	0.2371	9.8%	2.32%	36.20	109.74	
2013	0.3907	9.7%	<u>3.79%</u>	<u>38.07</u>	<u>110.18</u>	
AVERAGE GROWTH			2.41%	1.00%		2.09%
2014	0.3730	9.5%	3.54%		110.75	0.52%
2015	0.3821	9.5%	3.63%		111.25	0.48%
2017-2019	0.3529	9.5%	3.35%	4.00%	117.50	1.29%

COMPANY	INTERNAL GROWTH				EXTERNAL GROWTH	
POR	RETENTION RATIO	EQUITY RETURN	"g"	BOOK VALUE (\$/SHARE)	SHARES OUTST (MILLIONS)	SHARE GROWTH
2009	0.2290	6.2%	1.42%	20.5	75.21	
2010	0.3735	7.9%	2.95%	21.14	75.32	
2011	0.4564	8.8%	4.02%	22.07	75.36	
2012	0.4225	8.2%	3.46%	22.87	75.56	
2013	0.3785	7.5%	<u>2.84%</u>	<u>23.3</u>	<u>78.09</u>	
AVERAGE GROWTH			2.94%	2.00%		0.94%
2014	0.4667	9.0%	4.20%		78.25	0.20%
2015	0.4698	8.0%	3.76%		89.25	6.91%
2017-2019	0.4400	8.5%	3.74%	3.50%	90.00	2.88%

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XEL						
2009	0.3490	9.4%	3.28%	15.92	457.51	
2010	0.3590	8.9%	3.19%	16.76	482.33	
2011	0.4012	9.9%	3.97%	17.44	486.49	
2012	0.4216	10.2%	4.30%	18.19	487.96	
2013	0.4188	9.9%	<u>4.15%</u>	<u>19.21</u>	<u>497.97</u>	
AVERAGE GROWTH			3.78%	4.50%		2.14%
2014	0.4000	9.5%	3.80%		512.00	2.82%
2015	0.3854	9.5%	3.66%		526.00	2.78%
2017-2019	0.4200	10.5%	4.41%	5.00%	533.00	1.37%

Data from Value Line Ratings and Reports, June 20, August 1 & 22, 2014.