

**PACIFIC POWER & LIGHT COMPANY  
 DCF GROWTH RATES**

<u>COMPANY</u>	<u>br</u>	+	<u>sv=g*(1-(1/(M/B)))</u>	=	<u>g</u>
NEE	6.00%	+	1.25% ( 1 - (1/ 2.15 ) )	=	6.67%
SO	3.50%	+	1.50% ( 1 - (1/ 1.99 ) )	=	4.24%
TE	3.75%	+	0.75% ( 1 - (1/ 1.57 ) )	=	4.02%
ALE	4.25%	+	3.00% ( 1 - (1/ 1.40 ) )	=	5.11%
LNT	4.50%	+	0.50% ( 1 - (1/ 1.93 ) )	=	4.74%
OGE	6.00%	+	0.50% ( 1 - (1/ 2.25 ) )	=	6.28%
WR	4.75%	+	2.00% ( 1 - (1/ 1.52 ) )	=	5.43%
EIX	6.00%	+	0.00% ( 1 - (1/ 1.72 ) )	=	6.00%
IDA	4.50%	+	1.00% ( 1 - (1/ 1.41 ) )	=	4.79%
NWE	4.25%	+	1.00% ( 1 - (1/ 1.75 ) )	=	4.68%
PNW	3.75%	+	1.75% ( 1 - (1/ 1.40 ) )	=	4.25%
POR	4.50%	+	1.50% ( 1 - (1/ 1.36 ) )	=	4.89%
XEL	4.50%	+	1.50% ( 1 - (1/ 1.54 ) )	=	5.02%

Average Market-to-Book Ratio = 1.69

NEE = NextEra Energy  
 SO = Southern Company  
 TE = TECO Energy  
 ALE = ALLETE  
 LNT = Alliant Energy  
 OGE = OGE Energy Corp.  
 WR = Westar Energy  
 EIX = Edison International  
 IDA = IDACORP, Inc.  
 NWE = Northwestern Corp.  
 PNW = Pinnacle West Capital  
 POR = Portland General  
 XEL = Xcel Energy, Inc.

g\*= expected growth in number of shares outstanding

**PACIFIC POWER & LIGHT COMPANY  
GROWTH RATE COMPARISON**

COMPANY	DCF Growth	Value Line Projected			IBES EPS	Value Line Historic			Zacks & VL AVGS.	5-yr Compound Hist.		
		EPS	DPS	BVPS		EPS	DPS	BVPS		EPS	DPS	BVPS
NEE	6.67%	6.00%	8.50%	7.00%	6.48%	6.00%	8.00%	7.50%	7.07%	3.65%	8.94%	7.40%
SO	4.24%	3.50%	3.50%	4.00%	3.35%	3.50%	4.00%	5.50%	3.91%	3.83%	3.75%	4.11%
TE	4.02%	3.50%	1.50%	2.50%	5.08%	0.50%	2.50%	3.00%	2.65%	-1.02%	1.92%	2.99%
ALE	5.11%	6.00%	4.00%	4.50%	6.00%	-2.00%	3.00%	5.00%	3.79%	8.18%	2.18%	5.61%
LNT	4.74%	6.00%	4.50%	4.00%	4.70%	4.00%	8.00%	3.50%	4.96%	14.07%	6.34%	3.66%
OGE	6.28%	5.50%	9.00%	7.00%	6.75%	7.50%	3.00%	8.50%	6.75%	9.04%	5.55%	9.29%
WR	5.43%	6.00%	3.00%	5.00%	2.90%	1.50%	5.00%	4.50%	3.99%	13.87%	3.13%	3.20%
EIX	6.00%	2.50%	7.50%	5.50%	3.87%	2.50%	2.50%	3.00%	3.91%	1.26%	3.01%	1.67%
IDA	4.79%	1.00%	6.50%	4.00%	4.00%	10.00%	3.00%	5.50%	4.86%	5.80%	7.47%	5.79%
NWE	4.68%	3.50%	4.50%	4.00%	7.00%	10.00%	3.00%	3.50%	5.07%	4.77%	3.61%	4.89%
PNW	4.25%	4.00%	3.00%	4.00%	3.75%	4.00%	2.50%	1.00%	3.18%	10.36%	2.01%	3.83%
POR	4.89%	5.00%	4.50%	3.50%	11.21%	3.00%	4.50%	2.00%	4.82%	9.90%	2.09%	3.42%
XEL	5.02%	5.50%	5.00%	5.00%	4.49%	5.50%	3.50%	4.50%	4.78%	6.06%	4.35%	4.98%
		4.46%	5.00%	4.62%		4.31%	4.04%	4.38%		6.91%	4.18%	4.68%
AVERAGES	5.09%		4.69%		5.35%		4.24%		4.59%		5.26%	

Zacks Earnings Growth Projections: NEE-6.6%, SO-3.5%, TE-5.1%, ALE-6.0%, LNT-5.1%, OGE-6.0%, WR-3.7%, EIX-3.4%, IDA-4.0%, NWE-7.0%, PNW-3.7%, POR-8.1%, XEL-4.2% ; Average = 5.11%.