

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	
v.)	DOCKET NOS. UE-140762 and
)	UE-140617 (<i>consolidated</i>)
PACIFICORP D/B/A PACIFIC POWER &)	
LIGHT COMPANY,)	
)	
Respondent.)	
_____)	
)	
In the Matter of the Petition of)	
)	
PACIFIC POWER & LIGHT)	DOCKET NO. UE-131384
COMPANY,)	(<i>consolidated</i>)
)	
For an Order Approving Deferral of)	
Costs Related to Colstrip Outage)	
_____)	
)	
In the Matter of the Petition of)	
)	
PACIFIC POWER & LIGHT)	DOCKET NO. UE-140094
COMPANY,)	(<i>consolidated</i>)
)	
For an Order Approving Deferral of)	
Costs Related to Declining Hydro)	
Generation)	
_____)	

EXHIBIT NO.__(MPG-9)

SUSTAINABLE GROWTH RATE

October 10, 2014

Pacific Power & Light Company

Sustainable Growth Rate

Line	Company	3 to 5 Year Projections									Sustainable	
		Dividends	Earnings	Book Value	Book Value		Adjustment	Adjusted	Payout	Retention	Internal	Growth
		Per Share	Per Share	Per Share	Growth	ROE	Factor	ROE	Ratio	Rate	Growth Rate	Rate
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Alliant Energy Corporation	\$2.40	\$4.00	\$34.65	3.21%	11.54%	1.02	11.73%	60.00%	40.00%	4.69%	5.39%
2	American Electric Power Company, Inc.	\$2.50	\$4.00	\$40.50	4.19%	9.88%	1.02	10.08%	62.50%	37.50%	3.78%	4.03%
3	Black Hills Corporation	\$1.90	\$3.25	\$35.50	3.85%	9.15%	1.02	9.33%	58.46%	41.54%	3.87%	4.36%
4	CenterPoint Energy, Inc.	\$1.30	\$1.60	\$11.25	2.20%	14.22%	1.01	14.38%	81.25%	18.75%	2.70%	3.03%
5	Cleco Corporation	\$2.05	\$3.25	\$31.75	3.89%	10.24%	1.02	10.43%	63.08%	36.92%	3.85%	3.87%
6	Consolidated Edison, Inc.	\$2.75	\$4.25	\$49.25	3.33%	8.63%	1.02	8.77%	64.71%	35.29%	3.10%	3.10%
7	Dominion Resources, Inc.	\$2.80	\$4.00	\$28.00	6.94%	14.29%	1.03	14.76%	70.00%	30.00%	4.43%	8.88%
8	DTE Energy Company	\$3.30	\$5.50	\$56.75	4.88%	9.69%	1.02	9.92%	60.00%	40.00%	3.97%	4.74%
9	El Paso Electric Company	\$1.35	\$2.75	\$28.75	4.17%	9.57%	1.02	9.76%	49.09%	50.91%	4.97%	4.97%
10	IDACORP, Inc.	\$2.00	\$3.65	\$44.55	3.87%	8.19%	1.02	8.35%	54.79%	45.21%	3.77%	3.97%
11	NextEra Energy, Inc.	\$3.90	\$6.75	\$57.25	6.66%	11.79%	1.03	12.17%	57.78%	42.22%	5.14%	7.24%
12	Northeast Utilities	\$2.00	\$3.50	\$36.50	3.66%	9.59%	1.02	9.76%	57.14%	42.86%	4.18%	4.48%
13	NorthWestern Corporation	\$1.90	\$3.00	\$31.75	3.60%	9.45%	1.02	9.62%	63.33%	36.67%	3.53%	3.93%
14	OGE Energy Corp.	\$1.35	\$2.50	\$20.75	6.28%	12.05%	1.03	12.42%	54.00%	46.00%	5.71%	6.49%
15	Pinnacle West Capital Corporation	\$2.75	\$4.25	\$45.75	3.74%	9.29%	1.02	9.46%	64.71%	35.29%	3.34%	3.95%
16	Portland General Electric Company	\$1.40	\$2.50	\$28.25	3.93%	8.85%	1.02	9.02%	56.00%	44.00%	3.97%	5.22%
17	SCANA Corporation	\$2.35	\$4.25	\$43.50	5.63%	9.77%	1.03	10.04%	55.29%	44.71%	4.49%	5.74%
18	Southern Company	\$2.36	\$3.25	\$26.25	4.14%	12.38%	1.02	12.63%	72.62%	27.38%	3.46%	4.69%
19	Westar Energy, Inc.	\$1.60	\$2.90	\$29.65	4.42%	9.78%	1.02	9.99%	55.17%	44.83%	4.48%	5.03%
20	Xcel Energy Inc.	\$1.45	\$2.50	\$24.25	4.77%	10.31%	1.02	10.55%	58.00%	42.00%	4.43%	5.30%
21	Average	\$2.17	\$3.58	\$35.24	4.37%	10.43%	1.02	10.66%	60.90%	39.10%	4.09%	4.92%

Sources and Notes:

Cols. (1), (2) and (3): *The Value Line Investment Survey*, August 1, August 22, and September 19, 2014.

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).

Pacific Power & Light Company

Sustainable Growth Rate

Line	Company	13-Week	2013	Market	Common Shares		Growth	S Factor ³	V Factor ⁴	S * V
		Average	Book Value	to Book	Outstanding (in Millions) ²					
		Stock Price ¹	Per Share ²	Ratio	2013	3-5 Years	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)				
1	Alliant Energy Corporation	\$58.14	\$29.58	1.97	110.94	115.00	0.72%	1.42%	49.12%	0.70%
2	American Electric Power Company, Inc.	\$53.15	\$32.98	1.61	487.78	498.00	0.42%	0.67%	37.95%	0.25%
3	Black Hills Corporation	\$54.90	\$29.39	1.87	44.50	45.75	0.56%	1.04%	46.46%	0.48%
4	CenterPoint Energy, Inc.	\$24.72	\$10.09	2.45	429.00	434.00	0.23%	0.57%	59.18%	0.34%
5	Cleco Corporation	\$56.26	\$26.24	2.14	60.45	60.50	0.02%	0.04%	53.36%	0.02%
6	Consolidated Edison, Inc.	\$56.84	\$41.81	1.36	292.87	293.00	0.01%	0.01%	26.44%	0.00%
7	Dominion Resources, Inc.	\$69.30	\$20.02	3.46	581.50	636.00	1.81%	6.26%	71.11%	4.45%
8	DTE Energy Company	\$76.31	\$44.73	1.71	177.09	187.00	1.09%	1.87%	41.38%	0.77%
9	El Paso Electric Company	\$38.26	\$23.44	1.63	40.27	40.00	-0.13%	-0.22%	38.73%	-0.08%
10	IDACORP, Inc.	\$55.48	\$36.84	1.51	50.23	51.20	0.38%	0.58%	33.59%	0.19%
11	NextEra Energy, Inc.	\$97.37	\$41.47	2.35	435.00	470.00	1.56%	3.66%	57.41%	2.10%
12	Northeast Utilities	\$45.22	\$30.49	1.48	315.27	325.00	0.61%	0.90%	32.58%	0.29%
13	NorthWestern Corporation	\$48.67	\$26.60	1.83	38.75	39.70	0.49%	0.89%	45.35%	0.40%
14	OGE Energy Corp.	\$37.01	\$15.30	2.42	198.50	204.00	0.55%	1.33%	58.66%	0.78%
15	Pinnacle West Capital Corporation	\$55.93	\$38.07	1.47	110.18	117.50	1.29%	1.90%	31.93%	0.61%
16	Portland General Electric Company	\$33.42	\$23.30	1.43	78.09	90.00	2.88%	4.13%	30.28%	1.25%
17	SCANA Corporation	\$51.67	\$33.08	1.56	141.00	157.50	2.24%	3.50%	35.98%	1.26%
18	Southern Company	\$44.06	\$21.43	2.06	887.09	940.00	1.17%	2.40%	51.36%	1.23%
19	Westar Energy, Inc.	\$36.54	\$23.88	1.53	128.25	135.00	1.03%	1.58%	34.64%	0.55%
20	Xcel Energy Inc.	\$31.44	\$19.21	1.64	497.97	533.00	1.37%	2.24%	38.89%	0.87%
21	Average	\$51.23	\$28.40	1.87	255.24	268.61	0.97%	1.84%	43.72%	0.87%

Sources and Notes:

¹ SNL Financial, Downloaded on September 22, 2014.

² *The Value Line Investment Survey*, August 1, August 22, and September 19, 2014.

³ Expected Growth in the Number of Shares, Column (3) * Column (6).

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