

Value Line Electric Utilities

	Company Name	Ticker	2012 Revenues (\$millions)			2012 Revenues Percent				T&D Only	S&P Rating	Selected	
			Regulated		Non-	Regulated		Non-	Total				
			Electric	Gas&Other	Regulated	Electric	Gas	Regulated	Total				
1	ALLETE	ALE	874		87	961	91.0%	-	9.0%	100.0%		BBB+	X
2	Alliant Energy	LNT	2,589	453	52	3,095	83.7%	14.6%	1.7%	100.0%		A-	X
3	Ameren Corp.	AEE	5,904	924		6,828	86.5%	13.5%	0.0%	100.0%		BBB-	
4	American Electric Power	AEP	13,778		1,167	14,945	92.2%	0.0%	7.8%	100.0%		B	
5	Avista Corp.	AVA	968	474	(88)	1,354	71.5%	35.0%	-6.5%	100.0%		BBB	
6	Black Hills	BKH	611	454	109	1,174	52.0%	38.7%	9.3%	100.0%		BBB-	
7	Centerpoint Energy	CNP	2,540	2,676	2,236	7,452	34.1%	35.9%	30.0%	100.0%		A-	
8	CH Energy Group	CHG	512	133	280	925	55.4%	14.3%	30.3%	100.0%	X	A	
9	Cleco Corp	CNL	944		50	994	95.0%	0.0%	5.0%	100.0%		BBB	X
10	CMS Energy	CMS	4,031	1,982	240	6,253	64.5%	31.7%	3.8%	100.0%		BBB	
11	Consolidated Edison	ED	8,765	2,214	1,209	12,188	71.9%	18.2%	9.9%	100.0%	X	A-	
12	Dominion Resources	D	7,102	2,178	3,813	13,093	54.2%	16.6%	29.1%	100.0%		A-	
13	DTE Energy	DTE	5,293	1,411	2,087	8,791	60.2%	16.1%	23.7%	100.0%		BBB+	
14	Duke Energy	DUK	15,621	469	3,534	19,624	79.6%	2.4%	18.0%	100.0%		BBB+	X
15	Edison International	EIX	11,848		14	11,862	99.9%	0.0%	0.1%	100.0%		BBB-	
16	El Paso Electric	EE	853			853	100.0%	0.0%	0.0%	100.0%		BBB	X
17	Empire District Electric	EDE	511	40	7	557	91.7%	7.1%	1.2%	100.0%		BBB	X
18	Entergy Corp.	ETR	7,871	131	2,301	10,302	76.4%	1.3%	22.3%	100.0%		BBB	
19	Exelon Corp.	EXC	14,437		9,052	23,489	61.5%	0.0%	38.5%	100.0%		BBB	
20	FirstEnergy Corp.	FE	9,637		5,666	15,303	63.0%	0.0%	37.0%	100.0%	X	BBB-	
21	Great Plains Energy	GXP	2,310			2,310	100.0%	0.0%	0.0%	100.0%		BBB	X
22	Hawaiian Electric	HE	3,109		266	3,375	92.1%	0.0%	7.9%	100.0%		BBB-	
23	IDACORP, Inc.	IDA	1,077		4	1,081	99.6%	0.0%	0.4%	100.0%		BBB	X
24	Integrus Energy	TEG	1,297	1,662	1,253	4,212	30.8%	39.5%	29.7%	100.0%		A-	
25	ITC Holdings	ITC	831			831	100.0%	0.0%	0.0%	100.0%		BBB+	
26	MGE Energy	MGEE	392	140	9	541	72.5%	25.8%	1.7%	100.0%		AA-	
27	NextEra Energy	NEE	10,114		4,142	14,256	70.9%	0.0%	29.1%	100.0%		A-	
28	Northeast Utilities	NU	5,578	573	123	6,274	88.9%	9.1%	2.0%	100.0%	X	A-	
29	Northwestern Corp.	N W E	806	263	1	1,070	75.3%	24.6%	0.1%	100.0%		BBB	X
30	NV Energy Inc.	NVE	2,871	108		2,979	96.4%	3.6%	0.0%	100.0%		BBB-	
31	OGE Energy	OGE	2,141	1,530		3,671	58.3%	41.7%	0.0%	100.0%		BBB+	
32	Otter Tail Corp	OTTR	351		509	859	40.8%	0.0%	59.2%	100.0%		BBB-	
33	Pepco Holdings	POM	4,378		703	5,081	86.2%	0.0%	13.8%	100.0%	X	BBB+	
34	PG&E Group	PCG	12,019	3,021		15,040	79.9%	20.1%	0.0%	100.0%		BBB	X
35	Pinnacle West Capital	PNW	3,294		8	3,302	99.8%	0.0%	0.2%	100.0%		BBB+	X
36	PNM Resources	PNM	1,342			1,342	100.0%	0.0%	0.0%	100.0%		BBB-	
37	Portland General	POR	1,805			1,805	100.0%	0.0%	0.0%	100.0%		BBB	X
38	PPL Corp.	PPL	6,808		5,478	12,286	55.4%	0.0%	44.6%	100.0%		BBB	
39	Public Service Enterprise	PEG	6,626		3,155	9,781	67.7%	0.0%	32.3%	100.0%	X	BBB+	
40	SCANA Corp	SCG	2,446	774	956	4,176	58.6%	18.5%	22.9%	100.0%		BBB+	
41	Sempra Energy	SRE	3,694	3,282	1,206	8,182	45.1%	40.1%	14.7%	100.0%		BBB+	
42	Southern Company	SO	16,478		59	16,537	99.6%	0.0%	0.4%	100.0%		A	X
43	TECO Energy	TE	1,981	396	619	2,996	66.1%	13.2%	20.7%	100.0%		BBB+	X
44	UIL Holdings	UIL	783	703	0	1,487	52.7%	47.3%	0.0%	100.0%	X	BBB	
45	UNS Energy	UNS	1,213	123	126	1,462	83.0%	8.4%	8.6%	100.0%		BB+	
46	Vectren Corp.	VVC	595	738	900	2,233	26.6%	33.1%	40.3%	100.0%		A-	
47	Westar Energy	WR	2,262			2,262	100.0%	0.0%	0.0%	100.0%		BBB	X
48	Wisconsin Energy	WEC	4,191		55	4,246	98.7%	0.0%	1.3%	100.0%		A-	X
49	Xcel Energy	XEL	8,517	1,537	74	10,128	84.1%	15.2%	0.7%	100.0%		A-	X

Boldface entries are the basis of exclusion.

a. Transmission holding company

Source of revenues: SEC 10-Ks

Electric Utility Comparison Group
Constant Growth Discounted Cash Flow Analysis

	Company Name	Ticker	A	B	C	D	E	F	G	H	I	J	K
			Dividend			60-Day Price*	Dividend Yield	Earnings Growth Forecast				DCF Indication	
			2013	2014	Average			Value Line	Zacks	Thomson Financial	Average	Raw	Adjusted
			Value Line			Yahoo	A/B						
1	ALLETE	ALE	1.90	1.96	1.93	49.33	3.91%	7.0%	7.0%	6.00%	6.7%	10.58%	10.6%
2	Alliant Energy	LNT	1.88	1.96	1.92	50.68	3.79%	5.0%	6.0%	5.93%	5.6%	9.43%	9.4%
3	Cleco Corp	CNL	1.43	1.58	1.51	46.44	3.24%	5.5%	8.0%	8.00%	7.2%	10.41%	10.4%
4	Duke Energy	DUK	3.09	3.15	3.12	69.43	4.49%	4.0%	5.0%	4.17%	4.4%	8.88%	8.9%
5	El Paso Electric	EE	1.06	1.14	1.10	36.43	3.02%	3.0%	-1.0%	3.70%	1.9%	4.92%	
6	Empire District Electric	EDE	1.00	1.00	1.00	22.15	4.51%	5.0%	3.0%	3.00%	3.7%	8.18%	8.2%
7	Great Plains Energy	GXP	0.88	0.96	0.92	23.13	3.98%	6.5%	5.0%	6.26%	5.9%	9.90%	9.9%
8	IDACORP, Inc.	IDA	1.56	1.68	1.62	48.13	3.37%	2.0%	4.0%	4.00%	3.3%	6.70%	
9	Northwestern Corp.	NWE	1.52	1.56	1.54	40.97	3.76%	3.0%	5.0%	5.00%	4.3%	8.09%	8.1%
10	PG&E Group	PCG	1.82	1.82	1.82	45.46	4.00%	4.0%	2.0%	3.12%	3.0%	7.04%	
11	Pinnacle West Capital	PNW	1.66	2.28	1.97	57.85	3.41%	5.0%	5.0%	6.00%	5.3%	8.74%	8.7%
12	Portland General	POR	1.11	1.15	1.13	30.97	3.65%	3.5%	7.0%	5.69%	5.4%	9.05%	9.0%
13	Southern Company	SO	2.01	2.08	2.05	45.26	4.52%	4.5%	5.0%	4.84%	4.8%	9.30%	9.3%
14	Westar Energy	WR	1.36	1.40	1.38	32.32	4.27%	6.0%	5.0%	4.83%	5.3%	9.55%	9.5%
15	Wisconsin Energy	WEC	1.36	1.52	1.44	42.05	3.42%	5.5%	5.0%	4.93%	5.1%	8.57%	8.6%
16	Xcel Energy	XEL	1.11	1.15	1.13	29.42	3.84%	4.5%	5.0%	5.09%	4.9%	8.70%	8.7%
18	Mean						3.82%				4.80%	8.63%	9.18%
19	Median						3.81%				5.00%	8.81%	9.05%

*Average closing prices during the period Apr 29, 2012 to Jun 25, 2013.

Electric Utility Comparison Group Three Step DCF Formulation

Near Term Growth		Value Line 5 yr. dividend growth
ALLETE	ALE	3.5%
Alliant Energy	LNT	4.5%
Cleco Corp	CNL	10.0%
Duke Energy	DUK	2.0%
Empire District Electric	EDE	3.5%
Great Plains Energy	GXP	6.0%
IDACORP, Inc.	IDA	7.0%
Northwestern Corp.	N W E	4.0%
PG&E Group	PCG	2.5%
Pinnacle West Capital	PNW	2.0%
Portland General	POR	3.5%
Southern Company	SO	3.5%
Westar Energy	WR	3.0%
Wisconsin Energy	WEC	12.0%
Xcel Energy	XEL	4.5%
Average		4.8%

Near-term Growth	4.8%
Intermediate term Growth	
EPS Growth	4.80%
Long-term Growth	4.43%
Average	4.62%
Long-term Growth	4.43%
Total Growth	4.60%
Dividend Yield	3.82%
DCF Indication	8.43%

Long Term Growth

Source	Rate
CBO 2019-2023 /1	4.30%
SSA 2018-2048 /2	4.56%
Average	4.43%

/1 <http://www.cbo.gov/sites/default/files/cbofiles/attachments/43907-BudgetOutlook.pdf>, Table 2.1

/2 <http://www.ssa.gov/oact/tr/2013/tr2013.pdf>, Tables V.B1 & V.B2

**Electric Utility Comparison Group
 Sustainable Book Value Growth DCF Formulation**

Source	A	B	C		D	E	F	G	H		I	J K	
	2016-2018 Earnings per Share	2016-2018 Dividend	Earnings Retention "b"		2016-2018 Book Value per share	2016-2018 Return on Book Value "r"	%Retained Return "b*r"	"s*v" Factor	Sustainable Growth		Dividend Yield	DCF Indication	
	ValueLine	Value Line	1-(B/A)		Value Line	A/D	C*E	Page 2, Col. G	F+G		Sch 2, Col. C	H+I	H+I
1 ALLETE	ALE	3.75	2.20	41.3%	36.50	10.27%	4.25%	1.15%	5.39%		3.91%	9.31%	9.31%
2 Alliant Energy	LNT	3.80	2.20	42.1%	34.50	11.01%	4.64%	0.66%	5.30%		3.79%	9.08%	9.08%
3 Cleco Corp	CNL	3.50	2.00	42.9%	31.75	11.02%	4.72%	0.00%	4.72%		3.24%	7.97%	7.97%
4 Duke Energy	DUK	5.00	3.35	33.0%	64.25	7.78%	2.57%	0.03%	2.59%		4.49%	7.09%	
5 El Paso Electric	EE	2.75	1.35	50.9%	26.00	10.58%	5.38%	-0.72%	4.66%		3.02%	7.68%	7.68%
6 Empire District Electric	EDE	1.70	1.20	29.4%	19.25	8.83%	2.60%	0.52%	3.12%		4.51%	7.63%	7.63%
7 Great Plains Energy	GXP	2.00	1.20	40.0%	25.00	8.00%	3.20%	0.01%	3.21%		3.98%	7.19%	
8 IDACORP, Inc.	IDA	3.65	1.90	47.9%	43.45	8.40%	4.03%	0.08%	4.11%		3.37%	7.47%	7.47%
9 Northwestern Corp.	N W E	2.75	1.80	34.5%	30.75	8.94%	3.09%	0.32%	3.41%		3.76%	7.17%	
10 PG&E Group	PCG	3.25	2.10	35.4%	35.50	9.15%	3.24%	0.49%	3.73%		4.00%	7.73%	7.73%
11 Pinnacle West Capital	PNW	4.25	2.60	38.8%	42.50	10.00%	3.88%	0.49%	4.37%		3.41%	7.78%	7.78%
12 Portland General	POR	2.25	1.30	42.2%	26.75	8.41%	3.55%	0.10%	3.65%		3.65%	7.30%	7.30%
13 Southern Company	SO	3.25	2.30	29.2%	25.75	12.62%	3.69%	1.11%	4.80%		4.52%	9.32%	9.32%
14 Westar Energy	WR	2.75	1.52	44.7%	29.65	9.27%	4.15%	0.39%	4.54%		4.27%	8.81%	8.81%
15 Wisconsin Energy	WEC	3.00	2.00	33.3%	21.25	14.12%	4.71%	0.00%	4.71%		3.42%	8.13%	8.13%
16 Xcel Energy	XEL	2.25	1.35	40.0%	23.00	9.78%	3.91%	0.45%	4.36%		3.84%	8.20%	8.20%
18 Mean									4.17%		3.82%	7.99%	8.19%
19 Median									4.37%		3.81%	7.76%	7.97%

Electric Utility Comparison Group
Sustainable Book Value Growth DCF Formulation

		A	B	C	D	E	F	G	
		2013 Market Value	2013 Book Value	Market/ Book Ratio	Shares Outstanding			s*v Factor	
Company Name	Ticker				2013 (millions)	2016-2018 (millions)	Annual % Increase		
		Sch 2 Col B	Value Line	A/B	Value Line	Value Line	(E/D) ⁻²⁵ -1	(C-1)*F	
			\$						
1	ALLETE	ALE	49.33	31.60	1.56	41.5	45.0	2.04%	1.15%
2	Alliant Energy	LNT	50.68	29.00	1.75	112.0	116.0	0.88%	0.66%
3	Cleco Corp	CNL	46.44	25.85	1.80	60.5	60.5	0.00%	0.00%
4	Duke Energy	DUK	69.43	58.90	1.18	706.0	710.0	0.14%	0.03%
5	El Paso Electric	EE	36.43	21.80	1.67	40.2	38.5	-1.07%	-0.72%
6	Empire District Electric	EDE	22.15	17.25	1.28	43.0	46.3	1.84%	0.52%
7	Great Plains Energy	GXP	23.13	22.40	1.03	154.0	156.0	0.32%	0.01%
8	IDACORP, Inc.	IDA	48.13	36.55	1.32	50.5	51.0	0.25%	0.08%
9	Northwestern Corp.	N W E	40.97	26.40	1.55	38.1	39.0	0.59%	0.32%
10	PG&E Group	PCG	45.46	31.30	1.45	455.0	475.0	1.08%	0.49%
11	Pinnacle West Capital	PNW	57.85	37.25	1.55	111.0	115.0	0.89%	0.49%
12	Portland General	POR	30.97	23.60	1.31	75.8	76.8	0.33%	0.10%
13	Southern Company	SO	45.26	21.35	2.12	870.0	905.0	0.99%	1.11%
14	Westar Energy	WR	32.32	25.00	1.29	128.0	135.0	1.34%	0.39%
15	Wisconsin Energy	WEC	42.05	18.70	2.25	228.5	228.5	0.00%	0.00%
16	Xcel Energy	XEL	29.42	19.20	1.53	497.0	514.0	0.84%	0.45%

**Electric Utility Comparison Group
Beta Estimates**

	Company Name	Ticker	Value Line
1	ALLETE	ALE	0.70
2	Alliant Energy	LNT	0.70
3	Cleco Corp	CNL	0.65
4	Duke Energy	DUK	0.60
5	El Paso Electric	EE	0.70
6	Empire District Electric	EDE	0.65
7	Great Plains Energy	GXP	0.80
8	IDACORP, Inc.	IDA	0.70
9	Northwestern Corp.	N W E	0.70
10	PG&E Group	PCG	0.50
11	Pinnacle West Capital	PNW	0.70
12	Portland General	POR	0.75
13	Southern Company	SO	0.55
14	Westar Energy	WR	0.75
15	Wisconsin Energy	WEC	0.60
16	Xcel Energy	XEL	0.60
	Average		0.67

**Electric Utility Comparison Group
 Capital Asset Pricing Model**

		A	B
1	30-year US Treasury Bond Yield, Week ending June 21, 2013	federalreserve.gov /1	3.43%
	Market Return		
2	a. Historical 1929-2010	Morningstar	11.88%
	b. Prospective Appreciation Potential 3-5 years	Value Line	45.00%
	c. Prospective Appreciation Potential Annualized @ 4 yrs	$((1+2b)^{.25})-1$	9.73%
	d. Median of Estimated Dividend Yields	Value Line	2.10%
	e. Prospective DCF Return	Ln 2c + Ln 2d	11.83%
	Average	Avg. Lns 2a and 2e	11.86%
3	Market Risk Premium	Ln 2 - Ln 1	8.43%
4	Average beta, Comparison Company Group	Schedule 5	0.67
5	Risk Premium for Comparison Company Group	Ln 3 * Ln 4	5.61%
6	CAPM Rate of Return	Ln 1 + Ln 5	9.04%

/1: <http://www.federalreserve.gov/releases/h15/current/default.htm>

**Electric Utility Rate Case Awards
Since March 31, 2012**

	State	Date	Utility	ROE Allowed
1	CA	4/20/2012	PG&E	10.40%
2	CA	4/20/2012	SDG&E	10.30%
3	CA	4/20/2012	So Cal Edison	10.45%
4	ID	10/10/2012	Avista	9.80%
5	IL	4/20/2012	Ameren	9.71%
6	IL	4/30/2012	Commonwealth Edison	9.71%
7	KA	4/20/2012	Kansas City P & L	9.50%
8	KY	6/29/2012	Kentucky Utilities	10.25%
9	KY	6/29/2012	Louisville G&E	10.25%
10	LA	7/20/2012	Southwestern E.P.	10.00%
11	MD	7/27/2012	Baltimore G&E	9.75%
12	MS	1/25/2013	Mississippi Power	9.70%
13	NY	4/27/2012	Niagara Mohawk	9.30%
14	RI	4/27/2012	Naragansett Electric	9.50%
15	SC	6/29/2012	S.C. Electric & Gas	10.25%
16	TX	8/24/2012	Cross Texas	9.60%
17	VA	6/29/2012	Virginia E & P	11.40%
18	WA	4/2/2012	Avista	9.80%
19	WI	6/1/2012	Northern States Power	10.40%
20	WI	5/3/2012	Wisconsin P & L	10.40%
			Average	10.02%

Source: Data Request NDPSC-4-017, Attachment A

Xcel Energy, Inc. Stock Issues

Date	Gross Equity Issue Before Costs	Net Proceeds	Flotation Costs
2/25/2002	\$ 459,000,000	\$ 435,100,000	\$ 23,900,000
9/9/2008	\$ 359,835,000	\$ 346,621,500	\$ 13,213,500
8/3/2010	\$ 482,885,000	\$ 449,477,073	\$ 33,407,927
Total	\$ 1,301,720,000	\$ 1,231,198,573	\$ 70,521,427
2013 Common Stock Shares		Value Line	497,000,000
2013 Book Value per share		Value Line	19.20
Book Value			\$ 9,542,400,000
Amortization of Flotation Costs @10 years			\$ 7,052,143
Flotation Cost Adder			0.07%
Source: AEB-1, Schedule 4			2,385,600,000

**Northern States Power Company
 Equity Return Determination**

	Test	Source	A Indication	B Weighting	C Weighted Indications	D Composite Indication
	Constant Growth DCF	Schedule 2				
1	Mean		9.18%			
2	Median		9.05%			
3	Average		9.11%	5	45.57%	
4	3-Step DCF	Schedule 3	8.43%	4	33.71%	
	Sustainable Growth DCF	Schedule 4				
5	Mean		8.19%			
6	Median		7.97%			
7	Average		8.08%	3	24.23%	
8	CAPM	Schedule 6	9.04%	2	18.08%	
9	Recent ROE Awards	Schedule 7	10.02%	2	20.05%	
10	Total			16	141.64%	8.85%
11	Flotation Cost Adder	Schedule 8				0.07%
12	Adjusted Total					8.93%
13	Recommended ROE					9.0%