Calculation of Electric ROE - DCF Method

	(B)		(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Company[1]	% Utility Revenue	Beta[2]	6/07 - 11/07 Price[3]	EPS 2010-12	DPS 2007	DPS 2008	DPS 2010-12	BPS 2007	BPS 2008	BPS 2010-12	# of Shares 2007	# of Shares 2010-12
1.	Allegheny Energy Inc.	87.8%	1.40	$54.31	$3.75	$0.15	$0.64	$1.70	$14.15	$15.95	$20.60	170.00	170.00
2.	ALLETE	83.3%	0.95	44.14	$4.00	1.64	1.76	2.10	23.35	24.80	29.50	30.85	32.50
3.	Alliant Energy Corp.	93.9%	0.90	39.00	2.75	1.27	1.37	1.49	22.55	23.85	27.85	107.20	111.00
4.	Ameren Corp.	90.0%	0.80	51.53	3.35	2.54	2.54	2.54	32.65	33.55	36.30	208.80	216.80
5.	American Electric Power	95.6%	1.15	45.95	4.00	1.59	1.72	2.20	24.95	26.50	31.75	400.00	407.00
6.	Cleco Corp.	96.3%	1.35	25.17	1.75	0.90	0.90	1.20	16.15	16.65	18.25	60.00	64.00
7.	Consolidated Edison	83.3%	0.75	46.26	3.50	2.32	2.34	2.40	34.25	35.90	40.60	272.00	278.00
8.	DPL Inc.	99.4%	0.90	28.04	2.05	1.04	1.08	1.20	7.05	7.65	10.10	112.40	111.20
9.	DTE Energy Co.	73.0%	0.80	48.87	3.75	2.14	2.20	2.40	35.55	36.75	40.50	159.00	159.00
10.	Duke Energy Corp.	79.2%	NMF	18.66	1.50	0.86	0.90	1.02	16.50	16.85	18.25	1,260.00	1,278.00
11.	Edison International	81.7%	1.05	55.50	3.60	1.18	1.26	1.50	25.65	27.70	34.10	326.00	326.00
12.	Empire District Electric	99.1%	0.85	22.91	2.00	1.28	1.28	1.40	15.80	16.60	18.00	31.25	33.00
13.	Entergy Corp.	83.7%	0.85	108.74	7.80	2.58	3.10	3.70	42.50	43.70	57.70	194.00	194.00
14.	Exelon Corp.	72.0%	0.90	75.94	5.75	1.78	1.86	2.10	15.70	17.05	24.25	660.00	630.00
15.	FPL Group, Inc.	99.0%	0.75	61.88	5.00	1.64	1.78	2.50	26.65	28.85	36.35	410.00	426.00
16.	Hawaiian Electric	83.5%	0.70	22.48	1.50	1.24	1.24	1.24	13.15	13.30	13.75	83.50	87.00
17.	IDACORP, Inc.	99.4%	1.00	33.08	2.25	1.20	1.20	1.20	26.50	27.75	30.95	44.30	47.50
18.	MGE Energy Inc.	99.3%	0.85	33.02	2.60	1.41	1.43	1.50	17.00	17.90	18.70	21.80	21.80
19.	NiSource Inc.	87.1%	0.95	19.82	1.50	0.92	0.92	1.00	18.75	19.10	20.50	274.75	277.00
20.	Northeast Utilities	87.2%	0.80	28.98	2.30	0.78	0.83	0.98	19.00	20.15	22.20	156.20	182.00
21.	NSTAR	95.9%	0.75	33.45	3.00	1.35	1.43	1.75	15.60	16.45	19.75	106.81	106.81
22.	PG&E Corp.	100.0%	0.95	46.11	3.10	1.44	1.56	1.92	22.45	24.00	28.45	378.30	389.00
23.	Pinnacle West Capital	77.5%	1.00	40.68	3.30	2.13	2.21	2.45	35.30	36.15	38.65	100.40	100.80
24.	Portland General Electric	90.9%	NMF	27.50	2.25	0.93	0.99	1.30	20.90	21.75	24.75	62.50	67.00
25.	Progress Energy	91.1%	0.85	46.66	3.30	2.45	2.47	2.53	32.75	33.15	35.05	260.00	274.00
26.	Southern Co.	98.1%	0.70	35.68	2.50	1.60	1.66	1.85	16.30	17.35	19.50	765.00	805.00
27.	Vectren Corp.	81.1%	0.90	27.35	2.00	1.27	1.31	1.43	16.75	17.40	19.25	80.80	81.60
28.	Westar Energy	72.2%	0.90	25.01	2.00	1.08	1.16	1.28	18.65	19.40	21.65	91.80	94.20
29.	Wisconsin Energy	99.6%	0.80	45.36	3.75	1.00	1.08	1.60	26.20	27.70	32.75	117.00	117.00
30.	Xcel Energy, Inc.	99.2%	1.05	21.33	1.75	0.91	0.95	1.10	14.70	15.30	17.25	427.00	435.00
			0.91										

Sources:

[1]Value Line Investment Survey, Electric Industry Central, September 28, 2007.
Value Line Investment Survey, Electric Industry East, November 30, 2007.
Value Line Investment Survey, Electric Industry West, November 9, 2007

[2]Beta data is from Value Line Investment Survey.

[3]Historical price data is from Yahoo.com

Calculation of Electric ROE - DCF Method

	(B)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)
	Company[1]	DPS Growth 2010-12	Retention Rate 2011	Return on Equity 2011	B x R	Increase in Shares	MBR 2007	S Factor	V Factor	S x V	Sustainable Growth	Long-Form ROE
1.	Allegheny Energy Inc.	38.49	0.55	18.98	10.38	0.00	3.84	0.00	0.74	0.00	10.38	12.61%
2.	ALLETE	6.06	0.48	13.95	6.63	1.31	1.89	2.48	0.47	1.17	7.79	11.60%
3.	Alliant Energy Corp.	2.84	0.46	10.13	4.64	0.87	1.73	1.51	0.42	0.64	5.28	8.56%
4.	Ameren Corp.	0.00	0.24	9.35	2.26	0.94	1.58	1.49	0.37	0.55	2.81	7.37%
5.	American Electric Power	8.55	0.45	12.98	5.84	0.43	1.84	0.80	0.46	0.37	6.21	10.18%
6.	Cleco Corp.	10.06	0.31	9.74	3.06	1.63	1.56	2.54	0.36	0.91	3.97	8.16%
7.	Consolidated Edison	0.85	0.31	8.80	2.76	0.55	1.35	0.74	0.26	0.19	2.96	7.74%
8.	DPL Inc.	3.57	0.41	21.24	8.81	(0.27)	3.98	(1.07)	0.75	(0.80)	8.01	11.42%
9.	DTE Energy Co.	2.94	0.36	9.41	3.39	0.00	1.37	0.00	0.27	0.00	3.39	7.83%
10.	Duke Energy Corp.	4.26	0.32	8.33	2.67	0.36	1.13	0.40	0.12	0.05	2.71	7.74%
11.	Edison International	5.98	0.58	10.92	6.37	0.00	2.16	0.00	0.54	0.00	6.37	8.58%
12.	Empire District Electric	3.03	0.30	11.26	3.38	1.37	1.45	1.99	0.31	0.62	4.00	9.44%
13.	Entergy Corp.	6.08	0.53	14.14	7.43	0.00	2.56	0.00	0.61	0.00	7.43	10.17%
14.	Exelon Corp.	4.13	0.63	25.10	15.93	(1.16)	4.84	(5.59)	0.79	(4.44)	11.50	13.44%
15.	FPL Group, Inc.	11.99	0.50	14.28	7.14	0.96	2.32	2.23	0.57	1.27	8.41	11.56%
16.	Hawaiian Electric	0.00	0.17	10.97	1.90	1.03	1.71	1.76	0.42	0.73	2.63	7.77%
17.	IDACORP, Inc.	0.00	0.47	7.40	3.45	1.76	1.25	2.20	0.20	0.44	3.89	7.14%
18.	MGE Energy Inc.	1.61	0.42	14.01	5.93	0.00	1.94	0.00	0.49	0.00	5.93	9.78%
19.	NiSource Inc.	2.82	0.33	7.40	2.47	0.20	1.06	0.22	0.05	0.01	2.48	7.16%
20.	Northeast Utilities	5.69	0.57	10.53	6.04	3.90	1.53	5.94	0.34	2.05	8.09	10.75%
21.	NSTAR	6.96	0.42	15.65	6.52	0.00	2.14	0.00	0.53	0.00	6.52	10.85%
22.	PG&E Corp.	7.17	0.38	11.21	4.27	0.70	2.05	1.44	0.51	0.74	5.00	8.58%
23.	Pinnacle West Capital	3.50	0.26	8.63	2.22	0.10	1.15	0.11	0.13	0.02	2.24	7.85%
24.	Portland General Electric	9.51	0.42	9.29	3.92	1.75	1.32	2.31	0.24	0.55	4.47	8.58%
25.	Progress Energy	0.80	0.23	9.50	2.22	1.32	1.42	1.88	0.30	0.56	2.78	7.80%
26.	Southern Co.	3.68	0.26	13.07	3.40	1.28	2.19	2.81	0.54	1.52	4.92	9.42%
27.	Vectren Corp.	2.96	0.29	10.56	3.01	0.25	1.63	0.40	0.39	0.16	3.17	7.93%
28.	Westar Energy	3.34	0.36	9.41	3.39	0.65	1.34	0.87	0.25	0.22	3.61	8.21%
29.	Wisconsin Energy	14.00	0.57	11.77	6.75	0.00	1.73	0.00	0.42	0.00	6.75	9.61%
30.	Xcel Energy, Inc.	5.01	0.37	10.35	3.84	0.47	1.45	0.67	0.31	0.21	4.05	8.62%
										Median Result:	4.70	8.58%

Sources:

[1]Value Line Investment Survey, Electric Industry Central, September 28, 2007.
Value Line Investment Survey, Electric Industry East, November 30, 2007.
Value Line Investment Survey, Electric Industry West, November 9, 2007

[2]Beta data is from Value Line Investment Survey.

[3]Historical price data is from Yahoo.com