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MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. ER-2011-0028

SURREBUTTAL TESTIMONY

OF

ROBERT B. HEVERT

ON

BEHALF OF

**AMEREN MISSOURI
d/b/a AmerenUE**

****DENOTES HIGHLY CONFIDENTIAL INFORMATION****

**Marlborough, Massachusetts
April 15, 2011**

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1 RBH-ES31 through RBH-ES45, which have been prepared by me or under my
2 supervision.

3 **Q. Have you updated the analyses and cost of equity**
4 **recommendation presented in your rebuttal testimony?**

5 A. Yes, I have updated the Constant Growth Discounted Cash Flow
6 (“DCF”), Multi-Stage DCF, Capital Asset Pricing Model (“CAPM”) and Risk Premium
7 analyses presented in my rebuttal testimony based on the Hevert Revised Proxy
8 Group and data as of March 31, 2011. While I disagree with many of the companies
9 included in the proxy groups of the Opposing ROE Witnesses, I again have
10 considered the results of the Combined Proxy Group, which includes all companies
11 used by any of the ROE witnesses in this proceeding (see Tables 1a and 1b).

1

Table 1a: Summary of Results – Revised Proxy Group

	Mean Low	Mean	Mean High
<i>Constant Growth DCF</i>			
30-Day Average	9.32%	10.39%	11.27%
90-Day Average	9.35%	10.42%	11.30%
180-Day Average	9.45%	10.52%	11.40%
<i>Multi-Stage DCF</i>			
	Low	Mean	High
Gordon Growth Terminal Value			
30-Day Average	10.15%	10.87%	12.30%
90-Day Average	10.10%	10.92%	12.27%
180-Day Average	10.23%	11.02%	12.42%
Long-Term P/E Terminal Value			
30-Day Average	8.42%	10.89%	13.74%
90-Day Average	8.37%	10.97%	13.69%
180-Day Average	8.49%	11.19%	13.94%
<i>Risk Premium Approaches</i>			
	Current 30-Yr Treasury		Projected 30-Yr Treasury
<i>Capital Asset Pricing Model</i>			
Sharpe Ratio-Derived MRP			
12-month Beta	10.63%		10.99%
Bloomberg & Value Line Beta	10.12%		10.47%
Market DCF-Derived MRP			
12-month Beta	10.96%		11.31%
Bloomberg & Value Line Beta	10.42%		10.77%
	Low	Mean	High
<i>Treasury Yield Plus Risk Premium</i>	10.64%	10.69%	10.74%

2

1

Table 1b: Summary of Results – Combined Proxy Group

	Mean Low	Mean	Mean High
<i>Constant Growth DCF</i>			
30-Day Average	9.38%	10.33%	11.22%
90-Day Average	9.41%	10.36%	11.25%
180-Day Average	9.47%	10.41%	11.30%
<i>Multi-Stage DCF</i>			
	Low	Mean	High
Gordon Growth Terminal Value			
30-Day Average	9.65%	10.78%	12.30%
90-Day Average	9.67%	10.81%	12.27%
180-Day Average	9.69%	10.88%	12.42%
Long-Term P/E Terminal Value			
30-Day Average	8.42%	10.68%	13.74%
90-Day Average	8.37%	10.75%	13.69%
180-Day Average	8.49%	10.87%	13.94%
<i>Risk Premium Approaches</i>			
	Current 30- Yr Treasury		Projected 30- Yr Treasury
<i>Capital Asset Pricing Model</i>			
Sharpe Ratio-Derived MRP			
12-month Beta	10.63%		10.98%
Bloomberg & Value Line Beta	10.25%		10.60%
Market DCF-Derived MRP			
12-month Beta	10.95%		11.31%
Bloomberg & Value Line Beta	10.55%		10.91%
	Low	Mean	High
<i>Treasury Yield Plus Risk Premium</i>	10.64%	10.69%	10.74%

2

3 In addition to the updated analyses noted above, I produced several
4 additional analyses that respond to issues raised by certain of the Opposing ROE
5 Witnesses. In particular, while I disagree with the premise of the long-term growth
6 rate used in Mr. Gorman's Multi-Stage DCF analysis, I have produced a series of
7 analyses that assume a terminal growth rate of 5.275 percent, which is the midpoint

1 between Mr. Gorman's 4.90 percent growth rate,² and the 5.65 percent growth rate
2 included in my updated analyses (see Tables 2a and 2b).

3 **Table 2a: Summary of Results – Revised Proxy Group/Multi-Stage DCF Model**
4 **with 5.275 Percent Terminal Growth Rate**

	Low	Mean	High
Gordon Growth Terminal Value			
30-Day Average	9.86%	10.59%	12.04%
90-Day Average	9.80%	10.63%	12.01%
180-Day Average	9.94%	10.74%	12.16%
Long-Term P/E Terminal Value			
30-Day Average	8.25%	10.72%	13.57%
90-Day Average	8.20%	10.80%	13.52%
180-Day Average	8.33%	11.01%	13.76%

5

6 **Table 2b: Summary of Results – Combined Proxy Group/Multi-Stage DCF**
7 **Model with 5.275 Percent Terminal Growth Rate**

	Low	Mean	High
Gordon Growth Terminal Value			
30-Day Average	9.36%	10.50%	12.04%
90-Day Average	9.37%	10.53%	12.01%
180-Day Average	9.40%	10.59%	12.16%
Long-Term P/E Terminal Value			
30-Day Average	8.25%	10.51%	13.57%
90-Day Average	8.20%	10.57%	13.52%
180-Day Average	8.33%	10.70%	13.76%

8

9 It also is important to note that small but reasonable changes to Mr. Gorman's
10 Multi-Stage DCF analysis produce results within my recommended range, albeit
11 toward the low-end. As shown in Table 2c,³ simply adopting the mid-year
12 discounting convention and conforming the long-term growth rate to the 4.90 percent

² Rebuttal testimony of Michael Gorman, at 12 and 17, and Schedule MPG-R-4.

³ These modifications are discussed in more detail in Section III.

1 rate relied on by Mr. Gorman in his rebuttal testimony⁴ produces a median result of
2 10.25 percent. Removing companies that currently are party to a merger, then
3 revising the long-term growth rate to 5.275 percent (*i.e.*, the midpoint of
4 Mr. Gorman's 4.90 percent long-term growth estimate and my 5.65 percent long-
5 term growth rate) produces a median estimate of 10.53 percent.

6 **Table 2c: Modified Multi-Stage DCF Results Based on Mr. Gorman's Analysis**

Step	Incremental ROE Effect	Median ROE Estimate⁵
As Reported, Schedule MPG-9	-	9.86%
Step 1: Mid-year convention	0.24%	10.10%
Step 2: Long-term growth at 4.90%	0.15%	10.25%
Step 3: Remove Northeast Utilities and Progress Energy	0.00%	10.25%
Step 4: Long-term growth at 5.275%	0.28%	10.53%

7

8 **Q. What did your analysis of recently authorized ROEs for integrated**
9 **electric utilities indicate?**

10 A. Over the last twelve months, the national average authorized ROE for
11 integrated electric utilities was 10.30 percent, a 23 basis point decline from the 10.53
12 percent average noted in my direct testimony.⁶ The midpoint of my revised
13 recommendation of 10.70 percent, discussed in detail below, and Mr. Gorman's 9.75
14 percent recommendation is 10.23 percent, which is slightly below the national
15 average. Among the states neighboring Missouri, the average authorized ROE over
16 the past twelve months has been 10.23 percent, which is equal to the midpoint
17 between Mr. Gorman's and my recommendation.

⁴ Rebuttal testimony of Michael Gorman, at 13.

⁵ Mr. Gorman reports median DCF results; see direct testimony of Michael Gorman, at 24.

⁶ Direct testimony of Robert B. Hevert, at 45.

1 It also is important to note that of the 35 proceedings in which an ROE was
2 authorized for an integrated utility over the past twelve months, none resulted in an
3 ROE that fell within Mr. Murray's recommended range of 8.75 percent to 9.25
4 percent. At the same time, there was only one case in which an ROE was
5 authorized at or below the 9.75 percent recommended by Mr. Gorman. Finally,
6 according to the methodology reaffirmed in the Commission's recent Order in Case
7 No. ER-2010-0355, the "Zone of Reasonableness" established by reference to the
8 100 basis point range above and below the recent national average ROE for electric
9 utilities currently extends from 9.30 percent to 11.30 percent.⁷ It should be noted
10 that while the Zone of Reasonableness includes the recommended ranges of all
11 ROE witnesses in this proceeding except Mr. Murray, over the recent twelve-month
12 period, there were no observed ROE awards as low as 9.30 percent.

13 **Q. Have you revised your ROE recommendation from that contained**
14 **in your direct testimony?**

15 A. Yes, I have. Based on the analytical results presented above (see
16 also Section V), and in light of the analyses and issues discussed throughout the
17 balance of my surrebuttal testimony, my revised recommended range is from 10.40
18 percent to 11.25 percent, and my revised ROE recommendation is 10.70 percent.

19 **Q. Please provide a brief overview of your surrebuttal testimony.**

20 A. After reviewing the rebuttal testimony provided by the Opposing ROE
21 Witnesses, updating the analyses contained in my rebuttal testimony to reflect the
22 data as of March 31, 2011, and considering other relevant data, including current

⁷ See, Report and Order, Case No. ER-2010-0355, at 122.

1 and expected capital market conditions, my general observations and conclusions
2 are as follows:

- 3 • In light of the updated results and additional analyses described
4 throughout my surrebuttal testimony, I recommend that the
5 Commission adopt a cost of equity in an adjusted range of 10.40
6 percent to 11.25 percent. Within that range, I have revised my point
7 estimate of the Company's cost of equity downward by 20 basis points
8 to 10.70 percent. My revised range and recommendation reflects the
9 changes in market data since the filing of my direct testimony,
10 including the decline in the average authorized ROE, along with the
11 additional analyses performed in response to the Opposing ROE
12 Witnesses.
- 13 • Because all ROE witnesses in this proceeding place considerable
14 weight on that model, and given that the terminal value tends to
15 represent a significant portion of the analytical results, differences in
16 the terminal growth rate assumptions account for much of the
17 difference in our respective results. Whereas Messrs. Murray and
18 Gorman's growth projections are based on economists' forecasts for
19 periods that end before the terminal year of their analyses, my
20 estimate is based on long-term projections that extend beyond the
21 terminal year. Moreover, the long-term growth estimate included in my
22 updated and revised results are based on publicly available data, and
23 specifically incorporate market-derived measures of expected inflation.

- 1 • Incremental and reasonable changes to Mr. Gorman's Multi-Stage
2 DCF produces median results from 10.25 percent to 10.53 percent,
3 based on 4.90 percent and 5.275 percent long-term growth rates,
4 respectively. While the 10.53 percent estimate is based on a growth
5 rate that, in my view, is somewhat low, it does fall within my range of
6 results.
- 7 • Neither Mr. Gorman's 9.75 percent recommendation nor Mr. Murray's
8 8.75 percent ROE recommendation can be rationalized in the context
9 of recently authorized ROEs. Of the 35 proceedings in which an ROE
10 was authorized for an integrated electric utility over the past twelve
11 months only one was at or below Mr. Gorman's recommendation.
12 Mr. Murray's recommendation is 92 basis points below the lowest
13 return. Importantly, the *high* end of Mr. Murray's recommended range
14 does not meet the *low* end of the 100 basis point Zone of
15 Reasonableness relied upon by the Commission in Case No.
16 ER-2010-0355 or established by reference to the twelve month
17 average of authorized ROEs.⁸
- 18 • While Mr. Murray points to reports by equity analysts and refers to
19 analyses relating to fair value estimates as support for his assumptions
20 and his ROE recommendation, a complete reading of those documents
21 demonstrate that his conclusions in that regard are misplaced.

⁸ *Ibid.*

1 • Putting aside our analytical differences, neither Mr. Gorman nor
2 Mr. Murray have reconciled their results and recommendations in the
3 context of the market conditions prevailing at the time of the
4 Company's recent ROE authorizations. Given that current long-term
5 interest rates are nearly identical to the rates in effect during May,
6 2010, and knowing that market uncertainty remains at historically
7 elevated levels, ROE recommendations below the Company's recently
8 authorized levels are inconsistent with practical and observable market
9 data.

10 **Q. How is the remainder of your surrebuttal testimony organized?**

11 A. The remainder of my surrebuttal testimony is organized as follows:
12 Section II contains my response to Mr. Murray's rebuttal testimony; Section III
13 contains my response to Mr. Gorman's rebuttal testimony; Section IV contains my
14 response to Ms. LaConte's rebuttal testimony; and Section V summarizes the
15 updated ROE analyses for the data up to and including March 31, 2011.

16

17 **II. RESPONSE TO THE REBUTTAL TESTIMONY OF MR. MURRAY**

18 **Q. Please briefly summarize Mr. Murray's rebuttal testimony.**

19 A. Mr. Murray's rebuttal testimony does not update or revise the analyses
20 included in Staff's Revenue Requirement Cost of Service Report (the "Staff Report"),
21 although it does present three primary areas of disagreement with the analyses and
22 conclusions provided in my direct testimony:

- 1 • Mr. Murray asserts that cost of equity and Market Risk Premium
2 ("MRP") estimates from investment equity analysts should be
3 considered by the Commission, in large measure because, he
4 suggests, those estimates "provide a test of the reasonableness of the
5 various parties cost of equity estimates in this case."⁹ Mr. Murray
6 relies on a goodwill impairment test performed on behalf of Ameren
7 Corporation ("Ameren") by Duff & Phelps, LLC ("D&P"), a UBS
8 Investment Research ("UBS") report regarding Ameren, and a Wall
9 Street Journal article as support for his position on that point.
- 10 • With respect to my Multi-Stage DCF Model, Mr. Murray opposes my
11 formulation of Gross Domestic Product ("GDP") growth as the terminal
12 growth rate, argues that compounding effects within my Multi-Stage
13 DCF analysis overstate the resulting ROE estimates, and reasons that
14 long-term utility earnings per share ("EPS") growth will not match long-
15 term growth in the GDP, but instead will be in the 3.00 percent to 4.00
16 percent range of historical growth rates presented in his direct
17 testimony.
- 18 • Finally, Mr. Murray challenges the consensus EPS growth rates used
19 in my Constant-Growth DCF analysis, viewing them as unsustainable
20 in light of his historical growth rate data.

⁹ Rebuttal testimony of David Murray, at 6.

1 **Q. Does Mr. Murray update his ROE recommendation in his rebuttal**
2 **testimony?**

3 A. No, he does not. However, Mr. Murray states that his review of
4 “mainstream investment media and reports (the very information investors review in
5 making investment decisions) consistently indicates that the required return on
6 equity is at the very least below 10 percent.”¹⁰ Despite his recommended ROE of
7 8.75 percent, Mr. Murray asserts that “[i]t is not improbable that investors are only
8 requiring returns on common equity in the 7% to 8% range for utility stocks.”¹¹

9 **Q. Does Mr. Murray comment on your CAPM or Risk Premium**
10 **results?**

11 A. Yes, Mr. Murray notes that my *ex-ante* CAPM results are based on
12 “forward looking risk premium estimates that are far higher than those used in
13 mainstream investment analysis.”¹² While Mr. Murray states that he will not “delve
14 into the details” of either my CAPM or Bond Yield Plus Risk Premium approaches
15 because they “were used only for corroboration”,¹³ he points to the ****5.50 percent****
16 “equity risk premium”¹⁴ assumed by D&P in its goodwill impairment analysis for
17 Ameren,¹⁵ a 5.50 percent equity risk premium currently estimated by Bank of
18 America Merrill Lynch (“BofAML”),¹⁶ and the 6.50 percent equity risk premium
19 assumed by UBS in a CAPM analysis, in support of his position.¹⁷ As discussed in

¹⁰ *Ibid.*, at 28.

¹¹ Staff Revenue Requirement Cost of Service Report, at 26.

¹² *Ibid.*, at 5. A similar statement is made at 20.

¹³ *Ibid.*, at 20.

¹⁴ The term “equity risk premium” is the functional equivalent of the “market risk premium” or
“MRP” discussed in my direct, rebuttal and surrebuttal testimonies.

¹⁵ Rebuttal testimony of David Murray, at 10.

¹⁶ *Ibid.*, at 10-11.

¹⁷ *Ibid.*, at 14-15.

1 more detail later in my surrebuttal testimony, other information presented in those
2 documents or by those firms demonstrate that Mr. Murray's conclusions are
3 misplaced.

4 ***The Reasonableness of ROE Estimates in this Proceeding***

5 **Q. Do you agree with Mr. Murray's position that certain aspects of**
6 **your analyses are inconsistent with "mainstream investment analysis?"¹⁸**

7 A. No, I do not. In the Staff Report, Mr. Murray presented the July 16,
8 2009 *Utilities Capital Management* report by Barclays Capital ("Barclays") to support
9 his derivation of historical growth rates for his DCF analysis.¹⁹ I agree that analysts
10 consider historical information when developing growth rate projections. In my
11 rebuttal testimony, however, I demonstrated that analysts' earnings growth rate
12 projections (in particular, Value Line) have a positive, statistically significant
13 relationship to the proxy company valuation multiples.²⁰ As such, any effect of
14 historical data already is subsumed in analysts' growth rate projections, which, in
15 turn, are reflected in market prices. Moreover, Mr. Murray's discussion of the
16 Barclays report neglected to point out other important data and analyses. As noted
17 in my rebuttal testimony, for example, two regression analyses developed by
18 Barclays based on 28 years of historical allowed electric utility ROEs, Treasury Bond
19 yields and utility debt yields supported my position that interest rates and equity risk
20 premia are inversely related.²¹

¹⁸ *Ibid.*, at 5,11,12,15,20,25, and 28.

¹⁹ Staff Revenue Requirement Cost of Service Report, at 22.

²⁰ Rebuttal testimony of Robert B. Hevert, at 37-39.

²¹ *Ibid.*, at 27, and 58-60.

1 The Staff Report also referred to the December 29, 2009 *United States:*
2 *Utilities: Power – Electric Utilities* report by Goldman Sachs.²² Mr. Murray suggested
3 that since Goldman Sachs employed a 2.50 percent terminal growth rate in a DCF
4 analysis used to develop stock price targets, that report supported his position that
5 the terminal growth rate in the Multi-Stage DCF Model was substantially less than
6 the expected GDP growth rate.²³ My rebuttal testimony pointed out that Mr. Murray’s
7 reference to a 2.50 percent terminal DCF growth rate was a reference to an estimate
8 of *real* GDP growth, as opposed to nominal GDP growth.²⁴ Moreover, setting price
9 targets based on the views of a single analyst, as is the case with the Goldman
10 Sachs report, is a fundamentally different analysis than inferring the cost of equity
11 based on market prices (which, as also noted in my rebuttal testimony, are the result
12 of the decisions of numerous equity investors).²⁵

13 As noted above, Mr. Murray’s rebuttal testimony provides three additional
14 analyses which, he asserts, support his position that my ROE recommendations are
15 inconsistent with mainstream investment analysis: (1) cost of equity assumptions
16 and estimates from a goodwill impairment study performed by D&P for Ameren; (2) a
17 report by UBS referencing a 9.00 percent cost of equity for Ameren; and (3) an
18 article from the Wall Street Journal indicating that BofAML currently estimates an
19 equity risk premium of 5.50 percent.²⁶ As discussed below, however, Mr. Murray’s
20 assessment overlooks certain critical assumptions included in those documents, and

²² Staff Revenue Requirement Cost of Service Report, Attachment E-1.

²³ *Ibid.*, at 23-24.

²⁴ Rebuttal testimony of Robert B. Hevert, at 45-47

²⁵ *Ibid.*, at 34-35.

²⁶ Rebuttal testimony of David Murray, at 10-15.

1 applies the estimates in manners that are overtly inconsistent with the use and intent
2 of the analyses.

3 *D&P's Goodwill Impairment Study*

4 **Q. Please describe how Mr. Murray relies on a D&P goodwill**
5 **impairment analysis to inform his ROE recommendation.**

6 A. In accordance with certain accounting provisions, Ameren periodically
7 undergoes a “goodwill impairment” test,²⁷ which requires an estimate of fair value for
8 each of Ameren’s respective reporting units, including Competitive Generation
9 Operations (*i.e.*, Ameren Energy Generating Company), Ameren’s regulated Illinois
10 operations (*i.e.*, Ameren Illinois), and Ameren Missouri. While Ameren itself
11 performed an initial goodwill impairment analysis, it also retained D&P to more
12 closely examine the analysis.²⁸ Mr. Murray notes that because fair value
13 determinations discount the debt-free cash flows at an after-tax weighted average
14 cost of capital (“WACC”), a cost of equity estimate was required for each of the
15 reporting units, including Ameren Missouri. Mr. Murray then identifies the cost of
16 equity assumed by D&P for the purposes of valuing Ameren Missouri’s assets **

17 **, which was developed by D&P using the CAPM approach with an
18 assumed ** ** risk-free rate of return, a Beta coefficient of ** **, and
19 a market risk premium of ** **.

²⁷ *Ibid.*, Schedule 1-1, at 1.

²⁸ *Ibid.*, at 9.

²⁹ *Ibid.*, Schedule 1-2, at 89.

1 **Q. What is the basis of Mr. Murray’s position that the cost of equity**
2 **estimate contained in the D&P study is relevant for the purpose of**
3 **establishing a fair rate of return for Ameren Missouri?**

4 A. Mr. Murray suggests that cost of equity estimates in rate proceedings
5 should be tested for reasonableness by reference to analyses from independent
6 parties outside of the rate proceeding. Mr. Murray reasons that D&P’s estimate of a
7 ** ** cost of equity is an independent estimate and therefore
8 demonstrates the reasonableness of his ROE recommendation in this case.³⁰ As a
9 result, Mr. Murray concludes that such information should be considered by the
10 Commission when establishing the appropriate ROE for Ameren Missouri.³¹

11 **Q. Is Mr. Murray correct?**

12 A. No. Although the discount rate, in this instance, the WACC, is an
13 important input to the present value calculation performed by D&P,³² Mr. Murray’s
14 focus on the cost of equity component of the discount rate ignores a number of
15 important considerations. As a preliminary matter, Mr. Murray fails to recognize that
16 the D&P report was produced for a purpose other than determining the appropriate
17 ROE for Ameren Missouri in a rate case. As a consequence, the fundamental intent
18 and premise of the D&P report was entirely different than the scope of the
19 testimonies and analyses prepared by the ROE witnesses in this proceeding. That
20 is, while the intent of the D&P report is to estimate the fair value of the Ameren
21 business units as discrete assets to an individual buyer, the objective of our

³⁰ *Ibid.*, at 12.

³¹ *Ibid.*, at 8.

³² As D&P notes in its impairment analysis, there are multiple methods that may be used in developing fair value estimates for assets such as Ameren Missouri. (See, rebuttal testimony of David Murray, Schedule 1-2, at 31-32).

1 testimony in this proceeding is to infer the market required return on equity for
2 Ameren Missouri based on market data reflecting the investment decisions of
3 multiple investors valuing a minority interest in the Company's equity. In that
4 fundamental respect, the analyses are substantially different. Moreover, D&P's cost
5 of equity estimate is based on the CAPM, a method that has been given secondary
6 weight by all of the ROE witnesses in this proceeding and is not the Commission's
7 primary approach to estimating the cost of equity.³³

8 As a result, Mr. Murray's reliance on the D&P report is misplaced because, as
9 discussed more fully below, it:

- 10 (1) Ignores requirements established by the Financial Accounting
11 Standards Board ("FASB") in Statement of Financial Accounting
12 Standards No. 157: Fair Value Measures ("FAS 157" or "the
13 Statement");³⁴
- 14 (2) Does not attempt to reconcile the clear difference between the
15 allowed ROE level assumed in the cash flows evaluated by D&P
16 and the ** ** ROE employed to discount those cash
17 flows;
- 18 (3) Relies on a proxy group that is not necessarily comparable in
19 risk to Ameren Missouri; and
- 20 (4) Ignores critically important limiting conditions established by
21 D&P concerning the use and interpretation of its analysis.

22 **Q. Is the cost of equity assumed by D&P a reasonable estimate of**
23 **the ROE for the purpose of establishing Ameren Missouri's revenue**
24 **requirement?**

25 A. No, it is not. As noted above, the primary purpose of D&P's analysis
26 was to determine if goodwill associated with Ameren's competitive generation

³³ A review of Commission decisions over the last five years for electric utilities indicates that, while the Commission has recognized CAPM ROE results in its discussion of record evidence, it relies primarily on DCF results to establish the ROE.

³⁴ Statement of Financial Accounting Standards No. 157, was later reclassified as Accounting Standards Codification 820.

1 operations was impaired.³⁵ The analysis conducted by D&P estimated the value of
2 Ameren's various operations to a potential purchaser based on a DCF analysis of
3 each of Ameren's major operations or "reporting units". One step of that process is
4 a market reconciliation, which compares Ameren's estimated fair value,³⁶ as an
5 asset, to the actual market value of its outstanding capital.³⁷ Based on that analysis,
6 D&P concluded that its "Fair Value of Equity estimation for Ameren of

7 **

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12 The analysis justifying the control premium highlights a significant and
13 important distinction between D&P's fair value estimate and the underlying market
14 value of securities: fair value reflects the value of Ameren's various operations to a
15 prospective buyer through the purchase of the entire company as an asset, while the
16 market value reflects the views of minority investors currently holding Ameren debt
17 common equity.

³⁵ Rebuttal testimony of David Murray, Schedule 1-2, at 30, 38, and 67-76.

³⁶ Fair value in this instance is defined as the value of Ameren to a prospective buyer who would then own the company and control its operations. A more complete definition of fair value is provided later in this testimony.

³⁷ Rebuttal testimony of David Murray, Schedule 1-2, at 65-66.

³⁸ *Ibid.*, at 66.

³⁹ *Ibid.*, at 87-91.

1 **Q. Why is that distinction important?**

2 A. The distinction is important because D&P's estimated fair value of
3 ** **⁴⁰ represents D&P's assessment of what Ameren, in its entirety, is
4 worth to a prospective buyer; it is not the current market value of Ameren's debt and
5 equity securities currently held by numerous individual investors.⁴¹ As a practical
6 matter, the lower actual market value of Ameren's outstanding equity securities⁴²
7 suggests that the return required by common equity investors to evaluate Ameren's
8 future cash flows is ** ** than the rate used by D&P in its DCF analysis. As a
9 result, the ** ** cost of equity assumed by D&P for the purpose of
10 discounting the Ameren Missouri projected cash flows is not indicative of the
11 expectations of investors currently holding Ameren common stock and cannot,
12 therefore, be viewed as a reasonable measure of the ROE for the purpose of
13 developing Ameren Missouri's revenue requirement.

14 Putting aside the significant analytical differences between the D&P report
15 and the cost of equity testimonies filed in this proceeding, Mr. Murray neglects to
16 point out that the cash flows assumed by D&P are premised on authorized ROEs
17 that are highly consistent with my range and recommendation, but well above even
18 the high end of his range. As discussed below, the authorized returns assumed by
19 D&P are a critical component of its fair value determination.

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D&P explicitly recognizes that the actual price in a transaction may differ from the results of its analysis "depending upon the circumstances of the transaction and the knowledge and motivations of the buyers and sellers at the time the final terms of the transaction are negotiated." (Rebuttal testimony of David Murray, Schedule 1-2, at 34)

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Rebuttal testimony of David Murray, Schedule 1-2, at 66.

1 **Q. Please provide a brief explanation as to how the statement of FAS**
2 **157 relates to fair value determinations for the purpose of impairment studies.**

3 A. As a preliminary matter, please note that I am not offering an opinion
4 with respect to D&P's impairment study. As to the intent of FAS 157, the Financial
5 Accounting Standard Board noted that:

6 This Statement defines fair value, establishes a framework for
7 measuring fair value in generally accepted accounting principles
8 (GAAP), and expands disclosures about fair value
9 measurements. This Statement applies under other accounting
10 pronouncements that require or permit fair value
11 measurements, the Board having previously concluded in those
12 accounting pronouncements that fair value is the relevant
13 measurement attribute.⁴³

14 The statement notes that there previously had been several definitions of fair
15 value, and that the purpose of FAS 157 was to establish a single definition:

16 The definition of fair value retains the exchange price notion in
17 earlier definitions of fair value. This Statement clarifies that the
18 exchange price is the price in an orderly transaction between
19 market participants to sell the asset or transfer the liability in the
20 market in which the reporting entity would transact for the asset
21 or liability, that is, the principal or most advantageous market for
22 the asset or liability. The transaction to sell the asset or transfer
23 the liability is a hypothetical transaction at the measurement
24 date, considered from the perspective of a market participant
25 that holds the asset or owes the liability. Therefore, the
26 definition focuses on the price that would be received to sell the
27 asset or paid to transfer the liability (an exit price), not the price
28 that would be paid to acquire the asset or received to assume
29 the liability (an entry price).⁴⁴

30 Thus, FAS 157 indicates that fair value is not linked directly to the current
31 market value of a company's outstanding securities, but rather to an estimate of the
32 subject entity's worth to a prospective buyer.

⁴³ Statement of Financial Accounting Standards No. 157, at 2.

⁴⁴ *Ibid.*, at 2.

1 **Q. Is there academic evidence indicating that the cost of equity used**
2 **to establish fair value under FAS 157 may differ from the ROE required by the**
3 **current common equity holders?**

4 A. Yes, there is. Pratt and Grabowski note that:

5 ...in some cases, it may be appropriate to consider the market
6 participants' cost of capital in the analysis. This may be the
7 case where it is reasonable to assume that the benefits of a
8 lower cost of capital of the buyer(s) could be realized by the
9 seller through a competitive bidding process. Such a benefit
10 would be considered a market participant synergy and
11 appropriately reflected in the fair value of the assets through the
12 application of a lower cost of capital.⁴⁵

13 In that sense, it is not surprising that the discount rate assumed by D&P
14 differs from a market-based estimate of the cost of equity.

15 **Q. How were the cash flows used by D&P in its goodwill impairment**
16 **analysis developed?**

17 A. Ameren developed projections of "debt free" cash flows for all of its
18 operations including Ameren Missouri.⁴⁶ D&P discounted those projected cash
19 flows, along with an estimate of the terminal value, using the WACC as the discount
20 rate. Because D&P's analysis focused on projected cash flows, and given that
21 projected cash flows are a function of net income, the assumed ROE was a
22 significant variable in the fair value analysis.

⁴⁵ Shannon P. Pratt and Roger J. Grabowski, Cost of Capital: Applications and Examples, 4th
ed. (Hoboken: John Wiley & Sons, 2010), at 499.

⁴⁶ Rebuttal testimony of David Murray, Schedule 1-2, at 17.

1 **Q. What ROE did Ameren assume for Ameren Missouri when**
2 **developing its cash flow projections?**

3 A. Ameren developed an average ROE for Ameren Missouri of
4 approximately ** ** for the 2012 through 2014 time period based on a
5 probability assessment of potential rate case outcomes.⁴⁷ Ameren notes that the
6 “operating results of the Ameren Missouri Regulated reporting unit is impacted most
7 significantly by the rates of return that AmerenUE is entitled to achieve pursuant to
8 the regulatory process.”⁴⁸ As a result, Ameren developed five potential scenarios
9 reflecting “favorable”, “neutral” and “unfavorable” determinations of the potential
10 authorized return on equity. Each scenario was assigned a ** **
11 probability weighting.⁴⁹ For the forward-looking component of that analysis (the
12 2012 through 2014 time period), the range of ROE determinations varies from a low
13 of ** ** to a high of ** **, and the application of the **
14 ** weighting to each scenario produces an average probability-weighted
15 ROE for the 2012 through 2014 period of ** ** (see Schedule RBH-
16 ES38). Because Ameren reflected uncertainty with respect to authorized ROEs
17 (which, as noted above, Ameren considered to be the most important operating
18 variable), it calculated the “expected present value” by discounting the probability-
19 weighted (*i.e.*, expected) projected cash flows at the risk-free rate of return.⁵⁰

20 There are several important observations with respect to Ameren’s expected
21 present value analysis. First, the Ameren Missouri projected cash flows for 2012

⁴⁷ *Ibid.*, at 24.
⁴⁸ *Ibid.*
⁴⁹ *Ibid.*
⁵⁰ *Ibid.*, at 17.

1 through 2014, which were produced by Ameren and adopted by D&P, are predicated
2 on a probability-weighted authorized ROE of ** **. Moreover, of all the
3 variables included in the expected present value calculations, the sole variable
4 selected for scenario analysis was the project authorized ROE. It is clear, therefore,
5 that both Ameren and D&P consider the authorized ROE to be essential to projected
6 cash flows and that a reasonable expectation for the authorized ROE is
7 approximately ** **. Importantly, just as the Commission has looked to
8 authorized ROEs in other jurisdictions as a relevant benchmark in assessing ROE
9 recommendations, the expected ROEs underlying the D&P analysis also were
10 developed on the basis of authorized returns.⁵¹

11 Moreover, given that the D&P analysis is used to estimate the value of an
12 asset from the perspective of a single, acquisitive party while the purpose of the
13 ROE witnesses' testimonies is to estimate the cost of equity based on equity market
14 prices, there is no reason why the discount rate used by D&P in its present value
15 analysis would be relevant to the ROE determination in this proceeding, while the
16 ROE assumption on which the cash flow projections are based are.

17 **Q. Was the proxy group used by D&P to estimate the discount rate**
18 **the same group that Mr. Murray used in his analyses?**

19 A. No, it was not. The proxy group relied upon by D&P to develop its
20 CAPM estimate consisted of ** ⁵²

⁵¹ *Ibid.*, at 20.

⁵² *Ibid.*, Schedule 1-2, at 88-89. These pages also present a transmission and distribution proxy group (two companies) as well as a generation proxy group (five companies). In addition, page 89 also contains the CAPM analysis used to develop the ** ** ROE used by D&P in its fair value computation.

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⁵⁴ To the extent, therefore, that Mr. Murray believes that proxy group composition is an important element of the ROE determination process, it is unclear why he would rely on an estimate derived from a substantially different proxy group as corroboration for his recommendation.

Q. Were the reports produced by D&P, and the conclusions contained in that report, subject to any limitations?

A. Yes. As a preliminary condition, D&P noted that “[t]his report is intended solely for the use of AEE (*i.e.*, Ameren) for the purpose stated herein and may not be used in whole or in part, for any other purpose without our written consent except that it may be provided to the Company’s auditors.”⁵⁵ As to the interpretation of results, D&P stated that:

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⁵³ One of the D&P proxy group members, Progress Energy, was excluded by Mr. Murray from his proxy group due to its proposed merger with Duke Energy.
⁵⁴ Staff Revenue Requirement Cost of Service Report, at 16 and Schedule 7.
⁵⁵ Rebuttal testimony of David Murray Schedule 1-2, at 34 (clarification added).
⁵⁶ *Ibid.*

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15 **Q. What are the practical implications of D&P’s limitations on the**
16 **use of its report?**

17 A. The limitations clearly indicate that:

- 18 (1) The report was created for a specific purpose other than
19 estimating Ameren Missouri’s cost of equity;
- 20 (2) Taking any single parameter out of the report without
21 considering the entirety of the analysis could result in
22 misleading conclusions; and
- 23 (3) The actual transfer price will be a function of the specific
24 circumstances of the buyer and seller at the time of the transfer.

25 Among other things, D&P’s stated limitations on use indicate that the report
26 should be taken as a whole and that individual parts of the analysis should not be
27 used for other purposes. In other words, specific sections of the report are only
28 relevant within the context of the overall analysis. Mr. Murray’s use of the cost of
29 equity assumption contained in the D&P study, which ignores that limitation,
30 highlights the risks associated with reliance on such partial analyses. As noted
31 earlier, for example, Mr. Murray relied on D&P’s cost of equity estimate but failed to

57 *Ibid.*
58 *Ibid.*
59 *Ibid.*, at 79.

1 consider the assumed authorized ROEs that underlie the projected cash flows.
2 D&P's stated limitation on the use of partial analyses addresses the risk of focusing
3 on one parameter to the exclusion of the balance of the analyses, as Mr. Murray has
4 done.

5 **Q. Has the Commission previously rejected arguments regarding the**
6 **applicability of cost of equity information in studies conducted for purposes**
7 **other than estimating the market-required cost of equity?**

8 A. Yes. In Ameren Missouri's last rate proceeding, Mr. Murray introduced
9 information regarding the expected returns for "large capitalization domestic
10 equities" based on information taken from the Missouri State Employees Retirement
11 System website to support his recommended ROE.⁶⁰ The Commission rejected
12 Mr. Murray's position, stating that "[t]he problem with using a pension fund's
13 expectations in this way is that pension funds have different investment goals and
14 thus are not well suited to assessing the cost of equity capital in a rate proceeding."⁶¹
15 While not the same as Ameren's pension funding assumptions, the use of the D&P
16 report, which was developed for an entirely different purpose, is subject to numerous
17 limitations on its use, and assumes a proxy group that includes only two of the ten
18 companies identified by Mr. Murray as being comparable to Ameren is, likewise
19 inappropriate for the purpose of determining the Company's ROE.⁶²

⁶⁰ Staff Report on Revenue Requirement and Cost of Service, Case No. ER-2010-0036, at 35.

⁶¹ Report and Order, Case No. ER-2010-0036, at paragraph 19.

⁶² Please note that my conclusion in this regard is methodological in nature; I do not presume to suggest to the Commission what it should or should not consider in reaching its decision.

1 *The Appropriate Market Risk Premium*

2 **Q. What is Mr. Murray’s basis for supporting the 5.50 percent MRP in**
3 **his rebuttal testimony?**

4 A. Mr. Murray states that D&P used a ** ** MRP in the CAPM
5 analyses presented in its goodwill impairment analysis, and notes that this figure, as
6 discussed in a recent Wall Street Journal article, is consistent with the MRP that
7 BofAML currently estimates based upon elevated levels of market uncertainty.⁶³
8 Mr. Murray relies on that information to suggest that my approaches for estimating
9 the MRP produce unreasonably high results.

10 **Q. Is the MRP information from either of those sources relevant for**
11 **the purpose of determining the appropriate ROE for Ameren Missouri?**

12 A. No, the MRP in the D&P impairment study is not appropriate for
13 determining the ROE for Ameren Missouri in this proceeding. As noted above, there
14 are a number of reasons why the D&P cost of equity estimate, including the MRP
15 assumptions, are not relevant to the determination of the Company’s ROE.⁶⁴

16 The ** ** MRP estimate from BofAML also has no bearing on the
17 determination of the cost of equity for Ameren Missouri. The methodology that
18 BofAML employs to develop its ** ** MRP is not described in the article
19 and Mr. Murray provides no details of it in his rebuttal testimony. However, those
20 supporting calculations are important because the Wall Street Journal article also
21 notes that BofAML’s MRP has averaged 3.50 percent over the last 50 years, a level

⁶³ Rebuttal testimony of David Murray, at 10-11.

⁶⁴ As D&P points out, the “[q]uantification of the general market risk premium has been the subject of much research by security analysts.” (See, rebuttal testimony of David Murray, Schedule 1-2, at 83). D&P’s recognition of the nature of the MRP is consistent with the limited weight given to the CAPM by the ROE witnesses in this proceeding.

1 that falls below both of the historical averages for the market risk premia used by
2 Mr. Murray in his CAPM analyses (*i.e.*, 6.00 percent and 4.40 percent).⁶⁵ In addition,
3 the historical BofAML MRP of 3.50 percent falls within the 3.00 percent to 4.00
4 percent premium range established by Mr. Murray's "Rule of Thumb" governing the
5 spread between yields on "A" and "Baa" debt and utility ROEs.⁶⁶ Consequently, the
6 use of BofAML's 50-year historical MRP of 3.50 percent would, based on Mr.
7 Murray's Beta coefficient of 0.66 and risk-free rate of return of 4.16 percent, produce
8 a CAPM ROE estimate of 6.47 percent, which is a level far below any of his own
9 ROE recommendations.⁶⁷

10 **Q. Does BofAML publish information other than the equity risk**
11 **premium cited in the Wall Street Journal article that addresses the estimation**
12 **of the MRP?**

13 A. Yes, it does. BofAML regularly publishes a report entitled *Quantitative*
14 *Profiles*. In that report, BofAML provides two estimates of the expected market
15 return: an "Implied Return" and a "Required Return". BofAML computes those
16 returns through the use of a Multi-Stage DCF Model and the CAPM. Based on
17 BofAML's reports for July, August and September 2010, the average of the two

⁶⁵ Staff Revenue Requirement Cost of Service Report, at 25.

⁶⁶ *Ibid.*, at 26.

⁶⁷ As a practical matter, BofAML calculates the MRP by deducting the real long-term interest rate from expected earnings yields on the S&P 500; none of the ROE Witnesses in this proceeding relies on either of those parameters in estimating the MRP. See Bank of America Merrill Lynch, *Global Research Highlights*, August 21, 2009. The earnings yield is determined by dividing an estimate of earnings for the S&P 500 Index by the S&P 500 Index price.

1 market return estimates was 11.73 percent.⁶⁸ The average nominal yield on 30-year
2 Treasury Bonds for the third quarter of 2010 was 3.73 percent,⁶⁹ producing a market
3 premium of 8.00 percent. As shown in Schedule RBH-ES36, my updated Market
4 Risk Premium estimate, based on the Sharpe Ratio approach, is 7.65 percent and
5 8.05 percent based on the Market DCF method. The midpoint of that range (*i.e.*,
6 7.85 percent) is within 15 basis points of the BofAML estimate.

7 **Q. What do the BofAML equity risk premia discussed in the Wall**
8 **Street Journal article indicate about the current level of uncertainty in the**
9 **market?**

10 A. Putting aside the absolute level of the MRP, the relationship between
11 the current 5.50 percent risk premium and the historical 3.50 percent risk premium
12 identified in the Wall Street Journal article suggests greater uncertainty for equity
13 investors today than has existed historically. And, as noted earlier, BofAML
14 attributes that difference to the currently elevated levels of market volatility. The
15 proposition that the MRP increases with volatility is entirely consistent with the
16 Sharpe Ratio approach included in my direct and rebuttal testimonies.

17 In any event, none of the Opposing ROE witnesses in this proceeding put any
18 meaningful weight on their CAPM results. Consequently, regardless of what
19 Mr. Murray may conclude based on his reading of the D&P report or the Wall Street
20 Journal article, the analytical method at issue in those documents (*i.e.*, the CAPM)
21 has little bearing on the ROE ranges and recommendations in this proceeding.

⁶⁸ BofAML, *Quantitative Profiles*, July 12, 2010, August 9, 2010, and September 12, 2010, excerpted from the prepared exhibits of Michael J. Augstell, In the Matter of Orange and Rockland Utilities, New York Public Service Commission, Case 10-E-0362, at Exhibit_(MJA-10).

⁶⁹ Schedule RBH-ES37.

1 *The UBS CAPM Analysis and Terminal Growth Rate*

2 **Q. In what respect does Mr. Murrays rely on the UBS report**
3 **referenced in his rebuttal testimony?**

4 A. Mr. Murray relies on the UBS report, published in July 2010, in two
5 instances.⁷⁰ He first states that the UBS report includes “a cost of equity of 9.0% for
6 Ameren using the CAPM.”⁷¹ Mr. Murray further notes that the UBS report indicated
7 that a “perpetual growth rate” of 2.50 percent was assumed in the firm’s multi-stage
8 DCF analysis. Mr. Murray reasons that those two pieces of data support his position
9 that mainstream investment analysts do not develop cost of equity estimates as high
10 as those recommended in this proceeding.

11 **Q. Do you agree with Mr. Murray’s assessment of the UBS report?**

12 A. No, I do not. While the UBS report does contain a CAPM analysis
13 specific to Ameren, its result does not reflect current conditions, which are
14 substantially different from the initial 9.00 percent ROE level reflected in the report.
15 Moreover, I disagree with Mr. Murray’s characterization of the manner in which UBS
16 applies the 2.50 percent growth rate. Perhaps most importantly, the intent of the
17 UBS Report is to establish a price target; it is not intended to infer investors’ required
18 returns based on market data.

19 **Q. Considering first the CAPM estimate, have you updated the**
20 **analysis contained in the UBS Report?**

21 A. Yes, I have. The original UBS CAPM analysis was based on data as
22 of June 15, 2010 and reflects a risk-free rate of 4.00 percent, a Beta coefficient of

⁷⁰ See, UBS Investment Research, Ameren, June 15, 2010.

⁷¹ Rebuttal testimony of David Murray, at 14.

1 0.77, and an equity risk premium of 6.50 percent. I updated that analysis to reflect a
2 more recent risk-free rate and proxy group average Beta coefficients. The resulting
3 estimate of 10.07 percent⁷² is 107 basis points above the original 9.00 percent ROE
4 reflected in the UBS report and is reasonably close to the low end of my current
5 range of CAPM ROE estimates presented in Table 1a.

6 It also is important to note that the UBS Report contains a sensitivity table
7 with respect to both Beta coefficients and the equity risk premium.⁷³ With respect to
8 Beta coefficients, the scenarios range from 0.62 to 0.92 with a midpoint of 0.77; the
9 equity risk premium ranges from 5.50 percent to 7.50 percent, with a midpoint of
10 6.50 percent. As noted in Schedule RBH-ES35, my updated twelve-month proxy
11 group Beta coefficient is 0.798, and the average MRP is 7.85 percent. Assuming the
12 current average 30-year Treasury yield of 4.53 percent, my calculated Beta
13 coefficient of 0.798, and the 7.50 percent MRP included in the UBS Report would
14 produce a CAPM estimate of approximately 10.52 percent⁷⁴. That estimate, which is
15 based on data from, or consistent with, the UBS Report, is well within my
16 recommended ROE range, but is approximately 127 basis points above the upper
17 end of Mr. Murray's range.

⁷² As discussed, the updated 30-day average 30-year Treasury Yield as of March 31, 2011 is 4.53 percent. Further, UBS indicates that the 0.77 Beta employed in its analysis was based on its own calculations as of the June 15, 2010 date of the report. On an updated basis reflecting the trailing twelve months as of March 31, 2011 results in a Beta of 0.85. Therefore, the result of the updated CAPM analysis is 10.07 percent (*i.e.*, 4.53% + (0.853 x 6.50%)).

⁷³ UBS Investment Research, Ameren, June 15, 2010, at 16.

⁷⁴ 4.53% + (0.798 x 7.50%) = 10.52%

1 **Q. Why do you disagree with Mr. Murray’s characterization of the**
2 **manner in which UBS applied the 2.50 percent terminal growth rate?**

3 A. Mr. Murray states that UBS employed a 2.50 percent perpetual growth
4 rate in its multi-stage DCF analysis, and that this application is indicative of
5 “mainstream” investment analysis for regulated utilities.⁷⁵ It should be noted,
6 however, that the 2.50 percent growth rate noted by Mr. Murray is used to estimate
7 the terminal value in UBS’s DCF Valuation.⁷⁶ Mr. Murray does not clarify, however,
8 whether the 2.50 percent rate is in real or nominal terms, nor does Mr. Murray point
9 out that UBS presents a range of “Terminal Growth Rates” spanning from 1.50
10 percent to 3.50 percent. Interestingly, the 5.65 percent terminal growth rate
11 presented in Schedule RBH-ES39 reflects a 3.27 percent real growth rate.
12 Assuming the UBS estimates are in real terms, my 3.27 percent estimate is well
13 within that range.

14 Just as UBS presented a range of Terminal Growth Rate estimates, the report
15 also includes a range of WACC values (which are used to discount the projected
16 cash flows, including the terminal value) from 4.90 percent to 7.90 percent. While
17 the 9.00 percent estimate noted by Mr. Murray corresponds to the 6.40 percent
18 WACC, it also is possible to solve for the cost of equity estimates implied by the
19 other WACC scenarios, holding all other parameters constant. As shown in
20 Schedule RBH-ES40, those estimates range from 10.13 percent to 12.51 percent. If
21 we assume that the cost of debt increases in 50 basis point increments, the implied
22 cost of equity ranges from 9.69 percent to 11.19 percent. As a point of reference,

⁷⁵ Rebuttal testimony of David Murray, at 14-15.

⁷⁶ UBS Investment Research, Ameren, June 15, 2010, at 15.

1 the equity premia reported by Citigroup Global Markets for Baa-rated utility bond
2 yields of 7.00 percent to 8.50 percent was between (on average) 258 basis points to
3 444 basis points.⁷⁷ That range is highly consistent with implied cost of equity
4 estimates (based on the UBS Report) of approximately 10.44 percent to 11.32
5 percent (see Schedule RBH-ES40).

6 **Q. Does the UBS report speak to issues beyond the methodological**
7 **points noted above?**

8 A. Yes, the report indicates that Ameren's total operations, including its
9 utility subsidiaries, face difficult business risks. The report notes that Ameren
10 Missouri faces "fuel exposure" and that UBS "considers the fuel adjustment clause
11 (FAC) as exacerbating the utilities' risk profile".⁷⁸ The UBS report further notes that
12 (1) Ameren's electric utility subsidiaries face higher regulatory risks than their peers;
13 (2) regulatory lag is one risk that is likely to lead to a situation in which there is "no
14 end to sequential rate case filings in sight"; and (3) it expects Ameren Missouri to
15 earn a return on common equity between 8.80 percent and 9.30 percent between
16 2011 and 2014.⁷⁹ Those observations, and the implications for the Company's
17 perceived business risks, are consistent with the observations included in my direct
18 and rebuttal testimonies.

⁷⁷ Citigroup Global Markets, *Utility ROEs: An Overview*, April 2008, at 8. Averaged yields are 1998/2003, and 1999/2001, respectively.

⁷⁸ UBS Investment Research, Ameren, June 15, 2010, at 3.

⁷⁹ *Ibid.*, at 4-5.

1 ***Application of the Multi-Stage DCF Model***

2 *Compounding Effects Within the Multi-Stage DCF Model*

3 **Q. Does Mr. Murray also express concern regarding compounding**
4 **effects within your Multi-Stage DCF Model?**

5 A. Yes, he does. In particular, Mr. Murray suggests that my use of price-
6 to-earnings (“P/E”) ratios to calculate the terminal value reflects the effect of
7 compounding over the projection period. Mr. Murray then suggests that if the
8 terminal value was established in the first year that growth becomes constant, the
9 resulting ROE estimate would decline by 40 basis points.

10 **Q. Turning first to the application of your Multi-Stage DCF Model,**
11 **please briefly respond to Mr. Murray’s concern with your application of the**
12 **terminal P/E multiple.**

13 A. As explained in my direct and rebuttal testimonies, I estimated the
14 terminal value in the Multi-Stage DCF Model using two methodologies: the Gordon
15 Growth Model; and a P/E-based approach. To maintain consistency, I employed the
16 same 15-year period to establish the terminal value using the P/E-based approach.

17 The point in time at which the terminal value is determined is a matter of
18 judgment. However, to address Mr. Murray’s concern regarding timing of this
19 calculation, I have adjusted my Multi-Stage DCF Model to reflect a P/E-based
20 determination of terminal value in the first year that growth becomes constant (*i.e.*,
21 Year 11). While Mr. Murray concluded that such an adjustment would reduce the
22 ROE by 40 basis points,⁸⁰ my results indicate that the ROE would increase between

⁸⁰ Rebuttal testimony of David Murray, at 25.

1 2 and 32 basis points when the terminal value determination is moved to the first
2 year of constant growth, depending on the analysis period chosen.⁸¹

3 **Q. How did Mr. Murray determine that applying the P/E terminal**
4 **value calculation to the first year of constant growth would lower the ROE**
5 **estimate produced by the Multi-Stage DCF Model by 40 basis points?**

6 A. Mr. Murray started with the Multi-Stage DCF results presented in
7 Schedule RBH-E2. He then removed Northeast Utilities and Progress Energy from
8 the Hevert Proxy Group (due to merger announcements)⁸² and updated equity prices
9 to reflect the timing of his rebuttal testimony. Using an end-of-year dividend payout
10 convention instead of the mid-year payout convention presented in Schedule
11 RBH-E2, Mr. Murray calculated a mean cost of equity of 9.66 percent.⁸³

12 Mr. Murray then applied the P/E-based terminal value in the first year of
13 constant growth using the projected earnings and P/E multiples presented in
14 Schedule RBH-E2, and calculated a mean cost of equity of 9.25 percent,⁸⁴ again
15 assuming an end-of-year dividend payout convention. The difference in results
16 between those two approaches is approximately 40 basis points.

⁸¹ See, Table 4 and Table 5.
⁸² Rebuttal testimony of David Murray at 18.
⁸³ *Ibid.*, Schedule 5.
⁸⁴ *Ibid.*

1 **Q. What would be the effect of applying the P/E-based terminal value**
2 **in the first year of constant growth without adjusting the data and dividend**
3 **payout assumptions in Schedule RBH-E2?**

4 A. As shown in Table 3 (below), applying the P/E-based terminal value in
5 the first year of constant growth would increase the average cost of equity by
6 between 25 and 36 basis points (see also Schedule RBH-ES41).

7 **Table 3: Effect of Moving P/E Terminal Value to First Year of Constant Growth**
8 **Using Hevert Proxy Group – Data as of August 31, 2010**

	As Filed Mean Result	Adjusted Mean Result	Difference
30-Day Average	10.28%	10.53%	0.25%
90-Day Average	10.56%	10.92%	0.36%
180-Day Average	10.63%	10.99%	0.36%

9

10 **Q. Have you performed a similar analysis using the Hevert Revised**
11 **Proxy Group and the updated Multi-Stage DCF Model values presented in this**
12 **surrebuttal testimony?**

13 A. Yes. The results summarized in Table 4 (below) are consistent with
14 my finding that the average Multi-Stage DCF Model results increase when the
15 terminal value determination is moved to the first year of constant growth (see also
16 Schedule RBH-ES41). My updated results indicate that the average ROEs increase
17 by between two and ten basis points.

1 **Table 4: Effect of Moving the P/E Terminal Value to the First Year of Constant**
2 **Growth Using the Revised Proxy Group – Data as of March 31, 2011**

	Mean Result	Adjusted Mean Result	Difference
30-Day Average	10.89%	10.91%	0.02%
90-Day Average	10.97%	11.02%	0.05%
180-Day Average	11.19%	11.29%	0.10%

3

4 **Q. Does Mr. Murray note any other aspect of your Multi-Stage DCF**
5 **Model?**

6 A. Yes, Mr. Murray states that the terminal P/E ratio that I employed is
7 greater than the 13.0x ratio used by Goldman Sachs in a December 8, 2010 report
8 on Ameren.⁸⁵ A review of that report, however, indicates that the 13.0x P/E ratio
9 represents Goldman Sachs' "base-line multiple" that is used for the purpose of
10 valuing the regulated business segment of diversified utilities. As also noted in my
11 rebuttal testimony, the application of a current P/E ratio to projected earnings does
12 not take into consideration the potential expansion of P/E ratios over time.⁸⁶

13 **Q. How would the use of the Goldman Sachs P/E ratio affect the**
14 **results of your Multi-Stage DCF Model?**

15 A. The use of a 13.0x P/E ratio to establish a terminal value in the first
16 year of constant growth would produce an average ROE range of 10.54 percent to
17 10.91 percent (see Schedule RBH-ES41 and Table 5 below).

⁸⁵ Goldman Sachs, *A Rough Winter Remains, Downward Estimate Revisions Still Coming*, December 8, 2010.

⁸⁶ Rebuttal testimony of Robert B. Hevert, at 49.

1 **Table 5: Effect of Applying the 13.0 P/E Terminal Value to the First Year of**
2 **Constant Growth Using the Revised Proxy Group – Data as of March 31, 2011**

	Low	Mean	High
13.0 P/E Terminal Value			
30-Day Average	8.73%	10.54%	13.91%
90-Day Average	8.57%	10.64%	13.85%
180-Day Average	8.90%	10.91%	14.16%

3

4 **Q. Does the Goldman Sachs report provide any information about**
5 **the earnings prospects of Ameren Missouri?**

6 A. Yes, it does. Goldman Sachs defines Ameren as a “Diversified Utility”
7 and notes that it is “[s]till cautious on Diversified Utilities” and sees a “difficult
8 earnings trajectory” for them.⁸⁷ The report states that Ameren operates in “difficult
9 utility jurisdictions” and faces pressure from regulatory lag.⁸⁸ As to “Diversified
10 Utilities” in general, Goldman Sachs notes that its projections are below consensus
11 forecasts for 2012 earnings.⁸⁹

12 **Q. What are the implications of those observations?**

13 A. Goldman Sachs is quite clear that its views of future growth for
14 Diversified Utilities, including Ameren, are below consensus estimates. It also is
15 clear that any estimates made by Goldman Sachs are for the purpose of setting
16 price targets, not for estimating the market required cost of equity. Consequently,
17 the fact that Goldman Sachs assumes growth rates or valuation multiples that may
18 be below market-based estimates does not mean that my analyses somehow are

⁸⁷ *Ibid.*, at 1.
⁸⁸ *Ibid.*, at 14.
⁸⁹ *Ibid.*, at 3.

1 incompatible with “mainstream” analysis. Goldman Sachs emphasizes throughout
2 the report that Ameren is overvalued, recommends that investors sell Ameren Corp.
3 stock and that Goldman Sachs expects low earnings results for Ameren Corp.
4 through 2013⁹⁰

5 *GDP as a Measure of Terminal Growth*

6 **Q. Please summarize Mr. Murray’s position concerning the use of**
7 **the GDP growth rate as the terminal growth rate in a Multi-Stage DCF Model.**

8 A. Mr. Murray states that it is unreasonable to conclude that long-term
9 utility growth can approach growth in the GDP.⁹¹ In support of that position,
10 Mr. Murray refers to the historical growth rate for the 1968 to 1999 period presented
11 in the Staff Report, an example considering the applicability of GDP growth to the
12 S&P 500 Index, and a reference to the curriculum in the Chartered Financial Analyst
13 (“CFA”) program. Since I discussed Mr. Murray’s analysis of historical data in my
14 rebuttal testimony, I will not repeat that discussion in my surrebuttal testimony.

15 **Q. How does Mr. Murray estimate long-term GDP growth?**

16 A. Mr. Murray notes that because the S&P 500 Index is considered a
17 proxy for the U.S. stock market, its long-term growth rate “may be consistent with the
18 expected growth in GDP.”⁹² In particular, Mr. Murray notes that:

19 ...because the companies in the S&P 500 tend to have better
20 growth prospects on average than the electric utility industry,
21 the dividend payout ratio and the dividend yield is [*sic*] lower
22 than that of the electric utility industry. This would imply that the
23 growth rate for the electric utility industry would have to be lower

⁹⁰ *Ibid.*, at 1, 3, 4, 10, 11, 14, and 15.

⁹¹ Rebuttal testimony of David Murray, at 21-24.

⁹² *Ibid.*, at 22.

1 than an aggregate growth rate, i.e. GDP, used for the U.S.
2 market, i.e. the S&P 500.⁹³

3 Mr. Murray then uses a Multi-Stage DCF Model with 5.75 percent GDP
4 growth as the terminal growth rate to develop an ROE estimate of 8.61 percent for
5 the S&P 500. Mr. Murray reasons that because utility Beta coefficients are typically
6 near 0.70, the ROE results obtained from my Multi-Stage DCF Model should be less
7 than the 8.61 percent estimate, rather than the 10.69 percent and 10.86 percent
8 results obtained under my methodology.⁹⁴ Mr. Murray therefore concludes that the
9 long-term sustainable EPS growth rate for the companies in my proxy group cannot
10 be as high as GDP growth.

11 **Q. Do you agree with Mr. Murray?**

12 A. No, I do not. Mr. Murray's analysis is premised on the notion that a
13 reasonable estimate of the market return is 8.61 percent, yet there is no meaningful
14 data to support that position. In fact, the arithmetic average risk premium included in
15 the CAPM analysis in the Staff Report assumes a long-term market total return of
16 11.80 percent.⁹⁵ Of that total return, 4.10 percent was associated with income (*i.e.*,
17 dividends), and 7.40 percent was due to capital appreciation or growth.⁹⁶ Since
18 Mr. Murray's historical arithmetic average market risk premium is used as a proxy for
19 the forward-looking cost of equity, it follows that the long-term growth rate of 7.40
20 percent likewise is a proxy for the forward-looking rate of growth. From that

⁹³ *Ibid.*

⁹⁴ *Ibid.*, at 22-23.

⁹⁵ Morningstar, Ibbotson SBBI: 2010 Valuation Yearbook, Market Results for Stocks, Bonds, Bills, and Inflation, 1926 – 2009, at 23.

⁹⁶ $11.80\% = (1.041 \times 1.074) - 1.00$.

1 perspective, my assumed long-term growth rate of 5.65 percent is reasonable, if not
2 conservative.

3 **Q. You indicated that Mr. Murray also references material in the CFA**
4 **Program curriculum to support his assertion that GDP growth overstates the**
5 **long-term sustainable growth rate for your proxy group. Do you have any**
6 **observations regarding that material?**

7 A. Yes, I do. The passage referenced by Mr. Murray indicates that the
8 long-term sustainable growth rate for groups of similar companies can vary from the
9 GDP growth rate, but that growth for a large broad-based index should be relatively
10 close to GDP growth.⁹⁷ Mr. Murray then relies on those statements as support for
11 his position that long-term sustainable growth for electric utilities can be less than
12 GDP growth.⁹⁸

13 **Q. Based on Mr. Murray's reference, do you agree that, over the**
14 **long-term, electric utility growth rates will be less than GDP growth?**

15 A. No, I do not. The passage Mr. Murray cites from the CFA Program is
16 not specific to electric utilities; it is a general statement not linked to any particular
17 industry or group of companies. Mr. Murray has provided no evidence to support his
18 assertion that long-term sustainable growth for utilities is less than the GDP growth
19 rate. In any event, Mr. Murray does not explain why a long-term growth rate of 2.50
20 percent to 3.50 percent (which as noted in my rebuttal testimony, represent negative
21 or only marginally positive real growth in perpetuity) is a "small" adjustment from any
22 reasonable estimate of long-term nominal GDP growth.

⁹⁷ Rebuttal testimony of David Murray, at 23-24.

⁹⁸ *Ibid.*

1 *The Use of the Consumer Price Index (“CPI”) to Adjust Real GDP*

2 **Q. For the purposes of developing the long-term sustainable growth**
3 **rate in the Multi-Stage DCF Model, does Mr. Murray express any concerns**
4 **about your application of inflation as measured by applying the projected CPI**
5 **to the real GDP growth rate?**

6 A. Yes, he does. In addressing Ms. LaConte’s ROE position, which relies
7 on my methodology for estimating future GDP growth by combining the projected
8 CPI with the historical average real GDP growth, Mr. Murray states that such an
9 approach produces an inflated growth estimate and is “technically inaccurate”.⁹⁹ In
10 particular, Mr. Murray asserts that growth in the CPI is “almost always higher than a
11 projected GDP price deflator”, and notes that the current GDP price deflator of 2.00
12 percent is below the projection of future inflation as calculated in my analysis using
13 CPI.¹⁰⁰

14 **Q. Do you agree with Mr. Murray’s conclusion in that regard?**

15 A. No, I do not. First, the intent of the nominal GDP growth rate is to
16 estimate a growth rate in perpetuity. While it may be the case that the CPI and GDP
17 price deflator diverge from time-to-time, Mr. Murray has provided no basis for his
18 assertion that the CPI is “almost always higher” than the GDP price deflator.

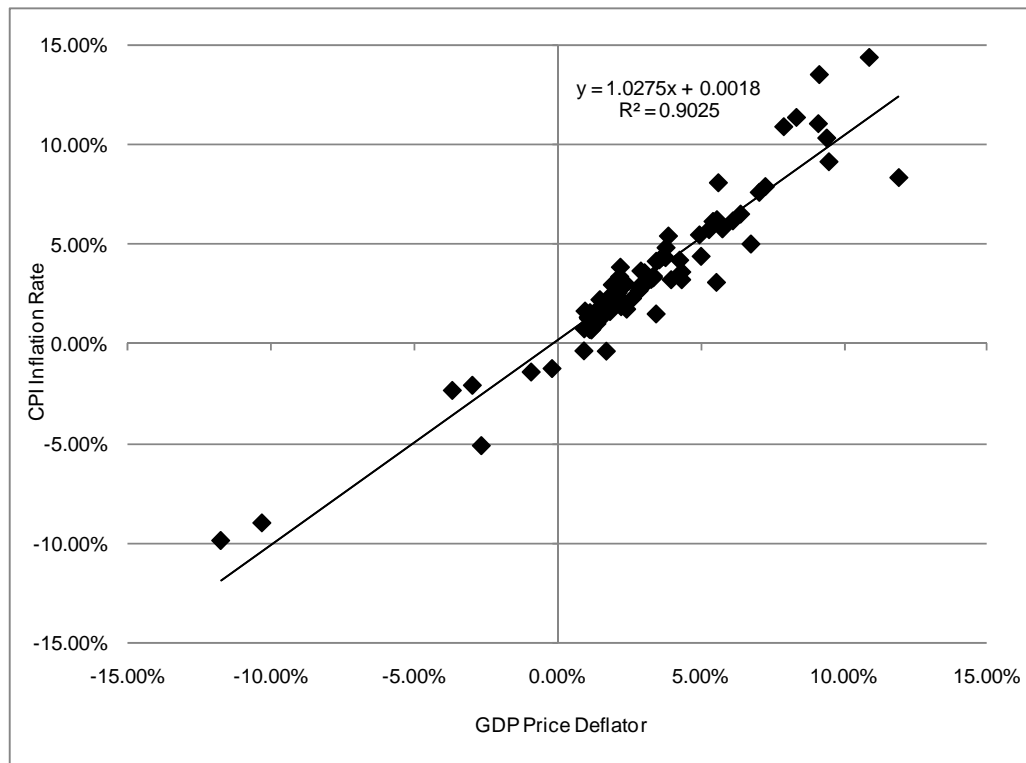
19 To determine whether, over the long run, the GDP deflator and the CPI tend
20 to converge, I analyzed the statistical relationship between those two indices from
21 1930 through 2010. As shown in Chart 1 below (see also Schedule RBH-ES42), my
22 analysis was based on a simple linear regression in which the GDP price deflator

⁹⁹ *Ibid.*, at 27.

¹⁰⁰ *Ibid.*, at 28.

1 was the explanatory variable, and the CPI was the dependent variable. As Chart 1
2 demonstrates, there is a strong, linear relationship between the two variables. In
3 fact, the slope coefficient of approximately 1.0275 (t-statistic: 27.04) and the
4 statistically insignificant intercept term indicate that over time, there has been
5 essentially a one-to-one relationship between the CPI and the GDP price deflator.

6 **Chart 1: CPI and GDP Price Deflator Analysis**



7

8 **Table 6: CPI and GDP Price Deflator Regression Coefficients**

	Coefficient	Standard Error	t-Statistic
Intercept	0.0018	0.0018	1.0136
GDP Deflator	1.0275	0.0380	27.0408

9

10 Consequently, actual data demonstrate that over time, the CPI and GDP price
11 deflator are essentially equal. That finding is important since, as discussed below,

1 market data (as opposed to economists' projections) can be used to estimate the
2 long-term (*i.e.*, 30-year) expected rate of inflation.

3 **Q. Why does your estimation of inflation provide a better estimate**
4 **than Mr. Murray's projected GDP price deflator?**

5 A. Mr. Murray's GDP price deflator forecast is based on the 2011-2021
6 forecasted nominal GDP growth rate from Blue Chip Economic Indicators ("Blue
7 Chip"). In contrast, the long-term growth rate used in the Multi-Stage DCF model in
8 my direct and rebuttal testimonies reflects a reversion to the long-term real GDP
9 growth rate, and projected rates of CPI inflation based on both the Blue Chip
10 forecast for 2011 to 2021 and the longer-term forecast produced by the Energy
11 Information Administration ("EIA").¹⁰¹ As demonstrated above, while the CPI and the
12 GDP price deflator converge over time, the GDP price deflator projections relied
13 upon by Mr. Murray are not market-based. As I explained in my rebuttal testimony
14 (and as noted on page 8 of the Staff Report), the use of the inflation rate implied by
15 the difference between the yield for the 30-year Treasury Inflation Protected
16 Securities ("TIPS") issuance and the 30-year Treasury Bond provides a direct and
17 observable market-based measure of investors' long-term (*i.e.*, 30-year) inflation
18 expectations. In that regard, the rate of inflation as measured by the TIPS spread is
19 a market-based measure of long-term price escalation that reasonably can be as an
20 input for the long-term nominal GDP growth rate. Doing so produces a long-term
21 GDP growth estimate of 5.65 percent.

¹⁰¹ Direct testimony of Robert B. Hevert, at 30. As discussed in response to Mr. Gorman, I modified my calculation of the long-term growth rate in my surrebuttal testimony to include a measure of the GDP price deflator and exclude shorter-term Blue Chip CPI estimates.

1 **Constant Growth DCF Analysis**

2 **Q. Please briefly summarize Mr. Murray's observation regarding your**
3 **Constant Growth DCF Model.**

4 A. Mr. Murray states that the Constant Growth DCF Model assumes that
5 five-year analyst forecasts of EPS are sustainable in perpetuity and that such growth
6 rates are inconsistent with "long-term fundamentals of the electric utility industry."¹⁰²
7 Mr. Murray further asserts that it is not logical to assume that the 5.69 percent
8 average of analysts' five-year EPS growth forecasts is sustainable over time.¹⁰³ In
9 that regard, Mr. Murray observes that "it would take a leap of faith from investors to
10 anticipate this higher rate of growth when determining a fair price to pay for utility
11 stocks."¹⁰⁴

12 **Q. Do you agree with Mr. Murray's assessment?**

13 A. No, I do not. Mr. Murray appears to oppose the use of consensus EPS
14 growth forecasts in the Constant Growth DCF Model because, on average, the most
15 recent analyst EPS forecasts of growth approach the GDP-based estimate of long-
16 term sustainable growth included in my Multi-Stage DCF Model. Mr. Murray's
17 position, however, is inconsistent with evidence in my rebuttal testimony
18 demonstrating that EPS growth is the *only* statistically significant predictor of the
19 proxy companies' P/E ratios. Consequently, even if Mr. Murray is of the view that
20 the earnings growth projections are too high, empirical evidence and academic
21 research demonstrate that investors rely on earnings growth projections in arriving at

¹⁰² Rebuttal testimony of David Murray, at 26.

¹⁰³ In her rebuttal testimony, Ms. LaConte makes a similar criticism of the EPS growth forecasts utilized in my Constant Growth DCF Model. I address Ms. LaConte's criticism with regard to her testimony on this point later in this testimony.

¹⁰⁴ Rebuttal testimony of David Murray, at 26.

1 their investment decisions. Given those findings, and recognizing that the average
2 projected earnings growth rate is not materially higher than my projected nominal
3 GDP growth rate, I disagree with Mr. Murray's position.¹⁰⁵

4 As a practical matter, however, my recommendation places greater emphasis
5 on the results of the Multi-Stage DCF Models relative to the other methodologies
6 presented in my direct testimony and as updated in my rebuttal and surrebuttal
7 testimony.¹⁰⁶

8

9 **III. RESPONSE TO THE REBUTTAL TESTIMONY OF MR. GORMAN**

10 **Q. Please summarize Mr. Gorman's criticism of the analyses**
11 **presented in your direct testimony.**

12 A. Mr. Gorman asserts that the analyses presented in my direct testimony
13 produce "unreasonable" and "inflated" results, and that by adjusting those analyses,
14 "a fair return on equity for Ameren Missouri in this case is less than 10.0%."¹⁰⁷

15 Mr. Gorman bases that assessment on his view that:

- 16 (1) The growth rates used in my Constant Growth DCF analyses
17 are "inflated" and "unreasonable";
- 18 (2) The market risk premium used in my CAPM analyses are
19 "unrealistic" and "inflated", and the Beta coefficients used in the
20 CAPM are "flawed"; and
- 21 (3) The equity risk premium used in my Bond Yield Plus Risk
22 Premium analysis is "inflated".¹⁰⁸

¹⁰⁵ As discussed in my response to Mr. Gorman, the proxy group average payout ratio is currently lower than historically.

¹⁰⁶ Direct testimony of Robert B. Hevert, at 3.

¹⁰⁷ Rebuttal testimony of Michael Gorman, at 2-3.

¹⁰⁸ *Ibid.*, at 2.

1 Mr. Gorman further suggests that I have misspecified those analytical models
2 and that with “proper adjustments”,¹⁰⁹ those models would produce results that are
3 closer to those he calculated in his direct testimony.

4 **Q. Does Mr. Gorman take issue with the construction of any of your**
5 **analytical methods *per se*?**

6 A. I do not believe so. As a practical matter, Mr. Gorman and I rely on
7 similar models in determining the Company’s ROE. Since my rebuttal testimony
8 discussed the relevant differences in our analytical methods (such as the effect of
9 mid-year as opposed the year-end discounting), my surrebuttal testimony will focus
10 on differences in assumptions used in those models.

11 ***Growth Rates in the Constant Growth DCF Analysis***

12 **Q. Do you agree with Mr. Gorman’s position that your Constant**
13 **Growth DCF analysis incorporates “unsustainably high short-term (five year)**
14 **growth rate estimates”?**¹¹⁰

15 A. No, I do not. While I agree with Mr. Gorman that the long-term growth
16 rate of the proxy group cannot exceed the long-term growth rate of the general
17 economy in perpetuity,¹¹¹ I disagree with his comparison in two important respects.
18 First, Mr. Gorman uses an estimate of GDP growth that extends only five to ten
19 years into the future, (as of March 10, 2011). As noted in my rebuttal testimony and
20 in my response to Mr. Murray, it is not appropriate to extrapolate GDP growth
21 estimates for periods beyond which those estimates are intended to remain in effect
22 when there is other publicly available, market-based data that can be used for that

¹⁰⁹ *Ibid.*, at 3.

¹¹⁰ *Ibid.*, at 6.

¹¹¹ See, Rebuttal testimony of Robert B. Hevert, at 69-70.

1 purpose.¹¹² Mr. Gorman's himself has recognized that "while short-term accelerated
2 earnings growth rates may be a reasonable expectation for relatively short periods of
3 time, it is not reasonable to expect that accelerated short-term growth can be
4 sustained indefinitely."¹¹³

5 Thus, Mr. Gorman's point of reference is relatively short-term compared to the
6 long-term projection of nominal GDP growth (*i.e.*, 5.65 percent) discussed in my
7 response to Mr. Murray. As also discussed in my response to Mr. Murray, the
8 method that I have relied upon in my surrebuttal testimony reflects the observable
9 market data (*i.e.*, the TIPS spread), rather than relying exclusively on economists'
10 projections. Since all of the ROE witnesses in this proceeding agree that the
11 estimation of the cost of equity is a market-driven exercise, market based estimates
12 of long-term inflation are inappropriate inputs in the calculation of long-term nominal
13 GDP growth. Mr. Gorman's nominal GDP growth projection, therefore, is short term
14 in its duration, and lacks relevant and observable market data in its derivation.
15 Moreover, while the basis of Mr. Gorman's GDP growth projection is a subscription
16 service (*i.e.*, Blue Chip), my estimate reflects publicly available data from the BEA,
17 the EIA, and the Federal Reserve (see Schedule RBH-ES39). In any event,
18 Mr. Gorman's position with respect to the "sustainability" of my average growth rates
19 does not consider the important assumptions underlying the Constant Growth DCF
20 model. As I noted in my direct testimony:

21 The DCF model requires the following assumptions: (1) a
22 constant growth rate for earnings and dividends; (2) a stable

¹¹² Rebuttal testimony of Robert B. Hevert, at 72.

¹¹³ Rebuttal testimony of Michael Gorman, at 8.

1 dividend payout ratio; (3) a constant price-to-earnings multiple;
2 and (4) a discount rate greater than the expected growth rate.¹¹⁴

3 If any of those four assumptions is violated, the analyst must carefully assess
4 whether the model produces reliable results. In this case, the analyses presented in
5 my direct and rebuttal testimonies and in Schedule RBH-ES32 shows, that the proxy
6 group average payout ratio is considerably lower than the industry long-term
7 historical average payout ratio.¹¹⁵ Mr. Gorman acknowledges as much noting that
8 “altering dividend payout ratio targets can create temporary acceleration or decline
9 to short-term growth.”¹¹⁶ Mr. Gorman’s failure to differentiate between the current
10 payout ratio and the expected long-term payout ratio is the underlying basis for his
11 claim that “utilities would have to achieve returns on book equity of 17.5% and
12 20.6%” in order to achieve 5.69 percent and 6.71 percent growth rates,
13 respectively.¹¹⁷

14 To demonstrate that Mr. Gorman’s use of average growth rates in this context
15 does not appropriately reflect the individual proxy companies’ financial prospects, as
16 shown in Schedule RBH-ES43, I calculated the returns on book equity that each
17 individual proxy company would need to earn in perpetuity, assuming the 2010
18 payout ratio for each company, in order to achieve long-term proxy group average
19 growth rates of 5.69 percent and 6.71 percent. As shown in that Schedule, the
20 companies in my proxy group would need to achieve returns on book equity ranging
21 between negative 71.37 percent and 27.90 percent, with an overall average of 8.02
22 percent in perpetuity. In comparison, Value Line projects earned returns on book

¹¹⁴ Direct testimony of Robert B. Hevert, at 22.

¹¹⁵ See, Schedule RBH-E2 and Schedule RBH-ER9.

¹¹⁶ Rebuttal testimony of Michael Gorman, at 8.

¹¹⁷ *Ibid.*

1 equity for my proxy group companies of between 8.00 percent and 22.80 percent,
2 with an average of 10.98 percent over its longest projection period.¹¹⁸

3 **Q. What is your response to Mr. Gorman's assertion that your**
4 **presentation of results from the Constant Growth DCF Model somehow lacks**
5 **"transparency."**¹¹⁹

6 A. Mr. Gorman's Schedule MPG-R-1 shows the individual growth rates for
7 each company used to calculate the mean low, mean, and mean high Constant
8 Growth DCF results as presented in my direct testimony. He then presents the
9 Constant Growth DCF calculation using the respective growth rates for each
10 company. While Mr. Gorman's schedule provides an alternative way of viewing the
11 information included in my Constant Growth DCF analyses, his representation does
12 not address the individual financial characteristics of the companies in my proxy
13 group (discussed above), and therefore does not clarify at what level any company
14 in the group would be expected to grow sustainably. Rather, Mr. Gorman uses his
15 representation of the growth rates used in my Constant Growth DCF analyses to
16 compare the proxy group average growth rates with the Blue Chip five to ten-year
17 estimate of GDP growth.¹²⁰ While Mr. Gorman chooses to present my information in
18 a different fashion than I consistently have done, I find his assertion that my
19 presentation of results somehow "lacks transparency" to be entirely unfounded.

¹¹⁸ I recognize that Value Line's projection period extends for five years.

¹¹⁹ Rebuttal testimony of Michael Gorman, at 6.

¹²⁰ I note that my method of presentation in this proceeding is no different than the method I have used in prior cases in which Mr. Gorman and I have participated.

1 ***Growth Rates in the Multi-Stage DCF Analysis***

2 **Q. Please briefly summarize Mr. Gorman's position regarding your**
3 **projected long-term GDP growth rate.**

4 A. Similar to Mr. Murray, Mr. Gorman suggests I erred in using the
5 projected CPI (as opposed to the GDP price deflator) in calculating the projected
6 nominal long-term growth rate.

7 **Q. Did Mr. Gorman accurately describe the methodology you used to**
8 **estimate long-term GDP growth?**

9 A. Not entirely. Mr. Gorman states that I relied on Morningstar data for
10 the calculation of real GDP growth and exclusively on Blue Chip for the projection of
11 CPI.¹²¹ As noted in my direct testimony, while I did rely on Blue Chip as a source of
12 CPI projections, I also relied upon the EIA's 2010 Annual Energy Outlook, which
13 provides a long-term estimate of inflation.¹²² Moreover, I relied on data spanning the
14 years 1929 through 2009, as provided by the Bureau of Economic Analysis for the
15 measure of real GDP growth. That distinction is important since Mr. Gorman
16 compared my estimate of long-term GDP growth with the Blue Chip estimate of GDP
17 growth over five and ten-year periods. He then substituted his estimates (5.10
18 percent and 4.70 percent, respectively) for my estimate to produce revised multi-
19 stage DCF results, which are significantly lower than those presented in my direct
20 testimony.¹²³ As noted above, however, while I did incorporate Blue Chip's
21 projections of inflation into my calculation of GDP growth in my rebuttal testimony, I

¹²¹ Rebuttal testimony of Michael Gorman, at 10.

¹²² Direct testimony of Robert B. Hevert, at 30.

¹²³ Rebuttal testimony of Michael Gorman, at 13.

1 also relied on the EIA's far longer projection of inflation and the BEA's long-term
2 historical average real GDP growth rate.

3 **Q. Has Mr. Gorman acknowledged that the forecast period for his**
4 **GDP growth estimates does not match the period for which it is used in the**
5 **multi-stage DCF analysis?**

6 A. Yes, he has. In deposition, Mr. Gorman noted that although he
7 acknowledges that the Blue Chip GDP growth estimates are specified for a five to
8 ten-year time period, which ends before the period in which the projections are used
9 in the multi-stage DCF model, those estimates are "the best data available to match
10 that period. There simply isn't consensus economist projections for GDP growth
11 rate [sic] after year ten".¹²⁴ Nonetheless, Mr. Gorman uses a long-term historical
12 average derived from a single, subscription-based source as a proxy for future
13 market performance elsewhere in his analyses.

14 **Q. How does Mr. Gorman use long-term historical data to estimate**
15 **future market performance?**

16 A. As discussed in my rebuttal testimony, Mr. Gorman's CAPM analysis
17 assumes an historical estimate of the MRP, which is based on the difference
18 between the total return on large company stocks and the income return on long-
19 term government bonds over the period 1929 through 2009.¹²⁵ That is, the time
20 period and approach relied upon by Mr. Gorman for his CAPM analyses
21 corresponds with the same time period and approach that I used in calculating the
22 average real long-term GDP growth rate for my multi-stage DCF analyses. It is

¹²⁴ See, deposition of Michael Gorman, CFA, March 31, 2011, at 35.

¹²⁵ Rebuttal testimony of Robert B. Hevert, at 73; rebuttal testimony of Michael Gorman, at 20.

1 unclear why Mr. Gorman assumes a reversion to the long-term historical average
2 MRP when calculating his CAPM results, but ignores real long-term historical
3 average GDP growth in the calculation of his multi-stage DCF results, when those
4 historical averages are calculated over the same time period.¹²⁶

5 As also noted in my response to Mr. Murray, the 11.80 percent market return
6 on which Mr. Gorman's MRP estimate relies includes a capital appreciation (*i.e.*,
7 growth) rate of 7.40 percent. Given that Mr. Gorman relies on the 11.80 percent
8 historical return as a measure of projected market returns, it follows that 7.40
9 percent which is an acceptable measure of long-term growth (as noted below,
10 Mr. Gorman has cited the same 7.40 percent rate as indicative of future growth).
11 That estimate, however, is 270 basis points above the long-term growth rate
12 assumed in his multi-stage DCF analysis. Again, it is unclear why Mr. Gorman
13 would focus on the Blue Chip projections when his CAPM analyses assume a
14 considerably higher growth rate. In any event, my updated long-term growth
15 estimate of 5.65 percent is well below the 7.40 percent capital appreciation rate
16 assumed in Mr. Gorman's MRP calculation.

17 **Q. Have you adjusted your calculation of the long-term GDP growth**
18 **estimate?**

19 A. Yes, I have. While I do not agree with Mr. Gorman's continued
20 reliance on five to ten-year estimates of GDP growth for the terminal growth stage of
21 the multi-stage DCF model, I have considered additional inflation indicators in my
22 calculation of the long-term GDP growth estimate. First, in order to focus my

¹²⁶ It is interesting to note that my estimate of nominal GDP growth is significantly less than the historical 6.30 percent average nominal GDP growth over the period 1929 – 2010.

1 estimate on long-term estimates of inflation, I eliminated the use of Blue Chip
2 inflation projections from my calculation. I then included two additional measures of
3 inflation; the EIA's long-term projection of the GDP price deflator, and the 30-day
4 average TIPS spread. Additionally, I included the EIA's CPI projections. As noted
5 above, those measures all reflect publicly available information.

6 As also discussed in my response to Mr. Murray, my statistical analysis of
7 long-term CPI and the GDP price deflator data shows that the two measures are
8 highly correlated and are nearly identical over the long-term. Moreover, as discussed
9 in my rebuttal testimony, the TIPS spread, which is the difference between the yield
10 on TIPS of a given maturity length and the yield on a Treasury security of the
11 corresponding maturity length, is an observable measure of the market's view of
12 long-term inflation expectations.¹²⁷ Assigning an equal weight to the average of the
13 EIA CPI projection, the EIA GDP price deflator projection, and the 30-day average
14 TIPS spread for 30-year Treasury securities produces an expected inflation rate of
15 2.30 percent. Combined with the long-term historical GDP real growth rate of 3.27
16 percent, my revised estimate of long-term GDP growth is 5.65 percent.¹²⁸

17 While I disagree with Mr. Gorman's long-term growth estimate, for the
18 purpose of limiting the scope of disputed issues, I performed a series of Multi-Stage
19 DCF analyses that reflect a terminal growth rate of 5.275 percent, or the midpoint of
20 our respective estimates. Finally, I have adjusted Mr. Gorman's Multi-Stage DCF
21 analysis to reflect his revised 4.90 percent GDP growth rate and the mid-year

¹²⁷ Rebuttal testimony of Robert B. Hevert, at 44.
¹²⁸ Schedule RBH-ES39.

1 discounting convention (see also Schedule RBH-ES44).¹²⁹ Those results are
2 contained in Tables 10, 11 and 12, respectively.

3 **Q. Have you considered similar adjustments to Mr. Gorman's Multi-**
4 **Stage DCF analysis?**

5 A. Yes, I have. As summarized in Table 2c (see Schedule RBH-ES44), I
6 began with Mr. Gorman's Multi-Stage DCF model as presented in Schedule MPG-9,
7 and first changed the convention to assume that on average, dividends were
8 received six months after the stock valuation date. That change increased
9 Mr. Gorman's 9.86 percent estimate to 10.10 percent (see Schedule RBH-ES44).¹³⁰
10 I then noted that on pages 12 and 13 of his rebuttal testimony, Mr. Gorman modified
11 my Multi-Stage DCF model to include a 4.90 percent long-term growth rate which,
12 Mr. Gorman points out, is the midpoint between the Blue Chip five and ten year GDP
13 growth rate projections of 5.10 percent and 4.70 percent, respectively. As
14 Mr. Gorman noted in his deposition, that change was an update that he was
15 considering.¹³¹ That change increased the median result from 10.10 percent to
16 10.25 percent. I also note that Mr. Gorman relied on the proxy group included in my
17 direct testimony,¹³² which was filed on September 3, 2010. In developing my proxy
18 group in that testimony, I included a screening criteria that would eliminate

¹²⁹ As noted in my rebuttal testimony, the mid-year convention assumes that dividend payments are equally distributed throughout the year. See, rebuttal testimony of Robert B. Hevert, at 71.

¹³⁰ Please note that the six-month date in this Schedule is July 31 of each year, whereas Schedule RBH-ER12 in my rebuttal testimony assumed June 30. That difference accounts for the 4 basis point difference in median result between Schedule RBH-ES44 and Schedule RBH-ER12).

¹³¹ Deposition of Michael Gorman, CFA, March 31, 2011, at 27.

¹³² Direct testimony of Michael Gorman, at 9.

1 companies known to be party to a merger.¹³³ As noted on page 9 of my rebuttal
2 testimony, two of those companies, Northeast Utilities and Progress Energy,
3 currently are parties to (separate) mergers. The companies offset each other such
4 that the net effect of removing them keeps the median ROE at 10.25 percent.
5 Finally, increasing the long-term growth rate to 5.275 percent, which represents the
6 midpoint between Mr. Gorman's 4.90 percent estimate and my 5.65 percent long-
7 term growth rate increases the median result to 10.53 percent.

8 ***Application of the CAPM Analysis***

9 **Q. Mr. Gorman asserts that the MRP estimates included in your**
10 **CAPM analyses are “unrealistic and inflated”.¹³⁴ What is your response to**
11 **Mr. Gorman on that point?**

12 **A.** Mr. Gorman's general concern with my market DCF derived estimate
13 appears to be that the implied rate of capital appreciation is greater than the 4.90
14 percent GDP growth rate noted in his testimony. Mr. Gorman then suggests that the
15 7.40 percent capital appreciation rate derived from historical market returns (*i.e.*, the
16 same 7.40 percent rate noted above) likewise is a valid measure of expected
17 growth. Combining the expected dividend yield from my market-based DCF
18 estimate (2.03 percent; see Schedule RBH-E5, page 2) with the historical growth
19 rate of 7.40 percent, Mr. Gorman reasons, produces an expected market return of
20 approximately 9.40 percent, and an MRP of 5.40 percent.¹³⁵

21 There are several problems with Mr. Gorman's analysis. First, the 9.40
22 percent market return is below even Mr. Gorman's ROE recommendation. While I

¹³³ Direct testimony of Robert B. Hevert, at 14.
¹³⁴ Rebuttal testimony of Michael Gorman, at 2.
¹³⁵ *Ibid.*, at 17,18.

1 disagree with Mr. Gorman's view of the appropriate Beta coefficient for the
2 Company, we agree that it is less than one. It is unclear, therefore, why Mr. Gorman
3 would predicate an MRP estimate (such as the 5.40 percent estimate noted above)
4 on a market return that is entirely inconsistent with his recommendation in this
5 proceeding. In addition, as noted earlier, if Mr. Gorman is of the view that 7.40
6 percent is a reasonable estimate of long-term growth, he has not reconciled that
7 estimate with the 4.90 percent "long term growth outlook" on which his assessment
8 relies.

9 Moreover, while the long-term historical total return was 11.80 percent (with a
10 standard deviation of 20.50 percent) and the standard deviation of the capital
11 appreciation term was approximately 19.80 percent,¹³⁶ given that the required
12 market return calculated using the market DCF approach was 13.32 percent as of
13 the filing of my direct testimony and currently is approximately 12.58 percent, it is not
14 unreasonable to expect a slightly elevated required total market return above the
15 long-term historical average, particularly given that expected market volatility
16 remains at a historically elevated level.¹³⁷ Here again, Mr. Gorman's conclusions are
17 inconsistent with his own data.

¹³⁶ See, Morningstar, Ibbotson SBBI: 2010 Valuation Yearbook, Market Results for Stocks, Bonds, Bills, and Inflation, 1926 – 2009, Table 2-1, at 23. I note that the historical volatility of total return reported by Morningstar is very similar to the standard deviation of the total return I calculate and use in the calculation of my Sharpe ratio-derived MRP.

¹³⁷ See, for example *Minutes of the Federal Open Market Committee*, January 25-26, 2011, at 10. The minutes noted that that while "the spread between staff's estimate of the expected real return on equity for S&P 500 firms and the real ten-year Treasury yield - a rough measure of the equity risk premium - narrowed further over the period but remained elevated relative to longer-run norms". See also Schedule RBH-ES36.

1 **Q. Do you agree with Mr. Gorman’s assertion that the Sharpe Ratio**
2 **approach used in calculating the MRP is short-term in nature and “simply is**
3 **not designed to estimate long-term investors’ cost of capital requirements”?**¹³⁸

4 A. No, I do not. First, Mr. Gorman does not accurately describe the inputs
5 used or the time period considered in calculating the Sharpe Ratio-derived MRP; he
6 characterizes the period measured through the use of the Chicago Board Options
7 Exchange’s (“CBOE’s”) three month volatility index (the “VXV” index) and futures
8 contracts on the CBOE’s one month volatility index (the “VIX” index) as 60-days. In
9 fact, the VXV index itself represents volatility expectations over a three-month period
10 from the price date, while the VIX futures contracts represent volatility expectations
11 over each of the three months subsequent to those encompassed by the VXV index
12 data.

13 Aside from that misinterpretation, Mr. Gorman also suggests that long-term
14 utility investors would not be concerned with the expected market volatility over the
15 coming six months, noting that my analysis “reflects the short-term investment
16 outlooks of trading investors or speculators looking to react to misvaluations in the
17 marketplace”, and that “the entire analysis is based on derivative future valuation
18 data rather than directly on stock price data.”¹³⁹ I do not believe, however, that
19 Mr. Gorman’s distinction between short-term and long-term investors is relevant.
20 While the investors that comprise a market exhibit numerous motivations and goals,
21 the purpose of determining the Company’s ROE is not to ascribe those motivations

¹³⁸ Rebuttal testimony of Michael Gorman, at 19.

¹³⁹ *Ibid.*, at 19. I would note that the Beta coefficient is derived from a statistical analysis of the returns of a market index and the subject company’s stock, thus the CAPM itself relies upon derivative information in its construction.

1 and goals to any subset of investors. Rather, the purpose of determining the
2 Company's ROE using market data is to infer the overall market's perception of risk
3 and how that relates to the Company's cost of equity. The Sharpe Ratio, in fact, is a
4 direct measure of the overall market's risk/return dynamic and should be considered
5 in defining the general market environment in which the Company's ROE is
6 determined.¹⁴⁰

7 **Q. Mr. Gorman expresses concern as to the statistical reliability of**
8 **Beta coefficients calculated over a holding period shorter than the two-year**
9 **average Beta coefficients calculated by Bloomberg Professional Service**
10 **("Bloomberg").¹⁴¹ Have you conducted any analyses to test the statistical**
11 **reliability of a twelve-month Beta coefficient estimate as compared to a**
12 **24-month estimate?**

13 A. Yes, I have. In order to determine whether Beta coefficients calculated
14 over twelve months are less statistically reliable than those calculated over
15 24 months, I calculated the individual proxy company Beta coefficients over those
16 time periods using Bloomberg. As shown in Schedule RBH-ES45, the variables in
17 both calculations are highly significant and consistent (*i.e.*, the T-statistics are all
18 highly statistically significant), while the explanatory value of the twelve-month Beta
19 coefficient calculation is, in all but one case, higher than the 24-month Beta

¹⁴⁰ In testimony before the Virginia State Corporation Commission, Dr. Robert Harris of the Darden School of Business, University of Virginia and Dr. Mark Zenner of JP Morgan presented a similar methodology using the Sharpe ratio for developing the Market Risk Premium. See, Direct Testimony of Robert S. Harris on Behalf of Virginia Electric and Power Company State Corporation Commission of Virginia, Case PUE-2009-00019, at Appendix F, page 5 of 5 *and* Direct Testimony of Mark P. Zenner on Behalf of Virginia Electric and Power Company, State Corporation Commission of Virginia, Case PUE-2009-00019, at Schedule 1, page 8 of 16.

¹⁴¹ Rebuttal testimony of Michael Gorman, at 14-15.

1 coefficient (*i.e.*, the R^2 in the twelve-month Beta coefficient calculations are for the
2 most part higher than the 24-month calculations).

3 Moreover, Bloomberg enables analysts to specify the analytical period (*e.g.*,
4 six, twelve, twenty-four, sixty months), the holding period (*e.g.*, daily, weekly,
5 monthly), and the index (*e.g.*, S&P 500, Dow Jones Industrial) used to calculate Beta
6 coefficients.¹⁴² It is clear, therefore, that Bloomberg recognizes that analysts and
7 investors consider the nature of the current market environment, determine when the
8 default calculation is less relevant than alternative specifications, and develop Beta
9 coefficients in a more meaningful manner. The calculation of Beta coefficients
10 based on more current data therefore is consistent with the actual practice of
11 analysts and investors.

12 I also note that Mr. Gorman's notion that Beta estimates over the past eleven
13 years somehow are indicative of investors' current return requirements again
14 overlooks relevant data. As Table 7 (below) demonstrates, from 2000 through 2010
15 (*i.e.*, the eleven year period included in Mr. Gorman's Schedule MPG-R-3), the
16 average authorized return for all electric utilities was 10.57 percent. At the same
17 time, the average Long-Term Government Bond yield, as reported by Morningstar
18 (the source relied upon by Mr. Gorman in calculating his Market Risk Premium), was
19 4.72 percent.¹⁴³ Assuming the midpoint of Mr. Gorman's Beta coefficient range (*i.e.*,
20 72.50 percent) the implied Market Risk Premium is 8.07 percent.¹⁴⁴ That estimate is
21 only 22 basis points different (*i.e.*, higher) than the 7.85 percent average MRP

¹⁴² Please note that my twelve-month Beta coefficients are identical to those calculated by Bloomberg, assuming the same inputs. See Schedule RBH-ES45.

¹⁴³ Morningstar, lbbotson SBBI: 2011 Valuation Yearbook, Market Results for Stocks, Bonds, Bills, and Inflation, 1926 – 2010, at 179.

¹⁴⁴ $10.57\% = 4.72\% + (0.725 \times 8.07\%)$.

1 included in my surrebuttal testimony, but it is well above the 5.90 percent to 6.70
2 percent MRP estimates included in Mr. Gorman's CAPM analysis (see Schedule
3 MPG-16).

4 Moreover, if Mr. Gorman (1) assumes that the appropriate risk-free rate is
5 5.00 percent,¹⁴⁵ (2) disagrees with my position that interest rates and the equity risk
6 premium are currently not inversely related,¹⁴⁶ and (3) views the period of 2000
7 through 2010 as analytically relevant, a reasonable estimate of the Company's cost
8 of equity would be 10.85 percent.¹⁴⁷ Even assuming Mr. Gorman's 67.00 percent
9 average Beta coefficient¹⁴⁸ the resulting CAPM estimate would be 10.39 percent,
10 which is only one basis point below the low end of my recommended range.

11

Table 7: Implied CAPM Estimates

	2000 - 2010
Average Authorized ROE	10.57%
Long-term Government Bond Yield	4.72%
Average Beta	72.50%
Implied Market Risk Premium	8.07%
Average Beta	67.00%
Current Risk Free Rate	5.00%
Implied CAPM Result	10.39%

12

¹⁴⁵ Direct Testimony of Michael Gorman, Schedule MPG-16.

¹⁴⁶ Rebuttal testimony of Michael Gorman, at 21.

¹⁴⁷ $10.85\% = (10.57\% - 4.72\%) + 5.00\%$.

¹⁴⁸ See Schedule MPG-16.

1 ***Equity Risk Premium in the Bond Yield Plus Risk Premium Analysis***

2 **Q. Do you agree with Mr. Gorman's assertion that the equity risk**
3 **premium used in your Bond Yield Plus Risk Premium analysis is "inflated"?**¹⁴⁹

4 A. No, I do not. Mr. Gorman asserts that the relationship between the
5 returns on fixed income and equity securities changes with investors' perceptions of
6 the risk between asset classes, and is not measurable solely as a function of
7 changes in interest rates themselves.¹⁵⁰ As noted in my rebuttal testimony, even
8 including credit spreads (which reflect investor perceptions of risk) as an explanatory
9 term in my regression analysis, interest rates continue to have a significant, inverse
10 relationship to equity risk premia.¹⁵¹ That is, including credit spreads as an
11 additional explanatory variable does not change the statistically significant, negative
12 coefficient on the interest rate variable.¹⁵²

13

14 **IV. RESPONSE TO THE REBUTTAL TESTIMONY OF MS. LACONTE**

15 **Q. Please briefly summarize the principal areas of disagreement**
16 **between you and Ms. LaConte.**

17 A. As to my Constant Growth DCF analysis, Ms. LaConte asserts that my
18 growth rates are too high, resulting in ROE estimates that also are higher than she
19 deems reasonable.¹⁵³ Ms. LaConte also suggests that my Risk Premium analysis

¹⁴⁹ Rebuttal testimony of Michael Gorman, at 2.

¹⁵⁰ *Ibid.*, at 21.

¹⁵¹ Rebuttal testimony of Robert B. Hevert, at 80.

¹⁵² See, Schedule RBH-ES37 for updated results of my Risk Premium analyses.

¹⁵³ Rebuttal testimony of Billie S. LaConte at 2-3. As discussed in my direct testimony, the earnings per share growth rates relied upon in my Constant Growth DCF analysis are also used as the growth rates for the first stage of the Multi-Stage DCF analyses, but Ms. LaConte's rebuttal testimony does not appear to take issue with that element of my Multi-Stage DCF analyses.

1 overstates the Company's cost of equity,¹⁵⁴ and that the Beta coefficients included in
2 my CAPM analyses are overstated.

3 **Q. What are Ms. LaConte's concerns regarding the growth rates**
4 **used in your Constant Growth DCF analysis?**

5 A. Ms. LaConte believes that the growth rates relied on in my Constant
6 Growth DCF analysis are not sustainable,¹⁵⁵ noting that the high growth rate used in
7 my constant growth analysis is 6.71 percent. In addition, Ms. LaConte notes that the
8 5.69 percent median growth rate used in my Constant Growth DCF model is almost
9 equal to my forecast of long-term GDP growth of 5.75 percent. Ms. LaConte
10 concludes that it is unrealistic to expect a company's growth to exceed GDP in the
11 long term.

12 **Q. What is your response to Ms. LaConte regarding the mean high**
13 **growth rate relied upon in your Constant Growth DCF analyses?**

14 A. As a practical matter, as discussed in my direct testimony, my
15 recommendation places greater emphasis on the results of the Multi-Stage DCF
16 Models than on the other methodologies presented in my direct testimony and as
17 updated in my rebuttal testimony.¹⁵⁶ Moreover, considering the results of the
18 analyses presented in my direct testimony, I established a reasonable range of
19 results from 10.50 percent to 11.25 percent.¹⁵⁷ As shown on Table 7 of my direct
20 testimony, the mean high results of the Constant Growth DCF analysis, which are

¹⁵⁴

Ibid.

¹⁵⁵

Rebuttal testimony of Billie S. LaConte, at 5.

¹⁵⁶

Direct testimony of Robert B. Hevert, at 3.

¹⁵⁷

As noted in the Summary section of my surrebuttal testimony, I have revised my range to 10.40 percent to 11.25 percent.

1 based on the average growth rate of 6.71 percent objected to by Ms. LaConte, are
2 all outside my recommended range.

3 **Q. How does your mean growth rate compare with the growth rates**
4 **that Ms. LaConte assumed in her single stage DCF analyses?**

5 A. The mean growth rates that I have relied upon in the Constant Growth
6 DCF analysis in both my direct and rebuttal testimonies are generally consistent with
7 the assumptions that Ms. LaConte relied on in the single stage DCF analyses
8 presented in her direct testimony. As shown in Schedule BSL-1, Ms. LaConte
9 calculates a median growth rate for her proxy group of 5.57 percent and estimates a
10 return on equity of 10.50 percent. Ms. LaConte conducts an additional single stage
11 DCF scenario where she relies on my estimate of long-term GDP growth of 5.75
12 percent as the perpetual growth rate and estimates a median return on equity of
13 10.60 percent.

14 **Q. Please summarize Ms. LaConte's position on your Bond Yield**
15 **Risk Premium analysis.**

16 A. Ms. LaConte states that the risk premium method relies on "actual,
17 historical data to calculate the actual, historical equity risk premium for utilities", and
18 therefore concludes that there is no need to make an adjustment for the relationship
19 between risk premia and interest rates.¹⁵⁸

20 **Q. What is your response to Ms. LaConte on that point?**

21 A. As described in my rebuttal testimony, there has been substantial
22 academic research into estimating the cost of equity using the risk premium
23 methodology. The results of that research demonstrate two important points:

¹⁵⁸ Rebuttal testimony of Billie S. LaConte, at 9.

1 (1) there is an inverse relationship between interest rates and the equity risk
2 premium; and (2) because the equity risk premium is volatile, it is not appropriate to
3 add the historical average equity risk premium to the current cost of debt to derive
4 the cost of equity. For example, In *The Risk Premium Approach to Measuring a*
5 *Utility's Cost of Equity*, published in Financial Management, Brigham, Shome and
6 Vinson conducted an analysis of historical risk premia and treasury yields and
7 concluded that:

8 [R]isk premia, like interest rates and stock prices are volatile.
9 Our data indicate that it would not be appropriate to estimate the
10 cost of equity by adding the current cost of debt to a risk
11 premium that had been estimated in the past. Current risk
12 premiums should be matched with current interest rates.¹⁵⁹

13 Brigham, Shome and Vinson also examined the relationship between risk
14 premia and interest rates over time and concluded that there is a strong inverse
15 correlation between interest rates and risk premia. Moreover, the authors noted that
16 the results of their research called into question setting the cost of equity by applying
17 historically calculated equity risk premia to current Treasury rates - which is the
18 approach suggested by Ms. LaConte in her criticism of my Bond Yield Plus Risk
19 Premium approach.

20 **Q. Are there more recent academic studies on this subject?**

21 A. Yes. In *Estimating Shareholder Risk Premia Using Analysts' Growth*
22 *Forecasts*, published in Financial Management, Harris and Marston conduct a time
23 series regression analysis of equity risk premia, interest rates and the yield spreads

¹⁵⁹ Eugene F. Brigham, Dilip K. Shome, and Steve R. Vinson, *The Risk Premium Approach to Measuring a Utility's Cost of Equity*, Financial Management, Spring 1985, at 38.

1 between corporate and government bonds.¹⁶⁰ The results of that analysis
2 demonstrated that market equity risk premia change over time and that risk premia
3 are negatively related to interest rates. Therefore, Harris and Marston arrive at the
4 same conclusion as Brigham, Shome and Vinson, *i.e.*, estimating the cost of equity
5 based on the use of a constant historical average risk premium is not likely to mirror
6 changes in investor return requirements.

7 **Q. What are your conclusions regarding the risk premium analysis?**

8 A. First, observable market data demonstrate that the equity risk premium
9 is not constant over time. To that point, as noted above, academic research
10 supports the position that it is not appropriate to simply add a constant estimate of
11 the equity risk premium to the current cost of debt to estimate the cost of equity.
12 Academic research supports the use of a time series regression analysis to estimate
13 the relationship between the equity risk premium and the cost of equity, which is
14 consistent with the approach that I relied on in my Bond Yield Plus Risk Premium
15 analysis. Finally, both published research and my own analyses demonstrate that
16 there is a statistically significant inverse relationship between interest rates and the
17 equity risk premium.

18 **Q. What is Ms. LaConte's criticism of your CAPM analysis?**

19 A. Ms. LaConte disagrees with the use of six-month estimated Beta
20 coefficients for the proxy group companies.¹⁶¹

¹⁶⁰ Robert S. Harris and Felicia C. Marston, *Estimating Shareholder Risk Premia Using Analysts' Growth Forecasts*, Financial Management, Summer 1992.

¹⁶¹ In my rebuttal testimony, I relied on Beta coefficients calculated over the most recent twelve-month period.

1 **Q. What is your response to Ms. LaConte on that issue?**

2 A. As discussed in response to Mr. Gorman, my comparison of twelve-
3 month and 24-month Beta coefficients for my proxy group shows that both are
4 statistically significant, while the 12-month Beta coefficient on average produces a
5 slightly higher R^2 . Consequently, there is no reason to reject Beta coefficients that
6 are statistically significant and which reflect more current market data in favor of
7 older estimates that incorporates data over several years.

8 **Q. Please summarize your conclusions with respect to the analyses**
9 **presented by Ms. LaConte in her direct testimony.**

10 A. As discussed in my rebuttal and surrebuttal testimonies, I disagree
11 with the risk premium and CAPM methodologies as applied by Ms. LaConte.
12 However, as noted above, the growth rates that Ms. LaConte relied on in her direct
13 testimony for her single stage and multi-stage DCF analyses are generally
14 consistent with the assumptions that I relied on in my direct and rebuttal testimonies.
15 It is not surprising, therefore, that the range of DCF results established by
16 Ms. LaConte of 10.10 percent to 10.60 percent substantially overlaps my
17 recommended range of results.¹⁶²

18

¹⁶² Ms. LaConte recognizes that the Company is not proposing an Environmental Cost Recovery Mechanism ("ECRM"). Furthermore, Ms. LaConte notes that any return on equity within the range established by the analyses presented in her direct testimony would be appropriate. See, deposition of Billie Sue LaConte, March 31, 2011, at 17-19.

1

V. UPDATED ROE ANALYSES

2

Q. Have you updated the analyses presented in your rebuttal testimony?

3

4

A. Yes. As described earlier, I have updated the Constant Growth DCF, Multi-Stage DCF, CAPM and Risk Premium analyses presented in my rebuttal testimony using the Hevert Revised Proxy Group and data as of March 31, 2011.

5

6

7

Q. Please summarize your updated Constant Growth DCF Model results.

8

9

A. I have continued to use projected earnings growth rates from Zacks, First Call and Value Line in developing my Constant Growth DCF model. As shown in Table 8 (see also Schedule RBH-ES31), and as discussed earlier in my surrebuttal testimony, the Constant Growth DCF model results support my revised ROE recommendation of 10.70 percent.

10

11

12

13

14

Table 8: Updated Constant Growth DCF Results

	Mean Low	Mean	Mean High
Hevert Proxy Group			
30-Day Average	9.32%	10.39%	11.27%
90-Day Average	9.35%	10.42%	11.30%
180-Day Average	9.45%	10.52%	11.40%
Combined Proxy Group			
30-Day Average	9.38%	10.33%	11.22%
90-Day Average	9.41%	10.36%	11.25%
180-Day Average	9.47%	10.41%	11.30%

15

1 **Q. Please explain your updated and revised Multi-Stage DCF**
2 **analysis.**

3 A. Similar to the analyses presented in my direct and rebuttal testimonies,
4 the first-stage earnings growth rate is based upon analyst projections. The long-
5 term earnings growth rate is assumed to converge to the long-term GDP growth
6 rate. I continue to calculate the terminal stock price based on (1) the Gordon Growth
7 Model, assuming nominal long-term GDP growth as the relevant growth rate; and
8 (2) the product of the projected Earnings per Share and the expected P/E ratio. As
9 discussed earlier in this testimony, I have used a revised long-term growth rate
10 estimate of 5.65 percent, rather than the 5.72 percent used in my rebuttal testimony.
11 The long-term growth rate was revised to reflect an adjusted inflation rate of 2.30
12 percent based on three estimates of inflation: (1) the compound annual GDP Price
13 Index growth rate of 1.98 percent projected by the EIA in the 2010 Annual Energy
14 Outlook; (2) the compound annual CPI growth rate of 2.34 percent projected in the
15 2010 Annual Energy Outlook; and (3) the 30-day average yield spread between
16 30-year inflation-protected TIPS securities and 30-year Treasury bonds of 2.60
17 percent.

18 **Q. What were your specific assumptions with respect to the payout**
19 **ratio?**

20 A. As noted in my direct testimony, for the first two periods, I relied on the
21 first year and long-term projected payout ratios reported by Value Line for each of
22 the proxy group companies.¹⁶³ I then assumed that by the end of the second period
23 (*i.e.*, the end of year 10), the payout ratio will converge to the long-term industry

¹⁶³ As reported by Value Line as "All Div'ds to Net Prof."

1 average. As noted in my direct testimony, given the elevated level of capital
2 expenditures that the industry is facing over the coming three to five years, it is
3 reasonable to assume that, payout ratios will generally decline in the near term, but
4 eventually revert to the long-term average over time.¹⁶⁴ I estimated the long-term
5 payout ratio to be the average median of the historical payout ratio since 1987, as
6 available, for all fifty three companies included in the Value Line electric utility
7 universe.

8 **Q. Please summarize your updated Multi-Stage DCF results.**

9 A. As shown in Table 9 and Schedule RBH-ER9, the results produced by
10 my updated and revised Multi-Stage DCF analyses are consistent with the Multi-
11 Stage DCF results presented in my direct and rebuttal testimonies. Moreover, as
12 shown in Schedule RBH-ES32, the calculated terminal value P/E ratios derived from
13 the Multi-Stage DCF analyses employing the Gordon Growth Terminal Value
14 methodology continue to produce reasonable results when considered in the context
15 of the range of historical P/E ratios attributable to the proxy group companies.¹⁶⁵ In
16 addition, I have calculated results based on the 5.275 percent terminal growth rate
17 discussed in my response to Mr. Gorman, and have updated Mr. Gorman's multi-
18 stage model assuming his 4.90 percent terminal growth rate and the mid-year
19 discounting convention. Those results are presented in Tables 9 through 12, below.

¹⁶⁴ Direct testimony of Robert B. Hevert, at 27.

¹⁶⁵ As noted in my rebuttal testimony, at 51, the P/E estimates reflect no expansion over the forecast period and as such, are therefore somewhat conservative. See Schedule RBH-ER10 for range of historical P/E ratios.

1 **Table 9: Updated Multi-Stage DCF Results with 5.65 Percent Terminal Growth**
2 **Rate**

	Low	Mean	High
Hevert Revised Proxy Group			
Gordon Growth Terminal Value			
30-Day Average	10.15%	10.87%	12.30%
90-Day Average	10.10%	10.92%	12.27%
180-Day Average	10.23%	11.02%	12.42%
Long-Term P/E Terminal Value			
30-Day Average	8.42%	10.89%	13.74%
90-Day Average	8.37%	10.97%	13.69%
180-Day Average	8.49%	11.19%	13.94%
Combined Proxy Group			
Gordon Growth Terminal Value			
30-Day Average	9.65%	10.78%	12.30%
90-Day Average	9.67%	10.81%	12.27%
180-Day Average	9.69%	10.88%	12.42%
Long-Term P/E Terminal Value			
30-Day Average	8.42%	10.68%	13.74%
90-Day Average	8.37%	10.75%	13.69%
180-Day Average	8.49%	10.87%	13.94%

3

4 **Table 10: Summary of Results – Revised Proxy Group/Multi-Stage DCF Model**
5 **with 5.275 Percent Terminal Growth Rate**

	Low	Mean	High
Gordon Growth Terminal Value			
30-Day Average	9.86%	10.59%	12.04%
90-Day Average	9.80%	10.63%	12.01%
180-Day Average	9.94%	10.74%	12.16%
Long-Term P/E Terminal Value			
30-Day Average	8.25%	10.72%	13.57%
90-Day Average	8.20%	10.80%	13.52%
180-Day Average	8.33%	11.01%	13.76%

6

1 **Table 11: Summary of Results – Combined Proxy Group/Multi-Stage DCF**
2 **Model with 5.275 Percent Terminal Growth Rate**

	Low	Mean	High
Gordon Growth Terminal Value			
30-Day Average	9.36%	10.50%	12.04%
90-Day Average	9.37%	10.53%	12.01%
180-Day Average	9.40%	10.59%	12.16%
Long-Term P/E Terminal Value			
30-Day Average	8.25%	10.51%	13.57%
90-Day Average	8.20%	10.57%	13.52%
180-Day Average	8.33%	10.70%	13.76%

3

4 **Table 12: Gorman Proxy Group and Multi-Stage DCF Model assuming 4.90**
5 **Percent Terminal Growth Rate and Mid-Year Dividend Payout Convention**

	Low	High	Mean	Median
As Filed	8.00%	10.94%	9.65%	9.86%
Adjusted to Reflect 4.90% Long-Term Growth and Mid-Year Convention	8.30%	11.40%	10.04%	10.25%

6

7 **Q. Please summarize your updated CAPM analyses.**

8 A. I have continued to use the same inputs used in my direct and rebuttal
9 testimonies, as updated through March 31, 2011. For the risk-free rate, I continue to
10 refer alternatively to (1) the 30-day average of the 30-year Treasury yield; and (2) a
11 consensus forecast of the average 30-year Treasury yield for the coming six
12 quarters. For the MRP, I continue to rely on the two forms of *ex-ante* market risk
13 premia that I described in my direct testimony: (1) the expected return on the S&P
14 500 Index less the current 30-year Treasury yield; and (2) an expected risk premium
15 derived using the historical market Sharpe Ratio. As discussed in my rebuttal
16 testimony, I continue to rely on three estimates of the Beta coefficient, *i.e.*, results

1 published by Value Line and Bloomberg and a twelve-month Beta coefficient
2 calculation.

3 **Q. What are your updated CAPM results?**

4 A. As shown in Schedule RBH-ES36, based upon updated market
5 information, my CAPM analyses produce a range of ROE estimates from 10.12
6 percent to 11.31 percent using the Hevert Revised Proxy Group and 10.25 percent
7 to 11.31 percent using the Combined Proxy Group.

8 **Q. Have you placed any specific reliance on your CAPM results?**

9 A. No, I have not. As in my rebuttal testimony, I continue to view the
10 CAPM as a corroborating analysis.¹⁶⁶

11 **Q. Please summarize your updated Risk Premium analysis.**

12 A. My Risk Premium analysis includes authorized ROEs as reported by
13 Regulatory Research Associates through March 31, 2011. For the purpose of
14 calculating the expected risk premium and ROE, I continue to refer alternatively to
15 (1) the 30-day average of the 30-year Treasury yield; and (2) a consensus forecast
16 of the average 30-year Treasury yield for the coming six quarters. As shown in
17 Schedule RBH-ES37, my updated results range from 10.64 percent to 10.74
18 percent, with a mean of 10.69 percent.

19 **Q. Have you considered whether your recommended return meets**
20 **the standard of a fair rate of return?**

21 A. Yes. As noted in my direct testimony, my recommendation is based
22 upon my understanding of the *Hope* and *Bluefield* standards, wherein:

¹⁶⁶ Rebuttal testimony of Robert B. Hevert, at 113.

1 ...the authorized ROE for a public utility should allow the
2 company to attract investor capital at reasonable cost under a
3 variety of economic and financial market conditions. The ability
4 to attract capital on reasonable terms is especially important for
5 capital-intensive businesses such as utilities.¹⁶⁷

6 My assessment also reflects the Company's need to attract capital at terms
7 similar to those offered to companies of comparable risk. A recommendation that
8 diminishes the Company's ability to compete for capital in the open market does not
9 meet the "comparable company" standard.

10 **Q. Does this conclude your surrebuttal testimony?**

11 A. Yes, it does.

¹⁶⁷ *Ibid.*, at 6.

30-DAY CONSTANT GROWTH DCF - HEVERT REVISED PROXY GROUP

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Zacks EPS Growth	Value Line EPS Growth	First Call EPS Growth	Average Growth Rate	Low DCF ROE	Mean DCF ROE	High DCF ROE
American Electric Power	AEP	\$1.84	\$35.17	5.23%	5.33%	4.00%	3.50%	4.00%	3.83%	8.82%	9.17%	9.34%
Cleco Corp.	CNL	\$1.00	\$32.80	3.05%	3.14%	7.00%	8.00%	3.00%	6.00%	6.09%	9.14%	11.17%
DPL, Inc.	DPL	\$1.33	\$26.43	5.03%	5.16%	NA	6.50%	3.93%	5.22%	9.06%	10.38%	11.69%
Empire District Electric	EDE	\$1.28	\$21.39	5.98%	6.18%	NA	7.00%	6.00%	6.50%	12.16%	12.68%	13.19%
Great Plains Energy Inc.	GXP	\$0.83	\$19.42	4.27%	4.44%	9.00%	6.00%	8.90%	7.97%	10.40%	12.41%	13.47%
IDACORP, Inc.	IDA	\$1.20	\$37.44	3.21%	3.28%	4.70%	5.50%	4.67%	4.96%	7.95%	8.24%	8.79%
Pinnacle West Capital	PNW	\$2.10	\$42.41	4.95%	5.10%	5.80%	6.00%	6.38%	6.06%	10.90%	11.16%	11.49%
Portland General	POR	\$1.04	\$23.38	4.45%	4.54%	5.20%	3.00%	4.65%	4.28%	7.52%	8.83%	9.76%
Southern Co.	SO	\$1.82	\$37.76	4.82%	4.94%	5.00%	5.00%	5.24%	5.08%	9.94%	10.02%	10.19%
Westar Energy	WR	\$1.28	\$25.97	4.93%	5.09%	5.30%	8.50%	6.53%	6.78%	10.36%	11.87%	13.64%
	PROXY GROUP MEAN			4.59%	4.72%	5.75%	5.90%	5.33%	5.67%	9.32%	10.39%	11.27%

Notes

- [1] Source: Bloomberg
- [2] Source: Bloomberg. Based on indicated number of days historical average.
- [3] Equals Col. [1]/Col. [2]
- [4] Equals (Col. [1] x (1+(0.5 x Col. [8])))/Col. [2]
- [5] Source: Zacks
- [6] Source: Value Line
- [7] Source: Yahoo! Finance
- [8] Equals average of Cols [5], [6], [7]
- [9] Equals Min (Cols [5-7]) + (Col. [3] x (1+(0.5 x Min (Col. [5-7]))))
- [10] Equals Col. [4] + Col. [8]
- [11] Equals Max (Cols [5-7]) + (Col. [3] x (1+(0.5 x Max (Col. [5-7]))))

90-DAY CONSTANT GROWTH DCF - HEVERT REVISED PROXY GROUP

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Zacks EPS Growth	Value Line EPS Growth	First Call EPS Growth	Average Growth Rate	Low DCF ROE	Mean DCF ROE	High DCF ROE
American Electric Power	AEP	\$1.84	\$35.68	5.16%	5.26%	4.00%	3.50%	4.00%	3.83%	8.75%	9.09%	9.26%
Cleco Corp.	CNL	\$1.00	\$31.64	3.16%	3.26%	7.00%	8.00%	3.00%	6.00%	6.21%	9.26%	11.29%
DPL, Inc.	DPL	\$1.33	\$26.15	5.09%	5.22%	NA	6.50%	3.93%	5.22%	9.12%	10.43%	11.75%
Empire District Electric	EDE	\$1.28	\$21.66	5.91%	6.10%	NA	7.00%	6.00%	6.50%	12.09%	12.60%	13.12%
Great Plains Energy Inc.	GXP	\$0.83	\$19.50	4.26%	4.43%	9.00%	6.00%	8.90%	7.97%	10.38%	12.39%	13.45%
IDACORP, Inc.	IDA	\$1.20	\$37.49	3.20%	3.28%	4.70%	5.50%	4.67%	4.96%	7.95%	8.24%	8.79%
Pinnacle West Capital	PNW	\$2.10	\$41.68	5.04%	5.19%	5.80%	6.00%	6.38%	6.06%	10.98%	11.25%	11.58%
Portland General	POR	\$1.04	\$22.50	4.62%	4.72%	5.20%	3.00%	4.65%	4.28%	7.69%	9.00%	9.94%
Southern Co.	SO	\$1.82	\$37.93	4.80%	4.92%	5.00%	5.00%	5.24%	5.08%	9.92%	10.00%	10.16%
Westar Energy	WR	\$1.28	\$25.65	4.99%	5.16%	5.30%	8.50%	6.53%	6.78%	10.42%	11.94%	13.70%
	PROXY GROUP MEAN			4.62%	4.75%	5.75%	5.90%	5.33%	5.67%	9.35%	10.42%	11.30%

Notes

- [1] Source: Bloomberg
- [2] Source: Bloomberg. Based on indicated number of days historical average.
- [3] Equals Col. [1]/Col. [2]
- [4] Equals (Col. [1] x (1+(0.5 x Col. [8])))/Col. [2]
- [5] Source: Zacks
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- [8] Equals average of Cols [5], [6], [7]
- [9] Equals Min (Cols [5-7]) + (Col. [3] x (1+(0.5 x Min (Col. [5-7]))))
- [10] Equals Col. [4] + Col. [8]
- [11] Equals Max (Cols [5-7]) + (Col. [3] x (1+(0.5 x Max (Col. [5-7]))))

180-DAY CONSTANT GROWTH DCF - HEVERT REVISED PROXY GROUP

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company	Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Zacks EPS Growth	Value Line EPS Growth	First Call EPS Growth	Average Growth Rate	Low DCF ROE	Mean DCF ROE	High DCF ROE
American Electric Power	AEP \$1.84	\$35.92	5.12%	5.22%	4.00%	3.50%	4.00%	3.83%	8.71%	9.05%	9.22%
Cleco Corp.	CNL \$1.00	\$30.62	3.27%	3.36%	7.00%	8.00%	3.00%	6.00%	6.31%	9.36%	11.40%
DPL, Inc.	DPL \$1.33	\$26.09	5.10%	5.23%	NA	6.50%	3.93%	5.22%	9.13%	10.44%	11.76%
Empire District Electric	EDE \$1.28	\$21.01	6.09%	6.29%	NA	7.00%	6.00%	6.50%	12.27%	12.79%	13.30%
Great Plains Energy Inc.	GXP \$0.83	\$19.09	4.35%	4.52%	9.00%	6.00%	8.90%	7.97%	10.48%	12.49%	13.54%
IDACORP, Inc.	IDA \$1.20	\$36.69	3.27%	3.35%	4.70%	5.50%	4.67%	4.96%	8.02%	8.31%	8.86%
Pinnacle West Capital	PNW \$2.10	\$41.11	5.11%	5.26%	5.80%	6.00%	6.38%	6.06%	11.06%	11.32%	11.65%
Portland General	POR \$1.04	\$21.37	4.87%	4.97%	5.20%	3.00%	4.65%	4.28%	7.94%	9.25%	10.19%
Southern Co.	SO \$1.82	\$37.48	4.86%	4.98%	5.00%	5.00%	5.24%	5.08%	9.98%	10.06%	10.22%
Westar Energy	WR \$1.28	\$25.00	5.12%	5.29%	5.30%	8.50%	6.53%	6.78%	10.56%	12.07%	13.84%
	PROXY GROUP MEAN		4.71%	4.85%	5.75%	5.90%	5.33%	5.67%	9.45%	10.52%	11.40%

Notes

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- [11] Equals Max (Cols [5-7]) + (Col. [3] x (1+(0.5 x Max (Col. [5-7])))

30-DAY CONSTANT GROWTH DCF - COMBINED PROXY GROUP

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Zacks EPS Growth	Value Line EPS Growth	First Call EPS Growth	Average Growth Rate	Low DCF ROE	Mean DCF ROE	High DCF ROE	
Alliant Energy Corp.	LNT	\$1.70	\$39.10	4.35%	4.50%	5.00%	7.00%	8.48%	6.83%	9.46%	11.3%	13.01%	
Ameren Corp.	AEE	\$1.54	\$27.64	5.57%	5.68%	4.00%	NA	NA	4.00%	9.68%	9.7%	9.68%	
American Electric Power	AEP	\$1.84	\$35.17	5.23%	5.33%	4.00%	3.50%	4.00%	3.83%	8.82%	9.2%	9.34%	
Cleco Corp.	CNL	\$1.00	\$32.80	3.05%	3.14%	7.00%	8.00%	3.00%	6.00%	6.09%	9.1%	11.17%	
CMS Energy Corp.	CMS	\$0.84	\$19.25	4.36%	4.50%	6.00%	7.00%	5.88%	6.29%	10.37%	10.8%	11.52%	
Consolidated Edison	ED	\$2.40	\$49.79	4.82%	4.91%	4.00%	2.50%	4.23%	3.58%	7.38%	8.5%	9.15%	
Dominion Resources, Inc.	D	\$1.97	\$44.83	4.39%	4.49%	3.80%	5.50%	3.53%	4.28%	8.00%	8.8%	10.02%	
DPL, Inc.	DPL	\$1.33	\$26.43	5.03%	5.16%	NA	6.50%	3.93%	5.22%	9.06%	10.4%	11.69%	
DTE Energy Co.	DTE	\$2.24	\$47.68	4.70%	4.83%	5.00%	5.50%	5.75%	5.42%	9.82%	10.2%	10.58%	
Empire District Electric	EDE	\$1.28	\$21.39	5.98%	6.18%	NA	7.00%	6.00%	6.50%	12.16%	12.7%	13.19%	
Entergy Corp.	ETR	\$3.32	\$69.74	4.76%	4.80%	1.50%	1.00%	2.00%	1.50%	5.78%	6.3%	6.81%	
Exelon Corp.	EXC	\$2.10	\$41.34	5.08%	NA	NA	NA	NA	NA	NA	NA	NA	
Great Plains Energy Inc.	GXP	\$0.83	\$19.42	4.27%	4.44%	9.00%	6.00%	8.90%	7.97%	10.40%	12.4%	13.47%	
IDACORP, Inc.	IDA	\$1.20	\$37.44	3.21%	3.28%	4.70%	5.50%	4.67%	4.96%	7.95%	8.2%	8.79%	
Integrus/WPS Resources	TEG	\$2.72	\$49.56	5.49%	5.74%	10.40%	9.50%	7.93%	9.28%	13.64%	15.0%	16.17%	
Northeast Utilities	NU	\$1.10	\$34.01	3.23%	3.36%	8.40%	7.50%	7.95%	7.95%	10.86%	11.3%	11.77%	
Pepco Holdings, Inc.	POM	\$1.08	\$18.55	5.82%	5.94%	4.30%	0.50%	7.00%	3.93%	6.34%	9.9%	13.02%	
PG&E Corp	PCG	\$1.82	\$44.79	4.06%	4.20%	7.70%	6.00%	6.16%	6.62%	10.19%	10.8%	11.92%	
Pinnacle West Capital	PNW	\$2.10	\$42.41	4.95%	5.10%	5.80%	6.00%	6.38%	6.06%	10.90%	11.2%	11.49%	
Portland General	POR	\$1.04	\$23.38	4.45%	4.54%	5.20%	3.00%	4.65%	4.28%	7.52%	8.8%	9.76%	
PPL Corp.	PPL	\$1.40	\$25.02	5.60%	5.71%	NA	4.00%	NA	4.00%	9.71%	9.7%	9.71%	
Progress Energy	PGN	\$2.48	\$45.55	5.45%	5.56%	4.70%	3.50%	4.28%	4.16%	9.04%	9.7%	10.27%	
Southern Co.	SO	\$1.82	\$37.76	4.82%	4.94%	5.00%	5.00%	5.24%	5.08%	9.94%	10.0%	10.19%	
TECO Energy, Inc.	TE	\$0.82	\$18.08	4.54%	4.68%	5.30%	8.00%	6.09%	6.46%	9.96%	11.1%	12.72%	
Westar Energy	WR	\$1.28	\$25.97	4.93%	5.09%	5.30%	8.50%	6.53%	6.78%	10.36%	11.9%	13.64%	
Wisconsin Energy	WEC	\$1.04	\$29.79	3.49%	3.63%	8.00%	7.50%	8.50%	8.00%	11.12%	11.6%	12.14%	
Xcel Energy, Inc.	XEL	\$1.01	\$23.77	4.25%	4.37%	5.10%	5.50%	6.19%	5.60%	9.46%	10.0%	10.57%	
				PROXY GROUP MEAN	4.66%	4.77%	5.62%	5.58%	5.72%	5.56%	9.38%	10.33%	11.22%

Notes

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- [5] Source: Zacks
- [6] Source: Value Line
- [7] Source: Yahoo! Finance
- [8] Equals average of Cols [5], [6], [7]
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- [10] Equals Col. [4] + Col. [8]
- [11] Equals Max (Cols [5-7]) + (Col. [3] x (1+(0.5 x Max (Col. [5-7])))

90-DAY CONSTANT GROWTH DCF - COMBINED PROXY GROUP

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Zacks EPS Growth	Value Line EPS Growth	First Call EPS Growth	Average Growth Rate	Low DCF ROE	Mean DCF ROE	High DCF ROE
Alliant Energy Corp.	LNT	\$1.70	\$37.85	4.49%	4.65%	5.00%	7.00%	8.48%	6.83%	9.60%	11.5%	13.16%
Ameren Corp.	AEE	\$1.54	\$28.26	5.45%	5.56%	4.00%	NA	NA	4.00%	9.56%	9.6%	9.56%
American Electric Power	AEP	\$1.84	\$35.68	5.16%	5.26%	4.00%	3.50%	4.00%	3.83%	8.75%	9.1%	9.26%
Cleco Corp.	CNL	\$1.00	\$31.64	3.16%	3.26%	7.00%	8.00%	3.00%	6.00%	6.21%	9.3%	11.29%
CMS Energy Corp.	CMS	\$0.84	\$19.03	4.41%	4.55%	6.00%	7.00%	5.88%	6.29%	10.42%	10.8%	11.57%
Consolidated Edison	ED	\$2.40	\$49.57	4.84%	4.93%	4.00%	2.50%	4.23%	3.58%	7.40%	8.5%	9.17%
Dominion Resources, Inc.	D	\$1.97	\$43.52	4.53%	4.62%	3.80%	5.50%	3.53%	4.28%	8.14%	8.9%	10.15%
DPL, Inc.	DPL	\$1.33	\$26.15	5.09%	5.22%	NA	6.50%	3.93%	5.22%	9.12%	10.4%	11.75%
DTE Energy Co.	DTE	\$2.24	\$46.56	4.81%	4.94%	5.00%	5.50%	5.75%	5.42%	9.93%	10.4%	10.70%
Empire District Electric	EDE	\$1.28	\$21.66	5.91%	6.10%	NA	7.00%	6.00%	6.50%	12.09%	12.6%	13.12%
Entergy Corp.	ETR	\$3.32	\$71.26	4.66%	4.69%	1.50%	1.00%	2.00%	1.50%	5.68%	6.2%	6.71%
Exelon Corp.	EXC	\$2.10	\$41.53	5.06%	NA	NA	NA	NA	NA	NA	NA	NA
Great Plains Energy Inc.	GXP	\$0.83	\$19.50	4.26%	4.43%	9.00%	6.00%	8.90%	7.97%	10.38%	12.4%	13.45%
IDACORP, Inc.	IDA	\$1.20	\$37.49	3.20%	3.28%	4.70%	5.50%	4.67%	4.96%	7.95%	8.2%	8.79%
Integrus/WPS Resources	TEG	\$2.72	\$48.96	5.56%	5.81%	10.40%	9.50%	7.93%	9.28%	13.71%	15.1%	16.24%
Northeast Utilities	NU	\$1.10	\$32.83	3.35%	3.48%	8.40%	7.50%	7.95%	7.95%	10.98%	11.4%	11.89%
Pepco Holdings, Inc.	POM	\$1.08	\$18.49	5.84%	5.96%	4.30%	0.50%	7.00%	3.93%	6.36%	9.9%	13.05%
PG&E Corp	PCG	\$1.82	\$46.36	3.93%	4.06%	7.70%	6.00%	6.16%	6.62%	10.04%	10.7%	11.78%
Pinnacle West Capital	PNW	\$2.10	\$41.68	5.04%	5.19%	5.80%	6.00%	6.38%	6.06%	10.98%	11.3%	11.58%
Portland General	POR	\$1.04	\$22.50	4.62%	4.72%	5.20%	3.00%	4.65%	4.28%	7.69%	9.0%	9.94%
PPL Corp.	PPL	\$1.40	\$25.51	5.49%	5.60%	NA	4.00%	NA	4.00%	9.60%	9.6%	9.60%
Progress Energy	PGN	\$2.48	\$44.78	5.54%	5.65%	4.70%	3.50%	4.28%	4.16%	9.13%	9.8%	10.37%
Southern Co.	SO	\$1.82	\$37.93	4.80%	4.92%	5.00%	5.00%	5.24%	5.08%	9.92%	10.0%	10.16%
TECO Energy, Inc.	TE	\$0.82	\$17.85	4.59%	4.74%	5.30%	8.00%	6.09%	6.46%	10.02%	11.2%	12.78%
Westar Energy	WR	\$1.28	\$25.65	4.99%	5.16%	5.30%	8.50%	6.53%	6.78%	10.42%	11.9%	13.70%
Wisconsin Energy	WEC	\$1.04	\$29.70	3.50%	3.64%	8.00%	7.50%	8.50%	8.00%	11.13%	11.6%	12.15%
Xcel Energy, Inc.	XEL	\$1.01	\$23.69	4.26%	4.38%	5.10%	5.50%	6.19%	5.60%	9.47%	10.0%	10.59%
	PROXY GROUP MEAN			4.69%	4.80%	5.62%	5.58%	5.72%	5.56%	9.41%	10.36%	11.25%

Notes

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- [4] Equals (Col. [1] x (1+(0.5 x Col. [8])))/Col. [2]
- [5] Source: Zacks
- [6] Source: Value Line
- [7] Source: Yahoo! Finance
- [8] Equals average of Cols [5], [6], [7]
- [9] Equals Min (Cols [5-7]) + (Col. [3] x (1+(0.5 x Min (Col. [5-7])))
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180-DAY CONSTANT GROWTH DCF - COMBINED PROXY GROUP

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Zacks EPS Growth	Value Line EPS Growth	First Call EPS Growth	Average Growth Rate	Low DCF ROE	Mean DCF ROE	High DCF ROE	
Alliant Energy Corp.	LNT	\$1.70	\$36.86	4.61%	4.77%	5.00%	7.00%	8.48%	6.83%	9.73%	11.6%	13.29%	
Ameren Corp.	AEE	\$1.54	\$28.11	5.48%	5.59%	4.00%	NA	NA	4.00%	9.59%	9.6%	9.59%	
American Electric Power	AEP	\$1.84	\$35.92	5.12%	5.22%	4.00%	3.50%	4.00%	3.83%	8.71%	9.1%	9.22%	
Cleco Corp.	CNL	\$1.00	\$30.62	3.27%	3.36%	7.00%	8.00%	3.00%	6.00%	6.31%	9.4%	11.40%	
CMS Energy Corp.	CMS	\$0.84	\$18.35	4.58%	4.72%	6.00%	7.00%	5.88%	6.29%	10.59%	11.0%	11.74%	
Consolidated Edison	ED	\$2.40	\$48.86	4.91%	5.00%	4.00%	2.50%	4.23%	3.58%	7.47%	8.6%	9.25%	
Dominion Resources, Inc.	D	\$1.97	\$43.54	4.53%	4.62%	3.80%	5.50%	3.53%	4.28%	8.13%	8.9%	10.15%	
DPL, Inc.	DPL	\$1.33	\$26.09	5.10%	5.23%	NA	6.50%	3.93%	5.22%	9.13%	10.4%	11.76%	
DTE Energy Co.	DTE	\$2.24	\$46.65	4.80%	4.93%	5.00%	5.50%	5.75%	5.42%	9.92%	10.3%	10.69%	
Empire District Electric	EDE	\$1.28	\$21.01	6.09%	6.29%	NA	7.00%	6.00%	6.50%	12.27%	12.8%	13.30%	
Entergy Corp.	ETR	\$3.32	\$74.16	4.48%	4.51%	1.50%	1.00%	2.00%	1.50%	5.50%	6.0%	6.52%	
Exelon Corp.	EXC	\$2.10	\$41.68	5.04%	NA	NA	NA	NA	NA	NA	NA	NA	
Great Plains Energy Inc.	GXP	\$0.83	\$19.09	4.35%	4.52%	9.00%	6.00%	8.90%	7.97%	10.48%	12.5%	13.54%	
IDACORP, Inc.	IDA	\$1.20	\$36.69	3.27%	3.35%	4.70%	5.50%	4.67%	4.96%	8.02%	8.3%	8.66%	
Integrus/WPS Resources	TEG	\$2.72	\$49.76	5.47%	5.72%	10.40%	9.50%	7.93%	9.28%	13.61%	15.0%	16.15%	
Northeast Utilities	NU	\$1.10	\$31.27	3.52%	3.66%	8.40%	7.50%	7.95%	7.95%	11.15%	11.6%	12.07%	
Pepco Holdings, Inc.	POM	\$1.08	\$18.39	5.87%	5.99%	4.30%	0.50%	7.00%	3.93%	6.39%	9.9%	13.08%	
PG&E Corp	PCG	\$1.82	\$46.31	3.93%	4.06%	7.70%	6.00%	6.16%	6.62%	10.05%	10.7%	11.78%	
Pinnacle West Capital	PNW	\$2.10	\$41.11	5.11%	5.26%	5.80%	6.00%	6.38%	6.06%	11.06%	11.3%	11.65%	
Portland General	POR	\$1.04	\$21.37	4.87%	4.97%	5.20%	3.00%	4.65%	4.28%	7.94%	9.3%	10.19%	
PPL Corp.	PPL	\$1.40	\$26.25	5.33%	5.44%	NA	4.00%	NA	4.00%	9.44%	9.4%	9.44%	
Progress Energy	PGN	\$2.48	\$44.22	5.61%	5.72%	4.70%	3.50%	4.28%	4.16%	9.21%	9.9%	10.44%	
Southern Co.	SO	\$1.82	\$37.48	4.86%	4.98%	5.00%	5.00%	5.24%	5.08%	9.98%	10.1%	10.22%	
TECO Energy, Inc.	TE	\$0.82	\$17.48	4.69%	4.84%	5.30%	8.00%	6.09%	6.46%	10.12%	11.3%	12.88%	
Westar Energy	WR	\$1.28	\$25.00	5.12%	5.29%	5.30%	8.50%	6.53%	6.78%	10.56%	12.1%	13.84%	
Wisconsin Energy	WEC	\$1.04	\$29.17	3.57%	3.71%	8.00%	7.50%	8.50%	8.00%	11.20%	11.7%	12.22%	
Xcel Energy, Inc.	XEL	\$1.01	\$23.32	4.33%	4.45%	5.10%	5.50%	6.19%	5.60%	9.54%	10.0%	10.66%	
				PROXY GROUP MEAN	4.74%	4.85%	5.62%	5.58%	5.72%	5.56%	9.47%	10.41%	11.30%

Notes

- [1] Source: Bloomberg
- [2] Source: Bloomberg. Based on indicated number of days historical average.
- [3] Equals Col. [1]/Col. [2]
- [4] Equals (Col. [1] x (1+(0.5 x Col. [8])))/Col. [2]
- [5] Source: Zacks
- [6] Source: Value Line
- [7] Source: Yahoo! Finance
- [8] Equals average of Cols [5], [6], [7]
- [9] Equals Min (Cols [5-7]) + (Col. [3] x (1+(0.5 x Min (Col. [5-7])))
- [10] Equals Col. [4] + Col. [8]
- [11] Equals Max (Cols [5-7]) + (Col. [3] x (1+(0.5 x Max (Col. [5-7])))

HEVERT REVISED PROXY GROUP
MULTI-STAGE DCF MODEL - 30-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Ticker	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Payout Ratio	Solver Cells	Near Term	Intermediate	Long Term	
American Electric Power	AEP	\$35.17	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	10.33%	10.33%	3.83%	4.74%	5.65%
Cleco Corp.	CNL	\$32.80	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.60%	10.60%	6.00%	5.83%	5.65%
DPL, Inc.	DPL	\$26.43	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	11.91%	11.91%	5.21%	5.43%	5.65%
Empire District Electric	EDE	\$21.39	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.15%	10.15%	6.50%	6.08%	5.65%
Great Plains Energy Inc.	GXP	\$19.42	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	12.30%	12.30%	7.97%	6.81%	5.65%
IDACORP, Inc.	IDA	\$37.44	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.51%	10.51%	4.96%	5.30%	5.65%
Pinnacle West Capital	PNW	\$42.41	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.20%	11.20%	6.06%	5.89%	5.65%
Portland General	POR	\$23.38	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.47%	10.47%	4.28%	4.97%	5.65%
Southern Co.	SO	\$37.76	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	10.20%	10.20%	5.08%	5.37%	5.65%
Westar Energy	WR	\$25.97	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.07%	11.07%	6.78%	6.21%	5.65%
MEAN:		\$ 30.22	5.67%	5.65%	63.60%	60.50%	66.42%		10.87%	5.67%	5.66%	5.65%	

Projected Annual Data

Earnings per Share		[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	Terminal
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Growth	
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%	
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%	
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%	
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%	
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%	
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%	
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%	
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%	
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%	
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%	

Projected Annual Data

Dividend Payout Ratio		[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	Terminal
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Growth
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.69%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	Terminal Price	Terminal P/E Ratio
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal	Terminal	Price	P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 78.11	15.00		
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 75.88	14.17		
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 62.02	11.22		
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 44.15	15.58		
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 43.33	10.65		
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 89.44	14.46		
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 92.00	12.64		
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 51.20	14.56		
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 80.13	15.44		
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 57.55	12.95		
Median																	14.31			

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	
Company	Ticker	Initial	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25	
American Electric Power	AEP	(\$35.17)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 81.57
Cleco Corp.	CNL	(\$32.80)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 79.43
DPL, Inc.	DPL	(\$26.43)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.68	\$ 65.69
Empire District Electric	EDE	(\$21.39)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 46.04
Great Plains Energy Inc.	GXP	(\$19.42)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 46.06
IDACORP, Inc.	IDA	(\$37.44)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 93.55
Pinnacle West Capital	PNW	(\$42.41)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 96.84
Portland General	POR	(\$23.38)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 53.54
Southern Co.	SO	(\$37.76)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 83.57
Westar Energy	WR	(\$25.97)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 60.51</

HEVERT REVISED PROXY GROUP
MULTI-STAGE DCF MODEL - 90-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Ticker	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	Payout Ratio 2015	Payout Ratio 2021	Solver Cells Delta	Solver Cells k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.68	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	10.26%	10.26%	3.83%	4.74%	5.65%
Cleco Corp.	CNL	\$31.64	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.78%	10.78%	6.00%	5.83%	5.65%
DPL, Inc.	DPL	\$26.15	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	11.97%	11.97%	5.21%	5.43%	5.65%
Empire District Electric	EDE	\$21.66	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.10%	10.10%	6.50%	6.08%	5.65%
Great Plains Energy Inc.	GXP	\$19.50	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	12.27%	12.27%	7.97%	6.81%	5.65%
IDACORP, Inc.	IDA	\$37.49	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.50%	10.50%	4.96%	5.30%	5.65%
Pinnacle West Capital	PNW	\$41.68	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.30%	11.30%	6.06%	5.86%	5.65%
Portland General	POR	\$22.50	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.66%	10.66%	4.28%	4.97%	5.65%
Southern Co.	SO	\$37.93	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	10.18%	10.18%	5.08%	5.37%	5.65%
Westar Energy	WR	\$25.65	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.14%	11.14%	6.78%	6.21%	5.65%
MEAN:		\$ 29.99	5.67%	5.65%	63.60%	60.50%	66.42%		10.92%	10.92%	5.67%	5.66%	5.65%

Projected Annual Data

Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	Terminal Growth
American Electric Power	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%	
Cleco Corp.	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%	
DPL, Inc.	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%	
Empire District Electric	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%	
Great Plains Energy Inc.	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%	
IDACORP, Inc.	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%	
Pinnacle West Capital	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%	
Portland General	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%	
Southern Co.	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%	
Westar Energy	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%	

Projected Annual Data

Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]
American Electric Power	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value	[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	Terminal Price	Terminal P/E Ratio
American Electric Power	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.66	\$ 79.25	15.22	
Cleco Corp.	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.73	\$ 73.29	13.69	
DPL, Inc.	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 3.86	\$ 61.38	11.10	
Empire District Electric	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 1.98	\$ 44.74	15.79	
Great Plains Energy Inc.	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 2.89	\$ 43.51	10.59	
IDACORP, Inc.	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.68	\$ 4.10	\$ 4.58	\$ 5.13	\$ 5.75	\$ 89.56	14.48	
Pinnacle West Capital	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 5.08	\$ 90.38	12.42	
Portland General	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 2.48	\$ 49.25	14.01	
Southern Co.	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 3.63	\$ 80.49	15.51	
Westar Energy	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 3.11	\$ 56.82	12.78	
Median																		13.85	

Projected Annual Data

Investor Cash Flows	[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	
Initial																		
Company	Ticker	Outflow	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25	
American Electric Power	AEP	(\$35.68)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$31.64)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
DPL, Inc.	DPL	(\$26.15)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
Empire District Electric	EDE	(\$21.66)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Great Plains Energy Inc.	GXP	(\$19.50)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$37.49)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.68	\$ 4.10	\$ 4.58	\$ 5.13
Pinnacle West Capital	PNW	(\$41.68)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$22.50)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
Southern Co.	SO	(\$37.93)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
Westar Energy	WR	(\$25.65)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95

HEVERT REVISED PROXY GROUP
MULTI-STAGE DCF MODEL - 180-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
	Company Ticker	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	2015	2021	Solver Cells Delta	k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.92	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	10.23%	10.23%	3.83%	4.74%	5.65%
Cleco Corp.	CNL	\$30.62	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.94%	10.94%	6.00%	5.83%	5.65%
DPL, Inc.	DPL	\$26.09	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	11.98%	11.98%	5.21%	5.43%	5.65%
Empire District Electric	EDE	\$21.01	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.24%	10.24%	6.50%	6.08%	5.65%
Great Plains Energy Inc.	GXP	\$19.09	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	12.42%	12.42%	7.97%	6.81%	5.65%
IDACORP, Inc.	IDA	\$36.69	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.60%	10.60%	4.96%	5.30%	5.65%
Pinnacle West Capital	PNW	\$41.11	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.38%	11.38%	6.06%	5.86%	5.65%
Portland General	POR	\$21.37	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.93%	10.93%	4.28%	4.97%	5.65%
Southern Co.	SO	\$37.48	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	10.23%	10.23%	5.08%	5.37%	5.65%
Westar Energy	WR	\$25.00	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.28%	11.28%	6.78%	6.21%	5.65%
MEAN:		\$ 29.44	5.67%	5.65%	63.60%	60.50%	66.42%		11.02%		5.67%	5.66%	5.65%

Projected Annual Data

Earnings per Share		[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%

Projected Annual Data

Dividend Payout Ratio		[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.00%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 79.80	15.32
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 71.00	13.26
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 61.25	11.08
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 43.31	15.28
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 42.58	10.37
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 87.76	14.18
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 89.13	12.25
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 46.74	13.29
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 79.50	15.32
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 55.38	12.46
Median																		13.28

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.92)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$30.62)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
DPL, Inc.	DPL	(\$26.09)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
Empire District Electric	EDE	(\$21.01)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Great Plains Energy Inc.	GXP	(\$19.09)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$36.69)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11
Pinnacle West Capital	PNW	(\$41.11)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$21.37)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
Southern Co.	SO	(\$37.48)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
Westar Energy	WR	(\$25.00)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95

HEVERT REVISED PROXY GROUP
MULTI-STAGE DCF MODEL - 30-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]		[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Company	Ticker	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Solver Cells	Delta	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.17	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	9.63%	9.63%	3.83%	4.74%	5.65%
Cleco Corp.	CNL	\$32.80	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.38%	10.38%	6.00%	5.83%	5.65%
DPL, Inc.	DPL	\$26.43	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	13.13%	13.13%	5.21%	5.43%	5.65%
Empire District Electric	EDE	\$21.39	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.51%	10.51%	6.50%	6.08%	5.65%
Great Plains Energy Inc.	GXP	\$19.42	7.97%	5.65%	64.00%	68.00%	66.42%	0.00	13.74%	13.74%	7.97%	6.81%	5.65%
IDACORP, Inc.	IDA	\$37.44	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.29%	10.29%	4.86%	5.30%	5.65%
Pinnacle West Capital	PNW	\$42.41	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.35%	11.35%	6.06%	5.86%	5.65%
Portland General	POR	\$23.38	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.05%	10.05%	4.28%	4.97%	5.65%
Southern Co.	SO	\$37.76	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	8.42%	8.42%	5.08%	5.37%	5.65%
Westar Energy	WR	\$25.97	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.42%	11.42%	6.78%	6.21%	5.65%
MEAN:		\$ 30.22	5.67%	5.65%	63.60%	60.50%	66.42%			10.69%	5.67%	5.66%	5.65%

Projected Annual Data

Earnings per Share		[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.13	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%

Projected Annual Data

Dividend Payout Ratio		[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$68.42	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$72.74	13.59
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$78.69	14.23
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$47.17	16.65
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$57.97	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$85.91	13.89
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$94.74	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$47.25	13.43
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$56.51	10.89
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$61.51	13.84
Median																		13.71

Projected Annual Data

Investor Cash Flows	[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.17)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$32.80)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
DPL, Inc.	DPL	(\$26.43)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
Empire District Electric	EDE	(\$21.39)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Great Plains Energy Inc.	GXP	(\$19.42)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$37.44)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11
Pinnacle West Capital	PNW	(\$42.41)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$23.38)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
Southern Co.	SO	(\$37.76)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
Westar Energy	WR	(\$25.97)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95

HEVERT REVISED PROXY GROUP
MULTI-STAGE DCF MODEL - 90-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs															
	[1]	[2]	[3]	[4]			[5]			[6]	[7]	[8]	[9]	[10]	[11]
Company	Ticker	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Payout Ratio	Delta	k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth	
American Electric Power	AEP	\$35.68	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	9.48%	9.48%	3.83%	4.74%	5.65%		
Cleco Corp.	CNL	\$31.64	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.74%	10.74%	6.00%	5.83%	5.65%		
DPL, Inc.	DPL	\$26.15	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	13.24%	13.24%	5.21%	5.43%	5.65%		
Empire District Electric	EDE	\$21.66	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.38%	10.38%	6.50%	6.08%	5.65%		
Great Plains Energy Inc.	GXP	\$19.50	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	13.69%	13.69%	7.97%	6.81%	5.65%		
IDACORP, Inc.	IDA	\$37.49	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.27%	10.27%	4.96%	5.30%	5.65%		
Pinnacle West Capital	PNW	\$41.68	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.54%	11.54%	6.06%	5.86%	5.65%		
Portland General	POR	\$22.50	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.44%	10.44%	4.28%	4.97%	5.65%		
Southern Co.	SO	\$37.93	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	8.37%	8.37%	5.08%	5.37%	5.65%		
Westar Energy	WR	\$25.65	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.55%	11.55%	6.78%	6.21%	5.65%		
MEAN:		\$ 29.99	5.67%	5.65%	63.60%	60.50%	66.42%				10.97%	5.67%	5.66%	5.65%	

Projected Annual Data																		
Earnings per Share																		
	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%

Projected Annual Data																
Dividend Payout Ratio																
	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	80.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data																		
Dividends per Share & Terminal Market Value																		
	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 68.42	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 72.74	13.59
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 78.69	14.23
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 47.17	16.65
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 57.97	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 85.91	13.89
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 94.74	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 47.25	13.43
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 65.51	10.89
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 61.51	13.84
Median																		13.71

Projected Annual Data																		
Investor Cash Flows																		
	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.68)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$31.64)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
DPL, Inc.	DPL	(\$26.15)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
Empire District Electric	EDE	(\$21.66)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Great Plains Energy Inc.	GXP	(\$19.50)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$37.49)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11
Pinnacle West Capital	PNW	(\$41.68)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$22.50)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
Southern Co.	SO	(\$37.93)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
Westar Energy	WR	(\$25.65)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95

HEVERT REVISED PROXY GROUP
MULTI-STAGE DCF MODEL - 180-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Ticker	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	Payout Ratio 2015	Payout Ratio 2021	Solver Cells Delta	Solver Cells k(e)	Solver Cells Solution	Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.92	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	9.41%	9.41%	3.83%	4.74%	5.65%
Cleco Corp.	CNL	\$30.62	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	11.07%	11.07%	6.00%	5.83%	5.65%
DPL, Inc.	DPL	\$26.09	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	13.27%	13.27%	5.21%	5.43%	5.65%
Empire District Electric	EDE	\$21.01	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.70%	10.70%	6.50%	6.08%	5.65%
Great Plains Energy Inc.	GXP	\$19.09	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	13.94%	13.94%	7.97%	6.81%	5.65%
IDACORP, Inc.	IDA	\$36.69	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.48%	10.48%	4.96%	5.30%	5.65%
Pinnacle West Capital	PNW	\$41.11	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.69%	11.69%	6.06%	5.86%	5.65%
Portland General	POR	\$21.37	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.99%	10.99%	4.28%	4.97%	5.65%
Southern Co.	SO	\$37.48	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	8.49%	8.49%	5.08%	5.37%	5.65%
Westar Energy	WR	\$25.00	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.82%	11.82%	6.78%	6.21%	5.65%
MEAN:		\$ 29.44	5.67%	5.65%	63.60%	60.50%	66.42%			11.19%	5.67%	5.66%	5.65%

Projected Annual Data

Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%

Projected Annual Data

Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value	[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 68.42	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 72.74	13.59
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 78.69	14.23
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 47.17	16.65
Great Plains Energy Inc.	GXP	\$ 1.08	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 57.97	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 85.91	13.89
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 94.74	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 47.25	13.43
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 56.51	10.89
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 61.51	13.84
Median																		13.71

Projected Annual Data

Investor Cash Flows	[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.92)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$30.62)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
DPL, Inc.	DPL	(\$26.09)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
Empire District Electric	EDE	(\$21.01)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Great Plains Energy Inc.	GXP	(\$19.09)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$36.69)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11
Pinnacle West Capital	PNW	(\$41.11)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$21.37)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
Southern Co.	SO	(\$37.48)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
Westar Energy	WR	(\$25.00)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95

COMBINED PROXY GROUP
MULTI-STAGE DCF MODEL - 30-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
													Stock
Company	Ticker	Price	Growth	Growth	2011	2015	2021	Delta	k(e)	Solution	Growth	Growth	
Alliant Energy Corp.	LNT	\$39.10	6.83%	5.65%	65.00%	60.00%	66.42%	0.00	11.11%	11.11%	6.83%	6.24%	5.65%
Ameren Corp.	AEE	\$27.64	4.00%	5.65%	62.00%	61.00%	66.42%	0.00	12.22%	12.22%	4.00%	4.82%	5.65%
American Electric Power	AEP	\$35.17	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	10.33%	10.33%	3.83%	4.74%	5.65%
Cleco Corp.	CNL	\$32.80	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.60%	10.60%	6.00%	5.83%	5.65%
CMS Energy Corp.	CMS	\$19.25	6.29%	5.65%	56.00%	60.00%	66.42%	0.00	10.77%	10.77%	6.29%	5.97%	5.65%
Consolidated Edison	ED	\$49.79	3.58%	5.65%	68.00%	63.00%	66.42%	0.00	10.10%	10.10%	3.58%	4.61%	5.65%
Dominion Resources, Inc.	D	\$44.83	4.28%	5.65%	63.00%	63.00%	66.42%	0.00	9.94%	9.94%	4.28%	4.96%	5.65%
DPL, Inc.	DPL	\$26.43	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	11.91%	11.91%	5.22%	5.43%	5.65%
DTE Energy Co.	DTE	\$47.68	5.42%	5.65%	63.00%	64.00%	66.42%	0.00	11.29%	11.29%	5.42%	5.53%	5.65%
Empire District Electric	EDE	\$21.39	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.15%	10.15%	6.50%	6.08%	5.65%
Entergy Corp.	ETR	\$69.74	1.50%	5.65%	51.00%	53.00%	66.42%	0.00	10.74%	10.74%	1.50%	3.57%	5.65%
Great Plains Energy Inc.	GXP	\$19.42	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	12.30%	12.30%	7.97%	6.81%	5.65%
IDACORP, Inc.	IDA	\$37.44	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.51%	10.51%	4.96%	5.30%	5.65%
Integrty/WPS Resources	TEG	\$49.56	9.28%	5.65%	79.00%	67.00%	66.42%	0.00	11.78%	11.78%	9.28%	7.46%	5.65%
Northeast Utilities	NU	\$34.01	7.95%	5.65%	53.00%	48.00%	66.42%	0.00	10.42%	10.42%	7.95%	6.80%	5.65%
Pepco Holdings, Inc.	POM	\$18.55	3.93%	5.65%	93.00%	73.00%	66.42%	0.00	9.65%	9.65%	3.93%	4.79%	5.65%
PG&E Corp.	PCG	\$44.79	6.62%	5.65%	59.00%	52.00%	66.42%	0.00	10.28%	10.28%	6.62%	6.14%	5.65%
Pinnacle West Capital	PNW	\$42.41	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.20%	11.20%	6.06%	5.86%	5.65%
Portland General	POR	\$23.38	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.47%	10.47%	4.28%	4.97%	5.65%
PPL Corp.	PPL	\$25.02	4.00%	5.65%	59.00%	58.00%	66.42%	0.00	11.54%	11.54%	4.00%	4.82%	5.65%
Progress Energy	PGN	\$45.55	4.16%	5.65%	80.00%	72.00%	66.42%	0.00	10.23%	10.23%	4.16%	4.90%	5.65%
Southern Co.	SO	\$37.76	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	10.20%	10.20%	5.08%	5.37%	5.65%
TECO Energy, Inc.	TE	\$18.08	6.46%	5.65%	65.00%	58.00%	66.42%	0.00	10.37%	10.37%	6.46%	6.06%	5.65%
Westar Energy	WR	\$25.97	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.07%	11.07%	6.78%	6.21%	5.65%
Wisconsin Energy	WEC	\$29.79	8.00%	5.65%	50.00%	53.00%	66.42%	0.00	10.79%	10.79%	8.00%	6.82%	5.65%
Xcel Energy, Inc.	XEL	\$23.77	5.60%	5.65%	60.00%	57.00%	66.42%	0.00	10.30%	10.30%	5.60%	5.62%	5.65%
MEAN:		\$ 34.20	5.56%	5.65%	63.81%	60.27%	66.42%		10.78%	10.78%	5.56%	5.60%	5.65%

Projected Annual Data

Company	Ticker	Earnings per Share																	Terminal Growth
		[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.34	\$ 4.61	\$ 4.89	\$ 5.18	\$ 5.47	\$ 5.78	\$ 6.11	\$ 6.45	\$ 6.82	5.65%	
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.85	\$ 4.05	\$ 4.27	\$ 4.51	\$ 4.76	\$ 5.03	\$ 5.31	\$ 5.61	5.65%	
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.98	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%	
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%	
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.00	\$ 3.17	5.65%	
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.46	\$ 4.66	\$ 4.89	\$ 5.15	\$ 5.44	\$ 5.75	\$ 6.08	\$ 6.42	\$ 6.78	5.65%	
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.90	\$ 4.09	\$ 4.31	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	\$ 5.66	\$ 5.98	5.65%	
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%	
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.42	\$ 5.72	\$ 6.03	\$ 6.37	\$ 6.73	\$ 7.11	\$ 7.52	\$ 7.94	\$ 8.39	5.65%	
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%	
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.54	\$ 7.81	\$ 8.15	\$ 8.55	\$ 9.03	\$ 9.54	\$ 10.08	\$ 10.65	\$ 11.26	5.65%	
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%	
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%	
Integrty/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.49	\$ 5.93	\$ 6.37	\$ 6.81	\$ 7.23	\$ 7.64	\$ 8.08	\$ 8.53	\$ 9.01	\$ 9.52	5.65%	
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.70	\$ 3.94	\$ 4.18	\$ 4.41	\$ 4.66	\$ 4.92	\$ 5.20	\$ 5.50	5.65%	
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.56	\$ 1.64	\$ 1.73	\$ 1.83	\$ 1.93	\$ 2.04	\$ 2.16	5.65%	
PG&E Corp.	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.11	\$ 4.37	\$ 4.63	\$ 4.91	\$ 5.20	\$ 5.49	\$ 5.80	\$ 6.13	\$ 6.47	\$ 6.84	5.65%	
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%	
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%	
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.91	\$ 3.04	\$ 3.18	\$ 3.35	\$ 3.53	\$ 3.73	\$ 3.94	\$ 4.16	\$ 4.39	\$ 4.64	5.65%	
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.02	\$ 4.22	\$ 4.43	\$ 4.67	\$ 4.94	\$ 5.22	\$ 5.51	\$ 5.82	\$ 6.15	5.65%	
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%	
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.75	\$ 1.85	\$ 1.96	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.45	\$ 2.58	\$ 2.73	5.65%	
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%	
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.04	\$ 3.25	\$ 3.48	\$ 3.70	\$ 3.92	\$ 4.15	\$ 4.38	\$ 4.63	\$ 4.89	\$ 5.17	5.65%	
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.01	\$ 3.18	\$ 3.35	\$ 3.54	5.65%	

Projected Annual Data

Company	Ticker	Dividend Payout Ratio																
		[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]		
		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	59.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.40%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
Entergy Corp.	ETR	51.00%	51.50%	52.00%	52.50%	53.00%	55.24%	57.47%	59.71%	61.95%	64.18%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	
Integrty/WPS Resources	TEG	79.00%	76.00%	73.00%	70.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.					

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53	\$ 87.61	12.85
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73	\$ 60.02	10.69
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 78.11	15.00
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 75.88	14.17
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11	\$ 43.96	13.72
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51	\$ 108.91	15.76
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97	\$ 97.76	16.36
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 62.02	11.22
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57	\$ 104.36	12.44
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.26	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 44.15	15.58
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48	\$ 155.34	13.80
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 43.33	10.55
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 89.44	14.46
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33	\$ 108.96	11.44
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65	\$ 80.87	14.71
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43	\$ 37.84	17.53
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 103.69	15.16
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 92.00	12.64
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 51.20	14.56
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08	\$ 55.35	11.92
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09	\$ 94.22	15.32
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 80.13	15.44
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81	\$ 40.57	14.86
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 57.55	12.95
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43	\$ 70.47	13.64
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35	\$ 53.49	15.09
Median																	14.31	

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$39.10)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53
Ameren Corp.	AEE	(\$27.64)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73
American Electric Power	AEP	(\$35.17)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$32.80)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
CMS Energy Corp.	CMS	(\$19.25)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11
Consolidated Edison	ED	(\$49.79)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51
Dominion Resources, Inc.	D	(\$44.83)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97
DPL, Inc.	DPL	(\$26.43)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
DTE Energy Co.	DTE	(\$47.68)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57
Empire District Electric	EDE	(\$21.39)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.26	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Entergy Corp.	ETR	(\$69.74)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48
Great Plains Energy Inc.	GXP	(\$19.42)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$37.44)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11
Integrus/WPS Resources	TEG	(\$49.56)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33
Northeast Utilities	NU	(\$34.01)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65
Pepco Holdings, Inc.	POM	(\$18.55)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43
PG&E Corp.	PCG	(\$44.79)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54
Pinnacle West Capital	PNW	(\$42.41)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$23.38)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
PPL Corp.	PPL	(\$25.02)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08
Progress Energy	PGN	(\$45.55)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09
Southern Co.	SO	(\$37.76)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
TECO Energy, Inc.	TE	(\$16.08)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81
Westar Energy	WR	(\$25.97)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95
Wisconsin Energy	WEC	(\$29.79)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43
Xcel Energy, Inc.	XEL	(\$23.77)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35

COMBINED PROXY GROUP
MULTI-STAGE DCF MODEL - 90-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Company	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	Payout Ratio 2015	Payout Ratio 2021	Solver Delta	Solver Cells (k)e	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$37.85	6.83%	5.65%	65.00%	60.00%	66.42%	0.00	11.29%	11.29%	6.83%	5.65%
Ameren Corp.	AEE	\$28.26	4.00%	5.65%	62.00%	61.00%	66.42%	0.00	12.07%	12.07%	4.00%	5.65%
American Electric Power	AEP	\$35.68	3.83%	5.65%	60.00%	60.00%	66.42%	0.00	10.26%	10.26%	3.83%	5.65%
Cleco Corp.	CNL	\$31.64	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.78%	10.78%	6.00%	5.65%
CMS Energy Corp.	CMS	\$19.03	6.29%	5.65%	59.00%	60.00%	66.42%	0.00	10.82%	10.82%	6.29%	5.65%
Consolidated Edison	ED	\$49.57	3.58%	5.65%	68.00%	63.00%	66.42%	0.00	10.12%	10.12%	3.58%	5.65%
Dominion Resources, Inc.	D	\$43.52	4.28%	5.65%	63.00%	63.00%	66.42%	0.00	10.07%	10.07%	4.28%	5.65%
DPL Inc.	DPL	\$26.15	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	11.97%	11.97%	5.22%	5.65%
DTE Energy Co.	DTE	\$46.56	5.42%	5.65%	63.00%	64.00%	66.42%	0.00	11.43%	11.43%	5.42%	5.65%
Empire District Electric	EDE	\$21.66	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.10%	10.10%	6.50%	5.65%
Entergy Corp.	ETR	\$71.26	1.50%	5.65%	51.00%	53.00%	66.42%	0.00	10.63%	10.63%	1.50%	5.65%
Great Plains Energy Inc.	GXP	\$19.50	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	12.27%	12.27%	7.97%	5.65%
IDACORP, Inc.	IDA	\$37.49	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.50%	10.50%	4.96%	5.65%
Integrus/WPS Resources	TEG	\$48.96	9.28%	5.65%	79.00%	67.00%	66.42%	0.00	11.86%	11.86%	9.28%	5.65%
Northeast Utilities	NU	\$32.83	7.95%	5.65%	53.00%	48.00%	66.42%	0.00	10.58%	10.58%	7.95%	5.65%
Pepco Holdings, Inc.	POM	\$18.49	3.93%	5.65%	93.00%	73.00%	66.42%	0.00	9.67%	9.67%	3.93%	5.65%
PG&E Corp	PCG	\$46.36	6.62%	5.65%	56.00%	52.00%	66.42%	0.00	10.13%	10.13%	6.62%	5.65%
Pinnacle West Capital	PNW	\$41.68	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.30%	11.30%	6.06%	5.65%
Portland General	POR	\$22.50	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.66%	10.66%	4.28%	5.65%
PPL Corp.	PPL	\$25.51	4.00%	5.65%	59.00%	58.00%	66.42%	0.00	11.42%	11.42%	4.00%	5.65%
Progress Energy	PGN	\$44.78	4.16%	5.65%	80.00%	72.00%	66.42%	0.00	10.32%	10.32%	4.16%	5.65%
Southern Co.	SO	\$37.93	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	10.18%	10.18%	5.08%	5.65%
TECO Energy, Inc.	TE	\$17.85	6.46%	5.65%	65.00%	58.00%	66.42%	0.00	10.43%	10.43%	6.46%	5.65%
Westar Energy	WR	\$25.65	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.14%	11.14%	6.78%	5.65%
Wisconsin Energy	WEC	\$29.70	8.00%	5.65%	50.00%	53.00%	66.42%	0.00	10.81%	10.81%	8.00%	5.65%
Xcel Energy, Inc.	XEL	\$23.89	5.60%	5.65%	60.00%	57.00%	66.42%	0.00	10.32%	10.32%	5.60%	5.65%
MEAN:		\$ 34.00	5.56%	5.65%	63.81%	60.27%	66.42%		10.81%	5.56%	5.60%	5.65%

Projected Annual Data Earnings per Share	Company	Ticker	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	Terminal Growth
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.34	\$ 4.61	\$ 4.89	\$ 5.18	\$ 5.47	\$ 5.78	\$ 6.11	\$ 6.45	\$ 6.82	\$ 7.21	5.65%	
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.85	\$ 4.05	\$ 4.27	\$ 4.51	\$ 4.76	\$ 5.03	\$ 5.31	\$ 5.61	\$ 5.95	5.65%	
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	\$ 5.51	5.65%	
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	\$ 5.65	5.65%	
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.00	\$ 3.17	\$ 3.37	5.65%	
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.46	\$ 4.66	\$ 4.89	\$ 5.15	\$ 5.44	\$ 5.75	\$ 6.08	\$ 6.42	\$ 6.78	\$ 7.16	5.65%	
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.90	\$ 4.09	\$ 4.31	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	\$ 5.66	\$ 5.98	\$ 6.33	5.65%	
DPL Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	\$ 5.85	5.65%	
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.42	\$ 5.72	\$ 6.03	\$ 6.37	\$ 6.73	\$ 7.11	\$ 7.52	\$ 7.94	\$ 8.39	\$ 8.89	5.65%	
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	\$ 2.99	5.65%	
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.54	\$ 7.81	\$ 8.15	\$ 8.55	\$ 9.03	\$ 9.54	\$ 10.08	\$ 10.65	\$ 11.26	\$ 11.92	5.65%	
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 4.35	5.65%	
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	\$ 6.55	5.65%	
Integrus/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.49	\$ 5.93	\$ 6.37	\$ 6.81	\$ 7.23	\$ 7.64	\$ 8.08	\$ 8.53	\$ 9.01	\$ 9.52	\$ 10.05	5.65%	
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.70	\$ 3.94	\$ 4.18	\$ 4.41	\$ 4.66	\$ 4.92	\$ 5.20	\$ 5.50	\$ 5.85	5.65%	
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.56	\$ 1.64	\$ 1.73	\$ 1.83	\$ 1.93	\$ 2.04	\$ 2.16	\$ 2.29	5.65%	
PG&E Corp	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.11	\$ 4.37	\$ 4.63	\$ 4.91	\$ 5.20	\$ 5.49	\$ 5.80	\$ 6.13	\$ 6.47	\$ 6.84	\$ 7.24	5.65%	
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	\$ 7.69	5.65%	
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	\$ 3.72	5.65%	
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.91	\$ 3.04	\$ 3.18	\$ 3.35	\$ 3.53	\$ 3.73	\$ 3.94	\$ 4.16	\$ 4.39	\$ 4.64	\$ 4.91	5.65%	
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.02	\$ 4.22	\$ 4.43	\$ 4.67	\$ 4.94	\$ 5.22	\$ 5.51	\$ 5.82	\$ 6.15	\$ 6.50	5.65%	
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	\$ 5.48	5.65%	
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.75	\$ 1.85	\$ 1.96	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.45	\$ 2.59	\$ 2.73	\$ 2.88	5.65%	
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	\$ 4.70	5.65%	
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.04	\$ 3.25	\$ 3.48	\$ 3.70	\$ 3.92	\$ 4.15	\$ 4.38	\$ 4.63	\$ 4.89	\$ 5.17	\$ 5.45	5.65%	
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.01	\$ 3.18	\$ 3.35	\$ 3.54	\$ 3.74	5.65%	

Projected Annual Data Dividend Payout Ratio	Company	Ticker	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.40%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Entergy Corp.	ETR	51.00%	51.50%	52.00%	52.50%	53.00%	55.24%	57.47%	59.71%	61.95%	64.18%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Integrus/WPS Resources	TEG	79.00%	76.00%	73.00%	70.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Northeast Utilities	NU	53.00%	51.75%	50.50%	49.25%	48.00%	51.07%	54.14%	57.21%	60.28%	63.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Pepco Holdings, Inc.	POM	93.00%	88.00%	83.00%	78.00%	73.00%	71.90%	70.81%	69.71%	68.61%	67.52%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
PG&E Corp	PCG	56.00%	55.00%	54.00%	53.00%	52.00%	54.40%	56.81%	59.21%	61.61%	64.02%	66.42%	66.42%	6			

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53	\$ 84.82	12.44
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73	\$ 61.38	10.93
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 79.25	15.22
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 73.29	13.69
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11	\$ 43.07	13.57
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51	\$ 106.44	15.89
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97	\$ 94.85	15.87
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 61.38	11.10
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57	\$ 101.87	12.14
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 44.74	15.79
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48	\$ 158.72	14.10
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 43.51	10.59
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 89.56	14.48
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33	\$ 107.63	11.30
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65	\$ 78.23	14.23
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43	\$ 37.69	17.46
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 107.20	15.67
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 90.38	12.42
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 49.25	14.01
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08	\$ 56.43	12.16
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09	\$ 92.54	15.04
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 80.49	15.51
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81	\$ 40.07	14.68
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 56.82	12.78
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43	\$ 70.28	13.60
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35	\$ 53.31	15.04
Median																	14.05	

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$37.85)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53
Ameren Corp.	AEE	(\$28.26)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73
American Electric Power	AEP	(\$35.68)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$31.64)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
CMS Energy Corp.	CMS	(\$19.03)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11
Consolidated Edison	ED	(\$49.57)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51
Dominion Resources, Inc.	D	(\$43.52)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97
DPL, Inc.	DPL	(\$26.15)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
DTE Energy Co.	DTE	(\$46.56)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57
Empire District Electric	EDE	(\$21.66)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Entergy Corp.	ETR	(\$71.26)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48
Great Plains Energy Inc.	GXP	(\$19.50)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$37.49)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11
Integrus/WPS Resources	TEG	(\$48.96)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33
Northeast Utilities	NU	(\$32.84)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65
Pepco Holdings, Inc.	POM	(\$18.49)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43
PG&E Corp.	PCG	(\$46.36)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54
Pinnacle West Capital	PNW	(\$41.68)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$22.50)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
PPL Corp.	PPL	(\$25.51)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08
Progress Energy	PGN	(\$44.78)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09
Southern Co.	SO	(\$37.93)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
TECO Energy, Inc.	TE	(\$17.85)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81
Westar Energy	WR	(\$25.65)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95
Wisconsin Energy	WEC	(\$29.70)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43
Xcel Energy, Inc.	XEL	(\$23.69)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35

COMBINED PROXY GROUP
MULTI-STAGE DCF MODEL - 180-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Company	Ticker	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	Payout Ratio 2015	Payout Ratio 2021	Solver Cells Delta	(k/e) Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$36.86	6.83%	5.65%	65.00%	60.00%	66.42%	0.00	11.44%	11.44%	6.83%	5.65%
Ameren Corp.	AEE	\$28.11	4.00%	5.65%	62.00%	61.00%	66.42%	0.00	12.10%	12.10%	4.00%	5.65%
American Electric Power	AEP	\$35.92	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	10.23%	10.23%	3.83%	5.65%
Cleco Corp.	CNL	\$30.62	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.94%	10.94%	6.00%	5.65%
CMS Energy Corp.	CMS	\$18.35	3.29%	5.65%	56.00%	60.00%	66.42%	0.00	11.01%	11.01%	3.29%	5.65%
Consolidated Edison	ED	\$48.86	3.58%	5.65%	68.00%	63.00%	66.42%	0.00	10.19%	10.19%	3.58%	5.65%
Dominion Resources, Inc.	D	\$43.54	4.28%	5.65%	63.00%	63.00%	66.42%	0.00	10.07%	10.07%	4.28%	5.65%
DPL Inc.	DPL	\$26.09	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	11.98%	11.98%	5.21%	5.65%
DTE Energy Co.	DTE	\$46.65	5.42%	5.65%	63.00%	64.00%	66.42%	0.00	11.42%	11.42%	5.42%	5.65%
Empire District Electric	EDE	\$21.01	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.24%	10.24%	6.50%	5.65%
Energy Corp.	ETR	\$74.16	1.50%	5.65%	51.00%	53.00%	66.42%	0.00	10.43%	10.43%	1.50%	5.65%
Great Plains Energy Inc.	GXP	\$19.09	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	12.42%	12.42%	7.97%	5.65%
IDACORP, Inc.	IDA	\$36.69	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.60%	10.60%	4.96%	5.65%
Integrus/WPS Resources	TEG	\$49.76	9.28%	5.65%	79.00%	67.00%	66.42%	0.00	11.76%	11.76%	9.28%	5.65%
Northeast Utilities	NU	\$31.27	7.95%	5.65%	53.00%	48.00%	66.42%	0.00	10.81%	10.81%	7.95%	5.65%
Pepco Holdings, Inc.	POM	\$18.39	3.93%	5.65%	93.00%	73.00%	66.42%	0.00	9.69%	9.69%	3.93%	5.65%
PG&E Corp.	PCG	\$46.31	6.62%	5.65%	56.00%	52.00%	66.42%	0.00	10.13%	10.13%	6.62%	5.65%
Pinnacle West Capital	PNW	\$41.11	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.38%	11.38%	6.06%	5.65%
Portland General	POR	\$21.37	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.93%	10.93%	4.28%	5.65%
PPL Corp.	PPL	\$26.25	4.00%	5.65%	59.00%	58.00%	66.42%	0.00	11.26%	11.26%	4.00%	5.65%
Progress Energy	PGN	\$44.22	4.16%	5.65%	80.00%	72.00%	66.42%	0.00	10.38%	10.38%	4.16%	5.65%
Southern Co.	SO	\$37.48	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	10.23%	10.23%	5.08%	5.65%
TECO Energy, Inc.	TE	\$17.48	6.46%	5.65%	65.00%	58.00%	66.42%	0.00	10.53%	10.53%	6.46%	5.65%
Westar Energy	WR	\$25.00	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.28%	11.28%	6.78%	5.65%
Wisconsin Energy	WEC	\$29.17	8.00%	5.65%	50.00%	53.00%	66.42%	0.00	10.90%	10.90%	8.00%	5.65%
Xcel Energy, Inc.	XEL	\$23.32	5.60%	5.65%	60.00%	57.00%	66.42%	0.00	10.39%	10.39%	5.60%	5.65%
MEAN:		\$ 33.73	5.56%	5.65%	63.81%	60.27%	66.42%		10.88%	5.56%	5.60%	5.65%

Projected Annual Data		[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Earnings per Share	Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
Alliant Energy Corp.	LNT		\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.34	\$ 4.61	\$ 4.89	\$ 5.18	\$ 5.47	\$ 5.78	\$ 6.11	\$ 6.45	\$ 6.82	5.65%
Ameren Corp.	AEE		\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.85	\$ 4.05	\$ 4.27	\$ 4.51	\$ 4.76	\$ 5.03	\$ 5.31	\$ 5.61	5.65%
American Electric Power	AEP		\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%
Cleco Corp.	CNL		\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%
CMS Energy Corp.	CMS		\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.00	\$ 3.17	5.65%
Consolidated Edison	ED		\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.46	\$ 4.66	\$ 4.89	\$ 5.15	\$ 5.44	\$ 5.75	\$ 6.08	\$ 6.42	\$ 6.78	5.65%
Dominion Resources, Inc.	D		\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.90	\$ 4.09	\$ 4.31	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	\$ 5.66	\$ 5.98	5.65%
DPL Inc.	DPL		\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%
DTE Energy Co.	DTE		\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.42	\$ 5.72	\$ 6.03	\$ 6.37	\$ 6.73	\$ 7.11	\$ 7.52	\$ 7.94	\$ 8.39	5.65%
Empire District Electric	EDE		\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%
Energy Corp.	ETR		\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.54	\$ 7.81	\$ 8.15	\$ 8.55	\$ 9.03	\$ 9.54	\$ 10.08	\$ 10.65	\$ 11.26	5.65%
Great Plains Energy Inc.	GXP		\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%
IDACORP, Inc.	IDA		\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%
Integrus/WPS Resources	TEG		\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.49	\$ 5.93	\$ 6.37	\$ 6.81	\$ 7.23	\$ 7.64	\$ 8.08	\$ 8.53	\$ 9.01	\$ 9.52	5.65%
Northeast Utilities	NU		\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.70	\$ 3.94	\$ 4.18	\$ 4.41	\$ 4.66	\$ 4.92	\$ 5.20	\$ 5.50	5.65%
Pepco Holdings, Inc.	POM		\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.56	\$ 1.64	\$ 1.73	\$ 1.83	\$ 1.93	\$ 2.04	\$ 2.16	5.65%
PG&E Corp.	PCG		\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.11	\$ 4.37	\$ 4.63	\$ 4.91	\$ 5.20	\$ 5.49	\$ 5.80	\$ 6.13	\$ 6.47	\$ 6.84	5.65%
Pinnacle West Capital	PNW		\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%
Portland General	POR		\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%
PPL Corp.	PPL		\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.91	\$ 3.04	\$ 3.18	\$ 3.35	\$ 3.53	\$ 3.73	\$ 3.94	\$ 4.16	\$ 4.39	\$ 4.64	5.65%
Progress Energy	PGN		\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.02	\$ 4.22	\$ 4.43	\$ 4.67	\$ 4.94	\$ 5.22	\$ 5.51	\$ 5.82	\$ 6.15	5.65%
Southern Co.	SO		\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%
TECO Energy, Inc.	TE		\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.75	\$ 1.85	\$ 1.96	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.45	\$ 2.58	\$ 2.73	5.65%
Westar Energy	WR		\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%
Wisconsin Energy	WEC		\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.04	\$ 3.25	\$ 3.48	\$ 3.70	\$ 3.92	\$ 4.15	\$ 4.38	\$ 4.63	\$ 4.89	\$ 5.17	5.65%
Xcel Energy, Inc.	XEL		\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.01	\$ 3.18	\$ 3.35	\$ 3.54	5.65%

Projected Annual Data		[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Dividend Payout Ratio	Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliant Energy Corp.	LNT		65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE		62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP		60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL		46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS		56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED		68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D		63.00%	63.00%	63.00%	63.00%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL Inc.	DPL		51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE		63.00%	63.25%	63.50%	63.75%	64.00%	64.40%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE		95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Energy Corp.	ETR		51.00%	51.50%	52.00%	52.50%	53.00%	55.24%	57.47%	59.71%	61.95%	64.18%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP		64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA		41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Integrus/WPS Resources	TEG		79.00%	76.00%	73.00%	70.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Northeast Utilities	NU		53.00%	51.75%	50.50%	49.25%	48.00%	51.07%	54.14%	57.21%	60.28%	63.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Pepco Holdings, Inc.	POM		93.00%	88.00%	83.00%	78.00%	73.00%	71.90%	70.81%	69.71%	68.61%	67.52%	66.42%	66.42%	66.42%	66.42%	66.42%
PG&E Corp.	PCG		56.00%	55.00%	54.00%												

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53	\$ 82.62	12.12
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73	\$ 61.06	10.87
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 79.80	15.32
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 71.00	13.26
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11	\$ 41.53	13.08
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51	\$ 104.86	15.46
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97	\$ 94.88	15.88
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 61.25	11.08
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57	\$ 102.07	12.17
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 43.31	15.28
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48	\$ 165.21	14.68
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 42.58	10.37
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 87.76	14.18
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33	\$ 109.42	11.49
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65	\$ 74.70	13.59
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43	\$ 37.47	17.36
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 107.08	15.66
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 89.13	12.25
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 46.74	13.29
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08	\$ 58.08	12.51
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09	\$ 91.30	14.84
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 79.50	15.32
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81	\$ 39.24	14.37
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 55.38	12.46
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43	\$ 69.09	13.37
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35	\$ 52.48	14.81
Median																	13.48	

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$36.86)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53
Ameren Corp.	AEE	(\$28.11)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73
American Electric Power	AEP	(\$35.92)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$30.62)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
CMS Energy Corp.	CMS	(\$18.35)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11
Consolidated Edison	ED	(\$48.86)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51
Dominion Resources, Inc.	D	(\$43.54)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97
DPL, Inc.	DPL	(\$26.09)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
DTE Energy Co.	DTE	(\$46.65)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57
Empire District Electric	EDE	(\$21.01)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Entergy Corp.	ETR	(\$74.16)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48
Great Plains Energy Inc.	GXP	(\$19.09)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$36.69)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11
Integrus/WPS Resources	TEG	(\$49.76)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33
Northeast Utilities	NU	(\$31.27)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65
Pepco Holdings, Inc.	POM	(\$18.39)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43
PG&E Corp.	PCG	(\$46.31)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54
Pinnacle West Capital	PNW	(\$41.11)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$21.37)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
PPL Corp.	PPL	(\$26.25)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08
Progress Energy	PGN	(\$44.22)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09
Southern Co.	SO	(\$37.48)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
TECO Energy, Inc.	TE	(\$17.48)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81
Westar Energy	WR	(\$25.00)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95
Wisconsin Energy	WEC	(\$29.17)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43
Xcel Energy, Inc.	XEL	(\$23.32)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35

COMBINED PROXY GROUP
MULTI-STAGE DCF MODEL - 30-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Payout Ratio	Solver Cells Delta	(k/e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$39.10	6.83%	5.65%	65.00%	60.00%	66.42%	0.00	11.49%	11.49%	6.83%	6.24%	5.65%
Ameren Corp.	AEE	\$27.64	4.00%	5.65%	62.00%	61.00%	66.42%	0.00	13.12%	13.12%	4.00%	4.82%	5.65%
American Electric Power	AEP	\$35.17	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	9.63%	9.63%	3.83%	4.74%	5.65%
Cleco Corp.	CNL	\$32.80	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.38%	10.38%	6.00%	5.83%	5.65%
CMS Energy Corp.	CMS	\$19.25	6.29%	5.65%	56.00%	60.00%	66.42%	0.00	10.21%	10.21%	6.29%	5.97%	5.65%
Consolidated Edison	ED	\$49.79	3.58%	5.65%	68.00%	63.00%	66.42%	0.00	9.15%	9.15%	3.58%	4.61%	5.65%
Dominion Resources, Inc.	D	\$44.83	4.28%	5.65%	63.00%	63.00%	66.42%	0.00	9.26%	9.26%	4.28%	4.96%	5.65%
DPL Inc.	DPL	\$26.43	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	13.13%	13.13%	5.21%	5.43%	5.65%
DTE Energy Co.	DTE	\$47.68	5.42%	5.65%	63.00%	64.00%	66.42%	0.00	11.22%	11.22%	5.42%	5.53%	5.65%
Empire District Electric	EDE	\$21.39	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.51%	10.51%	6.50%	6.08%	5.65%
Entergy Corp.	ETR	\$69.74	1.50%	5.65%	51.00%	53.00%	66.42%	0.00	10.34%	10.34%	1.50%	3.57%	5.65%
Great Plains Energy Inc.	GXP	\$19.42	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	13.74%	13.74%	7.97%	6.81%	5.65%
IDACORP, Inc.	IDA	\$37.44	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.29%	10.29%	4.96%	5.30%	5.65%
Integrus/WPS Resources	TEG	\$49.56	9.28%	5.65%	79.00%	67.00%	66.42%	0.00	12.78%	12.78%	9.28%	7.46%	5.65%
Northeast Utilities	NU	\$34.01	7.95%	5.65%	53.00%	48.00%	66.42%	0.00	10.30%	10.30%	7.95%	6.80%	5.65%
Pepco Holdings, Inc.	POM	\$18.55	3.93%	5.65%	93.00%	73.00%	66.42%	0.00	8.75%	8.75%	3.93%	4.79%	5.65%
PG&E Corp.	PCG	\$44.79	6.62%	5.65%	56.00%	52.00%	66.42%	0.00	9.50%	9.50%	6.62%	6.14%	5.65%
Pinnacle West Capital	PNW	\$42.41	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.35%	11.35%	6.06%	5.86%	5.65%
Portland General	POR	\$23.38	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.05%	10.05%	4.28%	4.97%	5.65%
PPL Corp.	PPL	\$25.02	4.00%	5.65%	59.00%	58.00%	66.42%	0.00	11.74%	11.74%	4.00%	4.82%	5.65%
Progress Energy	PGN	\$45.55	4.16%	5.65%	80.00%	72.00%	66.42%	0.00	9.64%	9.64%	4.16%	4.90%	5.65%
Southern Co.	SO	\$37.76	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	8.42%	8.42%	5.08%	5.37%	5.65%
TECO Energy, Inc.	TE	\$18.08	6.46%	5.65%	65.00%	58.00%	66.42%	0.00	10.30%	10.30%	6.46%	6.06%	5.65%
Westar Energy	WR	\$25.97	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.42%	11.42%	6.78%	6.21%	5.65%
Wisconsin Energy	WEC	\$29.79	8.00%	5.65%	50.00%	53.00%	66.42%	0.00	11.23%	11.23%	8.00%	6.82%	5.65%
Xcel Energy, Inc.	XEL	\$23.77	5.60%	5.65%	60.00%	57.00%	66.42%	0.00	9.73%	9.73%	5.60%	5.62%	5.65%
MEAN:		\$ 34.20	5.56%	5.65%	63.81%	60.27%	66.42%			10.68%	5.56%	5.60%	5.65%

Projected Annual Data																	Terminal	
Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Growth
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.34	\$ 4.61	\$ 4.89	\$ 5.18	\$ 5.47	\$ 5.78	\$ 6.11	\$ 6.45	\$ 6.82	5.65%
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.85	\$ 4.05	\$ 4.27	\$ 4.51	\$ 4.76	\$ 5.03	\$ 5.31	\$ 5.61	5.65%
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.00	\$ 3.17	5.65%
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.46	\$ 4.66	\$ 4.89	\$ 5.15	\$ 5.44	\$ 5.75	\$ 6.08	\$ 6.42	\$ 6.78	5.65%
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.90	\$ 4.09	\$ 4.31	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	\$ 5.66	\$ 5.98	5.65%
DPL Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.42	\$ 5.72	\$ 6.03	\$ 6.37	\$ 6.73	\$ 7.11	\$ 7.52	\$ 7.94	\$ 8.39	5.65%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.54	\$ 7.81	\$ 8.15	\$ 8.55	\$ 9.03	\$ 9.54	\$ 10.08	\$ 10.65	\$ 11.26	5.65%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%
Integrus/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.49	\$ 5.93	\$ 6.37	\$ 6.81	\$ 7.23	\$ 7.64	\$ 8.08	\$ 8.53	\$ 9.01	\$ 9.52	5.65%
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.70	\$ 3.94	\$ 4.18	\$ 4.41	\$ 4.66	\$ 4.92	\$ 5.20	\$ 5.50	5.65%
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.56	\$ 1.64	\$ 1.73	\$ 1.83	\$ 1.93	\$ 2.04	\$ 2.16	5.65%
PG&E Corp.	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.11	\$ 4.37	\$ 4.63	\$ 4.91	\$ 5.20	\$ 5.49	\$ 5.80	\$ 6.13	\$ 6.47	\$ 6.84	5.65%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.91	\$ 3.04	\$ 3.18	\$ 3.35	\$ 3.53	\$ 3.73	\$ 3.94	\$ 4.16	\$ 4.39	\$ 4.64	5.65%
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.02	\$ 4.22	\$ 4.43	\$ 4.67	\$ 4.94	\$ 5.22	\$ 5.51	\$ 5.82	\$ 6.15	5.65%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.75	\$ 1.85	\$ 1.96	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.45	\$ 2.58	\$ 2.73	5.65%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.04	\$ 3.28	\$ 3.48	\$ 3.70	\$ 3.92	\$ 4.15	\$ 4.38	\$ 4.63	\$ 4.89	\$ 5.17	5.65%
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.01	\$ 3.18	\$ 3.35	\$ 3.54	5.65%

Projected Annual Data																
Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.40%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire																

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53	\$ 94.19	13.82
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73	\$ 72.25	12.87
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 68.42	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 72.74	13.59
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11	\$ 39.09	12.31
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51	\$ 89.24	13.16
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97	\$ 86.17	14.42
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 78.69	14.23
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57	\$ 102.90	12.27
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 47.17	16.65
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48	\$ 143.86	12.78
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 57.97	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 85.91	13.89
Integrays/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33	\$ 132.91	13.99
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65	\$ 79.12	14.40
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43	\$ 32.02	14.84
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 89.65	13.11
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 94.74	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 47.25	13.43
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08	\$ 57.68	12.43
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09	\$ 84.05	13.66
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 56.51	10.89
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81	\$ 40.04	14.67
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 61.51	13.84
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43	\$ 76.43	14.80
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35	\$ 48.07	13.56
																	Median	13.62

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$39.10)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 98.72
Ameren Corp.	AEE	(\$27.64)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 75.98
American Electric Power	AEP	(\$35.17)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 71.88
Cleco Corp.	CNL	(\$32.80)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 75.29
CMS Energy Corp.	CMS	(\$19.25)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 41.20
Consolidated Edison	ED	(\$49.79)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 93.74
Dominion Resources, Inc.	D	(\$44.83)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 90.13
DPL, Inc.	DPL	(\$26.43)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 82.36
DTE Energy Co.	DTE	(\$47.68)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 108.48
Empire District Electric	EDE	(\$21.39)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 49.05
Entergy Corp.	ETR	(\$69.74)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 151.33
Great Plains Energy Inc.	GXP	(\$19.42)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 60.70
IDACORP, Inc.	IDA	(\$37.44)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 90.02
Integrays/WPS Resources	TEG	(\$49.56)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 139.24
Northeast Utilities	NU	(\$34.01)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 82.77
Pepco Holdings, Inc.	POM	(\$18.55)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 33.46
PG&E Corp.	PCG	(\$44.79)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 94.20
Pinnacle West Capital	PNW	(\$42.41)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 99.57
Portland General	POR	(\$23.38)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 49.58
PPL Corp.	PPL	(\$25.02)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 60.76
Progress Energy	PGN	(\$45.55)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 88.14
Southern Co.	SO	(\$37.76)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 59.96
TECO Energy, Inc.	TE	(\$18.08)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 41.85
Westar Energy	WR	(\$25.97)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 64.46
Wisconsin Energy	WEC	(\$29.79)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 79.86
Xcel Energy, Inc.	XEL	(\$23.77)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 50.42

COMBINED PROXY GROUP
MULTI-STAGE DCF MODEL - 90-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]		
Company	Ticker	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Payout Ratio	Solver Cells	Near Term	Intermediate	Long Term		
					2011	2015	2021		Delta	(k)e	Solution	Growth	Growth	Growth
Alliant Energy Corp.	LNT	\$37.85	6.83%	5.65%	65.00%	60.00%	66.42%	0.00	11.83%	11.83%	6.83%	6.24%	5.65%	
Ameren Corp.	AEE	\$28.26	4.00%	5.65%	62.00%	61.00%	66.42%	0.00	12.87%	12.87%	4.00%	4.82%	5.65%	
American Electric Power	AEP	\$35.68	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	9.48%	9.48%	3.83%	4.74%	5.65%	
Cleco Corp.	CNL	\$31.64	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	10.74%	10.74%	6.00%	5.83%	5.65%	
CMS Energy Corp.	CMS	\$19.93	6.29%	5.65%	56.00%	60.00%	66.42%	0.00	10.32%	10.32%	6.29%	5.97%	5.65%	
Consolidated Edison	ED	\$49.57	3.58%	5.65%	68.00%	63.00%	66.42%	0.00	9.19%	9.19%	3.58%	4.61%	5.65%	
Dominion Resources, Inc.	D	\$43.52	4.28%	5.65%	63.00%	63.00%	66.42%	0.00	9.56%	9.56%	4.28%	4.96%	5.65%	
DPL, Inc.	DPL	\$26.15	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	13.24%	13.24%	5.21%	5.43%	5.65%	
DTE Energy Co.	DTE	\$46.56	5.42%	5.65%	63.00%	64.00%	66.42%	0.00	11.48%	11.48%	5.42%	5.53%	5.65%	
Empire District Electric	EDE	\$21.66	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.38%	10.38%	6.50%	6.08%	5.65%	
Entergy Corp.	ETR	\$71.26	1.50%	5.65%	51.00%	53.00%	66.42%	0.00	10.11%	10.11%	1.50%	3.57%	5.65%	
Great Plains Energy Inc.	GXP	\$19.50	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	13.69%	13.69%	7.97%	6.81%	5.65%	
IDACORP, Inc.	IDA	\$37.49	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.27%	10.27%	4.96%	5.30%	5.65%	
Integrus/WPS Resources	TEG	\$48.96	9.28%	5.65%	79.00%	67.00%	66.42%	0.00	12.92%	12.92%	9.28%	7.46%	5.65%	
Northeast Utilities	NU	\$32.83	7.95%	5.65%	53.00%	48.00%	66.42%	0.00	10.64%	10.64%	7.95%	6.80%	5.65%	
Pepco Holdings, Inc.	POM	\$18.49	3.93%	5.65%	93.00%	73.00%	66.42%	0.00	8.79%	8.79%	3.93%	4.79%	5.65%	
PG&E Corp	PCG	\$46.36	6.62%	5.65%	56.00%	52.00%	66.42%	0.00	9.16%	9.16%	6.62%	6.14%	5.65%	
Pinnacle West Capital	PNW	\$41.68	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.54%	11.54%	6.06%	5.86%	5.65%	
Portland General	POR	\$22.50	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.44%	10.44%	4.28%	4.97%	5.65%	
PPL Corp.	PPL	\$25.51	4.00%	5.65%	59.00%	58.00%	66.42%	0.00	11.53%	11.53%	4.00%	4.82%	5.65%	
Progress Energy	PGN	\$44.78	4.16%	5.65%	80.00%	72.00%	66.42%	0.00	9.81%	9.81%	4.16%	4.90%	5.65%	
Southern Co.	SO	\$37.93	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	8.37%	8.37%	5.08%	5.37%	5.65%	
TECO Energy, Inc.	TE	\$17.85	6.46%	5.65%	65.00%	58.00%	66.42%	0.00	10.43%	10.43%	6.46%	6.06%	5.65%	
Westar Energy	WR	\$25.65	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.55%	11.55%	6.78%	6.21%	5.65%	
Wisconsin Energy	WEC	\$29.70	8.00%	5.65%	50.00%	53.00%	66.42%	0.00	11.26%	11.26%	8.00%	6.82%	5.65%	
Xcel Energy, Inc.	XEL	\$23.69	5.60%	5.65%	60.00%	57.00%	66.42%	0.00	9.76%	9.76%	5.60%	5.62%	5.65%	
MEAN:		\$ 34.00	5.56%	5.65%	63.81%	60.27%	66.42%		10.75%		5.56%	5.60%	5.65%	

Projected Annual Data																Terminal						
Earnings per Share																Growth						
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.34	\$ 4.61	\$ 4.89	\$ 5.18	\$ 5.47	\$ 5.78	\$ 6.11	\$ 6.45	\$ 6.82	\$ 7.19	\$ 7.58	\$ 7.97	\$ 8.35	\$ 8.74
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.85	\$ 4.05	\$ 4.27	\$ 4.51	\$ 4.76	\$ 5.03	\$ 5.31	\$ 5.61	\$ 5.95	\$ 6.30	\$ 6.65	\$ 7.00	\$ 7.35
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	\$ 5.55	\$ 5.90	\$ 6.25	\$ 6.60	\$ 6.95
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	\$ 5.65	\$ 5.95	\$ 6.25	\$ 6.55	\$ 6.85
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.00	\$ 3.17	\$ 3.33	\$ 3.50	\$ 3.67	\$ 3.83	\$ 4.00
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.46	\$ 4.66	\$ 4.89	\$ 5.15	\$ 5.44	\$ 5.75	\$ 6.08	\$ 6.42	\$ 6.78	\$ 7.15	\$ 7.52	\$ 7.89	\$ 8.26	\$ 8.63
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.90	\$ 4.09	\$ 4.31	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	\$ 5.66	\$ 5.98	\$ 6.30	\$ 6.62	\$ 6.94	\$ 7.26	\$ 7.58
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	\$ 5.85	\$ 6.15	\$ 6.45	\$ 6.75	\$ 7.05
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.42	\$ 5.72	\$ 6.03	\$ 6.37	\$ 6.73	\$ 7.11	\$ 7.52	\$ 7.94	\$ 8.39	\$ 8.84	\$ 9.29	\$ 9.74	\$ 10.19	\$ 10.64
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	\$ 2.98	\$ 3.12	\$ 3.26	\$ 3.40	\$ 3.54
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.54	\$ 7.81	\$ 8.15	\$ 8.55	\$ 9.03	\$ 9.54	\$ 10.08	\$ 10.65	\$ 11.26	\$ 11.87	\$ 12.48	\$ 13.09	\$ 13.70	\$ 14.31
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 4.33	\$ 4.54	\$ 4.75	\$ 4.96	\$ 5.17
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	\$ 6.52	\$ 6.85	\$ 7.18	\$ 7.51	\$ 7.84
Integrus/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.49	\$ 5.93	\$ 6.37	\$ 6.81	\$ 7.23	\$ 7.64	\$ 8.08	\$ 8.53	\$ 9.01	\$ 9.52	\$ 10.03	\$ 10.54	\$ 11.05	\$ 11.56	\$ 12.07
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.70	\$ 3.94	\$ 4.18	\$ 4.41	\$ 4.66	\$ 4.92	\$ 5.20	\$ 5.50	\$ 5.85	\$ 6.15	\$ 6.45	\$ 6.75	\$ 7.05
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.56	\$ 1.64	\$ 1.73	\$ 1.83	\$ 1.93	\$ 2.04	\$ 2.16	\$ 2.28	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.72
PG&E Corp	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.11	\$ 4.37	\$ 4.63	\$ 4.91	\$ 5.20	\$ 5.49	\$ 5.80	\$ 6.13	\$ 6.47	\$ 6.84	\$ 7.28	\$ 7.72	\$ 8.16	\$ 8.60	\$ 9.04
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	\$ 7.68	\$ 8.08	\$ 8.48	\$ 8.88	\$ 9.28
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	\$ 3.70	\$ 3.88	\$ 4.06	\$ 4.24	\$ 4.42
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.91	\$ 3.04	\$ 3.18	\$ 3.35	\$ 3.53	\$ 3.73	\$ 3.94	\$ 4.16	\$ 4.39	\$ 4.64	\$ 4.89	\$ 5.14	\$ 5.39	\$ 5.64	\$ 5.89
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.02	\$ 4.22	\$ 4.43	\$ 4.67	\$ 4.94	\$ 5.22	\$ 5.51	\$ 5.82	\$ 6.15	\$ 6.48	\$ 6.81	\$ 7.14	\$ 7.47	\$ 7.80
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	\$ 5.45	\$ 5.72	\$ 6.00	\$ 6.26	\$ 6.52
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.75	\$ 1.85	\$ 1.96	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.45	\$ 2.58	\$ 2.73	\$ 2.87	\$ 3.01	\$ 3.15	\$ 3.29	\$ 3.43
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	\$ 4.69	\$ 4.93	\$ 5.17	\$ 5.41	\$ 5.65
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.04	\$ 3.25	\$ 3.48	\$ 3.70	\$ 3.92	\$ 4.15	\$ 4.38	\$ 4.63	\$ 4.89	\$ 5.17	\$ 5.45	\$ 5.73	\$ 6.01	\$ 6.29	\$ 6.57
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.01	\$ 3.18	\$ 3.35	\$ 3.54	\$ 3.72	\$ 3.90	\$ 4.08	\$ 4.26	\$ 4.44

Projected Annual Data																Terminal
Dividend Payout Ratio																Growth
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.77%	64.54%	65.31%	66.07%	66.84%	67.61%	68.38%	69.15%	69.92%	70.69%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.00%	64.18%	65.21%	66.24%	67.27%	68.30%	69.33%	70.36%	71.39%	72.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Dividends per Share & Terminal Market Value																		
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53	\$ 94.19	13.82
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73	\$ 72.25	12.87
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 68.42	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 72.74	13.59
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11	\$ 39.09	12.31
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51	\$ 89.24	13.16
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97	\$ 86.17	14.42
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 78.69	14.23
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57	\$ 102.90	12.27
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 47.17	16.65
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48	\$ 143.86	12.78
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 57.97	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.68	\$ 4.07	\$ 4.49	\$ 4.95	\$ 85.91	13.89
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33	\$ 132.91	13.96
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65	\$ 79.12	14.40
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43	\$ 32.02	14.84
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 89.65	13.11
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 94.74	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 47.25	13.43
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08	\$ 57.68	12.43
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09	\$ 84.05	13.66
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 56.51	10.89
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81	\$ 40.04	14.67
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 61.51	13.84
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43	\$ 76.43	14.80
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35	\$ 48.07	13.56
Median																	13.62	

Projected Annual Data		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Investor Cash Flows																		
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$37.85)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 98.72
Ameren Corp.	AEE	(\$28.26)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 75.98
American Electric Power	AEP	(\$35.68)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 71.88
Cleco Corp.	CNL	(\$31.64)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 75.29
CMS Energy Corp.	CMS	(\$19.03)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 41.20
Consolidated Edison	ED	(\$49.57)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 93.74
Dominion Resources, Inc.	D	(\$43.52)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 90.13
DPL, Inc.	DPL	(\$26.15)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 82.36
DTE Energy Co.	DTE	(\$46.56)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 108.48
Empire District Electric	EDE	(\$21.66)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 49.05
Entergy Corp.	ETR	(\$71.26)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 151.33
Great Plains Energy Inc.	GXP	(\$19.50)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 60.70
IDACORP, Inc.	IDA	(\$37.49)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.68	\$ 4.07	\$ 4.49	\$ 90.02
Integrus/WPS Resources	TEG	(\$48.96)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 139.24
Northeast Utilities	NU	(\$32.84)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 82.77
Pepco Holdings, Inc.	POM	(\$18.49)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 33.46
PG&E Corp.	PCG	(\$46.36)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 94.20
Pinnacle West Capital	PNW	(\$41.68)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 99.57
Portland General	POR	(\$22.50)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 49.58
PPL Corp.	PPL	(\$25.51)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 60.76
Progress Energy	PGN	(\$44.78)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 88.14
Southern Co.	SO	(\$37.93)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 59.96
TECO Energy, Inc.	TE	(\$17.85)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 41.85
Westar Energy	WR	(\$25.65)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 64.46
Wisconsin Energy	WEC	(\$29.70)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 79.86
Xcel Energy, Inc.	XEL	(\$23.69)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 50.42

COMBINED PROXY GROUP
MULTI-STAGE DCF MODEL - 180-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Company	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Delta	Solver Cells (k/e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$36.86	6.83%	5.65%	65.00%	60.00%	66.42%	0.00	12.11%	12.11%	6.83%	5.65%
Ameren Corp.	AEE	\$28.11	4.00%	5.65%	62.00%	61.00%	66.42%	0.00	12.93%	12.93%	4.00%	5.65%
American Electric Power	AEP	\$35.92	3.83%	5.65%	60.00%	56.00%	66.42%	0.00	9.41%	9.41%	3.83%	5.65%
Cleco Corp.	CNL	\$30.62	6.00%	5.65%	46.00%	57.00%	66.42%	0.00	11.07%	11.07%	6.00%	5.65%
CMS Energy Corp.	CMS	\$18.35	6.29%	5.65%	56.00%	60.00%	66.42%	0.00	10.70%	10.70%	6.29%	5.65%
Consolidated Edison	ED	\$48.86	3.58%	5.65%	68.00%	63.00%	66.42%	0.00	9.34%	9.34%	3.58%	5.65%
Dominion Resources, Inc.	D	\$43.54	4.28%	5.65%	63.00%	63.00%	66.42%	0.00	9.55%	9.55%	4.28%	5.65%
DPL Inc.	DPL	\$26.09	5.22%	5.65%	51.00%	50.00%	66.42%	0.00	13.27%	13.27%	5.22%	5.65%
DTE Energy Co.	DTE	\$46.65	5.42%	5.65%	63.00%	64.00%	66.42%	0.00	11.46%	11.46%	5.42%	5.65%
Empire District Electric	EDE	\$21.01	6.50%	5.65%	95.00%	75.00%	66.42%	0.00	10.70%	10.70%	6.50%	5.65%
Entergy Corp.	ETR	\$74.16	1.50%	5.65%	51.00%	53.00%	66.42%	0.00	9.70%	9.70%	1.50%	5.65%
Great Plains Energy Inc.	GXP	\$19.09	7.97%	5.65%	64.00%	66.00%	66.42%	0.00	13.94%	13.94%	7.97%	5.65%
IDACORP, Inc.	IDA	\$36.69	4.96%	5.65%	41.00%	46.00%	66.42%	0.00	10.48%	10.48%	4.96%	5.65%
Integrus/WPS Resources	TEG	\$49.76	9.28%	5.65%	79.00%	67.00%	66.42%	0.00	12.74%	12.74%	9.28%	5.65%
Northeast Utilities	NU	\$31.27	7.95%	5.65%	53.00%	48.00%	66.42%	0.00	11.12%	11.12%	7.95%	5.65%
Pepco Holdings, Inc.	POM	\$18.39	3.93%	5.65%	93.00%	73.00%	66.42%	0.00	8.85%	8.85%	3.93%	5.65%
PG&E Corp.	PCG	\$46.31	6.62%	5.65%	56.00%	52.00%	66.42%	0.00	9.17%	9.17%	6.62%	5.65%
Pinnacle West Capital	PNW	\$41.11	6.06%	5.65%	67.00%	67.00%	66.42%	0.00	11.69%	11.69%	6.06%	5.65%
Portland General	POR	\$21.37	4.28%	5.65%	64.00%	60.00%	66.42%	0.00	10.99%	10.99%	4.28%	5.65%
PPL Corp.	PPL	\$26.25	4.00%	5.65%	59.00%	58.00%	66.42%	0.00	11.22%	11.22%	4.00%	5.65%
Progress Energy	PGN	\$44.22	4.16%	5.65%	80.00%	72.00%	66.42%	0.00	9.95%	9.95%	4.16%	5.65%
Southern Co.	SO	\$37.48	5.08%	5.65%	75.00%	69.00%	66.42%	0.00	8.49%	8.49%	5.08%	5.65%
TECO Energy, Inc.	TE	\$17.48	6.46%	5.65%	65.00%	58.00%	66.42%	0.00	10.64%	10.64%	6.46%	5.65%
Westar Energy	WR	\$25.00	6.78%	5.65%	73.00%	59.00%	66.42%	0.00	11.82%	11.82%	6.78%	5.65%
Wisconsin Energy	WEC	\$29.17	8.00%	5.65%	50.00%	53.00%	66.42%	0.00	11.44%	11.44%	8.00%	5.65%
Xcel Energy, Inc.	XEL	\$23.32	5.60%	5.65%	60.00%	57.00%	66.42%	0.00	9.92%	9.92%	5.60%	5.65%
MEAN:		\$ 33.73	5.56%	5.65%	63.81%	60.27%	66.42%		10.87%	5.56%	5.60%	5.65%

Projected Annual Data

Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.34	\$ 4.61	\$ 4.89	\$ 5.18	\$ 5.47	\$ 5.78	\$ 6.11	\$ 6.45	\$ 6.82	5.65%
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.85	\$ 4.05	\$ 4.27	\$ 4.51	\$ 4.76	\$ 5.03	\$ 5.31	\$ 5.61	5.65%
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.18	\$ 4.42	\$ 4.67	\$ 4.93	\$ 5.21	5.65%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.25	\$ 3.44	\$ 3.64	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	5.65%
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.00	\$ 3.17	5.65%
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.46	\$ 4.66	\$ 4.89	\$ 5.15	\$ 5.44	\$ 5.75	\$ 6.08	\$ 6.42	\$ 6.78	5.65%
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.90	\$ 4.09	\$ 4.31	\$ 4.54	\$ 4.80	\$ 5.07	\$ 5.35	\$ 5.66	\$ 5.98	5.65%
DPL Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.58	\$ 3.77	\$ 3.98	\$ 4.20	\$ 4.44	\$ 4.69	\$ 4.95	\$ 5.23	\$ 5.53	5.65%
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.42	\$ 5.72	\$ 6.03	\$ 6.37	\$ 6.73	\$ 7.11	\$ 7.52	\$ 7.94	\$ 8.39	5.65%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.40	\$ 2.54	\$ 2.68	\$ 2.83	5.65%
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.54	\$ 7.81	\$ 8.15	\$ 8.55	\$ 9.03	\$ 9.54	\$ 10.08	\$ 10.65	\$ 11.26	5.65%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.59	\$ 2.76	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	5.65%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.01	\$ 4.22	\$ 4.45	\$ 4.70	\$ 4.97	\$ 5.25	\$ 5.54	\$ 5.86	\$ 6.19	5.65%
Integrus/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.49	\$ 5.93	\$ 6.37	\$ 6.81	\$ 7.23	\$ 7.64	\$ 8.08	\$ 8.53	\$ 9.01	\$ 9.52	5.65%
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.70	\$ 3.94	\$ 4.18	\$ 4.41	\$ 4.66	\$ 4.92	\$ 5.20	\$ 5.50	5.65%
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.56	\$ 1.64	\$ 1.73	\$ 1.83	\$ 1.93	\$ 2.04	\$ 2.16	5.65%
PG&E Corp.	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.11	\$ 4.37	\$ 4.63	\$ 4.91	\$ 5.20	\$ 5.49	\$ 5.80	\$ 6.13	\$ 6.47	\$ 6.84	5.65%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.67	\$ 4.94	\$ 5.23	\$ 5.53	\$ 5.84	\$ 6.17	\$ 6.52	\$ 6.89	\$ 7.28	5.65%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.41	\$ 2.53	\$ 2.67	\$ 2.82	\$ 2.98	\$ 3.15	\$ 3.33	\$ 3.52	5.65%
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.91	\$ 3.04	\$ 3.18	\$ 3.35	\$ 3.53	\$ 3.73	\$ 3.94	\$ 4.16	\$ 4.39	\$ 4.64	5.65%
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.02	\$ 4.22	\$ 4.43	\$ 4.67	\$ 4.94	\$ 5.22	\$ 5.51	\$ 5.82	\$ 6.15	5.65%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.54	\$ 3.74	\$ 3.94	\$ 4.17	\$ 4.40	\$ 4.65	\$ 4.91	\$ 5.19	5.65%
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.75	\$ 1.85	\$ 1.96	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.45	\$ 2.58	\$ 2.73	5.65%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.01	\$ 3.19	\$ 3.38	\$ 3.57	\$ 3.77	\$ 3.98	\$ 4.21	\$ 4.45	5.65%
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.04	\$ 3.25	\$ 3.48	\$ 3.70	\$ 3.92	\$ 4.15	\$ 4.38	\$ 4.63	\$ 4.89	\$ 5.17	5.65%
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.41	\$ 2.55	\$ 2.69	\$ 2.84	\$ 3.01	\$ 3.18	\$ 3.35	\$ 3.54	5.65%

Projected Annual Data

Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.77%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.25%	63.50%	63.75%	64.00%	63.74%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.40%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Entergy Corp.	ETR	51.00%	51.50%	52.00%	52.50%											

Projected Annual Data		Dividends per Share & Terminal Market Value																		
Company	Ticker	[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]		
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio		
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53	\$ 94.19	13.82		
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73	\$ 72.25	12.87		
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 68.42	13.14		
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56	\$ 72.74	13.59		
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11	\$ 39.09	12.31		
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51	\$ 89.24	13.16		
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97	\$ 86.17	14.42		
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67	\$ 78.69	14.23		
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57	\$ 102.90	12.27		
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88	\$ 47.17	16.65		
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48	\$ 143.86	12.78		
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73	\$ 57.97	12.16		
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11	\$ 85.91	13.89		
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33	\$ 132.91	13.96		
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65	\$ 79.12	14.40		
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43	\$ 32.02	14.84		
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54	\$ 89.65	13.11		
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83	\$ 94.74	13.02		
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34	\$ 47.25	13.43		
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08	\$ 57.68	12.43		
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09	\$ 84.05	13.66		
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45	\$ 85.01	10.89		
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81	\$ 40.04	14.67		
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95	\$ 61.51	13.84		
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43	\$ 76.43	14.80		
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35	\$ 48.07	13.56		
																	Median	13.62		

Projected Annual Data		Investor Cash Flows																
Company	Ticker	[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$36.86)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.70	\$ 2.92	\$ 3.14	\$ 3.38	\$ 3.63	\$ 3.84	\$ 4.06	\$ 4.28	\$ 4.53
Ameren Corp.	AEE	(\$28.11)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.18	\$ 2.31	\$ 2.45	\$ 2.62	\$ 2.79	\$ 2.99	\$ 3.16	\$ 3.34	\$ 3.53	\$ 3.73
American Electric Power	AEP	(\$35.92)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 2.78	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46
Cleco Corp.	CNL	(\$30.62)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 2.85	\$ 3.02	\$ 3.19	\$ 3.37	\$ 3.56
CMS Energy Corp.	CMS	(\$18.35)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.47	\$ 1.58	\$ 1.69	\$ 1.79	\$ 1.89	\$ 2.00	\$ 2.11
Consolidated Edison	ED	(\$48.86)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.86	\$ 3.02	\$ 3.19	\$ 3.39	\$ 3.62	\$ 3.82	\$ 4.04	\$ 4.26	\$ 4.51
Dominion Resources, Inc.	D	(\$43.54)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.81	\$ 2.99	\$ 3.19	\$ 3.37	\$ 3.56	\$ 3.76	\$ 3.97
DPL, Inc.	DPL	(\$26.09)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.48	\$ 3.67
DTE Energy Co.	DTE	(\$46.65)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.31	\$ 3.51	\$ 3.73	\$ 3.96	\$ 4.21	\$ 4.47	\$ 4.73	\$ 4.99	\$ 5.27	\$ 5.57
Empire District Electric	EDE	(\$21.01)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.60	\$ 1.69	\$ 1.78	\$ 1.88
Entergy Corp.	ETR	(\$74.16)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.34	\$ 4.67	\$ 5.05	\$ 5.49	\$ 6.00	\$ 6.34	\$ 6.70	\$ 7.08	\$ 7.48
Great Plains Energy Inc.	GXP	(\$19.09)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 2.19	\$ 2.31	\$ 2.44	\$ 2.58	\$ 2.73
IDACORP, Inc.	IDA	(\$36.69)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.89	\$ 4.11
Integrus/WPS Resources	TEG	(\$49.76)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.96	\$ 4.25	\$ 4.54	\$ 4.81	\$ 5.08	\$ 5.36	\$ 5.67	\$ 5.99	\$ 6.33
Northeast Utilities	NU	(\$31.27)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.93	\$ 3.10	\$ 3.27	\$ 3.46	\$ 3.65
Pepco Holdings, Inc.	POM	(\$18.39)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15	\$ 1.22	\$ 1.28	\$ 1.36	\$ 1.43
PG&E Corp.	PCG	(\$46.31)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.74	\$ 3.03	\$ 3.33	\$ 3.65	\$ 3.85	\$ 4.07	\$ 4.30	\$ 4.54
Pinnacle West Capital	PNW	(\$41.11)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 3.88	\$ 4.10	\$ 4.33	\$ 4.58	\$ 4.83
Portland General	POR	(\$21.37)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 1.87	\$ 1.98	\$ 2.09	\$ 2.21	\$ 2.34
PPL Corp.	PPL	(\$26.25)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.98	\$ 2.13	\$ 2.29	\$ 2.47	\$ 2.61	\$ 2.76	\$ 2.92	\$ 3.08
Progress Energy	PGN	(\$44.22)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.82	\$ 2.92	\$ 3.03	\$ 3.15	\$ 3.28	\$ 3.46	\$ 3.66	\$ 3.87	\$ 4.09
Southern Co.	SO	(\$37.48)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 2.77	\$ 2.92	\$ 3.09	\$ 3.26	\$ 3.45
TECO Energy, Inc.	TE	(\$17.48)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.46	\$ 1.54	\$ 1.62	\$ 1.72	\$ 1.81
Westar Energy	WR	(\$25.00)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 2.37	\$ 2.50	\$ 2.65	\$ 2.79	\$ 2.95
Wisconsin Energy	WEC	(\$29.17)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.08	\$ 2.29	\$ 2.52	\$ 2.75	\$ 2.91	\$ 3.07	\$ 3.25	\$ 3.43
Xcel Energy, Inc.	XEL	(\$23.32)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.49	\$ 1.61	\$ 1.75	\$ 1.89	\$ 2.00	\$ 2.11	\$ 2.23	\$ 2.35

NOTES TO THE MULTI-STAGE DCF MODEL

Notes:

- [1] Source: Bloomberg. Based on indicated number of days historical average.
- [2] Source: First Call, Value Line & Zacks; equals average earnings growth estimate
- [3] Source: Schedule RBH-ES39
- [4] Source: Value Line
- [5] Source: Value Line
- [6] Equals industry average median historical payout ratio (1987-present)
- [7] Equals Column [1] + Column [62]
- [8] Equals result of Excel Solver function; goal: Column [7] equals \$0.00
- [9] Equals Column [8]
- [10] Equals $((\text{Column [18]} / \text{Column [14]}) ^ (1 / (2015 - 2011))) - 1$
- [11] Equals $((\text{Column [23]} / \text{Column [18]}) ^ (1 / (2020 - 2015))) - 1$
- [12] Equals $((\text{Column [28]} / \text{Column [23]}) ^ (1 / (2025 - 2020))) - 1$
- [13] Source: Value Line
- [14] Equals $\text{Column [13]} \times (1 + \text{Column [2]})$
- [15] Equals $\text{Column [14]} \times (1 + \text{Column [2]})$
- [16] Equals $\text{Column [15]} \times (1 + \text{Column [2]})$
- [17] Equals $\text{Column [16]} \times (1 + \text{Column [2]})$
- [18] Equals $\text{Column [17]} \times (1 + \text{Column [2]})$
- [19] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2016 - 2015)))) \times \text{Column [18]}$
- [20] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2017 - 2015)))) \times \text{Column [19]}$
- [21] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2018 - 2015)))) \times \text{Column [20]}$
- [22] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2019 - 2015)))) \times \text{Column [21]}$
- [23] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2020 - 2015)))) \times \text{Column [22]}$
- [24] Equals $\text{Column [23]} \times (1 + \text{Column [3]})$
- [25] Equals $\text{Column [24]} \times (1 + \text{Column [3]})$
- [26] Equals $\text{Column [25]} \times (1 + \text{Column [3]})$
- [27] Equals $\text{Column [26]} \times (1 + \text{Column [3]})$
- [28] Equals $\text{Column [27]} \times (1 + \text{Column [3]})$
- [29] Equals $(\text{Column [28]} / \text{Column [27]}) - 1$
- [30] Equals Column [4]
- [31] Equals $\text{Column [30]} + ((\text{Column [34]} - \text{Column [30]}) / 4)$
- [32] Equals $\text{Column [31]} + ((\text{Column [34]} - \text{Column [30]}) / 4)$
- [33] Equals $\text{Column [32]} + ((\text{Column [34]} - \text{Column [30]}) / 4)$
- [34] Equals Column [5]
- [35] Equals $\text{Column [34]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
- [36] Equals $\text{Column [35]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
- [37] Equals $\text{Column [36]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
- [38] Equals $\text{Column [37]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
- [39] Equals $\text{Column [38]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
- [40] Equals Column [6]
- [41] Equals Column [6]
- [42] Equals Column [6]
- [43] Equals Column [6]
- [44] Equals Column [6]
- [45] Equals $\text{Column [14]} \times \text{Column [30]}$
- [46] Equals $\text{Column [15]} \times \text{Column [31]}$
- [47] Equals $\text{Column [16]} \times \text{Column [32]}$
- [48] Equals $\text{Column [17]} \times \text{Column [33]}$
- [49] Equals $\text{Column [18]} \times \text{Column [34]}$
- [50] Equals $\text{Column [19]} \times \text{Column [35]}$
- [51] Equals $\text{Column [20]} \times \text{Column [36]}$
- [52] Equals $\text{Column [21]} \times \text{Column [37]}$
- [53] Equals $\text{Column [22]} \times \text{Column [38]}$
- [54] Equals $\text{Column [23]} \times \text{Column [39]}$
- [55] Equals $\text{Column [24]} \times \text{Column [40]}$
- [56] Equals $\text{Column [25]} \times \text{Column [41]}$
- [57] Equals $\text{Column [26]} \times \text{Column [42]}$
- [58] Equals $\text{Column [27]} \times \text{Column [43]}$
- [59] Equals $\text{Column [28]} \times \text{Column [44]}$
- [60] Equals $(\text{Column [59]} \times (1 + \text{Column [3]})) / (\text{Column [9]} - \text{Column [3]})$ or Equals $(\text{Column [28]} \times \text{Column [61]})$
- [61] Equals $\text{Column [60]} / \text{Column [28]}$ or Long-term historical company median P/E ratio
- [62] Equals negative net present value; discount rate equals Column [8], cash flows equal Column [63] through Column [78]
- [63] Equals projected current cash flows (\$0.00), establishing date of valuation
- [64] Equals Column [45]
- [65] Equals Column [46]
- [66] Equals Column [47]
- [67] Equals Column [48]
- [68] Equals Column [49]
- [69] Equals Column [50]
- [70] Equals Column [51]
- [71] Equals Column [52]
- [72] Equals Column [53]
- [73] Equals Column [54]
- [74] Equals Column [55]
- [75] Equals Column [56]
- [76] Equals Column [57]
- [77] Equals Column [58]
- [78] Equals $\text{Column [59]} + \text{Column [60]}$

HEVERT REVISED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 30-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Company	Ticker	Stock Price	EPS Growth	GDP Growth	Payout Ratio			Solver Cells		Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.17	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	10.04%	10.04%	3.83%	5.28%
Cleco Corp.	CNL	\$32.80	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.31%	10.31%	6.00%	5.28%
DPL, Inc.	DPL	\$26.43	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	11.64%	11.64%	5.21%	5.28%
Empire District Electric	EDE	\$21.39	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	9.86%	9.86%	6.50%	5.28%
Great Plains Energy Inc.	GXP	\$19.42	7.97%	5.275%	84.00%	66.00%	66.42%	0.00	12.04%	12.04%	7.97%	5.28%
IDACORP, Inc.	IDA	\$37.44	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.21%	10.21%	4.96%	5.28%
Pinnacle West Capital	PNW	\$42.41	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	10.93%	10.93%	6.06%	5.28%
Portland General	POR	\$23.38	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.18%	10.18%	4.28%	5.28%
Southern Co.	SO	\$37.76	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	9.91%	9.91%	5.08%	5.28%
Westar Energy	WR	\$25.97	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	10.79%	10.79%	6.78%	5.28%
MEAN:		\$ 30.22	5.67%	5.275%	63.60%	60.50%	66.42%		10.59%	10.59%	5.47%	5.28%

Projected Annual Data
Earnings per Share

Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%

Projected Annual Data
Dividend Payout Ratio

Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%	5.28%

Projected Annual Data
Dividends per Share & Terminal Market Value

Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 74.43	14.68
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 72.33	13.87
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 59.17	10.99
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 42.04	15.24
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 41.33	10.34
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 85.28	14.16
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 87.69	12.37
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 48.79	14.25
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 76.31	15.10
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 54.87	12.68
																Median	14.02	

Projected Annual Data
Investor Cash Flows

Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.17)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 77.79
Cleco Corp.	CNL	(\$32.80)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 75.79
DPL, Inc.	DPL	(\$26.43)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 62.75
Empire District Electric	EDE	(\$21.39)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 43.88
Great Plains Energy Inc.	GXP	(\$19.42)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 43.99
IDACORP, Inc.	IDA	(\$37.44)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 89.28
Pinnacle West Capital	PNW	(\$42.41)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 92.40
Portland General	POR	(\$23.38)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 51.06
Southern Co.	SO	(\$37.76)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 79.67
Westar Energy	WR	(\$25.97)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 57.74

HEVERT REVISED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 90-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
													Stock Price
American Electric Power	AEP	\$35.68	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	9.97%	9.97%	3.83%	4.55%	5.28%
Cleco Corp.	CNL	\$31.64	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.49%	10.49%	6.00%	5.64%	5.28%
DPL, Inc.	DPL	\$26.15	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	11.70%	11.70%	5.21%	5.24%	5.28%
Empire District Electric	EDE	\$21.66	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	9.80%	9.80%	6.50%	5.89%	5.28%
Great Plains Energy Inc.	GXP	\$19.50	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	12.01%	12.01%	7.97%	6.62%	5.28%
IDACORP, Inc.	IDA	\$37.49	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.21%	10.21%	4.96%	5.12%	5.28%
Pinnacle West Capital	PNW	\$41.68	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.03%	11.03%	6.06%	5.67%	5.28%
Portland General	POR	\$22.50	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.38%	10.38%	4.28%	4.78%	5.28%
Southern Co.	SO	\$37.93	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	9.88%	9.88%	5.08%	5.18%	5.28%
Westar Energy	WR	\$25.65	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	10.86%	10.86%	6.78%	6.03%	5.28%
MEAN:		\$ 29.99	5.67%	5.275%	63.60%	60.50%	66.42%		10.63%	10.63%	5.67%	5.47%	5.28%

Projected Annual Data

Earnings per Share	Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	\$ 5.28%	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	\$ 5.28%	5.28%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	\$ 5.28%	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	\$ 5.28%	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 5.28%	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	\$ 5.28%	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	\$ 5.28%	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	\$ 5.28%	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	\$ 5.28%	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 5.28%	5.28%

Projected Annual Data

Dividend Payout Ratio	Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value	Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 3.57	\$ 75.51	14.89
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 3.63	\$ 69.87	13.40
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 3.74	\$ 58.56	10.88
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 1.92	\$ 42.60	15.44
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 2.80	\$ 41.50	10.38
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 4.21	\$ 85.39	14.18
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 4.95	\$ 86.14	12.16
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 2.38	\$ 46.93	13.71
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 3.54	\$ 76.66	15.17
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 3.01	\$ 54.17	12.52
Median																			13.56

Projected Annual Data

Investor Cash Flows	Company	Ticker	Initial	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.68)	\$ 0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 78.88
Cleco Corp.	CNL	(\$31.64)	\$ 0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 69.87
DPL, Inc.	DPL	(\$26.15)	\$ 0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 58.56
Empire District Electric	EDE	(\$21.66)	\$ 0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 42.60
Great Plains Energy Inc.	GXP	(\$19.50)	\$ 0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 41.50
IDACORP, Inc.	IDA	(\$37.49)	\$ 0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 44.16	
Pinnacle West Capital	PNW	(\$41.68)	\$ 0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 47.05	
Portland General	POR	(\$22.50)	\$ 0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	

HEVERT REVISED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 180-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Ticker	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	Payout Ratio 2015	Payout Ratio 2021	Solver Cells Delta	Solver Cells k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.92	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	9.94%	9.94%	3.83%	4.55%	5.28%
Cleco Corp.	CNL	\$30.62	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.66%	10.66%	6.00%	5.64%	5.28%
DPL, Inc.	DPL	\$26.09	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	11.72%	11.72%	5.21%	5.24%	5.28%
Empire District Electric	EDE	\$21.01	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	9.95%	9.95%	6.50%	5.89%	5.28%
Great Plains Energy Inc.	GXP	\$19.09	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	12.16%	12.16%	7.97%	6.62%	5.28%
IDACORP, Inc.	IDA	\$36.69	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.31%	10.31%	4.96%	5.12%	5.28%
Pinnacle West Capital	PNW	\$41.11	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.11%	11.11%	6.06%	5.67%	5.28%
Portland General	POR	\$21.37	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.65%	10.65%	4.28%	4.78%	5.28%
Southern Co.	SO	\$37.48	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	9.94%	9.94%	5.08%	5.18%	5.28%
Westar Energy	WR	\$25.00	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	11.01%	11.01%	6.78%	6.03%	5.28%
MEAN:		\$ 29.44	5.67%	5.275%	63.60%	60.50%	66.42%		10.74%		5.67%	5.47%	5.28%

Projected Annual Data

Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%

Projected Annual Data

Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.00%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value	[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 76.03	15.00
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 67.89	12.99
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 58.44	10.86
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 41.24	14.95
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 40.62	10.16
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 83.68	13.89
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 84.96	11.99
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 44.55	13.01
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 75.72	14.98
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 52.80	12.20
Median																		13.00

Projected Annual Data

Investor Cash Flows	[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.92)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 79.40
Cleco Corp.	CNL	(\$30.62)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 71.15
DPL, Inc.	DPL	(\$26.09)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 62.01
Empire District Electric	EDE	(\$21.01)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 43.08
Great Plains Energy Inc.	GXP	(\$19.09)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 43.27
IDACORP, Inc.	IDA	(\$36.69)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 87.68
Pinnacle West Capital	PNW	(\$41.11)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 89.66
Portland General	POR	(\$21.37)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 46.82
Southern Co.	SO	(\$37.48)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 79.07
Westar Energy	WR	(\$25.00)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 55.67

HEVERT REVISED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 30-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Ticker	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	Payout Ratio 2015	Payout Ratio 2021	Solver Cells Delta	Solver Cells k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.17	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	9.45%	9.45%	3.83%	4.55%	5.28%
Cleco Corp.	CNL	\$32.80	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.20%	10.20%	6.00%	5.64%	5.28%
DPL, Inc.	DPL	\$26.43	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	12.95%	12.95%	5.21%	5.24%	5.28%
Empire District Electric	EDE	\$21.39	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	10.34%	10.34%	6.50%	5.89%	5.28%
Great Plains Energy Inc.	GXP	\$19.42	7.97%	5.275%	64.00%	68.00%	66.42%	0.00	13.57%	13.57%	7.97%	6.62%	5.28%
IDACORP, Inc.	IDA	\$37.44	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.11%	10.11%	4.96%	5.12%	5.28%
Pinnacle West Capital	PNW	\$42.41	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.18%	11.18%	6.06%	5.67%	5.28%
Portland General	POR	\$23.38	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	9.87%	9.87%	4.28%	4.78%	5.28%
Southern Co.	SO	\$37.76	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	8.25%	8.25%	5.08%	5.18%	5.28%
Westar Energy	WR	\$25.97	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	11.24%	11.24%	6.78%	6.03%	5.28%
MEAN:		\$ 30.22	5.67%	5.275%	63.60%	60.50%	66.42%		10.72%		5.67%	5.47%	5.28%

Projected Annual Data																		
Earnings per Share																		
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	\$ 5.28%	
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.13	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%

Projected Annual Data																
Dividend Payout Ratio																
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data																		
Dividends per Share & Terminal Market Value																		
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$66.61	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$70.82	13.59
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$76.61	14.23
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$45.93	16.65
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$56.45	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$83.65	13.89
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$92.24	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$46.00	13.43
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$55.02	10.89
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$59.89	13.84
																	Median	13.71

Projected Annual Data																		
Investor Cash Flows																		
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.17)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 69.98
Cleco Corp.	CNL	(\$32.80)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 74.28
DPL, Inc.	DPL	(\$26.43)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 80.19
Empire District Electric	EDE	(\$21.39)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 47.76
Great Plains Energy Inc.	GXP	(\$19.42)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 59.10
IDACORP, Inc.	IDA	(\$37.44)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 87.65
Pinnacle West Capital	PNW	(\$42.41)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 96.95
Portland General	POR	(\$23.38)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 48.27
Southern Co.	SO	(\$37.76)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 58.38
Westar Energy	WR	(\$25.97)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 62.77

HEVERT REVISED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 90-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Ticker	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Delta	k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.68	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	9.31%	9.31%	3.83%	4.55%	5.28%
Cleco Corp.	CNL	\$31.64	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.56%	10.56%	6.00%	5.64%	5.28%
DPL, Inc.	DPL	\$26.15	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	13.07%	13.07%	5.21%	5.24%	5.28%
Empire District Electric	EDE	\$21.66	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	10.21%	10.21%	6.50%	5.89%	5.28%
Great Plains Energy Inc.	GXP	\$19.50	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	13.52%	13.52%	7.97%	6.62%	5.28%
IDACORP, Inc.	IDA	\$37.49	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.10%	10.10%	4.96%	5.12%	5.28%
Pinnacle West Capital	PNW	\$41.68	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.37%	11.37%	6.06%	5.67%	5.28%
Portland General	POR	\$22.50	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.27%	10.27%	4.28%	4.78%	5.28%
Southern Co.	SO	\$37.93	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	8.20%	8.20%	5.08%	5.18%	5.28%
Westar Energy	WR	\$25.65	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	11.38%	11.38%	6.78%	6.03%	5.28%
MEAN:		\$ 29.99	5.67%	5.275%	63.60%	60.50%	66.42%			10.80%	5.67%	5.47%	5.28%

Projected Annual Data

Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%

Projected Annual Data

Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	80.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value	[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 66.61	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 70.82	13.59
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 76.61	14.23
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 45.93	16.65
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 56.45	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 83.65	13.89
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 92.24	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 46.00	13.43
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 55.02	10.89
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 59.89	13.84
																	Median	13.71

Projected Annual Data

Investor Cash Flows	[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.68)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 69.98
Cleco Corp.	CNL	(\$31.64)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 74.28
DPL, Inc.	DPL	(\$26.15)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 80.19
Empire District Electric	EDE	(\$21.66)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 47.76
Great Plains Energy Inc.	GXP	(\$19.50)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 99.10
IDACORP, Inc.	IDA	(\$37.49)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 87.65
Pinnacle West Capital	PNW	(\$41.68)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 96.95
Portland General	POR	(\$22.50)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 48.27
Southern Co.	SO	(\$37.93)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 58.38
Westar Energy	WR	(\$25.65)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 62.77

HEVERT REVISED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 180-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Company	Ticker	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	Payout Ratio 2015	Payout Ratio 2021	Solver Cells Delta	Solution k(e)	Near Term Growth	Intermediate Growth	Long Term Growth
American Electric Power	AEP	\$35.92	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	9.24%	9.24%	3.83%	4.55%
Cleco Corp.	CNL	\$30.62	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.89%	10.89%	6.00%	5.28%
DPL, Inc.	DPL	\$26.09	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	13.09%	13.09%	5.21%	5.28%
Empire District Electric	EDE	\$21.01	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	10.53%	10.53%	6.50%	5.28%
Great Plains Energy Inc.	GXP	\$19.09	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	13.76%	13.76%	7.97%	5.28%
IDACORP, Inc.	IDA	\$36.69	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.31%	10.31%	4.96%	5.28%
Pinnacle West Capital	PNW	\$41.11	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.52%	11.52%	6.06%	5.28%
Portland General	POR	\$21.37	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.81%	10.81%	4.28%	5.28%
Southern Co.	SO	\$37.48	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	8.33%	8.33%	5.08%	5.28%
Westar Energy	WR	\$25.00	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	11.65%	11.65%	6.78%	5.28%
MEAN:		\$ 29.44	5.67%	5.275%	63.60%	60.50%	66.42%		11.01%	11.01%	5.67%	5.28%

Projected Annual Data

Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.93	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%

Projected Annual Data

Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Portland General	POR	64.00%	63.00%	62.00%	61.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Southern Co.	SO	75.00%	73.50%	72.00%	70.50%	69.00%	68.57%	68.14%	67.71%	67.28%	66.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Westar Energy	WR	73.00%	69.50%	66.00%	62.50%	59.00%	60.24%	61.47%	62.71%	63.95%	65.18%	66.42%	66.42%	66.42%	66.42%	66.42%

Projected Annual Data

Dividends per Share & Terminal Market Value	[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 66.61	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 70.82	13.59
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 76.61	14.23
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 45.93	16.65
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 56.45	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 83.65	13.89
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 92.24	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 46.00	13.43
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 55.02	10.89
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 59.89	13.84
Median																		13.71

Projected Annual Data

Investor Cash Flows	[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
American Electric Power	AEP	(\$35.92)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 69.98
Cleco Corp.	CNL	(\$30.62)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 74.28
DPL, Inc.	DPL	(\$26.09)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 80.19
Empire District Electric	EDE	(\$21.01)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 47.76
Great Plains Energy Inc.	GXP	(\$19.09)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 59.10
IDACORP, Inc.	IDA	(\$36.69)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 87.65
Pinnacle West Capital	PNW	(\$41.11)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 96.95
Portland General	POR	(\$21.37)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 48.27
Southern Co.	SO	(\$37.48)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 58.38
Westar Energy	WR	(\$25.00)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 62.77

COMBINED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 30-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Ticker	Stock Price	EPS Growth	GDP Growth	2011 Payout Ratio	2015 Payout Ratio	2021 Payout Ratio	Delta	Solver Cells k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$39.10	6.83%	5.275%	65.00%	60.00%	66.42%	0.00	10.83%	10.83%	6.83%	6.05%	5.28%
Ameren Corp.	AEE	\$27.64	4.00%	5.275%	62.00%	61.00%	66.42%	0.00	11.95%	11.95%	4.00%	4.64%	5.28%
American Electric Power	AEP	\$35.17	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	10.04%	10.04%	3.83%	4.55%	5.28%
Cleco Corp.	CNL	\$32.80	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.31%	10.31%	6.00%	5.64%	5.28%
CMS Energy Corp.	CMS	\$19.25	6.29%	5.275%	56.00%	60.00%	66.42%	0.00	10.48%	10.48%	6.29%	5.78%	5.28%
Consolidated Edison	ED	\$49.79	3.58%	5.275%	68.00%	63.00%	66.42%	0.00	9.81%	9.81%	3.58%	4.43%	5.28%
Dominion Resources, Inc.	D	\$44.83	4.28%	5.275%	63.00%	63.00%	66.42%	0.00	9.64%	9.64%	4.28%	4.78%	5.28%
DPL, Inc.	DPL	\$26.43	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	11.64%	11.64%	5.22%	5.24%	5.28%
DTE Energy Co.	DTE	\$47.68	5.42%	5.275%	63.00%	64.00%	66.42%	0.00	11.02%	11.02%	5.42%	5.35%	5.28%
Empire District Electric	EDE	\$21.39	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	9.86%	9.86%	6.50%	5.89%	5.28%
Entergy Corp.	ETR	\$69.74	1.50%	5.275%	51.00%	53.00%	66.42%	0.00	10.45%	10.45%	1.50%	3.38%	5.28%
Great Plains Energy Inc.	GXP	\$19.42	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	12.04%	12.04%	7.97%	6.62%	5.28%
IDACORP, Inc.	IDA	\$37.44	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.21%	10.21%	4.96%	5.12%	5.28%
Integrty/WPS Resources	TEG	\$49.56	9.28%	5.275%	79.00%	67.00%	66.42%	0.00	11.52%	11.52%	9.28%	7.27%	5.28%
Northeast Utilities	NU	\$34.01	7.95%	5.275%	53.00%	48.00%	66.42%	0.00	10.13%	10.13%	7.95%	6.61%	5.28%
Pepco Holdings, Inc.	POM	\$18.55	3.93%	5.275%	93.00%	73.00%	66.42%	0.00	9.36%	9.36%	3.93%	4.60%	5.28%
PG&E Corp.	PCG	\$44.79	6.62%	5.275%	59.00%	52.00%	66.42%	0.00	9.99%	9.99%	6.62%	5.99%	5.28%
Pinnacle West Capital	PNW	\$42.41	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	10.93%	10.93%	6.06%	5.67%	5.28%
Portland General	POR	\$23.38	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.18%	10.18%	4.28%	4.78%	5.28%
PPL Corp.	PPL	\$25.02	4.00%	5.275%	59.00%	58.00%	66.42%	0.00	11.26%	11.26%	4.00%	4.64%	5.28%
Progress Energy	PGN	\$45.55	4.16%	5.275%	80.00%	72.00%	66.42%	0.00	9.94%	9.94%	4.16%	4.72%	5.28%
Southern Co.	SO	\$37.76	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	9.91%	9.91%	5.08%	5.18%	5.28%
TECO Energy, Inc.	TE	\$18.08	6.46%	5.275%	65.00%	58.00%	66.42%	0.00	10.08%	10.08%	6.46%	5.87%	5.28%
Westar Energy	WR	\$25.97	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	10.79%	10.79%	6.78%	6.03%	5.28%
Wisconsin Energy	WEC	\$29.79	8.00%	5.275%	50.00%	53.00%	66.42%	0.00	10.51%	10.51%	8.00%	6.64%	5.28%
Xcel Energy, Inc.	XEL	\$23.77	5.60%	5.275%	60.00%	57.00%	66.42%	0.00	10.01%	10.01%	5.60%	5.44%	5.28%
MEAN:		\$ 34.20	5.56%	5.275%	63.81%	60.27%	66.42%		10.50%		5.56%	5.42%	5.28%

Projected Annual Data		Earnings per Share																	Terminal				
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Growth	
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.33	\$ 4.60	\$ 4.86	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	\$ 6.30	\$ 6.64	\$ 6.99	\$ 7.34	\$ 7.69	\$ 8.04	\$ 8.39	5.28%
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.84	\$ 4.02	\$ 4.23	\$ 4.45	\$ 4.69	\$ 4.93	\$ 5.19	\$ 5.47	\$ 5.75	\$ 6.03	\$ 6.31	\$ 6.59	\$ 6.87	5.28%
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	\$ 5.32	\$ 5.57	\$ 5.82	\$ 6.07	\$ 6.32	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	\$ 5.46	\$ 5.71	\$ 5.96	\$ 6.21	\$ 6.46	5.28%
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.39	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.94	\$ 3.09	\$ 3.24	\$ 3.39	\$ 3.54	\$ 3.69	\$ 3.84	5.28%
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.45	\$ 4.65	\$ 4.86	\$ 5.11	\$ 5.38	\$ 5.66	\$ 5.96	\$ 6.27	\$ 6.60	\$ 6.93	\$ 7.26	\$ 7.59	\$ 7.92	\$ 8.25	5.28%
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.89	\$ 4.08	\$ 4.28	\$ 4.50	\$ 4.74	\$ 4.99	\$ 5.25	\$ 5.53	\$ 5.82	\$ 6.10	\$ 6.38	\$ 6.66	\$ 6.94	\$ 7.22	5.28%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	\$ 5.64	\$ 5.90	\$ 6.16	\$ 6.42	\$ 6.68	5.28%
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.41	\$ 5.70	\$ 6.00	\$ 6.32	\$ 6.65	\$ 7.00	\$ 7.37	\$ 7.76	\$ 8.17	\$ 8.58	\$ 8.99	\$ 9.40	\$ 9.81	\$ 10.22	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	\$ 2.89	\$ 3.03	\$ 3.16	\$ 3.30	\$ 3.43	5.28%
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.53	\$ 7.78	\$ 8.10	\$ 8.47	\$ 8.92	\$ 9.39	\$ 9.89	\$ 10.41	\$ 10.96	\$ 11.48	\$ 12.00	\$ 12.52	\$ 13.04	\$ 13.56	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 4.20	\$ 4.40	\$ 4.60	\$ 4.80	\$ 5.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	\$ 6.32	\$ 6.62	\$ 6.92	\$ 7.22	\$ 7.52	5.28%
Integrty/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.48	\$ 5.92	\$ 6.35	\$ 6.77	\$ 7.17	\$ 7.55	\$ 7.95	\$ 8.37	\$ 8.81	\$ 9.27	\$ 9.73	\$ 10.19	\$ 10.65	\$ 11.11	\$ 11.57	5.28%
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.69	\$ 3.91	\$ 4.14	\$ 4.36	\$ 4.59	\$ 4.83	\$ 5.08	\$ 5.35	\$ 5.62	\$ 5.89	\$ 6.16	\$ 6.43	\$ 6.70	5.28%
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71	\$ 1.80	\$ 1.90	\$ 2.00	\$ 2.10	\$ 2.20	\$ 2.30	\$ 2.40	\$ 2.50	\$ 2.60	5.28%
PG&E Corp.	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.10	\$ 4.36	\$ 4.62	\$ 4.88	\$ 5.15	\$ 5.42	\$ 5.71	\$ 6.01	\$ 6.33	\$ 6.66	\$ 6.99	\$ 7.32	\$ 7.65	\$ 7.99	\$ 8.32	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	\$ 7.45	\$ 7.81	\$ 8.17	\$ 8.53	\$ 8.89	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	\$ 3.58	\$ 3.74	\$ 3.90	\$ 4.06	\$ 4.22	5.28%
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.90	\$ 3.03	\$ 3.17	\$ 3.33	\$ 3.49	\$ 3.68	\$ 3.87	\$ 4.08	\$ 4.29	\$ 4.52	\$ 4.75	\$ 4.98	\$ 5.21	\$ 5.44	\$ 5.67	5.28%
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.01	\$ 4.20	\$ 4.41	\$ 4.63	\$ 4.88	\$ 5.13	\$ 5.40	\$ 5.68	\$ 5.99	\$ 6.29	\$ 6.59	\$ 6.89	\$ 7.19	\$ 7.49	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	\$ 5.29	\$ 5.54	\$ 5.78	\$ 6.03	\$ 6.27	5.28%
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.74	\$ 1.84	\$ 1.95	\$ 2.06	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 2.79	\$ 2.92	\$ 3.05	\$ 3.18	\$ 3.31	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.54	\$ 4.75	\$ 4.96	\$ 5.17	\$ 5.38	5.28%
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.03	\$ 3.25	\$ 3.46	\$ 3.68	\$ 3.89	\$ 4.10	\$ 4.31	\$ 4.54	\$ 4.78	\$ 5.03	\$ 5.28	\$ 5.53	\$ 5.77	\$ 6.01	\$ 6.25	5.28%
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.53	\$ 2.67	\$ 2.81	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 3.62	\$ 3.79	\$ 3.96	\$ 4.13	\$ 4.30	5.28%

Projected Annual Data		Dividend Payout Ratio																				
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	59.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66									

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 4.41	\$ 83.52	12.59
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 3.63	\$ 57.24	10.47
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 74.42	14.68
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 72.33	13.87
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 2.05	\$ 41.52	13.43
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 4.39	\$ 101.83	15.42
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 3.86	\$ 93.11	16.00
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 59.17	10.99
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 5.43	\$ 99.48	12.18
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 42.04	15.24
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 7.26	\$ 148.05	13.51
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 41.33	10.34
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 85.28	14.16
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 6.16	\$ 103.91	11.20
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 3.55	\$ 77.10	14.41
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 1.40	\$ 36.01	17.14
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 4.42	\$ 98.83	14.84
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 87.69	12.37
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 48.79	14.25
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 3.00	\$ 52.78	11.68
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 3.99	\$ 69.72	14.98
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.85	\$ 3.03	\$ 3.19	\$ 3.36	\$ 76.31	15.10
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 1.77	\$ 38.66	14.55
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 54.87	12.68
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 3.34	\$ 67.20	13.36
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 2.29	\$ 50.97	14.77
Median																	14.02	

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$39.10)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 87.93
Ameren Corp.	AEE	(\$27.64)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 60.87
American Electric Power	AEP	(\$35.17)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 77.79
Cleco Corp.	CNL	(\$32.80)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 75.79
CMS Energy Corp.	CMS	(\$19.25)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 43.57
Consolidated Edison	ED	(\$49.79)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 106.22
Dominion Resources, Inc.	D	(\$44.83)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 96.99
DPL, Inc.	DPL	(\$26.43)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 62.75
DTE Energy Co.	DTE	(\$47.68)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 104.90
Empire District Electric	EDE	(\$21.39)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 43.87
Entergy Corp.	ETR	(\$69.74)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 155.33
Great Plains Energy Inc.	GXP	(\$19.42)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 43.99
IDACORP, Inc.	IDA	(\$37.44)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 89.28
Integrus/WPS Resources	TEG	(\$49.56)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 110.07
Northeast Utilities	NU	(\$34.01)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 80.66
Pepco Holdings, Inc.	POM	(\$18.55)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 37.41
PG&E Corp.	PCG	(\$44.79)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 103.25
Pinnacle West Capital	PNW	(\$42.41)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 92.40
Portland General	POR	(\$23.38)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 51.06
PPL Corp.	PPL	(\$25.02)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 55.78
Progress Energy	PGN	(\$45.55)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 93.70
Southern Co.	SO	(\$37.76)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 79.67
TECO Energy, Inc.	TE	(\$16.08)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 40.43
Westar Energy	WR	(\$25.97)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 57.74
Wisconsin Energy	WEC	(\$29.79)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 70.54
Xcel Energy, Inc.	XEL	(\$23.77)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 53.26

COMBINED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 90-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Company	Stock Price	EPS Growth	GDP Growth	Payout Ratio 2011	Payout Ratio 2015	Payout Ratio 2021	Solver Delta	Cells (k)e	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$37.85	6.83%	5.275%	65.00%	60.00%	66.42%	0.00	11.01%	11.01%	6.83%	6.05%
Ameren Corp.	AEE	\$28.26	4.00%	5.275%	62.00%	61.00%	66.42%	0.00	11.80%	11.80%	4.00%	4.64%
American Electric Power	AEP	\$35.68	3.83%	5.275%	60.00%	60.00%	66.42%	0.00	9.97%	9.97%	3.83%	4.55%
Cleco Corp.	CNL	\$31.64	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.49%	10.49%	6.00%	5.64%
CMS Energy Corp.	CMS	\$19.03	6.28%	5.275%	66.00%	60.00%	66.42%	0.00	10.54%	10.54%	6.28%	5.78%
Consolidated Edison	ED	\$49.57	3.58%	5.275%	68.00%	63.00%	66.42%	0.00	9.83%	9.83%	3.58%	4.43%
Dominion Resources, Inc.	D	\$43.52	4.28%	5.275%	63.00%	63.00%	66.42%	0.00	9.78%	9.78%	4.28%	4.78%
DPL Inc.	DPL	\$26.15	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	11.70%	11.70%	5.22%	5.24%
DTE Energy Co.	DTE	\$46.56	5.42%	5.275%	63.00%	64.00%	66.42%	0.00	11.16%	11.16%	5.42%	5.35%
Empire District Electric	EDE	\$21.66	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	9.80%	9.80%	6.50%	5.89%
Entergy Corp.	ETR	\$71.26	1.50%	5.275%	51.00%	53.00%	66.42%	0.00	10.34%	10.34%	1.50%	3.38%
Great Plains Energy Inc.	GXP	\$19.50	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	12.01%	12.01%	7.97%	6.62%
IDACORP, Inc.	IDA	\$37.49	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.21%	10.21%	4.96%	5.12%
Integryst/WPS Resources	TEG	\$48.96	9.28%	5.275%	79.00%	67.00%	66.42%	0.00	11.59%	11.59%	9.28%	7.27%
Northeast Utilities	NU	\$32.83	7.95%	5.275%	53.00%	48.00%	66.42%	0.00	10.29%	10.29%	7.95%	6.61%
Pepco Holdings, Inc.	POM	\$18.49	3.93%	5.275%	93.00%	73.00%	66.42%	0.00	9.37%	9.37%	3.93%	4.60%
PG&E Corp.	PCG	\$46.36	6.62%	5.275%	56.00%	52.00%	66.42%	0.00	9.83%	9.83%	6.62%	5.95%
Pinnacle West Capital	PNW	\$41.68	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.03%	11.03%	6.06%	5.67%
Portland General	POR	\$22.50	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.38%	10.38%	4.28%	4.78%
PPL Corp.	PPL	\$25.51	4.00%	5.275%	59.00%	58.00%	66.42%	0.00	11.15%	11.15%	4.00%	4.64%
Progress Energy	PGN	\$44.78	4.16%	5.275%	80.00%	72.00%	66.42%	0.00	10.03%	10.03%	4.16%	4.72%
Southern Co.	SO	\$37.93	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	9.88%	9.88%	5.08%	5.18%
TECO Energy, Inc.	TE	\$17.85	6.46%	5.275%	65.00%	58.00%	66.42%	0.00	10.14%	10.14%	6.46%	5.87%
Westar Energy	WR	\$25.65	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	10.86%	10.86%	6.78%	6.03%
Wisconsin Energy	WEC	\$29.70	8.00%	5.275%	50.00%	53.00%	66.42%	0.00	10.52%	10.52%	8.00%	6.64%
Xcel Energy, Inc.	XEL	\$23.89	5.60%	5.275%	60.00%	57.00%	66.42%	0.00	10.02%	10.02%	5.60%	5.44%
MEAN:		\$ 34.00	5.56%	5.275%	63.81%	60.27%	66.42%		10.53%	10.53%	5.56%	5.42%

Projected Annual Data																	Terminal	
Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Growth
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.33	\$ 4.60	\$ 4.86	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	\$ 6.30	\$ 6.64	5.28%
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.84	\$ 4.02	\$ 4.23	\$ 4.45	\$ 4.69	\$ 4.93	\$ 5.19	\$ 5.47	5.28%
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.39	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.94	\$ 3.09	5.28%
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.45	\$ 4.65	\$ 4.86	\$ 5.11	\$ 5.38	\$ 5.66	\$ 5.96	\$ 6.27	\$ 6.60	5.28%
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.89	\$ 4.08	\$ 4.28	\$ 4.50	\$ 4.74	\$ 4.99	\$ 5.25	\$ 5.53	\$ 5.82	5.28%
DPL Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.41	\$ 5.70	\$ 6.00	\$ 6.32	\$ 6.65	\$ 7.00	\$ 7.37	\$ 7.76	\$ 8.17	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.53	\$ 7.78	\$ 8.10	\$ 8.47	\$ 8.92	\$ 9.39	\$ 9.89	\$ 10.41	\$ 10.96	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Integryst/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.48	\$ 5.92	\$ 6.35	\$ 6.77	\$ 7.17	\$ 7.55	\$ 7.95	\$ 8.37	\$ 8.81	\$ 9.27	5.28%
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.69	\$ 3.91	\$ 4.14	\$ 4.36	\$ 4.59	\$ 4.83	\$ 5.08	\$ 5.35	5.28%
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71	\$ 1.80	\$ 1.90	\$ 2.00	\$ 2.10	5.28%
PG&E Corp.	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.10	\$ 4.36	\$ 4.62	\$ 4.88	\$ 5.15	\$ 5.42	\$ 5.71	\$ 6.01	\$ 6.33	\$ 6.66	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.90	\$ 3.03	\$ 3.17	\$ 3.33	\$ 3.49	\$ 3.68	\$ 3.87	\$ 4.08	\$ 4.29	\$ 4.52	5.28%
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.01	\$ 4.20	\$ 4.41	\$ 4.63	\$ 4.88	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.74	\$ 1.84	\$ 1.95	\$ 2.06	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.03	\$ 3.25	\$ 3.46	\$ 3.68	\$ 3.89	\$ 4.10	\$ 4.31	\$ 4.54	\$ 4.78	\$ 5.03	5.28%
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.53	\$ 2.67	\$ 2.81	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	5.28%

Projected Annual Data																
Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.40%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Entergy Corp.	ETR	51.00%	51.50%	52.00%	52.50%	53.00%	55.24%	57.47%	59.71%	61.95%	64.18%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Integryst/WPS Resources	TEG	79.00%	76.00%	73.00%	70.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Northeast Utilities	NU	53.00%	51.75%	50.50%	49.25%	48.00%	51.07%	54.14%	57.21%	60.28%	63.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Pepco Holdings, Inc.	POM	93.00%	88.00%	83.00%	78.00%	73.00%	71.90%	70.81%	69.71%	68.61%	67.52%	66.42%	66.42%	66.42%	66.42%	66.42%
PG&E Corp.	PCG	56.00%	55.00%	54.00%	53.00%	52.00%	54.40%	56.81%	59.21%	61.61%	64.02%	66.42%	66.42%	66.42%	66.42%	66

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 4.41	\$ 80.87	12.19
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 3.63	\$ 58.54	10.71
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 75.51	14.89
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 69.87	13.40
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 2.05	\$ 41.05	13.28
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 4.39	\$ 101.38	15.35
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 3.86	\$ 90.34	15.53
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 58.56	10.88
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 5.43	\$ 97.11	11.89
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 42.60	15.44
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 7.28	\$ 151.27	13.81
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 41.50	10.38
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 85.39	14.18
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 6.16	\$ 102.64	11.07
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 3.55	\$ 74.59	13.94
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 1.40	\$ 35.88	17.07
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 4.42	\$ 102.17	15.34
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 86.15	12.16
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 46.93	13.71
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 3.00	\$ 53.80	11.91
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 3.98	\$ 88.12	14.71
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 76.66	15.17
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 1.77	\$ 38.19	14.37
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 54.17	12.52
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 3.34	\$ 67.01	13.32
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 2.29	\$ 50.80	14.72
Median																	13.76	

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$37.85)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 85.27
Ameren Corp.	AEE	(\$28.26)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 62.17
American Electric Power	AEP	(\$35.68)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 78.88
Cleco Corp.	CNL	(\$31.64)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 73.33
CMS Energy Corp.	CMS	(\$19.03)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 43.11
Consolidated Edison	ED	(\$49.57)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 105.76
Dominion Resources, Inc.	D	(\$43.52)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 94.20
DPL, Inc.	DPL	(\$26.15)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 62.14
DTE Energy Co.	DTE	(\$46.56)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 102.54
Empire District Electric	EDE	(\$21.66)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 44.43
Entergy Corp.	ETR	(\$71.26)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 158.55
Great Plains Energy Inc.	GXP	(\$19.50)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 44.16
IDACORP, Inc.	IDA	(\$37.49)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 89.39
Integrus/WPS Resources	TEG	(\$48.96)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 108.80
Northeast Utilities	NU	(\$32.84)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 78.15
Pepco Holdings, Inc.	POM	(\$18.49)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 37.27
PG&E Corp.	PCG	(\$46.36)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 106.59
Pinnacle West Capital	PNW	(\$41.68)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 90.85
Portland General	POR	(\$22.50)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 49.21
PPL Corp.	PPL	(\$25.51)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 56.80
Progress Energy	PGN	(\$44.78)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 92.10
Southern Co.	SO	(\$37.93)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 80.02
TECO Energy, Inc.	TE	(\$17.85)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 39.95
Westar Energy	WR	(\$25.65)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 57.05
Wisconsin Energy	WEC	(\$29.70)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 70.35
Xcel Energy, Inc.	XEL	(\$23.69)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 53.10

COMBINED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 180-DAY AVERAGE PRICE
TERMINAL VALUE - GORDON MODEL

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Payout Ratio	Solver Cells Delta	k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$36.86	6.83%	5.275%	65.00%	60.00%	66.42%	0.00	11.17%	11.17%	6.83%	6.05%	5.28%
Ameren Corp.	AEE	\$28.11	4.00%	5.275%	62.00%	61.00%	66.42%	0.00	11.84%	11.84%	4.00%	4.64%	5.28%
American Electric Power	AEP	\$35.92	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	9.94%	9.94%	3.83%	4.55%	5.28%
Cleco Corp.	CNL	\$30.62	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.66%	10.66%	6.00%	5.64%	5.28%
CMS Energy Corp.	CMS	\$18.35	6.29%	5.275%	65.00%	60.00%	66.42%	0.00	10.73%	10.73%	6.29%	5.78%	5.28%
Consolidated Edison	ED	\$48.86	3.58%	5.275%	68.00%	63.00%	66.42%	0.00	9.90%	9.90%	3.58%	4.43%	5.28%
Dominion Resources, Inc.	D	\$43.54	4.28%	5.275%	63.00%	63.00%	66.42%	0.00	9.78%	9.78%	4.28%	4.78%	5.28%
DPL Inc.	DPL	\$26.09	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	11.72%	11.72%	5.21%	5.24%	5.28%
DTE Energy Co.	DTE	\$46.65	5.42%	5.275%	63.00%	64.00%	66.42%	0.00	11.14%	11.14%	5.42%	5.35%	5.28%
Empire District Electric	EDE	\$21.01	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	9.95%	9.95%	6.50%	5.89%	5.28%
Energy Corp.	ETR	\$74.16	1.50%	5.275%	51.00%	53.00%	66.42%	0.00	10.14%	10.14%	1.50%	3.38%	5.28%
Great Plains Energy Inc.	GXP	\$19.09	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	12.16%	12.16%	7.97%	6.62%	5.28%
IDACORP, Inc.	IDA	\$36.69	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.31%	10.31%	4.96%	5.12%	5.28%
IntegrYS/WPS Resources	TEG	\$49.76	9.28%	5.275%	79.00%	67.00%	66.42%	0.00	11.49%	11.49%	9.28%	7.27%	5.28%
Northeast Utilities	NU	\$31.27	7.95%	5.275%	53.00%	48.00%	66.42%	0.00	10.53%	10.53%	7.95%	6.61%	5.28%
Pepco Holdings, Inc.	POM	\$18.39	3.93%	5.275%	93.00%	73.00%	66.42%	0.00	9.40%	9.40%	3.93%	4.60%	5.28%
PG&E Corp.	PCG	\$46.31	6.62%	5.275%	56.00%	52.00%	66.42%	0.00	9.84%	9.84%	6.62%	5.95%	5.28%
Pinnacle West Capital	PNW	\$41.11	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.11%	11.11%	6.06%	5.67%	5.28%
Portland General	POR	\$21.37	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.65%	10.65%	4.28%	4.78%	5.28%
PPL Corp.	PPL	\$26.25	4.00%	5.275%	59.00%	58.00%	66.42%	0.00	10.98%	10.98%	4.00%	4.64%	5.28%
Progress Energy	PGN	\$44.22	4.16%	5.275%	80.00%	72.00%	66.42%	0.00	10.09%	10.09%	4.16%	4.72%	5.28%
Southern Co.	SO	\$37.48	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	9.94%	9.94%	5.08%	5.18%	5.28%
TECO Energy, Inc.	TE	\$17.48	6.46%	5.275%	65.00%	58.00%	66.42%	0.00	10.24%	10.24%	6.46%	5.87%	5.28%
Westar Energy	WR	\$25.00	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	11.01%	11.01%	6.78%	6.03%	5.28%
Wisconsin Energy	WEC	\$29.17	8.00%	5.275%	50.00%	53.00%	66.42%	0.00	10.61%	10.61%	8.00%	6.64%	5.28%
Xcel Energy, Inc.	XEL	\$23.32	5.60%	5.275%	60.00%	57.00%	66.42%	0.00	10.10%	10.10%	5.60%	5.44%	5.28%
MEAN:		\$ 33.73	5.56%	5.275%	63.81%	60.27%	66.42%		10.59%	10.59%	5.56%	5.42%	5.28%

Projected Annual Data																	Terminal	
Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Growth
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.33	\$ 4.60	\$ 4.86	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	\$ 6.30	\$ 6.64	5.28%
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.84	\$ 4.02	\$ 4.23	\$ 4.45	\$ 4.69	\$ 4.93	\$ 5.19	\$ 5.47	5.28%
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.39	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.94	\$ 3.09	5.28%
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.45	\$ 4.65	\$ 4.86	\$ 5.11	\$ 5.38	\$ 5.66	\$ 5.96	\$ 6.27	\$ 6.60	5.28%
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.89	\$ 4.08	\$ 4.28	\$ 4.50	\$ 4.74	\$ 4.99	\$ 5.25	\$ 5.53	\$ 5.82	5.28%
DPL Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.41	\$ 5.70	\$ 6.00	\$ 6.32	\$ 6.65	\$ 7.00	\$ 7.37	\$ 7.76	\$ 8.17	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Energy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.53	\$ 7.78	\$ 8.10	\$ 8.47	\$ 8.92	\$ 9.39	\$ 9.89	\$ 10.41	\$ 10.96	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
IntegrYS/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.48	\$ 5.92	\$ 6.35	\$ 6.77	\$ 7.17	\$ 7.55	\$ 7.95	\$ 8.37	\$ 8.81	\$ 9.27	5.28%
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.69	\$ 3.91	\$ 4.14	\$ 4.36	\$ 4.59	\$ 4.83	\$ 5.08	\$ 5.35	5.28%
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71	\$ 1.80	\$ 1.90	\$ 2.00	\$ 2.10	5.28%
PG&E Corp.	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.10	\$ 4.36	\$ 4.62	\$ 4.88	\$ 5.15	\$ 5.42	\$ 5.71	\$ 6.01	\$ 6.33	\$ 6.66	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.90	\$ 3.03	\$ 3.17	\$ 3.33	\$ 3.49	\$ 3.68	\$ 3.87	\$ 4.08	\$ 4.29	\$ 4.52	5.28%
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.01	\$ 4.20	\$ 4.41	\$ 4.63	\$ 4.88	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.74	\$ 1.84	\$ 1.95	\$ 2.06	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.03	\$ 3.25	\$ 3.46	\$ 3.68	\$ 3.89	\$ 4.10	\$ 4.31	\$ 4.54	\$ 4.78	\$ 5.03	5.28%
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.53	\$ 2.67	\$ 2.81	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	5.28%

Projected Annual Data																
Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.74%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.40%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Energy Corp.	ETR	51.00%	51.50%	52.00%	52.50%	53.00%	55.24%	57.47%	59.71%	61.95%	64.18%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
IntegrYS/WPS Resources	TEG	79.00%	76.00%	73.00%	70.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Northeast Utilities	NU	53.00%	51.75%	50.50%	49.25%	48.00%	51.07%	54.14%	57.21%	60.28%	63.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Pepco Holdings, Inc.	POM	93.00%	88.00%	83.00%	78.00%	73.00%	71.90%	70.81%	69.71							

Projected Annual Data		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Dividends per Share & Terminal Market Value																	Terminal Price	Terminal P/E Ratio
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 4.41	\$ 78.78	11.87
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 3.63	\$ 58.23	10.65
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 76.03	15.00
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 67.69	12.99
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 2.05	\$ 39.60	12.81
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 4.39	\$ 99.87	15.12
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 3.86	\$ 90.38	15.53
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 58.44	10.86
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 5.43	\$ 97.31	11.91
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 41.24	14.95
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 7.28	\$ 157.43	14.37
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 40.62	10.16
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 83.68	13.89
IntegrYS/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 6.16	\$ 104.34	11.25
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 3.55	\$ 71.24	13.31
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 1.40	\$ 35.66	16.97
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 4.42	\$ 102.05	15.32
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 84.96	11.99
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 44.55	13.01
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 3.00	\$ 55.37	12.25
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 3.98	\$ 86.94	14.52
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 75.72	14.98
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 1.77	\$ 37.40	14.07
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 52.80	12.20
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 3.34	\$ 65.88	13.10
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 2.29	\$ 50.02	14.49
																	Median	13.21

Projected Annual Data		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Investor Cash Flows																		
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$36.86)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 83.19
Ameren Corp.	AEE	(\$28.11)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 61.86
American Electric Power	AEP	(\$35.92)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 79.40
Cleco Corp.	CNL	(\$30.62)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 71.15
CMS Energy Corp.	CMS	(\$18.35)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 41.65
Consolidated Edison	ED	(\$48.86)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 104.26
Dominion Resources, Inc.	D	(\$43.54)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 94.24
DPL, Inc.	DPL	(\$26.09)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 62.01
DTE Energy Co.	DTE	(\$46.65)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 102.73
Empire District Electric	EDE	(\$21.01)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 43.08
Entergy Corp.	ETR	(\$74.16)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 164.71
Great Plains Energy Inc.	GXP	(\$19.09)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 43.27
IDACORP, Inc.	IDA	(\$36.69)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 87.68
IntegrYS/WPS Resources	TEG	(\$49.76)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 110.50
Northeast Utilities	NU	(\$31.27)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 74.80
Pepco Holdings, Inc.	POM	(\$18.39)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 37.06
PG&E Corp.	PCG	(\$46.31)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 106.47
Pinnacle West Capital	PNW	(\$41.11)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 89.66
Portland General	POR	(\$21.37)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 46.82
PPL Corp.	PPL	(\$26.25)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 58.38
Progress Energy	PGN	(\$44.22)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 90.92
Southern Co.	SO	(\$37.48)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 79.07
TECO Energy, Inc.	TE	(\$17.48)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 39.16
Westar Energy	WR	(\$25.00)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 55.67
Wisconsin Energy	WEC	(\$29.17)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 69.22
Xcel Energy, Inc.	XEL	(\$23.32)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 52.31

COMBINED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 30-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]			
													Company	Ticker	Stock Price
Alliant Energy Corp.	LNT	\$39.10	6.83%	5.275%	65.00%	60.00%	66.42%	0.00	11.31%	11.31%	6.83%	6.05%	5.28%		
Ameren Corp.	AEE	\$27.64	4.00%	5.275%	62.00%	61.00%	66.42%	0.00	12.95%	12.95%	4.00%	4.64%	5.28%		
American Electric Power	AEP	\$35.17	3.83%	5.275%	60.00%	60.00%	66.42%	0.00	9.45%	9.45%	3.83%	4.55%	5.28%		
Cleco Corp.	CNL	\$32.80	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.20%	10.20%	6.00%	5.84%	5.28%		
CMS Energy Corp.	CMS	\$19.25	6.29%	5.275%	56.00%	60.00%	66.42%	0.00	10.04%	10.04%	6.29%	5.78%	5.28%		
Consolidated Edison	ED	\$49.79	3.58%	5.275%	68.00%	63.00%	66.42%	0.00	8.98%	8.98%	3.58%	4.43%	5.28%		
Dominion Resources, Inc.	D	\$44.83	4.28%	5.275%	63.00%	63.00%	66.42%	0.00	9.08%	9.08%	4.28%	4.78%	5.28%		
DPL Inc.	DPL	\$26.43	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	12.95%	12.95%	5.21%	5.24%	5.28%		
DTE Energy Co.	DTE	\$47.68	5.42%	5.275%	63.00%	64.00%	66.42%	0.00	11.05%	11.05%	5.42%	5.35%	5.28%		
Empire District Electric	EDE	\$21.39	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	10.34%	10.34%	6.50%	5.89%	5.28%		
Entergy Corp.	ETR	\$69.74	1.50%	5.275%	51.00%	53.00%	66.42%	0.00	10.16%	10.16%	1.50%	3.38%	5.28%		
Great Plains Energy Inc.	GXP	\$19.42	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	13.57%	13.57%	7.97%	6.62%	5.28%		
IDACORP, Inc.	IDA	\$37.44	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.11%	10.11%	4.96%	5.12%	5.28%		
Integryst/WPS Resources	TEG	\$49.56	9.28%	5.275%	79.00%	67.00%	66.42%	0.00	12.61%	12.61%	9.28%	7.27%	5.28%		
Northeast Utilities	NU	\$34.01	7.95%	5.275%	53.00%	48.00%	66.42%	0.00	10.12%	10.12%	7.95%	6.61%	5.28%		
Pepco Holdings, Inc.	POM	\$18.55	3.93%	5.275%	93.00%	73.00%	66.42%	0.00	8.58%	8.58%	3.93%	4.60%	5.28%		
PG&E Corp.	PCG	\$44.79	6.62%	5.275%	56.00%	52.00%	66.42%	0.00	9.32%	9.32%	6.62%	5.95%	5.28%		
Pinnacle West Capital	PNW	\$42.41	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.18%	11.18%	6.06%	5.67%	5.28%		
Portland General	POR	\$23.38	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	9.87%	9.87%	4.28%	4.78%	5.28%		
PPL Corp.	PPL	\$25.02	4.00%	5.275%	59.00%	58.00%	66.42%	0.00	11.57%	11.57%	4.00%	4.64%	5.28%		
Progress Energy	PGN	\$45.55	4.16%	5.275%	80.00%	72.00%	66.42%	0.00	9.47%	9.47%	4.16%	4.72%	5.28%		
Southern Co.	SO	\$37.76	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	8.25%	8.25%	5.08%	5.18%	5.28%		
TECO Energy, Inc.	TE	\$18.08	6.46%	5.275%	65.00%	58.00%	66.42%	0.00	10.13%	10.13%	6.46%	5.87%	5.28%		
Westar Energy	WR	\$25.97	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	11.24%	11.24%	6.78%	6.03%	5.28%		
Wisconsin Energy	WEC	\$29.79	8.00%	5.275%	50.00%	53.00%	66.42%	0.00	11.05%	11.05%	8.00%	6.64%	5.28%		
Xcel Energy, Inc.	XEL	\$23.77	5.60%	5.275%	60.00%	57.00%	66.42%	0.00	9.56%	9.56%	5.60%	5.44%	5.28%		
MEAN:		\$ 34.20	5.56%	5.275%	63.81%	60.27%	66.42%		10.51%	10.51%	5.56%	5.42%	5.28%		

Projected Annual Data

Earnings per Share		[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.33	\$ 4.60	\$ 4.86	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	\$ 6.30	\$ 6.64	5.28%
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.84	\$ 4.02	\$ 4.23	\$ 4.45	\$ 4.69	\$ 4.93	\$ 5.19	\$ 5.47	5.28%
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.39	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.94	\$ 3.09	5.28%
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.45	\$ 4.65	\$ 4.86	\$ 5.11	\$ 5.38	\$ 5.66	\$ 5.96	\$ 6.27	\$ 6.60	5.28%
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.89	\$ 4.08	\$ 4.28	\$ 4.50	\$ 4.74	\$ 4.99	\$ 5.25	\$ 5.53	\$ 5.82	5.28%
DPL Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.41	\$ 5.70	\$ 6.00	\$ 6.32	\$ 6.65	\$ 7.00	\$ 7.37	\$ 7.76	\$ 8.17	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.53	\$ 7.78	\$ 8.10	\$ 8.47	\$ 8.92	\$ 9.39	\$ 9.89	\$ 10.41	\$ 10.96	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Integryst/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.48	\$ 5.92	\$ 6.35	\$ 6.77	\$ 7.17	\$ 7.55	\$ 7.95	\$ 8.37	\$ 8.81	\$ 9.27	5.28%
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.69	\$ 3.91	\$ 4.14	\$ 4.36	\$ 4.59	\$ 4.83	\$ 5.08	\$ 5.35	5.28%
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71	\$ 1.80	\$ 1.90	\$ 2.00	\$ 2.10	5.28%
PG&E Corp.	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.10	\$ 4.36	\$ 4.62	\$ 4.88	\$ 5.15	\$ 5.42	\$ 5.71	\$ 6.01	\$ 6.33	\$ 6.66	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.90	\$ 3.03	\$ 3.17	\$ 3.33	\$ 3.49	\$ 3.68	\$ 3.87	\$ 4.08	\$ 4.29	\$ 4.52	5.28%
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.01	\$ 4.20	\$ 4.41	\$ 4.63	\$ 4.88	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.74	\$ 1.84	\$ 1.95	\$ 2.06	\$ 2.18	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.03	\$ 3.25	\$ 3.46	\$ 3.68	\$ 3.89	\$ 4.10	\$ 4.31	\$ 4.54	\$ 4.78	\$ 5.03	5.28%
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.53	\$ 2.67	\$ 2.81	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	5.28%

Projected Annual Data

Dividend Payout Ratio		[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	6											

Projected Annual Data		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Dividends per Share & Terminal Market Value																		
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 4.41	\$ 91.71	13.82
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 3.63	\$ 70.34	12.87
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 66.61	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 70.82	13.59
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 2.05	\$ 38.06	12.31
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 4.39	\$ 86.88	13.16
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 3.86	\$ 83.89	14.42
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 76.61	14.23
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 5.43	\$ 100.19	12.27
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 45.93	16.65
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 7.28	\$ 140.04	12.78
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 56.45	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 83.65	13.89
Integryst/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 6.16	\$ 129.42	13.96
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 3.55	\$ 77.04	14.40
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 1.40	\$ 31.18	14.84
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 4.42	\$ 87.29	13.11
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 92.24	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 46.00	13.43
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 3.00	\$ 56.16	12.43
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 3.98	\$ 81.83	13.66
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 55.02	10.89
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 1.77	\$ 38.98	14.67
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 59.89	13.84
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 3.34	\$ 74.42	14.80
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 2.29	\$ 46.80	13.56
Median																		13.62

Projected Annual Data		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Investor Cash Flows																		
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$39.10)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 96.12
Ameren Corp.	AEE	(\$27.64)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 73.97
American Electric Power	AEP	(\$35.17)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 69.98
Cleco Corp.	CNL	(\$32.80)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 74.28
CMS Energy Corp.	CMS	(\$19.25)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 40.12
Consolidated Edison	ED	(\$49.79)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 91.27
Dominion Resources, Inc.	D	(\$44.83)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 87.75
DPL, Inc.	DPL	(\$26.43)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 80.19
DTE Energy Co.	DTE	(\$47.68)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 105.62
Empire District Electric	EDE	(\$21.39)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 47.76
Entergy Corp.	ETR	(\$69.74)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 147.32
Great Plains Energy Inc.	GXP	(\$19.42)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 59.10
IDACORP, Inc.	IDA	(\$37.44)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 87.65
Integryst/WPS Resources	TEG	(\$49.56)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 135.58
Northeast Utilities	NU	(\$34.01)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 80.60
Pepco Holdings, Inc.	POM	(\$18.55)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 32.57
PG&E Corp.	PCG	(\$44.79)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 91.72
Pinnacle West Capital	PNW	(\$42.41)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 96.95
Portland General	POR	(\$23.38)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 48.27
PPL Corp.	PPL	(\$25.02)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 59.16
Progress Energy	PGN	(\$45.55)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 85.81
Southern Co.	SO	(\$37.76)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 58.38
TECO Energy, Inc.	TE	(\$18.08)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 40.75
Westar Energy	WR	(\$25.97)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 62.77
Wisconsin Energy	WEC	(\$29.79)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 77.76
Xcel Energy, Inc.	XEL	(\$23.77)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 49.09

COMBINED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 90-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]		
Company	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Payout Ratio	Solver Cells	Delta	(k/e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$37.85	6.83%	5.275%	65.00%	60.00%	66.42%	0.00	11.66%	11.66%	6.83%	6.05%	5.28%	
Ameren Corp.	AEE	\$28.26	4.00%	5.275%	62.00%	61.00%	66.42%	0.00	12.70%	12.70%	4.00%	4.64%	5.28%	
American Electric Power	AEP	\$35.68	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	9.31%	9.31%	3.83%	4.55%	5.28%	
Cleco Corp.	CNL	\$31.64	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.56%	10.56%	6.00%	5.64%	5.28%	
CMS Energy Corp.	CMS	\$19.93	6.29%	5.275%	56.00%	60.00%	66.42%	0.00	10.15%	10.15%	6.29%	5.78%	5.28%	
Consolidated Edison	ED	\$49.57	3.58%	5.275%	68.00%	63.00%	66.42%	0.00	9.02%	9.02%	3.58%	4.43%	5.28%	
Dominion Resources, Inc.	D	\$43.52	4.28%	5.275%	63.00%	63.00%	66.42%	0.00	9.38%	9.38%	4.28%	4.78%	5.28%	
DPL Inc.	DPL	\$26.15	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	13.07%	13.07%	5.21%	5.24%	5.28%	
DTE Energy Co.	DTE	\$46.56	5.42%	5.275%	63.00%	64.00%	66.42%	0.00	11.31%	11.31%	5.42%	5.35%	5.28%	
Empire District Electric	EDE	\$21.66	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	10.21%	10.21%	6.50%	5.89%	5.28%	
Entergy Corp.	ETR	\$71.26	1.50%	5.275%	51.00%	53.00%	66.42%	0.00	9.94%	9.94%	1.50%	3.38%	5.28%	
Great Plains Energy Inc.	GXP	\$19.50	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	13.52%	13.52%	7.97%	6.62%	5.28%	
IDACORP, Inc.	IDA	\$37.49	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.10%	10.10%	4.96%	5.12%	5.28%	
Integryst/WPS Resources	TEG	\$48.96	9.28%	5.275%	79.00%	67.00%	66.42%	0.00	10.24%	10.24%	9.28%	7.27%	5.28%	
Northeast Utilities	NU	\$32.83	7.95%	5.275%	53.00%	48.00%	66.42%	0.00	10.47%	10.47%	7.95%	6.61%	5.28%	
Pepco Holdings, Inc.	POM	\$18.49	3.93%	5.275%	93.00%	73.00%	66.42%	0.00	8.62%	8.62%	3.93%	4.60%	5.28%	
PG&E Corp.	PCG	\$46.36	6.62%	5.275%	56.00%	52.00%	66.42%	0.00	8.99%	8.99%	6.62%	5.95%	5.28%	
Pinnacle West Capital	PNW	\$41.68	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.37%	11.37%	6.06%	5.67%	5.28%	
Portland General	POR	\$22.50	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.27%	10.27%	4.28%	4.78%	5.28%	
PPL Corp.	PPL	\$25.51	4.00%	5.275%	59.00%	58.00%	66.42%	0.00	11.36%	11.36%	4.00%	4.64%	5.28%	
Progress Energy	PGN	\$44.78	4.16%	5.275%	80.00%	72.00%	66.42%	0.00	9.64%	9.64%	4.16%	4.72%	5.28%	
Southern Co.	SO	\$37.93	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	8.20%	8.20%	5.08%	5.18%	5.28%	
TECO Energy, Inc.	TE	\$17.85	6.46%	5.275%	65.00%	58.00%	66.42%	0.00	10.25%	10.25%	6.46%	5.87%	5.28%	
Westar Energy	WR	\$25.65	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	11.38%	11.38%	6.78%	6.03%	5.28%	
Wisconsin Energy	WEC	\$29.70	8.00%	5.275%	50.00%	53.00%	66.42%	0.00	11.08%	11.08%	8.00%	6.64%	5.28%	
Xcel Energy, Inc.	XEL	\$23.69	5.60%	5.275%	60.00%	57.00%	66.42%	0.00	9.59%	9.59%	5.60%	5.44%	5.28%	
MEAN:		\$ 34.00	5.56%	5.275%	63.81%	60.27%	66.42%		10.57%		5.56%	5.42%	5.28%	

Projected Annual Data																		
Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	Terminal Growth
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.33	\$ 4.60	\$ 4.86	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	\$ 6.30	\$ 6.64	5.28%
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.84	\$ 4.02	\$ 4.23	\$ 4.45	\$ 4.69	\$ 4.93	\$ 5.19	\$ 5.47	5.28%
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.39	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.94	\$ 3.09	5.28%
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.45	\$ 4.65	\$ 4.86	\$ 5.11	\$ 5.38	\$ 5.66	\$ 5.96	\$ 6.27	\$ 6.60	5.28%
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.89	\$ 4.08	\$ 4.28	\$ 4.50	\$ 4.74	\$ 4.99	\$ 5.25	\$ 5.53	\$ 5.82	5.28%
DPL Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.41	\$ 5.70	\$ 6.00	\$ 6.32	\$ 6.65	\$ 7.00	\$ 7.37	\$ 7.76	\$ 8.17	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.53	\$ 7.78	\$ 8.10	\$ 8.47	\$ 8.92	\$ 9.39	\$ 9.89	\$ 10.41	\$ 10.96	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Integryst/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.48	\$ 5.92	\$ 6.35	\$ 6.77	\$ 7.17	\$ 7.55	\$ 7.95	\$ 8.37	\$ 8.81	\$ 9.27	5.28%
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.69	\$ 3.91	\$ 4.14	\$ 4.36	\$ 4.59	\$ 4.83	\$ 5.08	\$ 5.35	5.28%
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71	\$ 1.80	\$ 1.90	\$ 2.00	\$ 2.10	5.28%
PG&E Corp.	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.10	\$ 4.36	\$ 4.62	\$ 4.88	\$ 5.15	\$ 5.42	\$ 5.71	\$ 6.01	\$ 6.33	\$ 6.66	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.90	\$ 3.03	\$ 3.17	\$ 3.33	\$ 3.49	\$ 3.68	\$ 3.87	\$ 4.08	\$ 4.29	\$ 4.52	5.28%
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.01	\$ 4.20	\$ 4.41	\$ 4.63	\$ 4.88	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.74	\$ 1.84	\$ 1.95	\$ 2.06	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.03	\$ 3.25	\$ 3.46	\$ 3.68	\$ 3.89	\$ 4.10	\$ 4.31	\$ 4.54	\$ 4.78	\$ 5.03	5.28%
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.53	\$ 2.67	\$ 2.81	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	5.28%

Projected Annual Data																
Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.00%	63.00%	63.00%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.00%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Entergy Corp.	ETR	51.00%	51.50%	52.00%	52.50%	53.00%	55.24%	57.47%	59.71%	61.95%	64.18%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Integryst/WPS Resources	TEG	79.00%	76.00%	73.00%	70.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Northeast Utilities	NU	53.00%	51.75%	50.50%	49.25%	48.00%	51.07%	54.14%	57.21%	60.28%	63.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Pepco Holdings, Inc.	POM	93.00%	88.00%	83.00%	78.00%	73.00%	71.90%	70.81%	69.71%	68.61%	67.52%	66.42%	66.42%	66.42%	66.42%	66.42%
PG&E Corp.	PCG	56.00%	55.00%	54.00%	53.00%	52.00%	54.40%	56.81%	59.21%	61.61%	64.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Pinnacle West Capital	PNW	67.00%	67.00%	67.00%	67.00%	67.00%	66.90%	66.81%								

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 4.41	\$ 91.71	13.82
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 3.63	\$ 70.34	12.87
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 66.61	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 70.82	13.59
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 2.05	\$ 38.06	12.31
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 4.39	\$ 86.88	13.16
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 3.86	\$ 83.89	14.42
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 76.61	14.23
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 5.43	\$ 100.19	12.27
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 45.03	16.65
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 7.28	\$ 140.04	12.78
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.68	\$ 56.45	14.12
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 83.65	13.89
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 6.16	\$ 129.42	13.96
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 3.55	\$ 77.04	14.40
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 1.40	\$ 31.18	14.84
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 4.42	\$ 87.29	13.11
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 92.24	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 46.00	13.43
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 3.00	\$ 56.16	12.43
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 3.98	\$ 81.83	13.66
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 55.02	10.89
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 1.77	\$ 38.98	14.67
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 59.89	13.84
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 3.34	\$ 74.42	14.80
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 2.29	\$ 46.80	13.56
	Median																	13.62

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$37.85)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 96.12
Ameren Corp.	AEE	(\$28.26)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 73.97
American Electric Power	AEP	(\$35.68)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 69.98
Cleco Corp.	CNL	(\$31.64)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 74.28
CMS Energy Corp.	CMS	(\$19.03)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 40.12
Consolidated Edison	ED	(\$49.57)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 91.27
Dominion Resources, Inc.	D	(\$43.52)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 87.75
DPL, Inc.	DPL	(\$26.15)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 80.19
DTE Energy Co.	DTE	(\$46.56)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 105.62
Empire District Electric	EDE	(\$21.66)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 47.76
Entergy Corp.	ETR	(\$71.26)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 147.32
Great Plains Energy Inc.	GXP	(\$19.50)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 59.10
IDACORP, Inc.	IDA	(\$37.49)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 87.65
Integrus/WPS Resources	TEG	(\$48.96)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 135.58
Northeast Utilities	NU	(\$32.84)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 80.60
Pepco Holdings, Inc.	POM	(\$18.49)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 32.57
PG&E Corp.	PCG	(\$46.36)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 91.72
Pinnacle West Capital	PNW	(\$41.68)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 96.95
Portland General	POR	(\$22.50)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 48.27
PPL Corp.	PPL	(\$25.51)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 59.16
Progress Energy	PGN	(\$44.78)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 85.81
Southern Co.	SO	(\$37.93)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 58.38
TECO Energy, Inc.	TE	(\$17.85)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 40.75
Westar Energy	WR	(\$25.65)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 62.77
Wisconsin Energy	WEC	(\$29.70)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 77.76
Xcel Energy, Inc.	XEL	(\$23.69)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 49.09

COMBINED PROXY GROUP
5.275% AVERAGE GROWTH RATE
MULTI-STAGE DCF MODEL - 180-DAY AVERAGE PRICE
TERMINAL VALUE - LONG TERM PRICE-TO-EARNINGS RATIO

Inputs	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	
Company	Stock Price	EPS Growth	GDP Growth	2011	2015	2021	Payout Ratio	Solver Cells Delta	k(e)	Solution	Near Term Growth	Intermediate Growth	Long Term Growth
Alliant Energy Corp.	LNT	\$36.86	6.83%	5.275%	65.00%	60.00%	66.42%	0.00	11.94%	11.94%	6.83%	6.05%	5.28%
Ameren Corp.	AEE	\$28.11	4.00%	5.275%	62.00%	61.00%	66.42%	0.00	12.76%	12.76%	4.00%	4.64%	5.28%
American Electric Power	AEP	\$35.92	3.83%	5.275%	60.00%	56.00%	66.42%	0.00	9.24%	9.24%	3.83%	4.55%	5.28%
Cleco Corp.	CNL	\$30.62	6.00%	5.275%	46.00%	57.00%	66.42%	0.00	10.89%	10.89%	6.00%	5.64%	5.28%
CMS Energy Corp.	CMS	\$18.35	3.29%	5.275%	56.00%	60.00%	66.42%	0.00	10.53%	10.53%	3.29%	5.78%	5.28%
Consolidated Edison	ED	\$48.86	3.58%	5.275%	68.00%	63.00%	66.42%	0.00	9.17%	9.17%	3.58%	4.43%	5.28%
Dominion Resources, Inc.	D	\$43.54	4.28%	5.275%	63.00%	63.00%	66.42%	0.00	9.38%	9.38%	4.28%	4.78%	5.28%
DPL, Inc.	DPL	\$26.09	5.22%	5.275%	51.00%	50.00%	66.42%	0.00	13.09%	13.09%	5.22%	5.24%	5.28%
DTE Energy Co.	DTE	\$46.65	5.42%	5.275%	63.00%	64.00%	66.42%	0.00	11.29%	11.29%	5.42%	5.35%	5.28%
Empire District Electric	EDE	\$21.01	6.50%	5.275%	95.00%	75.00%	66.42%	0.00	10.53%	10.53%	6.50%	5.89%	5.28%
Entergy Corp.	ETR	\$74.16	1.50%	5.275%	51.00%	53.00%	66.42%	0.00	9.53%	9.53%	1.50%	3.38%	5.28%
Great Plains Energy Inc.	GXP	\$19.09	7.97%	5.275%	64.00%	66.00%	66.42%	0.00	13.76%	13.76%	7.97%	6.62%	5.28%
IDACORP, Inc.	IDA	\$36.69	4.96%	5.275%	41.00%	46.00%	66.42%	0.00	10.31%	10.31%	4.96%	5.12%	5.28%
Integrus/WPS Resources	TEG	\$49.76	9.28%	5.275%	79.00%	67.00%	66.42%	0.00	12.56%	12.56%	9.28%	7.27%	5.28%
Northeast Utilities	NU	\$31.27	7.95%	5.275%	53.00%	48.00%	66.42%	0.00	10.95%	10.95%	7.95%	6.61%	5.28%
Pepco Holdings, Inc.	POM	\$18.39	3.93%	5.275%	93.00%	73.00%	66.42%	0.00	8.68%	8.68%	3.93%	4.60%	5.28%
PG&E Corp	PCG	\$46.31	6.62%	5.275%	56.00%	52.00%	66.42%	0.00	9.00%	9.00%	6.62%	5.95%	5.28%
Pinnacle West Capital	PNW	\$41.11	6.06%	5.275%	67.00%	67.00%	66.42%	0.00	11.52%	11.52%	6.06%	5.67%	5.28%
Portland General	POR	\$21.37	4.28%	5.275%	64.00%	60.00%	66.42%	0.00	10.81%	10.81%	4.28%	4.78%	5.28%
PPL Corp.	PPL	\$26.25	4.00%	5.275%	59.00%	58.00%	66.42%	0.00	11.05%	11.05%	4.00%	4.64%	5.28%
Progress Energy	PGN	\$44.22	4.16%	5.275%	80.00%	72.00%	66.42%	0.00	9.78%	9.78%	4.16%	4.72%	5.28%
Southern Co.	SO	\$37.48	5.08%	5.275%	75.00%	69.00%	66.42%	0.00	8.33%	8.33%	5.08%	5.18%	5.28%
TECO Energy, Inc.	TE	\$17.48	6.46%	5.275%	65.00%	58.00%	66.42%	0.00	10.47%	10.47%	6.46%	5.87%	5.28%
Westar Energy	WR	\$25.00	6.78%	5.275%	73.00%	59.00%	66.42%	0.00	11.65%	11.65%	6.78%	6.03%	5.28%
Wisconsin Energy	WEC	\$29.17	8.00%	5.275%	50.00%	53.00%	66.42%	0.00	11.26%	11.26%	8.00%	6.64%	5.28%
Xcel Energy, Inc.	XEL	\$23.32	5.60%	5.275%	60.00%	57.00%	66.42%	0.00	9.75%	9.75%	5.60%	5.44%	5.28%
MEAN:		\$ 33.73	5.56%	5.275%	63.81%	60.27%	66.42%		10.70%		5.56%	5.42%	5.28%

Projected Annual Data Earnings per Share	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Growth
Alliant Energy Corp.	LNT	\$ 2.75	\$ 2.94	\$ 3.14	\$ 3.35	\$ 3.58	\$ 3.83	\$ 4.08	\$ 4.33	\$ 4.60	\$ 4.86	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	\$ 6.30	\$ 6.64	5.28%
Ameren Corp.	AEE	\$ 2.77	\$ 2.88	\$ 3.00	\$ 3.12	\$ 3.24	\$ 3.37	\$ 3.51	\$ 3.67	\$ 3.84	\$ 4.02	\$ 4.23	\$ 4.45	\$ 4.69	\$ 4.93	\$ 5.19	\$ 5.47	5.28%
American Electric Power	AEP	\$ 2.60	\$ 2.70	\$ 2.80	\$ 2.91	\$ 3.02	\$ 3.14	\$ 3.27	\$ 3.41	\$ 3.56	\$ 3.73	\$ 3.92	\$ 4.13	\$ 4.35	\$ 4.57	\$ 4.82	\$ 5.07	5.28%
Cleco Corp.	CNL	\$ 2.29	\$ 2.43	\$ 2.57	\$ 2.73	\$ 2.89	\$ 3.06	\$ 3.24	\$ 3.43	\$ 3.63	\$ 3.82	\$ 4.03	\$ 4.24	\$ 4.47	\$ 4.70	\$ 4.95	\$ 5.21	5.28%
CMS Energy Corp.	CMS	\$ 1.33	\$ 1.41	\$ 1.50	\$ 1.60	\$ 1.70	\$ 1.80	\$ 1.92	\$ 2.03	\$ 2.15	\$ 2.27	\$ 2.39	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.94	\$ 3.09	5.28%
Consolidated Edison	ED	\$ 3.45	\$ 3.57	\$ 3.70	\$ 3.83	\$ 3.97	\$ 4.11	\$ 4.27	\$ 4.45	\$ 4.65	\$ 4.86	\$ 5.11	\$ 5.38	\$ 5.66	\$ 5.96	\$ 6.27	\$ 6.60	5.28%
Dominion Resources, Inc.	D	\$ 2.89	\$ 3.01	\$ 3.14	\$ 3.28	\$ 3.42	\$ 3.56	\$ 3.72	\$ 3.89	\$ 4.08	\$ 4.28	\$ 4.50	\$ 4.74	\$ 4.99	\$ 5.25	\$ 5.53	\$ 5.82	5.28%
DPL, Inc.	DPL	\$ 2.50	\$ 2.63	\$ 2.77	\$ 2.91	\$ 3.06	\$ 3.22	\$ 3.39	\$ 3.57	\$ 3.76	\$ 3.95	\$ 4.16	\$ 4.38	\$ 4.61	\$ 4.86	\$ 5.11	\$ 5.38	5.28%
DTE Energy Co.	DTE	\$ 3.74	\$ 3.94	\$ 4.16	\$ 4.38	\$ 4.62	\$ 4.87	\$ 5.13	\$ 5.41	\$ 5.70	\$ 6.00	\$ 6.32	\$ 6.65	\$ 7.00	\$ 7.37	\$ 7.76	\$ 8.17	5.28%
Empire District Electric	EDE	\$ 1.17	\$ 1.25	\$ 1.33	\$ 1.41	\$ 1.51	\$ 1.60	\$ 1.70	\$ 1.81	\$ 1.91	\$ 2.02	\$ 2.13	\$ 2.25	\$ 2.36	\$ 2.49	\$ 2.62	\$ 2.76	5.28%
Entergy Corp.	ETR	\$ 6.66	\$ 6.76	\$ 6.86	\$ 6.96	\$ 7.07	\$ 7.17	\$ 7.33	\$ 7.53	\$ 7.78	\$ 8.10	\$ 8.47	\$ 8.92	\$ 9.39	\$ 9.89	\$ 10.41	\$ 10.96	5.28%
Great Plains Energy Inc.	GXP	\$ 1.53	\$ 1.65	\$ 1.78	\$ 1.93	\$ 2.08	\$ 2.24	\$ 2.41	\$ 2.58	\$ 2.76	\$ 2.93	\$ 3.09	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	5.28%
IDACORP, Inc.	IDA	\$ 2.85	\$ 2.99	\$ 3.14	\$ 3.30	\$ 3.46	\$ 3.63	\$ 3.81	\$ 4.00	\$ 4.21	\$ 4.43	\$ 4.66	\$ 4.90	\$ 5.16	\$ 5.44	\$ 5.72	\$ 6.02	5.28%
Integrus/WPS Resources	TEG	\$ 3.24	\$ 3.54	\$ 3.87	\$ 4.23	\$ 4.62	\$ 5.05	\$ 5.48	\$ 5.92	\$ 6.35	\$ 6.77	\$ 7.17	\$ 7.55	\$ 7.95	\$ 8.37	\$ 8.81	\$ 9.27	5.28%
Northeast Utilities	NU	\$ 2.05	\$ 2.21	\$ 2.39	\$ 2.58	\$ 2.78	\$ 3.01	\$ 3.23	\$ 3.46	\$ 3.69	\$ 3.91	\$ 4.14	\$ 4.36	\$ 4.59	\$ 4.83	\$ 5.08	\$ 5.35	5.28%
Pepco Holdings, Inc.	POM	\$ 1.07	\$ 1.11	\$ 1.16	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.41	\$ 1.48	\$ 1.55	\$ 1.63	\$ 1.71	\$ 1.80	\$ 1.90	\$ 2.00	\$ 2.10	5.28%
PG&E Corp	PCG	\$ 2.80	\$ 2.99	\$ 3.18	\$ 3.39	\$ 3.62	\$ 3.86	\$ 4.10	\$ 4.36	\$ 4.62	\$ 4.88	\$ 5.15	\$ 5.42	\$ 5.71	\$ 6.01	\$ 6.33	\$ 6.66	5.28%
Pinnacle West Capital	PNW	\$ 3.10	\$ 3.29	\$ 3.49	\$ 3.70	\$ 3.92	\$ 4.16	\$ 4.41	\$ 4.66	\$ 4.93	\$ 5.20	\$ 5.48	\$ 5.77	\$ 6.07	\$ 6.39	\$ 6.73	\$ 7.09	5.28%
Portland General	POR	\$ 1.70	\$ 1.77	\$ 1.85	\$ 1.93	\$ 2.01	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.52	\$ 2.65	\$ 2.79	\$ 2.93	\$ 3.09	\$ 3.25	\$ 3.42	5.28%
PPL Corp.	PPL	\$ 2.29	\$ 2.38	\$ 2.48	\$ 2.58	\$ 2.68	\$ 2.79	\$ 2.90	\$ 3.03	\$ 3.17	\$ 3.33	\$ 3.49	\$ 3.68	\$ 3.87	\$ 4.08	\$ 4.29	\$ 4.52	5.28%
Progress Energy	PGN	\$ 3.00	\$ 3.12	\$ 3.25	\$ 3.39	\$ 3.53	\$ 3.68	\$ 3.84	\$ 4.01	\$ 4.20	\$ 4.41	\$ 4.63	\$ 4.88	\$ 5.13	\$ 5.40	\$ 5.69	\$ 5.99	5.28%
Southern Co.	SO	\$ 2.37	\$ 2.49	\$ 2.62	\$ 2.75	\$ 2.89	\$ 3.04	\$ 3.19	\$ 3.36	\$ 3.53	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	\$ 4.56	\$ 4.80	\$ 5.05	5.28%
TECO Energy, Inc.	TE	\$ 1.13	\$ 1.20	\$ 1.28	\$ 1.36	\$ 1.45	\$ 1.55	\$ 1.64	\$ 1.74	\$ 1.84	\$ 1.95	\$ 2.06	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	5.28%
Westar Energy	WR	\$ 1.80	\$ 1.92	\$ 2.05	\$ 2.19	\$ 2.34	\$ 2.50	\$ 2.66	\$ 2.83	\$ 3.00	\$ 3.17	\$ 3.35	\$ 3.52	\$ 3.71	\$ 3.91	\$ 4.11	\$ 4.33	5.28%
Wisconsin Energy	WEC	\$ 1.92	\$ 2.07	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 3.03	\$ 3.25	\$ 3.46	\$ 3.68	\$ 3.89	\$ 4.10	\$ 4.31	\$ 4.54	\$ 4.78	\$ 5.03	5.28%
Xcel Energy, Inc.	XEL	\$ 1.56	\$ 1.65	\$ 1.74	\$ 1.84	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.53	\$ 2.67	\$ 2.81	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	5.28%

Projected Annual Data Dividend Payout Ratio	[30]	[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Alliant Energy Corp.	LNT	65.00%	63.75%	62.50%	61.25%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Ameren Corp.	AEE	62.00%	61.75%	61.50%	61.25%	61.00%	61.90%	62.81%	63.71%	64.61%	65.52%	66.42%	66.42%	66.42%	66.42%	66.42%
American Electric Power	AEP	60.00%	59.00%	58.00%	57.00%	56.00%	57.74%	59.47%	61.21%	62.95%	64.68%	66.42%	66.42%	66.42%	66.42%	66.42%
Cleco Corp.	CNL	46.00%	48.75%	51.50%	54.25%	57.00%	58.57%	60.14%	61.71%	63.28%	64.85%	66.42%	66.42%	66.42%	66.42%	66.42%
CMS Energy Corp.	CMS	56.00%	57.00%	58.00%	59.00%	60.00%	61.07%	62.14%	63.21%	64.28%	65.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Consolidated Edison	ED	68.00%	66.75%	65.50%	64.25%	63.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Dominion Resources, Inc.	D	63.00%	63.25%	63.50%	63.75%	64.00%	63.57%	64.14%	64.71%	65.28%	65.85%	66.42%	66.42%	66.42%	66.42%	66.42%
DPL, Inc.	DPL	51.00%	50.75%	50.50%	50.25%	50.00%	52.74%	55.47%	58.21%	60.95%	63.68%	66.42%	66.42%	66.42%	66.42%	66.42%
DTE Energy Co.	DTE	63.00%	63.25%	63.50%	63.75%	64.00%	64.40%	64.81%	65.21%	65.61%	66.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Empire District Electric	EDE	95.00%	90.00%	85.00%	80.00%	75.00%	73.57%	72.14%	70.71%	69.28%	67.85%	66.42%	66.42%	66.42%	66.42%	66.42%
Entergy Corp.	ETR	51.00%	51.50%	52.00%	52.50%	53.00%	55.24%	57.47%	59.71%	61.95%	64.18%	66.42%	66.42%	66.42%	66.42%	66.42%
Great Plains Energy Inc.	GXP	64.00%	64.50%	65.00%	65.50%	66.00%	66.07%	66.14%	66.21%	66.28%	66.35%	66.42%	66.42%	66.42%	66.42%	66.42%
IDACORP, Inc.	IDA	41.00%	42.25%	43.50%	44.75%	46.00%	49.40%	52.81%	56.21%	59.61%	63.02%	66.42%	66.42%	66.42%	66.42%	66.42%
Integrus/WPS Resources	TEG	79.00%	76.00%	73.00%	70.00%	67.00%	66.90%	66.81%	66.71%	66.61%	66.52%	66.42%	66.42%	66.42%	66.42%	66.42%
Northeast Utilities	NU	53.00%	51.75%	50.50%	49.25%	48.00%	51.07%	54.14%	57.21%	60.28%	63.35%	66.42%	66.42%	66.42%	66.42%	66.42%
Pepco Holdings, Inc.	POM	93.00%	88.00%	83.00%	78.00%	73.00%	71.90%	70.81%	69.71%	68.61%	67.52%	66.42%	66.42%	66		

Projected Annual Data

Dividends per Share & Terminal Market Value		[45]	[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Terminal Price	Terminal P/E Ratio
Alliant Energy Corp.	LNT	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 4.41	\$ 91.71	13.82
Ameren Corp.	AEE	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 3.63	\$ 70.34	12.87
American Electric Power	AEP	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 3.37	\$ 66.61	13.14
Cleco Corp.	CNL	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 3.46	\$ 70.82	13.59
CMS Energy Corp.	CMS	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 2.05	\$ 38.06	12.31
Consolidated Edison	ED	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 4.39	\$ 86.88	13.16
Dominion Resources, Inc.	D	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 3.86	\$ 83.89	14.42
DPL, Inc.	DPL	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 3.57	\$ 76.61	14.23
DTE Energy Co.	DTE	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 5.43	\$ 100.19	12.27
Empire District Electric	EDE	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 1.83	\$ 45.93	16.65
Entergy Corp.	ETR	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 7.28	\$ 140.04	12.78
Great Plains Energy Inc.	GXP	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 2.66	\$ 56.45	14.16
IDACORP, Inc.	IDA	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 4.00	\$ 83.65	13.89
Integrus/WPS Resources	TEG	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 6.16	\$ 129.42	13.96
Northeast Utilities	NU	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 3.55	\$ 77.04	14.40
Pepco Holdings, Inc.	POM	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 1.40	\$ 31.18	14.84
PG&E Corp.	PCG	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 4.42	\$ 87.29	13.11
Pinnacle West Capital	PNW	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 4.71	\$ 92.24	13.02
Portland General	POR	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 2.27	\$ 46.00	13.43
PPL Corp.	PPL	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 3.00	\$ 56.16	12.43
Progress Energy	PGN	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 3.98	\$ 81.83	13.66
Southern Co.	SO	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 3.36	\$ 55.02	10.89
TECO Energy, Inc.	TE	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 1.77	\$ 38.98	14.67
Westar Energy	WR	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 2.87	\$ 59.89	13.84
Wisconsin Energy	WEC	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 3.34	\$ 74.42	14.80
Xcel Energy, Inc.	XEL	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 2.29	\$ 46.80	13.56
Median																	13.62	

Projected Annual Data

Investor Cash Flows		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	10/1/22	10/1/23	10/1/24	10/1/25
Alliant Energy Corp.	LNT	(\$36.86)	\$0.00	\$ 1.91	\$ 2.00	\$ 2.10	\$ 2.19	\$ 2.30	\$ 2.49	\$ 2.69	\$ 2.91	\$ 3.13	\$ 3.35	\$ 3.59	\$ 3.78	\$ 3.98	\$ 4.19	\$ 96.12
Ameren Corp.	AEE	(\$28.11)	\$0.00	\$ 1.79	\$ 1.85	\$ 1.92	\$ 1.98	\$ 2.06	\$ 2.17	\$ 2.30	\$ 2.44	\$ 2.60	\$ 2.77	\$ 2.96	\$ 3.11	\$ 3.28	\$ 3.45	\$ 73.97
American Electric Power	AEP	(\$35.92)	\$0.00	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.18	\$ 2.35	\$ 2.54	\$ 2.74	\$ 2.89	\$ 3.04	\$ 3.20	\$ 69.98
Cleco Corp.	CNL	(\$30.62)	\$0.00	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.06	\$ 2.24	\$ 2.42	\$ 2.61	\$ 2.82	\$ 2.97	\$ 3.12	\$ 3.29	\$ 74.28
CMS Energy Corp.	CMS	(\$18.35)	\$0.00	\$ 0.79	\$ 0.86	\$ 0.93	\$ 1.00	\$ 1.08	\$ 1.17	\$ 1.26	\$ 1.36	\$ 1.46	\$ 1.56	\$ 1.67	\$ 1.76	\$ 1.85	\$ 1.95	\$ 40.12
Consolidated Edison	ED	(\$48.86)	\$0.00	\$ 2.43	\$ 2.47	\$ 2.51	\$ 2.55	\$ 2.59	\$ 2.72	\$ 2.85	\$ 3.01	\$ 3.18	\$ 3.36	\$ 3.57	\$ 3.76	\$ 3.96	\$ 4.17	\$ 91.27
Dominion Resources, Inc.	D	(\$43.54)	\$0.00	\$ 1.90	\$ 1.98	\$ 2.06	\$ 2.15	\$ 2.24	\$ 2.37	\$ 2.50	\$ 2.64	\$ 2.79	\$ 2.96	\$ 3.15	\$ 3.31	\$ 3.49	\$ 3.67	\$ 87.75
DPL, Inc.	DPL	(\$26.09)	\$0.00	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.41	\$ 2.65	\$ 2.91	\$ 3.06	\$ 3.23	\$ 3.40	\$ 80.19
DTE Energy Co.	DTE	(\$46.65)	\$0.00	\$ 2.48	\$ 2.63	\$ 2.78	\$ 2.94	\$ 3.12	\$ 3.30	\$ 3.50	\$ 3.71	\$ 3.94	\$ 4.17	\$ 4.42	\$ 4.65	\$ 4.90	\$ 5.15	\$ 105.62
Empire District Electric	EDE	(\$21.01)	\$0.00	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.30	\$ 1.35	\$ 1.40	\$ 1.45	\$ 1.49	\$ 1.57	\$ 1.65	\$ 1.74	\$ 47.76
Entergy Corp.	ETR	(\$74.16)	\$0.00	\$ 3.45	\$ 3.53	\$ 3.62	\$ 3.71	\$ 3.80	\$ 4.05	\$ 4.33	\$ 4.65	\$ 5.02	\$ 5.44	\$ 5.93	\$ 6.24	\$ 6.57	\$ 6.91	\$ 147.32
Great Plains Energy Inc.	GXP	(\$19.09)	\$0.00	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.59	\$ 1.71	\$ 1.82	\$ 1.94	\$ 2.05	\$ 2.16	\$ 2.28	\$ 2.40	\$ 2.52	\$ 59.10
IDACORP, Inc.	IDA	(\$36.69)	\$0.00	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.11	\$ 2.37	\$ 2.64	\$ 2.94	\$ 3.26	\$ 3.43	\$ 3.61	\$ 3.80	\$ 87.65
Integrus/WPS Resources	TEG	(\$49.76)	\$0.00	\$ 2.80	\$ 2.94	\$ 3.09	\$ 3.23	\$ 3.38	\$ 3.67	\$ 3.95	\$ 4.24	\$ 4.51	\$ 4.77	\$ 5.01	\$ 5.28	\$ 5.56	\$ 5.85	\$ 135.58
Northeast Utilities	NU	(\$31.27)	\$0.00	\$ 1.17	\$ 1.24	\$ 1.30	\$ 1.37	\$ 1.44	\$ 1.65	\$ 1.87	\$ 2.11	\$ 2.36	\$ 2.62	\$ 2.89	\$ 3.05	\$ 3.21	\$ 3.38	\$ 80.60
Pepco Holdings, Inc.	POM	(\$18.39)	\$0.00	\$ 1.03	\$ 1.02	\$ 1.00	\$ 0.97	\$ 0.95	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.10	\$ 1.14	\$ 1.20	\$ 1.26	\$ 1.33	\$ 32.57
PG&E Corp.	PCG	(\$46.31)	\$0.00	\$ 1.67	\$ 1.75	\$ 1.83	\$ 1.92	\$ 2.01	\$ 2.23	\$ 2.48	\$ 2.73	\$ 3.01	\$ 3.30	\$ 3.60	\$ 3.79	\$ 3.99	\$ 4.20	\$ 91.72
Pinnacle West Capital	PNW	(\$41.11)	\$0.00	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.11	\$ 3.29	\$ 3.46	\$ 3.65	\$ 3.83	\$ 4.03	\$ 4.25	\$ 4.47	\$ 96.95
Portland General	POR	(\$21.37)	\$0.00	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.42	\$ 1.52	\$ 1.62	\$ 1.73	\$ 1.85	\$ 1.95	\$ 2.05	\$ 2.16	\$ 48.27
PPL Corp.	PPL	(\$26.25)	\$0.00	\$ 1.41	\$ 1.46	\$ 1.51	\$ 1.56	\$ 1.62	\$ 1.72	\$ 1.84	\$ 1.97	\$ 2.12	\$ 2.27	\$ 2.44	\$ 2.57	\$ 2.71	\$ 2.85	\$ 59.16
Progress Energy	PGN	(\$44.22)	\$0.00	\$ 2.50	\$ 2.54	\$ 2.58	\$ 2.61	\$ 2.65	\$ 2.73	\$ 2.81	\$ 2.91	\$ 3.01	\$ 3.12	\$ 3.24	\$ 3.41	\$ 3.59	\$ 3.78	\$ 85.81
Southern Co.	SO	(\$37.48)	\$0.00	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.39	\$ 2.50	\$ 2.61	\$ 2.73	\$ 2.88	\$ 3.03	\$ 3.19	\$ 58.38
TECO Energy, Inc.	TE	(\$17.48)	\$0.00	\$ 0.78	\$ 0.81	\$ 0.84	\$ 0.87	\$ 0.90	\$ 0.98	\$ 1.06	\$ 1.15	\$ 1.24	\$ 1.34	\$ 1.44	\$ 1.51	\$ 1.59	\$ 1.68	\$ 40.75
Westar Energy	WR	(\$25.00)	\$0.00	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.88	\$ 2.03	\$ 2.18	\$ 2.34	\$ 2.46	\$ 2.59	\$ 2.73	\$ 62.77
Wisconsin Energy	WEC	(\$29.17)	\$0.00	\$ 1.04	\$ 1.14	\$ 1.25	\$ 1.36	\$ 1.50	\$ 1.68	\$ 1.87	\$ 2.07	\$ 2.28	\$ 2.50	\$ 2.72	\$ 2.86	\$ 3.01	\$ 3.17	\$ 77.76
Xcel Energy, Inc.	XEL	(\$23.32)	\$0.00	\$ 0.99	\$ 1.03	\$ 1.07	\$ 1.12	\$ 1.17	\$ 1.27	\$ 1.37	\$ 1.48	\$ 1.60	\$ 1.73	\$ 1.87	\$ 1.96	\$ 2.07	\$ 2.18	\$ 49.09

NOTES TO THE MULTI-STAGE DCF MODEL

Notes:

- [1] Source: Bloomberg. Based on indicated number of days historical average.
 [2] Source: First Call, Value Line & Zacks; equals average earnings growth estimate
 [3] 5.275% = average of 4.90% (See: Schedule MPG-R-2) and 5.65% (See: Schedule RBH-ES39)
 [4] Source: Value Line
 [5] Source: Value Line
 [6] Equals industry average median historical payout ratio (1987-present)
 [7] Equals Column [1] + Column [62]
 [8] Equals result of Excel Solver function; goal: Column [7] equals \$0.00
 [9] Equals Column [8]
 [10] Equals $((\text{Column [18]} / \text{Column [14]}) ^ (1 / (2015 - 2011))) - 1$
 [11] Equals $((\text{Column [23]} / \text{Column [18]}) ^ (1 / (2020 - 2015))) - 1$
 [12] Equals $((\text{Column [28]} / \text{Column [23]}) ^ (1 / (2025 - 2020))) - 1$
 [13] Source: Value Line
 [14] Equals $\text{Column [13]} \times (1 + \text{Column [2]})$
 [15] Equals $\text{Column [14]} \times (1 + \text{Column [2]})$
 [16] Equals $\text{Column [15]} \times (1 + \text{Column [2]})$
 [17] Equals $\text{Column [16]} \times (1 + \text{Column [2]})$
 [18] Equals $\text{Column [17]} \times (1 + \text{Column [2]})$
 [19] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2016 - 2015)))) \times \text{Column [18]}$
 [20] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2017 - 2015)))) \times \text{Column [19]}$
 [21] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2018 - 2015)))) \times \text{Column [20]}$
 [22] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2019 - 2015)))) \times \text{Column [21]}$
 [23] Equals $(1 + (\text{Column [2]} + (((\text{Column [3]} - \text{Column [2]}) / (2020 - 2015 + 1)) \times (2020 - 2015)))) \times \text{Column [22]}$
 [24] Equals $\text{Column [23]} \times (1 + \text{Column [3]})$
 [25] Equals $\text{Column [24]} \times (1 + \text{Column [3]})$
 [26] Equals $\text{Column [25]} \times (1 + \text{Column [3]})$
 [27] Equals $\text{Column [26]} \times (1 + \text{Column [3]})$
 [28] Equals $\text{Column [27]} \times (1 + \text{Column [3]})$
 [29] Equals $(\text{Column [28]} / \text{Column [27]}) - 1$
 [30] Equals Column [4]
 [31] Equals $\text{Column [30]} + ((\text{Column [34]} - \text{Column [30]}) / 4)$
 [32] Equals $\text{Column [31]} + ((\text{Column [34]} - \text{Column [30]}) / 4)$
 [33] Equals $\text{Column [32]} + ((\text{Column [34]} - \text{Column [30]}) / 4)$
 [34] Equals Column [5]
 [35] Equals $\text{Column [34]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
 [36] Equals $\text{Column [35]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
 [37] Equals $\text{Column [36]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
 [38] Equals $\text{Column [37]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
 [39] Equals $\text{Column [38]} + ((\text{Column [40]} - \text{Column [34]}) / 6)$
 [40] Equals Column [6]
 [41] Equals Column [6]
 [42] Equals Column [6]
 [43] Equals Column [6]
 [44] Equals Column [6]
 [45] Equals $\text{Column [14]} \times \text{Column [30]}$
 [46] Equals $\text{Column [15]} \times \text{Column [31]}$
 [47] Equals $\text{Column [16]} \times \text{Column [32]}$
 [48] Equals $\text{Column [17]} \times \text{Column [33]}$
 [49] Equals $\text{Column [18]} \times \text{Column [34]}$
 [50] Equals $\text{Column [19]} \times \text{Column [35]}$
 [51] Equals $\text{Column [20]} \times \text{Column [36]}$
 [52] Equals $\text{Column [21]} \times \text{Column [37]}$
 [53] Equals $\text{Column [22]} \times \text{Column [38]}$
 [54] Equals $\text{Column [23]} \times \text{Column [39]}$
 [55] Equals $\text{Column [24]} \times \text{Column [40]}$
 [56] Equals $\text{Column [25]} \times \text{Column [41]}$
 [57] Equals $\text{Column [26]} \times \text{Column [42]}$
 [58] Equals $\text{Column [27]} \times \text{Column [43]}$
 [59] Equals $\text{Column [28]} \times \text{Column [44]}$
 [60] Equals $(\text{Column [59]} \times (1 + \text{Column [3]})) / (\text{Column [9]} - \text{Column [3]})$ or Equals $(\text{Column [28]} \times \text{Column [61]})$
 [61] Equals $\text{Column [60]} / \text{Column [28]}$ or Long-term historical company median P/E ratio
 [62] Equals negative net present value; discount rate equals Column [8], cash flows equal Column [63] through Column [78]
 [63] Equals projected current cash flows (\$0.00), establishing date of valuation
 [64] Equals Column [45]
 [65] Equals Column [46]
 [66] Equals Column [47]
 [67] Equals Column [48]
 [68] Equals Column [49]
 [69] Equals Column [50]
 [70] Equals Column [51]
 [71] Equals Column [52]
 [72] Equals Column [53]
 [73] Equals Column [54]
 [74] Equals Column [55]
 [75] Equals Column [56]
 [76] Equals Column [57]
 [77] Equals Column [58]
 [78] Equals $\text{Column [59]} + \text{Column [60]}$

		Value Line Beta	Bloomberg Beta	Combined Proxy Group Average	Hevert Revised Proxy Group Average
Alliant Energy Corp.	LNT	0.700	0.889	0.795	
Ameren Corp.	AEE	0.800	0.867	0.833	
American Electric Power	AEP	0.700	0.769	0.735	0.735
Cleco Corp.	CNL	0.650	0.748	0.699	0.699
CMS Energy Corp.	CMS	0.750	0.821	0.786	
Consolidated Edison	ED	0.650	0.691	0.670	
Dominion Resources, Inc.	D	0.700	0.766	0.733	
DPL, Inc.	DPL	0.600	0.812	0.706	0.706
DTE Energy Co.	DTE	0.750	0.879	0.814	
Empire District Electric	EDE	0.700	0.664	0.682	0.682
Entergy Corp.	ETR	0.700	0.916	0.808	
Exelon Corp.	EXC	0.850	0.926	0.888	
Great Plains Energy Inc.	GXP	0.750	0.829	0.790	0.790
IDACORP, Inc.	IDA	0.700	0.852	0.776	0.776
Integrus/WPS Resources	TEG	0.900	0.923	0.912	
Northeast Utilities	NU	0.700	0.716	0.708	
Pepco Holdings, Inc.	POM	0.800	0.799	0.800	
PG&E Corp	PCG	0.550	0.680	0.615	
Pinnacle West Capital	PNW	0.700	0.876	0.788	0.788
Portland General	POR	0.750	0.772	0.761	0.761
PPL Corp.	PPL	0.700	0.714	0.707	
Progress Energy	PGN	0.600	0.598	0.599	
Southern Co.	SO	0.550	0.603	0.576	0.576
TECO Energy, Inc.	TE	0.850	0.997	0.923	
Westar Energy	WR	0.750	0.850	0.800	0.800
Wisconsin Energy	WEC	0.600	0.662	0.631	
Xcel Energy, Inc.	XEL	0.650	0.679	0.665	
	Average Beta:	0.707	0.789	0.748	0.731

Sources: Value Line and Bloomberg as of March 31, 2011

Date	BETA ANALYSIS													
	AEP		CNL		DPL		EDE		GXP		IDA		PNW	
	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return
03/25/2011	34.71	2.66%	33.55	2.91%	26.77	2.25%	21.33	2.11%	19.60	3.21%	37.19	0.92%	42.15	1.79%
03/18/2011	33.81	-5.59%	32.60	-1.42%	26.18	-1.65%	20.89	-2.43%	18.99	-2.57%	36.85	-1.15%	41.41	-4.94%
03/11/2011	35.81	1.36%	33.07	0.46%	26.62	1.64%	21.41	0.66%	19.49	1.35%	37.28	-0.88%	43.56	0.53%
03/04/2011	35.33	0.14%	32.92	2.68%	26.19	1.12%	21.27	-1.30%	19.23	0.31%	37.61	-0.27%	43.33	3.86%
02/25/2011	35.28	-1.34%	32.06	0.98%	25.90	-2.26%	21.55	-1.15%	19.17	-2.79%	37.71	-1.23%	41.72	-0.38%
02/18/2011	35.76	-0.28%	31.75	0.38%	26.50	0.38%	21.80	0.51%	19.72	-1.30%	38.18	-0.44%	41.88	-0.14%
02/11/2011	35.86	0.67%	31.63	1.44%	26.40	0.61%	21.69	0.84%	19.98	1.47%	38.35	1.37%	41.94	2.19%
02/04/2011	35.62	-0.67%	31.18	-0.42%	26.24	-0.38%	21.51	-0.05%	19.69	-0.10%	37.83	0.34%	41.04	0.24%
01/28/2011	35.86	-1.59%	31.31	0.97%	26.34	-0.38%	21.52	-0.14%	19.71	-0.25%	37.70	-0.71%	40.94	-1.68%
01/21/2011	36.44	2.79%	31.01	-1.56%	26.44	1.07%	21.55	-0.28%	19.76	-0.05%	37.97	0.21%	41.64	0.29%
01/14/2011	35.45	-1.53%	31.50	1.74%	26.16	1.99%	21.61	-1.68%	19.77	1.65%	37.89	1.80%	41.52	-0.17%
01/07/2011	36.00	0.06%	30.96	0.65%	25.65	-0.23%	21.98	-0.99%	19.45	0.31%	37.22	0.65%	41.59	0.34%
12/31/2010	35.98	0.17%	30.76	-0.84%	25.71	-2.02%	22.20	0.14%	19.39	-0.67%	36.98	-1.41%	41.45	-0.86%
12/24/2010	35.92	-0.19%	31.02	-0.19%	26.24	1.78%	22.17	0.82%	19.52	1.04%	37.51	-0.21%	41.81	0.72%
12/17/2010	35.99	0.98%	31.08	2.24%	25.78	1.10%	21.99	1.62%	19.32	0.26%	37.59	0.24%	41.51	1.59%
12/10/2010	35.64	-0.97%	30.40	-0.72%	25.50	-0.47%	21.64	0.14%	19.27	-0.26%	37.50	0.43%	40.86	-0.34%
12/03/2010	35.99	0.39%	30.62	-0.33%	25.62	-0.16%	21.61	-2.35%	19.32	1.95%	37.34	2.84%	41.00	1.16%
11/26/2010	35.85	0.28%	30.72	0.29%	25.66	-0.35%	22.13	1.61%	18.95	1.83%	36.31	1.14%	40.53	-0.88%
11/19/2010	35.75	-2.11%	30.63	-0.20%	25.75	-1.04%	21.78	-1.49%	18.61	-1.06%	35.90	-1.21%	40.89	-0.05%
11/12/2010	36.52	-3.13%	30.69	-3.22%	26.02	-3.84%	22.11	0.41%	18.81	-3.09%	36.34	-2.47%	40.91	-2.92%
11/05/2010	37.70	0.69%	31.71	1.41%	27.06	3.68%	22.02	4.66%	19.41	2.00%	37.26	1.25%	42.14	2.38%
10/29/2010	37.44	2.02%	31.27	1.20%	26.10	-1.88%	21.04	1.64%	19.03	1.55%	36.80	0.33%	41.16	-2.42%
10/22/2010	36.70	2.11%	30.90	0.32%	26.60	-2.81%	20.70	0.15%	18.74	-1.16%	36.68	1.44%	42.18	1.25%
10/15/2010	35.94	-0.69%	30.80	1.38%	27.37	1.41%	20.67	0.49%	18.96	0.05%	36.16	-0.52%	41.66	0.97%
10/08/2010	36.19	-0.08%	30.38	1.64%	26.99	1.93%	20.57	1.58%	18.95	-0.11%	36.35	-0.85%	41.26	-0.94%
10/01/2010	36.22	-0.77%	29.89	1.77%	26.48	2.16%	20.25	1.76%	18.97	0.16%	36.66	5.62%	41.65	1.02%
09/24/2010	36.50	1.73%	29.37	1.63%	25.92	1.81%	19.90	0.91%	18.94	0.58%	34.71	-0.40%	41.23	2.16%
09/17/2010	35.88	-2.05%	28.90	-0.55%	25.46	-0.74%	19.72	-0.50%	18.83	-0.69%	34.85	-2.27%	40.36	-0.47%
09/10/2010	36.63	1.41%	29.06	-0.27%	25.65	-0.85%	19.82	-0.25%	18.96	-0.52%	35.66	-1.19%	40.55	-1.19%
09/03/2010	36.12	1.15%	29.14	1.71%	25.87	1.02%	19.87	-1.97%	19.06	1.98%	36.09	1.21%	41.04	1.74%
08/27/2010	35.71	2.56%	28.65	2.10%	25.61	1.47%	20.27	1.86%	18.69	0.92%	35.66	1.48%	40.34	2.70%
08/20/2010	34.82	-1.97%	28.06	-0.46%	25.24	-0.36%	19.90	0.45%	18.52	1.20%	35.14	-0.82%	39.28	-0.56%
08/13/2010	35.52	-1.28%	28.19	-2.22%	25.33	-1.25%	19.81	-0.40%	18.30	-1.24%	35.43	-1.72%	39.50	0.41%
08/06/2010	35.98	0.00%	28.83	0.98%	25.65	1.34%	19.89	1.22%	18.53	3.29%	36.05	2.36%	39.34	3.28%
07/30/2010	35.98	0.50%	28.55	-0.73%	25.31	-2.39%	19.65	-0.51%	17.94	0.67%	35.22	-2.03%	38.09	-2.43%
07/23/2010	35.80	2.99%	28.76	4.13%	25.93	4.39%	19.75	2.28%	17.82	3.60%	35.95	3.51%	39.04	3.17%
07/16/2010	34.76	-0.23%	27.62	-0.93%	24.84	-1.93%	19.31	-0.92%	17.20	-2.82%	34.73	-0.32%	37.84	-0.81%
07/09/2010	34.84	7.56%	27.88	6.66%	25.33	4.84%	19.49	3.40%	17.70	4.42%	34.84	6.15%	38.15	5.27%
07/02/2010	32.39	-1.82%	26.14	-0.68%	24.16	0.00%	18.85	-0.53%	16.95	-2.08%	32.82	-2.23%	36.24	-0.98%
06/25/2010	32.99	-3.14%	26.32	-2.81%	24.16	-5.66%	18.95	-1.04%	17.31	-3.03%	33.57	-4.03%	36.60	-2.74%
06/18/2010	34.06	4.96%	27.08	4.64%	25.61	4.32%	19.15	4.64%	17.85	4.14%	34.98	6.48%	37.63	5.52%
06/11/2010	32.45	4.27%	25.88	0.82%	24.55	1.24%	18.30	2.12%	17.14	0.41%	32.85	3.01%	35.66	2.65%
06/04/2010	31.12	-2.63%	25.67	-3.02%	24.25	-3.15%	17.92	-1.75%	17.07	-2.74%	31.89	-3.51%	34.74	-1.05%
05/28/2010	31.96	1.59%	26.47	0.76%	25.04	-0.08%	18.24	0.66%	17.55	2.09%	33.05	2.16%	35.11	-0.17%
05/21/2010	31.46	-4.67%	26.27	-4.02%	25.06	-6.42%	18.12	-5.77%	17.19	-7.38%	32.35	-6.50%	35.17	-2.76%
05/14/2010	33.00	3.38%	27.37	5.31%	26.78	2.33%	19.23	5.20%	18.56	2.88%	34.60	3.78%	36.17	2.93%
05/07/2010	31.92	-6.94%	25.99	-5.15%	26.17	-7.13%	18.28	-6.30%	18.04	-6.67%	33.34	-7.59%	35.14	-5.89%
04/30/2010	34.30	0.82%	27.40	-1.08%	28.18	1.04%	19.51	-0.26%	19.33	1.58%	36.08	-1.15%	37.34	-2.84%
04/23/2010	34.02	0.86%	27.70	3.71%	27.89	2.46%	19.56	4.65%	19.03	1.76%	36.50	3.49%	38.43	2.43%
04/16/2010	33.73	-1.58%	26.71	0.75%	27.22	-0.91%	18.69	2.35%	18.70	-1.73%	35.27	0.60%	37.52	-1.26%
04/09/2010	34.27	-0.64%	26.51	-0.93%	27.47	0.07%	18.26	0.88%	19.03	1.22%	35.06	-0.17%	38.00	-0.29%
04/02/2010	34.49	1.17%	26.76	2.02%	27.45	1.59%	18.10	0.78%	18.80	2.68%	35.12	2.24%	38.11	1.49%
03/26/2010	34.09	-1.25%	26.23	-1.43%	27.02	-2.10%	17.96	-1.59%	18.31	-3.43%	34.35	-1.91%	37.55	-0.58%
03/19/2010	34.52	1.23%	26.61	0.11%	27.60	0.91%	18.25	0.77%	18.96	2.49%	35.02	-0.26%	37.77	1.18%
03/12/2010	34.10	-0.44%	26.58	2.11%	27.35	0.44%	18.11	-0.88%	18.50	1.87%	35.11	2.27%	37.33	-1.74%
03/05/2010	34.25	1.87%	26.03	3.13%	27.23	2.60%	18.27	2.01%	18.16	1.97%	34.33	3.94%	37.99	4.34%
02/26/2010	33.62	-1.03%	25.24	-3.88%	26.54	-2.71%	17.91	-4.22%	17.81	-2.41%	33.03	0.03%	36.41	-2.57%
02/19/2010	33.97	3.10%	26.26	5.12%	27.28	2.13%	18.70	2.13%	18.25	3.22%	33.02	4.00%	37.37	5.86%
02/12/2010	32.95	-2.05%	24.98	0.08%	26.71	0.45%	18.31	1.44%	17.68	1.32%	31.75	4.06%	35.30	-0.20%
02/05/2010	33.64	-2.91%	24.96	-3.70%	26.59	-0.93%	18.05	-1.96%	17.45	-2.30%	30.51	-2.68%	35.37	-1.26%
01/29/2010	34.65	-2.17%	25.92	0.39%	26.84	-1.36%	18.41	-1.07%	17.86	-2.30%	31.35	-0.60%	35.82	-0.47%
01/22/2010	35.42	-1.64%	25.82	-3.48%	27.21	-3.92%	18.61	-1.69%	18.28	-3.18%	31.54	-3.04%	35.99	-3.07%
01/15/2010	36.01	1.12%	26.75	0.15%	28.32	1.29%	18.93	1.94%	18.88	-2.53%	32.53	0.71%	37.13	0.57%
01/08/2010	35.61	2.36%	26.71	-2.27%	27.96	1.30%	18.57	-0.85%	19.37	-0.10%	32.30	1.10%	36.92	0.93%
01/01/2010	34.79	-0.94%	27.33	-1.51%	27.60	-0.36%	18.73	0.70%	19.39	-2.07%	31.95	-2.08%	36.58	-1.43%
12/25/2009	35.12	0.11%	27.75	2.25%	27.70	-0.72%	18.60	-0.16%	19.80	-0.55%	32.63	2.97%	37.11	-0.05%
12/18/2009	35.08	-1.41%	27.14	1.65%	27.90	-2.72%	18.63	-3.27%	19.91	5.40%	31.69	1.64%	37.13	-1.56%
12/11/2009	35.58	5.30%	26.70	1.68%	28.68	1.45%	19.26	3.38%	18.89	3.11%	31.18	2.90%	37.72	4.11%
12/04/2009	33.79	7.10%	26.26	2.98%	28.27	4.90%	18.63	3.10%	18.32	2.63%	30.30	2.54%	36.23	3.81%
11/27/2009	31.55	0.90%	25.50	0.39%	26.95	0.00%	18.07	-0.61%	17.85	0.39%	29.55	0.34%	34.90	2.56%
11/20/2009	31.27	-1.11%	25.40	1.07%	26.95	-2.25%	18.18	-0.11%	17.78	-0.61%	29.45	1.13%	34.03	2.41%
11/13/2009	31.62	1.90%	25.13	2.24%	27.57	1.92%	18.20	-0.66%	17.89	3.11%	29.12	1.08%	33.23	1.19%
11/06/2009	31.03	2.68%	24.58	-0.69%	27.05	6.75%	18.32	1.44%	17.35	0.29%	28.81	2.56%	32.84	4.85%
10/30/2009	30.22	-1.91%	24.75	-0.92%	25.34	-0.94%	18.06	-1.85%	17.30	-3.35%	28.09	-2.43%	31.32	-6.45%
10/23/2009	30.81	-1.97%	24.98	-1.89%	25.58	-2.25%	18.40	-0.05%	17.90	-2.66%	28.79	-0.42%	33.48	-1.50%
10/16/2009	31.43	2.34%	25.46	-0.43%	26.17	0.42%	18.41	-1.02%	18.39	-0.22%	28.91	-1.06%	33.99	1.95%

Date	BETA ANALYSIS													
	AEP		CNL		DPL		EDE		GXP		IDA		PNW	
	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return
10/09/2009	30.71	1.12%	25.57	4.58%	26.06	2.60%	18.60	3.56%	18.43	3.08%	29.22	3.14%	33.34	5.24%
10/02/2009	30.37	-1.97%	24.45	-1.93%	25.40	-3.16%	17.96	-0.28%	17.88	0.11%	28.33	-0.74%	31.68	-2.55%
09/25/2009	30.98	-3.37%	24.93	-1.03%	26.23	-0.57%	18.01	-0.55%	17.86	-0.61%	28.54	-1.35%	32.51	-1.57%
09/18/2009	32.06	4.46%	25.19	2.94%	26.38	5.06%	18.11	0.67%	17.97	0.73%	28.93	2.88%	33.03	1.82%
09/11/2009	30.69	-0.97%	24.47	0.87%	25.11	-0.55%	17.99	-2.07%	17.84	0.62%	28.12	-0.32%	32.44	0.34%
09/04/2009	30.99	-2.73%	24.26	-1.06%	25.25	1.32%	18.37	0.11%	17.73	0.00%	28.21	-2.69%	32.33	-2.68%
08/28/2009	31.86	1.17%	24.52	-1.68%	24.92	-0.28%	18.35	-1.40%	17.73	-1.72%	28.99	-0.41%	33.22	-0.57%
08/21/2009	31.49	1.22%	24.94	2.00%	24.99	2.29%	18.61	0.54%	18.04	2.79%	29.11	3.34%	33.41	2.27%
08/14/2009	31.11	-0.26%	24.45	-0.37%	24.43	-0.29%	18.51	0.65%	17.55	0.92%	28.17	0.00%	32.67	1.24%
08/07/2009	31.19	0.74%	24.54	3.59%	24.50	2.30%	18.39	0.22%	17.39	9.17%	28.17	1.62%	32.27	0.97%
07/31/2009	30.96	0.06%	23.69	-1.04%	23.95	-1.80%	18.35	-1.40%	15.93	0.44%	27.72	2.63%	31.96	-1.33%
07/24/2009	30.94	3.83%	23.94	5.84%	24.39	2.26%	18.61	7.08%	15.86	1.99%	27.01	3.88%	32.39	6.34%
07/17/2009	29.80	4.45%	22.62	3.19%	23.85	4.10%	17.38	3.08%	15.55	5.00%	26.00	4.08%	30.46	3.46%
07/10/2009	28.53	0.88%	21.92	-1.39%	22.91	-1.12%	16.86	2.37%	14.81	-2.63%	24.98	-2.57%	29.44	-0.61%
07/03/2009	28.28	-1.15%	22.23	1.93%	23.17	-0.56%	16.47	-0.72%	15.21	-1.43%	25.64	-1.38%	29.62	-0.77%
06/26/2009	28.61	0.85%	21.81	-2.20%	23.30	2.10%	16.59	2.47%	15.43	-0.06%	26.00	2.20%	29.85	2.79%
06/19/2009	28.37	1.32%	22.30	0.22%	22.82	1.42%	16.19	-0.92%	15.44	-2.95%	25.44	0.79%	29.04	-2.45%
06/12/2009	28.00	4.48%	22.25	4.46%	22.50	1.86%	16.34	0.68%	15.91	2.32%	25.24	3.10%	29.77	5.12%
06/05/2009	26.80	1.75%	21.30	4.11%	22.09	1.52%	16.23	3.57%	15.55	3.19%	24.48	5.20%	28.32	2.42%
05/29/2009	26.34	4.73%	20.46	1.84%	21.76	2.45%	15.67	-0.13%	15.07	0.27%	23.27	3.47%	27.65	5.74%
05/22/2009	25.15	0.84%	20.09	-3.32%	21.24	-0.28%	15.69	6.88%	15.03	1.55%	22.49	0.54%	26.15	0.19%
05/15/2009	24.94	-4.63%	20.78	-2.21%	21.30	-6.13%	14.68	-3.74%	14.80	-2.31%	22.37	-6.71%	26.10	-7.08%
05/08/2009	26.15	-2.93%	21.25	-0.23%	22.69	0.53%	15.25	1.06%	15.15	4.55%	23.98	-0.21%	28.09	1.37%
05/01/2009	26.94	2.98%	21.30	-0.47%	22.57	1.12%	15.09	1.14%	14.49	1.90%	24.03	4.39%	27.71	1.32%
04/24/2009	26.16	-4.28%	21.40	-4.25%	22.32	-2.83%	14.92	-1.13%	14.22	-3.07%	23.02	-2.87%	27.35	-1.23%
04/17/2009	27.33	3.52%	22.35	0.27%	22.97	0.97%	15.09	-0.20%	14.67	3.82%	23.70	0.21%	27.69	-0.97%
04/10/2009	26.40	0.38%	22.29	0.00%	22.75	-1.04%	15.12	1.61%	14.13	4.28%	23.65	-0.55%	27.96	1.19%
04/03/2009	26.30	0.11%	22.29	-0.09%	22.99	2.09%	14.88	2.90%	13.55	-1.45%	23.78	0.46%	27.63	4.34%
03/27/2009	26.27	-4.72%	22.31	4.40%	22.52	1.21%	14.46	2.55%	13.75	5.20%	23.67	-0.42%	26.48	1.30%
03/20/2009	27.57	9.19%	21.37	6.21%	22.25	6.97%	14.10	10.33%	13.07	11.23%	23.77	7.17%	26.14	7.53%
03/13/2009	25.25	1.77%	20.12	-3.55%	20.80	2.56%	12.78	2.00%	11.75	1.21%	22.18	1.93%	24.31	3.40%
03/06/2009	24.81	-11.55%	20.86	1.66%	20.28	0.90%	12.53	-9.27%	11.61	-14.25%	21.76	-10.60%	23.51	-10.47%
02/27/2009	28.05	-4.79%	20.52	3.27%	20.10	1.72%	13.81	-9.97%	13.54	-4.18%	24.34	0.37%	26.26	-8.53%
02/20/2009	29.46	-7.39%	19.87	-9.02%	19.76	-8.14%	15.34	-9.45%	14.13	-8.90%	24.25	-9.92%	28.71	-13.81%
02/13/2009	31.81	-4.24%	21.84	-5.58%	21.51	-4.65%	16.94	-6.62%	15.51	-23.75%	26.92	-6.66%	33.31	-3.64%
02/06/2009	33.22	5.96%	23.13	1.23%	22.56	4.69%	18.14	2.14%	20.34	6.66%	28.84	-0.93%	34.57	3.29%
01/30/2009	31.35	-1.85%	22.85	4.58%	21.55	-0.28%	17.76	3.20%	19.07	1.17%	29.11	0.55%	33.47	2.51%
01/23/2009	31.94	-1.72%	21.85	-2.28%	21.61	-1.82%	17.21	0.41%	18.85	-1.41%	28.95	-1.90%	32.65	0.00%
01/16/2009	32.50	-0.34%	22.36	0.63%	22.01	-0.77%	17.14	-1.15%	19.12	-1.14%	29.51	0.44%	32.65	-0.76%
01/09/2009	32.61	-4.09%	22.22	-5.57%	22.18	-4.73%	17.34	-3.18%	19.34	-2.77%	29.38	0.65%	32.90	-0.66%
01/02/2009	34.00	5.99%	23.53	6.28%	23.28	5.96%	17.91	5.23%	19.89	6.14%	29.19	0.79%	33.12	6.70%
12/26/2008	32.08	0.53%	22.14	0.05%	21.97	2.14%	17.02	-0.47%	18.74	-2.09%	28.96	-2.39%	31.04	3.26%
12/19/2008	31.91	6.97%	22.13	3.22%	21.51	2.48%	17.10	1.73%	19.14	0.90%	29.67	2.17%	30.06	1.18%
12/12/2008	29.83	-0.27%	21.44	-3.60%	20.99	0.00%	16.81	1.88%	18.97	3.66%	29.04	-1.56%	29.71	-1.20%
12/05/2008	29.91	-4.41%	22.24	-5.64%	20.99	0.82%	16.50	-5.93%	18.30	-2.61%	29.50	-2.96%	30.07	-1.09%
11/28/2008	31.29	7.86%	23.57	6.27%	20.82	6.22%	17.54	0.52%	18.79	6.64%	30.40	6.55%	30.40	4.86%
11/21/2008	29.01	-6.27%	22.18	2.69%	19.60	-5.08%	17.45	-4.80%	17.62	-3.40%	28.53	-2.39%	28.99	-0.82%
11/14/2008	30.95	0.26%	21.60	1.31%	20.65	-5.88%	18.33	-1.61%	18.24	-0.76%	29.23	3.03%	29.23	-3.91%
11/07/2008	30.87	-5.39%	21.32	-7.34%	21.94	-3.81%	18.63	-3.02%	18.38	-5.45%	28.37	6.41%	30.42	-3.89%
10/31/2008	32.63	5.33%	23.01	10.10%	22.81	3.45%	19.21	5.09%	19.44	6.58%	26.66	7.07%	31.65	8.13%
10/24/2008	30.98	2.08%	20.90	-0.62%	22.05	0.87%	18.28	1.67%	18.24	0.00%	24.90	0.48%	29.27	-4.50%
10/17/2008	30.35	8.39%	21.03	3.14%	21.86	1.44%	17.98	3.10%	18.24	5.98%	24.78	2.86%	30.65	5.91%
10/10/2008	28.00	-21.22%	20.39	-17.58%	21.55	-9.61%	17.44	-16.56%	17.21	-22.89%	24.09	-15.06%	28.94	-16.53%
10/03/2008	35.54	-4.36%	24.74	-3.02%	23.84	-5.92%	20.90	-6.07%	22.32	-0.58%	28.36	-7.14%	34.67	-2.61%
09/26/2008	37.16	-2.67%	25.51	-4.46%	25.34	-2.50%	22.25	-3.13%	22.45	-3.19%	30.54	-2.74%	35.60	1.69%
09/19/2008	38.18	-2.40%	26.70	5.58%	25.99	10.36%	22.97	6.84%	23.19	-0.77%	31.40	2.58%	35.01	-2.51%
09/12/2008	39.12	4.46%	25.29	3.82%	23.55	-1.79%	21.50	5.29%	23.37	2.73%	30.61	3.34%	35.91	4.48%
09/05/2008	37.45	-4.07%	24.36	-3.37%	23.98	-3.38%	20.42	-3.22%	22.75	-2.99%	29.62	-0.60%	34.37	-2.33%
08/29/2008	39.04	0.21%	25.21	-1.68%	24.82	1.47%	21.10	-3.21%	23.45	-1.88%	29.80	-2.30%	35.19	-0.40%
08/22/2008	38.96	1.14%	25.64	-1.08%	24.46	0.33%	21.80	0.00%	23.90	-0.42%	30.50	-1.58%	35.33	1.06%
08/15/2008	38.52	-1.48%	25.92	1.57%	24.38	-1.93%	21.80	2.93%	24.00	-3.58%	30.99	2.62%	34.96	0.87%
08/08/2008	39.10	0.85%	25.52	2.90%	24.86	-1.07%	21.18	4.59%	24.89	0.16%	30.20	2.86%	34.66	5.22%
08/01/2008	38.77	-2.24%	24.80	1.39%	25.13	-0.55%	20.25	3.42%	24.85	0.65%	29.36	-1.41%	32.94	5.07%
07/25/2008	39.66	0.48%	24.46	3.95%	25.27	-5.18%	19.58	2.94%	24.69	-1.44%	29.78	1.64%	31.35	-0.25%
07/18/2008	39.47	-1.62%	23.53	-3.96%	26.65	-0.26%	19.02	-3.55%	25.05	-3.02%	29.30	-2.14%	31.43	-1.84%
07/11/2008	40.12	1.42%	24.50	3.11%	26.72	2.10%	19.72	7.12%	25.83	4.66%	29.94	5.83%	32.02	4.71%
07/04/2008	39.56	-0.05%	23.76	1.63%	26.17	-0.15%	18.41	-0.91%	24.68	-2.30%	28.29	-3.08%	30.58	-1.55%
06/27/2008	39.58	-4.26%	23.38	-5.54%	26.21	-4.83%	18.58	-5.78%	25.26	-4.86%	29.19	-5.96%	31.06	-3.30%
06/20/2008	41.34	-3.39%	24.75	0.08%	27.54	-1.96%	19.72	-1.30%	26.55	-0.19%	31.04	-2.60%	32.12	-1.86%
06/13/2008	42.79	1.98%	24.73	0.98%	28.09	1.48%	19.98	-0.70%	26.60	3.34%	31.87	1.46%	32.73	1.11%
06/06/2008	41.96	-0.87%	24.49	-1.96%	27.68	-2.60%	20.12	-2.71%	25.74	-1.87%	31.41	2.45%	32.37	-4.17%
05/30/2008	42.33	0.47%	24.98	1.92%	28.42	-0.39%	20.68	-1.19%	26.23	0.04%	30.66	0.72%	33.78	-0.38%
05/23/2008	42.13	-2.95%	24.51	-1.37%	28.53	1.86%	20.93	0.10%	26.22	-0.64%	30.44	-2.90%	33.91	-0.85%
05/16/2008	43.41	-1.05%	24.85	1.39%	28.01	-0.95%	20.91	1.31%	26.39	0.84%	31.35	0.32%	34.20	1.39%
05/09/2008	43.87	-2.71%	24.51	-0.12%	28.28	-0.63%	20.64	-2.18%	26.17	-1.36%	31.25	-5.33%	33.73	-2.46%
05/02/2008	45.09	1.83%	24.54	1.70%	28.46	3.45%	21.10	-2.00%	26.53	4.41%	33.01	2.71%	34.58	-2.26%
04/25/2008	44.28	-0.87%	24.13	-0.12%	27.51	-0.47%	21.53	-0.28%	25.41	-0.16%	32.14	-1.05%	35.38	-2.32%
04/18/2008	44.67	1.13%	24.16	6.90%	27.64	0.11%	21.59	4.60%	25.45	2.75%	32.48	3.37%	36.22	0.39%
04/11/2008	44.17	2.96%	22.60	0.22%	27.61	5.42%	20.64	0.00%	24.77	0.41%	31.4			

BETA ANALYSIS														
Date	AEP		CNL		DPL		EDE		GXP		IDA		PNW	
	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return	Price	Return
04/04/2008	42.90	4.71%	22.55	3.20%	26.19	3.56%	20.64	1.98%	24.67	1.07%	32.35	2.70%	36.47	5.01%
03/28/2008	40.97	0.34%	21.85	-4.38%	25.29	0.20%	20.24	-2.08%	24.41	-0.37%	31.50	-3.90%	34.73	-3.02%
03/21/2008	40.83	1.49%	22.85	3.16%	25.24	1.00%	20.67	3.71%	24.50	-0.81%	32.78	4.49%	35.81	3.47%
03/14/2008	40.23	-1.01%	22.15	0.82%	24.99	0.08%	19.93	1.94%	24.70	0.16%	31.37	5.69%	34.61	-0.37%
03/07/2008	40.64	-0.68%	21.97	-4.10%	24.97	-2.12%	19.55	-4.68%	24.66	-3.03%	29.68	-0.40%	34.74	-2.28%
02/29/2008	40.92	-3.26%	22.91	-5.45%	25.51	-2.86%	20.51	-4.38%	25.43	-5.50%	29.80	-3.25%	35.55	-3.45%
02/22/2008	42.30	-1.86%	24.23	-1.06%	26.26	-1.43%	21.45	-1.97%	26.91	-0.92%	30.80	-2.10%	36.82	0.49%
02/15/2008	43.10	-0.14%	24.49	-3.96%	26.64	-3.09%	21.88	-1.71%	27.16	-1.24%	31.46	-0.06%	36.64	-1.40%
02/08/2008	43.16	-1.82%	25.50	-1.92%	27.49	-1.86%	22.26	0.68%	27.50	-2.20%	31.48	-3.41%	37.16	-2.98%
02/01/2008	43.96		26.00		28.01		22.11		28.12		32.59		38.30	

Date	BETA ANALYSIS													
	POR		SO		WR		SPX			S&P 500	Proxy Group			Adjusted
	Price	Return	Price	Return	Price	Return	Price	Return	Variance	Average	Covariance	Raw Beta	Beta	
03/25/2011	23.39	-0.21%	37.58	1.57%	26.04	2.12%	1,313.80	2.70%	0.053%	1.93%	0.037%	0.697	0.798	
03/18/2011	23.44	-0.55%	37.00	-3.34%	25.50	-1.89%	1,279.20	-1.92%	0.052%	-2.55%	0.036%	0.695	0.796	
03/11/2011	23.57	0.21%	38.28	0.82%	25.99	0.70%	1,304.28	-1.28%	0.051%	0.68%	0.035%	0.685	0.790	
03/04/2011	23.52	2.22%	37.97	-0.24%	25.81	-0.31%	1,321.15	0.10%	0.051%	0.82%	0.035%	0.694	0.796	
02/25/2011	23.01	1.14%	38.06	0.50%	25.89	-1.45%	1,319.88	-1.72%	0.052%	-0.80%	0.037%	0.702	0.801	
02/18/2011	22.75	-0.48%	37.87	-0.42%	26.27	1.16%	1,343.01	1.04%	0.052%	-0.06%	0.037%	0.713	0.809	
02/11/2011	22.86	1.28%	38.03	1.85%	25.97	0.93%	1,329.15	1.39%	0.053%	1.27%	0.039%	0.728	0.818	
02/04/2011	22.57	0.80%	37.34	-1.14%	25.73	0.35%	1,310.87	2.71%	0.053%	-0.10%	0.038%	0.726	0.818	
01/28/2011	22.39	1.73%	37.77	-1.25%	25.64	-0.62%	1,276.34	-0.55%	0.052%	-0.39%	0.039%	0.751	0.834	
01/21/2011	22.01	0.00%	38.25	-0.65%	25.80	0.58%	1,283.35	-0.76%	0.053%	0.24%	0.040%	0.750	0.834	
01/14/2011	22.01	0.41%	38.50	1.10%	25.65	1.06%	1,293.24	1.71%	0.056%	0.64%	0.042%	0.752	0.835	
01/07/2011	21.92	1.01%	38.08	-0.39%	25.38	0.87%	1,271.50	1.10%	0.056%	0.23%	0.042%	0.750	0.833	
12/31/2010	21.70	-1.72%	38.23	-0.08%	25.16	-0.71%	1,257.64	0.07%	0.057%	-0.80%	0.042%	0.734	0.823	
12/24/2010	22.08	-1.03%	38.26	0.95%	25.34	-0.04%	1,256.77	1.03%	0.057%	0.36%	0.042%	0.735	0.823	
12/17/2010	22.31	1.92%	37.90	0.21%	25.35	1.73%	1,243.91	0.28%	0.058%	1.19%	0.042%	0.728	0.818	
12/10/2010	21.89	0.00%	37.82	-0.79%	24.92	-1.54%	1,240.40	1.28%	0.058%	-0.45%	0.042%	0.720	0.818	
12/03/2010	21.89	3.55%	38.12	0.77%	25.31	0.48%	1,224.71	2.97%	0.057%	0.83%	0.042%	0.731	0.820	
11/26/2010	21.14	0.96%	37.83	-0.63%	25.19	0.52%	1,189.40	-0.86%	0.056%	0.48%	0.042%	0.756	0.837	
11/19/2010	20.94	-1.37%	38.07	-0.05%	25.06	1.25%	1,199.73	0.04%	0.056%	-0.73%	0.042%	0.759	0.839	
11/12/2010	21.23	-1.35%	38.09	-0.99%	24.75	-3.13%	1,199.21	-2.17%	0.056%	-2.37%	0.042%	0.758	0.839	
11/05/2010	21.52	2.97%	38.47	1.58%	25.55	0.99%	1,225.85	3.60%	0.056%	2.16%	0.042%	0.747	0.832	
10/29/2010	20.90	0.72%	37.87	-1.17%	25.30	1.52%	1,183.26	0.02%	0.055%	0.35%	0.042%	0.754	0.836	
10/22/2010	20.75	0.19%	38.32	1.70%	24.92	0.69%	1,183.08	0.59%	0.059%	0.39%	0.044%	0.758	0.839	
10/15/2010	20.71	0.68%	37.68	-0.08%	24.75	0.32%	1,176.19	0.95%	0.059%	0.40%	0.045%	0.762	0.841	
10/08/2010	20.57	0.93%	37.71	1.53%	24.67	0.69%	1,165.15	1.65%	0.059%	0.63%	0.045%	0.761	0.840	
10/01/2010	20.38	1.24%	37.14	-0.93%	24.50	1.74%	1,146.24	-0.21%	0.062%	1.38%	0.047%	0.757	0.838	
09/24/2010	20.13	-0.54%	37.49	1.16%	24.08	1.60%	1,148.67	2.05%	0.063%	1.06%	0.048%	0.761	0.841	
09/17/2010	20.24	0.40%	37.06	-0.13%	23.70	-1.86%	1,125.59	1.45%	0.063%	-0.89%	0.049%	0.767	0.845	
09/10/2010	20.16	-0.88%	37.11	0.32%	24.15	-1.07%	1,109.55	0.46%	0.064%	-0.45%	0.050%	0.781	0.854	
09/03/2010	20.34	0.49%	36.99	0.05%	24.41	1.58%	1,104.51	3.75%	0.065%	0.90%	0.050%	0.766	0.844	
08/27/2010	20.24	2.79%	36.97	3.33%	24.03	2.60%	1,064.59	-0.66%	0.063%	2.18%	0.050%	0.791	0.860	
08/20/2010	19.69	0.00%	35.78	-0.17%	23.42	-1.80%	1,071.69	-0.70%	0.063%	-0.45%	0.050%	0.796	0.864	
08/13/2010	19.69	-1.01%	35.84	-0.11%	23.85	-1.97%	1,079.25	-3.78%	0.064%	-1.08%	0.051%	0.796	0.864	
08/06/2010	19.89	4.14%	35.88	1.56%	24.33	1.88%	1,121.64	1.82%	0.061%	2.00%	0.050%	0.816	0.877	
07/30/2010	19.10	0.05%	35.33	-1.56%	23.88	0.80%	1,101.60	-0.10%	0.061%	-0.76%	0.050%	0.814	0.876	
07/23/2010	19.09	3.02%	35.89	3.19%	23.69	3.68%	1,102.66	3.55%	0.061%	3.40%	0.050%	0.810	0.874	
07/16/2010	18.53	-2.78%	34.78	0.20%	22.85	0.62%	1,064.88	-1.21%	0.062%	-0.99%	0.050%	0.806	0.870	
07/09/2010	19.06	4.90%	34.71	3.98%	22.71	5.68%	1,077.96	5.42%	0.070%	5.29%	0.054%	0.773	0.849	
07/02/2010	18.17	-1.73%	33.38	0.30%	21.49	-2.01%	1,022.58	-5.03%	0.066%	-1.18%	0.050%	0.755	0.837	
06/25/2010	18.49	-5.18%	33.28	-2.43%	21.93	-3.73%	1,076.76	-3.65%	0.062%	-3.38%	0.049%	0.789	0.859	
06/18/2010	19.50	4.33%	34.11	3.27%	22.78	4.35%	1,117.51	2.37%	0.059%	4.67%	0.046%	0.779	0.853	
06/11/2010	18.69	2.02%	33.03	2.80%	21.83	0.69%	1,091.60	2.51%	0.060%	2.00%	0.044%	0.741	0.827	
06/04/2010	18.32	-3.12%	32.13	-1.74%	21.68	-1.45%	1,064.88	-2.25%	0.059%	-2.42%	0.044%	0.743	0.829	
05/28/2010	18.91	0.96%	32.70	-2.74%	22.00	0.41%	1,089.41	0.16%	0.058%	0.57%	0.043%	0.744	0.829	
05/21/2010	18.73	-4.00%	33.62	-2.47%	21.91	-6.05%	1,087.69	-4.23%	0.060%	-5.00%	0.045%	0.747	0.831	
05/14/2010	19.51	2.25%	34.47	1.62%	23.32	4.62%	1,135.68	2.23%	0.056%	3.43%	0.040%	0.715	0.810	
05/07/2010	19.08	-4.02%	33.92	-1.85%	22.29	-5.91%	1,110.88	-6.39%	0.061%	-5.75%	0.045%	0.731	0.820	
04/30/2010	19.88	-1.34%	34.56	-0.49%	23.69	1.67%	1,186.69	-2.51%	0.058%	-0.20%	0.037%	0.632	0.755	
04/23/2010	20.15	3.44%	34.73	2.54%	23.30	3.14%	1,217.28	2.11%	0.056%	2.85%	0.036%	0.649	0.766	
04/16/2010	19.48	-0.71%	33.87	-0.18%	22.59	0.00%	1,192.13	-0.19%	0.056%	-0.27%	0.036%	0.651	0.767	
04/09/2010	19.62	-0.15%	33.93	1.53%	22.59	0.00%	1,194.37	1.38%	0.056%	0.15%	0.036%	0.648	0.765	
04/02/2010	19.65	2.93%	33.42	0.97%	22.59	2.87%	1,178.10	0.99%	0.056%	1.87%	0.036%	0.648	0.765	
03/26/2010	19.09	-1.70%	33.10	-0.24%	21.96	-1.83%	1,166.59	0.58%	0.057%	-1.61%	0.037%	0.641	0.761	
03/19/2010	19.42	1.09%	33.18	2.16%	22.37	1.36%	1,159.90	0.86%	0.063%	1.10%	0.037%	0.586	0.724	
03/12/2010	19.21	0.73%	32.48	0.81%	22.07	1.10%	1,149.99	0.99%	0.063%	0.63%	0.038%	0.604	0.736	
03/05/2010	19.07	6.00%	32.22	1.42%	21.83	2.01%	1,138.70	3.10%	0.081%	2.93%	0.039%	0.480	0.654	
02/26/2010	17.99	-6.74%	31.77	-1.61%	21.40	-3.52%	1,104.49	-0.42%	0.092%	-2.87%	0.050%	0.538	0.692	
02/19/2010	19.29	1.63%	32.29	3.59%	22.18	4.52%	1,109.17	3.13%	0.098%	3.53%	0.052%	0.533	0.689	
02/12/2010	18.98	-0.37%	31.17	-1.67%	21.22	1.34%	1,075.51	0.87%	0.107%	0.44%	0.064%	0.594	0.730	
02/05/2010	19.05	-2.31%	31.70	-0.94%	20.94	-1.83%	1,066.19	-0.72%	0.113%	-2.08%	0.072%	0.637	0.758	
01/29/2010	19.50	-1.56%	32.00	-1.66%	21.33	-1.07%	1,073.87	-1.64%	0.117%	-1.19%	0.074%	0.631	0.754	
01/22/2010	19.81	-2.75%	32.54	-2.40%	21.56	-3.06%	1,091.76	-3.90%	0.116%	-2.82%	0.073%	0.626	0.751	
01/15/2010	20.37	1.85%	33.34	1.55%	22.24	2.39%	1,136.03	-0.78%	0.114%	0.90%	0.071%	0.624	0.749	
01/08/2010	20.00	-2.01%	32.83	-1.47%	21.72	0.00%	1,144.98	2.68%	0.118%	-0.10%	0.071%	0.604	0.736	
01/01/2010	20.41	-1.50%	33.32	-0.39%	21.72	-1.41%	1,115.10	-1.01%	0.122%	-1.10%	0.075%	0.615	0.744	
12/25/2009	20.72	-0.53%	33.45	-1.01%	22.03	0.69%	1,126.48	2.18%	0.129%	0.30%	0.081%	0.626	0.751	
12/18/2009	20.83	-1.79%	33.79	-1.26%	21.88	-0.14%	1,102.47	-0.36%	0.129%	-0.35%	0.081%	0.623	0.749	
12/11/2009	21.21	3.56%	34.22	4.23%	21.91	2.67%	1,106.41	0.04%	0.129%	3.24%	0.081%	0.624	0.749	
12/04/2009	20.48	5.79%	32.83	3.86%	21.34	4.35%	1,105.98	1.33%	0.129%	4.11%	0.081%	0.626	0.751	
11/27/2009	19.36	-0.15%	31.61	0.67%	20.45	1.44%	1,091.49	0.01%	0.131%	0.59%	0.082%	0.625	0.750	
11/20/2009	19.39	0.78%	31.40	-0.57%	20.16	1.10%	1,091.38	-0.19%	0.156%	0.18%	0.094%	0.601	0.734	
11/13/2009	19.24	1.21%	31.58	-0.03%	19.94	1.89%	1,093.48	2.26%	0.171%	1.39%	0.099%	0.578	0.718	
11/06/2009	19.01	2.26%	31.59	1.28%	19.57	2.19%	1,069.30	3.20%	0.179%	2.36%	0.100%	0.559	0.706	
10/30/2009	18.59	-6.77%	31.19	-4.53%	19.15	-2.74%	1,036.19	-4.02%	0.181%	-3.19%	0.101%	0.559	0.706	
10/23/2009	19.94	-1.34%	32.67	0.52%	19.69	-2.91%	1,079.60	-0.74%	0.197%	-1.45%	0.111%	0.563	0.709	
10/16/2009	20.21	0.30%	32.50	2.07%	20.28	3.47%	1,087.68	1.51%	0.207%	0.78%	0.110%	0.533	0.689	

BETA ANALYSIS													
Date	POR		SO		WR		SPX		S&P 500 Variance	Proxy Group			Adjusted Beta
	Price	Return	Price	Return	Price	Return	Price	Return		Average Return	Covariance	Raw Beta	
10/09/2009	20.15	4.51%	31.84	0.35%	19.60	2.08%	1,071.49	4.51%	0.210%	3.03%	0.111%	0.531	0.688
10/02/2009	19.28	-3.65%	31.73	-0.53%	19.20	-1.59%	1,025.21	-1.84%	0.271%	-1.63%	0.168%	0.618	0.745
09/25/2009	20.01	-3.80%	31.90	-0.41%	19.51	-6.20%	1,044.38	-2.24%	0.288%	-1.95%	0.174%	0.606	0.738
09/18/2009	20.80	3.69%	32.03	3.22%	20.80	2.16%	1,068.30	2.45%	0.289%	2.76%	0.175%	0.605	0.737
09/11/2009	20.06	2.09%	31.03	-1.24%	20.36	0.99%	1,042.73	2.59%	0.287%	-0.02%	0.174%	0.604	0.736
09/04/2009	19.65	0.10%	31.42	-0.51%	20.16	-2.37%	1,016.40	-1.22%	0.286%	-1.05%	0.174%	0.609	0.739
08/28/2009	19.63	-0.56%	31.58	0.22%	20.65	0.93%	1,028.93	0.27%	0.287%	-0.43%	0.176%	0.611	0.740
08/21/2009	19.74	3.35%	31.51	0.13%	20.46	0.20%	1,026.13	2.20%	0.287%	1.81%	0.176%	0.611	0.741
08/14/2009	19.10	2.85%	31.47	-0.13%	20.42	0.64%	1,004.09	-0.63%	0.286%	0.53%	0.175%	0.610	0.740
08/07/2009	18.57	-2.42%	31.51	0.35%	20.29	3.15%	1,010.48	2.33%	0.286%	1.97%	0.175%	0.611	0.740
07/31/2009	19.03	1.71%	31.40	-3.77%	19.67	-1.60%	987.48	0.84%	0.287%	-0.61%	0.176%	0.612	0.742
07/24/2009	18.71	-5.27%	32.63	3.65%	19.99	4.33%	979.26	4.13%	0.287%	3.39%	0.176%	0.613	0.742
07/17/2009	19.75	3.57%	31.48	2.54%	19.16	5.74%	940.38	6.97%	0.283%	3.92%	0.173%	0.611	0.741
07/10/2009	19.07	-1.04%	30.70	-1.00%	18.12	-2.69%	879.13	-1.93%	0.273%	-0.98%	0.166%	0.607	0.738
07/03/2009	19.27	-1.73%	31.01	-2.79%	18.62	1.03%	896.42	-2.45%	0.273%	-0.76%	0.165%	0.603	0.735
06/26/2009	19.61	-1.26%	31.90	4.21%	18.43	-0.43%	918.90	-0.25%	0.272%	1.07%	0.164%	0.604	0.736
06/19/2009	19.86	3.55%	30.61	0.20%	18.51	-0.11%	921.23	-2.64%	0.274%	0.11%	0.166%	0.608	0.739
06/12/2009	19.18	2.18%	30.55	5.67%	18.53	1.98%	946.21	0.65%	0.274%	3.18%	0.167%	0.610	0.740
06/05/2009	18.77	4.34%	28.91	1.76%	18.17	1.79%	940.08	2.28%	0.274%	2.96%	0.166%	0.609	0.739
05/29/2009	17.99	3.75%	28.41	2.56%	17.85	6.50%	919.14	3.62%	0.273%	3.12%	0.165%	0.605	0.736
05/22/2009	17.34	0.93%	27.70	-1.49%	16.76	-1.18%	887.00	0.47%	0.271%	0.47%	0.163%	0.601	0.734
05/15/2009	17.18	-7.53%	28.12	-2.23%	16.96	-6.30%	882.88	-4.99%	0.272%	-4.89%	0.163%	0.598	0.732
05/08/2009	18.58	-1.33%	28.76	-0.21%	18.10	1.74%	929.23	5.89%	0.270%	0.43%	0.160%	0.591	0.727
05/01/2009	18.83	9.92%	28.82	-2.17%	17.79	3.61%	877.52	1.30%	0.262%	2.37%	0.159%	0.606	0.737
04/24/2009	17.13	-1.55%	29.46	-0.61%	17.17	-3.76%	866.23	-0.39%	0.262%	-2.56%	0.159%	0.605	0.736
04/17/2009	17.40	-0.17%	29.64	-4.05%	17.84	-1.16%	869.60	1.52%	0.262%	0.22%	0.159%	0.604	0.736
04/10/2009	17.43	-1.02%	30.89	-0.61%	18.05	0.45%	856.56	1.67%	0.266%	0.47%	0.162%	0.606	0.738
04/03/2009	17.61	2.44%	31.08	1.67%	17.97	2.69%	842.50	3.26%	0.266%	1.52%	0.161%	0.604	0.736
03/27/2009	17.19	-4.23%	30.57	-0.03%	17.50	1.69%	815.94	6.17%	0.268%	0.70%	0.163%	0.607	0.738
03/20/2009	17.95	6.78%	30.58	12.68%	17.21	8.44%	768.54	1.58%	0.258%	8.65%	0.161%	0.624	0.749
03/13/2009	16.81	4.41%	27.14	-3.24%	15.87	1.86%	756.55	10.71%	0.260%	1.24%	0.159%	0.612	0.741
03/06/2009	16.10	-1.95%	28.05	-7.46%	15.58	-7.81%	683.38	-7.03%	0.234%	-7.08%	0.155%	0.664	0.776
02/27/2009	16.42	-1.91%	30.31	0.46%	16.90	-1.86%	735.09	-4.54%	0.228%	-2.54%	0.148%	0.651	0.768
02/20/2009	16.74	-8.17%	30.17	-3.89%	17.22	-9.46%	770.05	-6.87%	0.225%	-8.81%	0.147%	0.654	0.769
02/13/2009	18.23	-6.99%	31.39	-6.55%	19.02	-7.85%	826.84	-4.81%	0.219%	-7.65%	0.138%	0.628	0.752
02/06/2009	19.60	0.77%	33.59	0.42%	20.64	2.79%	868.60	5.17%	0.217%	2.70%	0.131%	0.606	0.738
01/30/2009	19.45	4.35%	33.45	-3.46%	20.08	2.40%	825.88	-0.73%	0.212%	1.32%	0.129%	0.608	0.739
01/23/2009	18.64	-0.69%	34.65	-1.08%	19.61	-2.05%	831.95	-2.14%	NA	-1.25%	NA	NA	NA
01/16/2009	18.77	0.70%	35.03	-1.41%	20.02	1.78%	850.12	-4.52%	NA	-0.20%	NA	NA	NA
01/09/2009	18.64	-4.16%	35.53	-5.18%	19.67	-4.98%	890.35	-4.45%	NA	-3.47%	NA	NA	NA
01/02/2009	19.45	4.74%	37.47	4.17%	20.70	7.25%	931.80	6.76%	NA	5.32%	NA	NA	NA
12/26/2008	18.57	2.82%	35.97	0.36%	19.30	-0.05%	872.80	-1.70%	NA	0.42%	NA	NA	NA
12/19/2008	18.06	-0.93%	35.84	-1.38%	19.31	0.57%	887.88	0.93%	NA	1.69%	NA	NA	NA
12/12/2008	18.23	-2.88%	36.34	-1.49%	19.20	-1.13%	879.73	0.42%	NA	-0.66%	NA	NA	NA
12/05/2008	18.77	2.51%	36.89	1.57%	19.42	-4.00%	876.07	-2.25%	NA	-2.17%	NA	NA	NA
11/28/2008	18.31	8.86%	36.32	2.05%	20.23	6.31%	896.24	12.03%	NA	5.61%	NA	NA	NA
11/21/2008	16.82	-4.59%	35.59	1.08%	19.03	-4.99%	800.03	-8.39%	NA	-2.86%	NA	NA	NA
11/14/2008	17.63	-6.67%	35.21	1.09%	20.03	2.56%	873.29	-6.20%	NA	-1.06%	NA	NA	NA
11/07/2008	18.89	-7.94%	34.83	1.43%	19.53	0.21%	930.99	-3.90%	NA	-2.88%	NA	NA	NA
10/31/2008	20.52	8.74%	34.34	-0.78%	19.49	11.95%	968.75	10.49%	NA	6.56%	NA	NA	NA
10/24/2008	18.87	1.02%	34.61	3.34%	17.41	0.29%	876.77	-6.78%	NA	0.46%	NA	NA	NA
10/17/2008	18.68	-7.93%	33.49	3.81%	17.36	-6.87%	940.55	4.60%	NA	1.98%	NA	NA	NA
10/10/2008	20.29	-14.57%	32.26	-13.16%	18.64	-17.52%	899.22	-18.20%	NA	-16.47%	NA	NA	NA
10/03/2008	23.75	-2.50%	37.15	-3.81%	22.60	-5.16%	1,099.23	-9.38%	NA	-4.12%	NA	NA	NA
09/26/2008	24.36	-2.56%	38.62	0.57%	23.83	-0.83%	1,213.01	-3.35%	NA	-1.98%	NA	NA	NA
09/19/2008	25.00	-1.85%	38.40	0.68%	24.03	4.25%	1,255.08	0.27%	NA	2.28%	NA	NA	NA
09/12/2008	25.47	4.26%	38.14	2.80%	23.05	5.88%	1,251.70	0.76%	NA	3.53%	NA	NA	NA
09/05/2008	24.43	-4.64%	37.10	-1.09%	21.77	-3.89%	1,242.31	-3.16%	NA	-2.96%	NA	NA	NA
08/29/2008	25.62	1.26%	37.51	-0.74%	22.65	-1.61%	1,282.83	-0.73%	NA	-0.89%	NA	NA	NA
08/22/2008	25.30	-0.20%	37.79	0.93%	23.02	0.00%	1,292.20	-0.46%	NA	0.02%	NA	NA	NA
08/15/2008	25.35	2.01%	37.44	2.38%	23.02	3.46%	1,298.20	0.15%	NA	0.88%	NA	NA	NA
08/08/2008	24.85	6.52%	36.57	5.72%	22.25	1.51%	1,296.32	2.86%	NA	2.93%	NA	NA	NA
08/01/2008	23.33	1.35%	34.59	-1.54%	21.92	1.62%	1,260.31	0.20%	NA	0.78%	NA	NA	NA
07/25/2008	23.02	2.04%	35.13	0.83%	21.57	1.79%	1,257.76	-0.23%	NA	0.68%	NA	NA	NA
07/18/2008	22.56	-3.26%	34.84	-3.20%	21.19	-4.72%	1,260.68	1.71%	NA	-2.76%	NA	NA	NA
07/11/2008	23.32	4.76%	35.99	1.90%	22.24	3.44%	1,239.49	-1.85%	NA	3.90%	NA	NA	NA
07/04/2008	22.26	-1.94%	35.32	2.58%	21.50	-0.05%	1,262.90	-1.21%	NA	-0.58%	NA	NA	NA
06/27/2008	22.70	-5.38%	34.43	-0.17%	21.51	-5.28%	1,278.38	-3.00%	NA	-4.54%	NA	NA	NA
06/20/2008	23.99	-0.08%	34.49	-1.71%	22.71	-3.24%	1,317.93	-3.10%	NA	-1.63%	NA	NA	NA
06/13/2008	24.01	2.26%	35.09	0.49%	23.47	-0.89%	1,360.03	-0.05%	NA	1.15%	NA	NA	NA
06/06/2008	23.48	0.30%	34.92	-3.54%	23.68	-1.33%	1,360.68	-2.83%	NA	-1.63%	NA	NA	NA
05/30/2008	23.41	-0.76%	36.20	0.56%	24.00	2.83%	1,400.38	1.78%	NA	0.38%	NA	NA	NA
05/23/2008	23.59	-1.91%	36.00	-2.01%	23.34	0.73%	1,375.93	-3.47%	NA	-1.00%	NA	NA	NA
05/16/2008	24.05	4.20%	36.74	1.24%	23.17	-1.49%	1,425.35	2.67%	NA	0.72%	NA	NA	NA
05/09/2008	23.08	-5.68%	36.29	-2.21%	23.52	-1.09%	1,388.28	-1.81%	NA	-2.38%	NA	NA	NA
05/02/2008	24.47	1.83%	37.11	0.03%	23.78	2.37%	1,413.90	1.15%	NA	1.41%	NA	NA	NA
04/25/2008	24.03	-0.70%	37.10	0.41%	23.23	-1.48%	1,397.84	0.54%	NA	-0.70%	NA	NA	NA
04/18/2008	24.20	4.94%	36.95	1.79%	23.58	2.75%	1,390.33	4.31%	NA	2.87%	NA	NA	NA
04/11/2008	23.06	0.04%	36.30	-0.58%	22.95	1.10%	1,332.83	-2.74%	NA	0.56%	NA	NA	NA

BETA ANALYSIS													
Date	POR		SO		WR		SPX		S&P 500 Variance	Average Return	Proxy Group		Adjusted Beta
	Price	Return	Price	Return	Price	Return	Price	Return			Covariance	Raw Beta	
04/04/2008	23.05	3.60%	36.51	3.22%	22.70	0.53%	1,370.40	4.20%	NA	2.96%	NA	NA	NA
03/28/2008	22.25	-2.28%	35.37	-2.10%	22.58	-3.96%	1,315.22	-1.07%	NA	-2.15%	NA	NA	NA
03/21/2008	22.77	1.52%	36.13	4.88%	23.51	3.80%	1,329.51	3.21%	NA	2.67%	NA	NA	NA
03/14/2008	22.43	-0.75%	34.45	0.47%	22.65	1.80%	1,288.14	-0.40%	NA	0.88%	NA	NA	NA
03/07/2008	22.60	-3.13%	34.29	-0.70%	22.25	-2.11%	1,293.37	-2.80%	NA	-2.32%	NA	NA	NA
02/29/2008	23.33	0.43%	34.53	-2.79%	22.73	-2.99%	1,330.63	-1.66%	NA	-3.35%	NA	NA	NA
02/22/2008	23.23	-3.25%	35.52	-0.73%	23.43	-0.89%	1,353.11	0.23%	NA	-1.37%	NA	NA	NA
02/15/2008	24.01	-0.66%	35.78	0.08%	23.64	-2.48%	1,349.99	1.40%	NA	-1.47%	NA	NA	NA
02/08/2008	24.17	-1.95%	35.75	-4.16%	24.24	-1.98%	1,331.29	-4.60%	NA	-2.16%	NA	NA	NA
02/01/2008	24.65		37.30		24.73		1,395.42		NA	NA	NA	NA	NA

	[3]	[4]	[5]	[6]	[7]	[8]	
	Risk Free Rate	Average Beta	Market Risk Premium Sharpe Ratio Derived	Market DCF Derived	Return on Equity Sharpe Ratio Derived	Market DCF Derived	Mean Result
HEVERT REVISED PROXY GROUP CURRENT BETA (12 Month Beta)							
[1] Current 30-Year Treasury (30-day average)	4.53%	0.798	7.65%	8.05%	10.63%	10.96%	
[2] Near-Term Projected 30-Year Treasury	4.88%	0.798	7.65%	8.05%	10.99%	11.31%	10.97%
HEVERT REVISED PROXY GROUP HISTORICAL BETA							
[1] Current 30-Year Treasury (30-day average)	4.53%	0.731	7.65%	8.05%	10.12%	10.42%	
[2] Near-Term Projected 30-Year Treasury	4.88%	0.731	7.65%	8.05%	10.47%	10.77%	10.45%
COMBINED PROXY GROUP CURRENT BETA (12 Month Beta)							
[1] Current 30-Year Treasury (30-day average)	4.53%	0.798	7.65%	8.05%	10.63%	10.95%	
[2] Near-Term Projected 30-Year Treasury	4.88%	0.798	7.65%	8.05%	10.98%	11.31%	10.97%
COMBINED PROXY GROUP HISTORICAL BETA							
[1] Current 30-Year Treasury (30-day average)	4.53%	0.748	7.65%	8.05%	10.25%	10.55%	
[2] Near-Term Projected 30-Year Treasury	4.88%	0.748	7.65%	8.05%	10.60%	10.91%	10.58%

MARKET RISK PREMIUM USING EXPECTED MARKET VOLATILITY				
[9]	[10]	[11]	[12]	[13]
RP _h	Vol _h	VOL _e	Historical Market Sharpe Ratio	RP _e
6.70%	20.28%	23.14%	33.04%	7.65%

	[14]	[15]	[16]	[17]
Date	VXV	Jul11 VIX Futures	Aug11 VIX Futures	Sep11 VIX Futures
03/31/2011	19.84	22.00	22.40	23.20
03/30/2011	19.75	21.95	22.35	23.10
03/29/2011	19.97	22.25	22.65	23.40
03/28/2011	20.86	22.75	23.00	23.75
03/25/2011	20.03	22.55	22.90	23.65
03/24/2011	20.08	22.45	22.80	23.45
03/23/2011	20.93	22.80	23.05	23.70
03/22/2011	21.70	23.10	23.30	23.90
03/21/2011	21.95	23.05	23.20	23.80
03/18/2011	24.34	24.20	24.25	24.75
03/17/2011	25.44	25.00	25.05	25.60
03/16/2011	26.91	25.80	25.90	26.50
03/15/2011	24.03	24.75	24.90	25.60
03/14/2011	22.49	24.25	24.45	25.15
03/11/2011	21.87	24.05	24.20	24.85
03/10/2011	22.76	24.40	24.60	25.25
03/09/2011	21.82	23.75	24.00	24.65
03/08/2011	21.45	23.55	23.80	24.45
03/07/2011	21.85	23.65	23.95	24.50
03/04/2011	20.80	23.15	23.45	24.00
03/03/2011	20.44	22.85	23.15	23.65
03/02/2011	21.68	23.45	23.75	24.20
03/01/2011	21.90	23.45	23.80	24.25
02/28/2011	20.00	22.60	23.00	23.45
02/25/2011	20.57	23.10	23.35	23.75
02/24/2011	22.26	23.75	23.95	24.35
02/23/2011	22.47	23.80	23.95	24.35
02/22/2011	21.32	23.20	23.35	23.75
02/18/2011	18.90	21.95	22.20	22.70
02/17/2011	18.63	21.70	21.95	22.45
Average	23.14			

Notes:

- [1] Source: Bloomberg
- [2] Source: Blue Chip Financial Forecasts, Vol. 30, No. 4, April 1, 2011, at 2
- [3] see Notes [1] and [2]
- [4] Source: Current = Schedule RBH-ES35, Historical = Schedule RBH-ES34
- [5] Equals Col. [13]
- [6] Equals Col. [22]
- [7] Equals (Col. [4] x Col. [5]) + Col. [3]
- [8] Equals (Col. [4] x Col. [6]) + Col. [3]
- [9] Source: Morningstar, Inc.
RP_h = historical arithmetic average Risk Premium
- [10] Source: Morningstar, Inc.
Vol_h = historical market volatility
- [11] Vol_e = expected market volatility (average of Cols. [14]-[17])
- [12] Equals Col. [9] / Col. [10]
- [13] Equals Col. [11] x Col. [12]
- [14] Source: Bloomberg
- [15] Source: Bloomberg
- [16] Source: Bloomberg
- [17] Source: Bloomberg

$$\frac{RP_h}{Vol_h} \times Vol_e = RP_e$$

[18] Estimated Weighted Index Dividend Yield	[19] Weighted Index Long-Term Growth Rate	[20] S&P 500 Est. Required Market Return
1.84%	10.65%	12.58%
[21] Current 30-Year Treasury (30-day average)		4.53%
[22] Implied Market Risk Premium:		8.05%
[23] Percent of Index Capitalization Represented by Estimate:		97.14%

STANDARD AND POOR'S 500 INDEX

Name	Ticker	[24] Weight in Index	[25] Long-Term Growth Est.	[26] Cap-Weighted Long-Term Growth Est.	[27] Estimated Dividend Yield	[28] Cap-Weighted Dividend Yield
AGILENT TECHNOLOGIES INC	A	0.13%	17.75%	0.02%	0.00%	0.00%
ALCOA INC	AA	0.15%	3.00%	0.00%	0.68%	0.00%
APPLE INC	AAPL	2.60%	20.37%	0.53%	0.00%	0.00%
AMERISOURCEBERGEN CORP	ABC	0.09%	12.50%	0.01%	0.87%	0.00%
ABBOTT LABORATORIES	ABT	0.61%	10.60%	0.07%	3.98%	0.02%
ACE LTD	ACE	0.18%	11.40%	0.02%	2.06%	0.00%
ADOBE SYSTEMS INC	ADBE	0.14%	12.63%	0.02%	0.00%	0.00%
ANALOG DEVICES INC	ADI	0.10%	11.00%	0.01%	2.23%	0.00%
ARCHER-DANIELS-MIDLAND CO	ADM	0.19%	10.00%	0.02%	1.69%	0.00%
AUTOMATIC DATA PROCESSING	ADP	0.21%	10.00%	0.02%	2.52%	0.01%
AUTODESK INC	ADSK	0.08%	13.86%	0.01%	0.00%	0.00%
AMEREN CORPORATION	AEE	0.05%	na	na	5.49%	na
AMERICAN ELECTRIC POWER	AEP	0.14%	3.50%	0.00%	5.14%	0.01%
AES CORP	AES	0.08%	3.00%	0.00%	0.00%	0.00%
AETNA INC	AET	0.12%	10.60%	0.01%	1.47%	0.00%
AFLAC INC	AFL	0.20%	11.90%	0.02%	2.34%	0.00%
ALLERGAN INC	AGN	0.18%	14.55%	0.03%	0.28%	0.00%
AMERICAN INTERNATIONAL GROUP	AIG	0.51%	9.00%	0.05%	0.00%	0.00%
APARTMENT INVT & MGMT CO -A	AIV	0.02%	7.70%	0.00%	1.94%	0.00%
ASSURANT INC	AIZ	0.03%	10.00%	0.00%	1.79%	0.00%
AKAMAI TECHNOLOGIES INC	AKAM	0.06%	15.30%	0.01%	0.00%	0.00%
AK STEEL HOLDING CORP	AKS	0.01%	na	na	1.27%	na
ALLSTATE CORP	ALL	0.14%	9.00%	0.01%	2.63%	0.00%
ALTERA CORP	ALTR	0.11%	17.25%	0.02%	0.54%	0.00%
APPLIED MATERIALS INC	AMAT	0.17%	9.67%	0.02%	1.79%	0.00%
ADVANCED MICRO DEVICES	AMD	0.05%	12.00%	0.01%	0.00%	0.00%
AMGEN INC	AMGN	0.40%	7.80%	0.03%	0.00%	0.00%
AMERIPRISE FINANCIAL INC	AMP	0.12%	11.95%	0.01%	1.24%	0.00%
AMERICAN TOWER CORP-CL A	AMT	0.17%	25.78%	0.04%	0.00%	0.00%
AMAZON.COM INC	AMZN	0.66%	27.40%	0.18%	0.00%	0.00%
AUTONATION INC	AN	0.04%	19.91%	0.01%	0.00%	0.00%
ABERCROMBIE & FITCH CO-CL A	ANF	0.04%	20.64%	0.01%	1.20%	0.00%
AON CORP	AON	0.14%	8.33%	0.01%	1.17%	0.00%
APACHE CORP	APA	0.41%	7.43%	0.03%	0.48%	0.00%
ANADARKO PETROLEUM CORP	APC	0.33%	12.89%	0.04%	0.45%	0.00%
AIR PRODUCTS & CHEMICALS INC	APD	0.16%	10.60%	0.02%	2.27%	0.00%
AMPHENOL CORP-CL A	APH	0.08%	13.97%	0.01%	0.11%	0.00%
APOLLO GROUP INC-CL A	APOL	0.05%	4.38%	0.00%	0.00%	0.00%
AIRGAS INC	ARG	0.05%	13.45%	0.01%	1.48%	0.00%
ALLEGHENY TECHNOLOGIES INC	ATI	0.05%	na	na	1.06%	na
AVALONBAY COMMUNITIES INC	AVB	0.08%	7.10%	0.01%	2.98%	0.00%
AVON PRODUCTS INC	AVP	0.09%	9.00%	0.01%	3.41%	0.00%
AVERY DENNISON CORP	AVY	0.04%	7.00%	0.00%	2.29%	0.00%
AMERICAN EXPRESS CO	AXP	0.44%	11.00%	0.05%	1.64%	0.01%
AUTOZONE INC	AZO	0.09%	12.48%	0.01%	0.00%	0.00%
BOEING CO/THE	BA	0.44%	11.99%	0.05%	2.34%	0.01%
BANK OF AMERICA CORP	BAC	1.09%	8.58%	0.09%	0.87%	0.01%
BAXTER INTERNATIONAL INC	BAX	0.25%	10.29%	0.03%	2.36%	0.01%
BED BATH & BEYOND INC	BBBY	0.10%	13.87%	0.01%	0.00%	0.00%
BB&T CORP	BBT	0.15%	1.97%	0.00%	2.45%	0.00%
BEST BUY CO INC	BBY	0.09%	11.35%	0.01%	2.10%	0.00%
CR BARD INC	BCR	0.07%	11.86%	0.01%	0.78%	0.00%
BECTON DICKINSON AND CO	BDX	0.14%	9.84%	0.01%	2.04%	0.00%
FRANKLIN RESOURCES INC	BEN	0.23%	10.00%	0.02%	0.79%	0.00%
BROWN-FORMAN CORP-CLASS B	BF/B	0.05%	na	na	2.37%	na
BAKER HUGHES INC	BHI	0.26%	22.13%	0.06%	0.80%	0.00%
BIG LOTS INC	BIG	0.03%	13.00%	0.00%	na	na
BIOMERIE INC	BIIB	0.14%	7.60%	0.01%	0.00%	0.00%
BANK OF NEW YORK MELLON CORP	BK	0.30%	6.85%	0.02%	1.82%	0.01%
BALL CORP	BLL	0.05%	10.85%	0.01%	0.78%	0.00%
BMC SOFTWARE INC	BMC	0.07%	16.00%	0.01%	0.00%	0.00%
BEMIS COMPANY	BMS	0.03%	9.67%	0.00%	3.02%	0.00%
BRISTOL-MYERS SQUIBB CO	BMJ	0.36%	1.60%	0.01%	4.83%	0.02%
BROADCOM CORP-CL A	BRCM	0.15%	18.00%	0.03%	0.89%	0.00%
BERKSHIRE HATHAWAY INC-CL B	BRK/B	0.72%	na	na	na	na
BOSTON SCIENTIFIC CORP	BSX	0.09%	4.46%	0.00%	0.00%	0.00%
PEABODY ENERGY CORP	BTU	0.16%	37.00%	0.06%	0.47%	0.00%
BOSTON PROPERTIES INC	BXP	0.11%	6.62%	0.01%	2.17%	0.00%
CITIGROUP INC	C	1.04%	2.75%	0.03%	0.18%	0.00%
CA INC	CA	0.10%	10.00%	0.01%	0.66%	0.00%

Name	Ticker	Weight in Index	Long-Term Growth Est.	Cap-Weighted Long-Term Growth Est.	Estimated Dividend Yield	Cap-Weighted Dividend Yield
CONAGRA FOODS INC	CAG	0.08%	7.70%	0.01%	3.70%	0.00%
CARDINAL HEALTH INC	CAH	0.12%	13.20%	0.02%	1.73%	0.00%
CAMERON INTERNATIONAL CORP	CAM	0.11%	14.72%	0.02%	0.00%	0.00%
CATERPILLAR INC	CAT	0.58%	13.00%	0.07%	1.58%	0.01%
CHUBB CORP	CB	0.15%	9.20%	0.01%	2.52%	0.00%
CB RICHARD ELLIS GROUP INC-A	CBG	0.07%	11.00%	0.01%	0.00%	0.00%
CBS CORP-CLASS B NON VOTING	CBS	0.13%	11.88%	0.02%	0.83%	0.00%
COCA-COLA ENTERPRISES	CCE	0.07%	11.00%	0.01%	1.71%	0.00%
CARNIVAL CORP	CCL	0.19%	13.26%	0.03%	2.36%	0.00%
CONSTELLATION ENERGY GROUP	CEG	0.05%	3.33%	0.00%	3.12%	0.00%
CELGENE CORP	CELG	0.22%	24.95%	0.05%	0.00%	0.00%
CEPHALON INC	CEPH	0.05%	10.24%	0.00%	na	na
CERNER CORP	CERN	0.07%	19.17%	0.01%	0.00%	0.00%
CF INDUSTRIES HOLDINGS INC	CF	0.08%	12.00%	0.01%	0.29%	0.00%
CAREFUSION CORP	CFN	0.05%	16.23%	0.01%	0.00%	0.00%
CHESAPEAKE ENERGY CORP	CHK	0.18%	4.00%	0.01%	1.01%	0.00%
C.H. ROBINSON WORLDWIDE INC	CHRW	0.10%	15.71%	0.02%	1.54%	0.00%
CIGNA CORP	CI	0.10%	8.58%	0.01%	0.07%	0.00%
CINCINNATI FINANCIAL CORP	CINF	0.04%	na	na	4.91%	na
COLGATE-PALMOLIVE CO	CL	0.32%	9.78%	0.03%	2.81%	0.01%
CLIFFS NATURAL RESOURCES INC	CLF	0.11%	na	na	0.62%	na
CLOROX COMPANY	CLX	0.08%	8.90%	0.01%	3.16%	0.00%
COMERICA INC	CMA	0.05%	7.05%	0.00%	1.15%	0.00%
COMCAST CORP-CLASS A	CMCSA	0.41%	13.66%	0.06%	1.83%	0.01%
CME GROUP INC	CME	0.16%	13.75%	0.02%	1.85%	0.00%
CUMMINS INC	CMI	0.17%	11.67%	0.02%	0.99%	0.00%
CMS ENERGY CORP	CMS	0.04%	7.40%	0.00%	4.30%	0.00%
CENTERPOINT ENERGY INC	CNP	0.06%	3.90%	0.00%	4.49%	0.00%
CONSOL ENERGY INC	CNX	0.10%	40.00%	0.04%	0.75%	0.00%
CAPITAL ONE FINANCIAL CORP	COF	0.19%	9.92%	0.02%	0.64%	0.00%
CABOT OIL & GAS CORP	COG	0.04%	15.00%	0.01%	0.23%	0.00%
COACH INC	COH	0.12%	14.57%	0.02%	1.15%	0.00%
ROCKWELL COLLINS INC	COL	0.08%	9.92%	0.01%	1.63%	0.00%
CONOCOPHILLIPS	COP	0.92%	2.75%	0.03%	3.14%	0.03%
COSTCO WHOLESALE CORP	COST	0.26%	13.16%	0.03%	1.16%	0.00%
COVIDIEN PLC	COV	0.21%	10.43%	0.02%	1.50%	0.00%
CAMPBELL SOUP CO	CPB	0.09%	6.62%	0.01%	3.44%	0.00%
COMPUWARE CORP	CPWR	0.02%	11.00%	0.00%	na	na
SALESFORCE.COM INC	CRM	0.14%	na	na	0.00%	na
COMPUTER SCIENCES CORP	CSC	0.06%	10.00%	0.01%	0.47%	0.00%
CISCO SYSTEMS INC	CSCO	0.77%	10.89%	0.08%	0.00%	0.00%
CSX CORP	CSX	0.24%	10.92%	0.03%	1.34%	0.00%
CINTAS CORP	CTAS	0.04%	11.00%	0.00%	1.62%	0.00%
CENTURYLINK INC	CTL	0.10%	na	na	7.03%	na
COGNIZANT TECH SOLUTIONS-A	CTSH	0.20%	20.33%	0.04%	0.00%	0.00%
CITRIX SYSTEMS INC	CTXS	0.11%	14.00%	0.02%	0.00%	0.00%
CABLEVISION SYSTEMS-NY GRP-A	CVC	0.07%	19.74%	0.01%	1.49%	0.00%
COVENTRY HEALTH CARE INC	CVH	0.04%	9.98%	0.00%	0.00%	0.00%
CVS CAREMARK CORP	CVS	0.38%	11.57%	0.04%	1.44%	0.01%
CHEVRON CORP	CVX	1.74%	2.17%	0.04%	2.80%	0.05%
DOMINION RESOURCES INC/VA	D	0.21%	4.25%	0.01%	4.39%	0.01%
DU PONT (E.I.) DE NEMOURS	DD	0.41%	8.75%	0.04%	2.98%	0.01%
DEERE & CO	DE	0.33%	10.20%	0.03%	1.36%	0.00%
DELL INC	DELL	0.22%	7.75%	0.02%	0.00%	0.00%
DEAN FOODS CO	DF	0.01%	9.38%	0.00%	na	na
DISCOVER FINANCIAL SERVICES	DFS	0.11%	7.33%	0.01%	1.02%	0.00%
QUEST DIAGNOSTICS INC	DGX	0.08%	11.45%	0.01%	0.72%	0.00%
DR HORTON INC	DHI	0.03%	7.67%	0.00%	1.29%	0.00%
DANAHER CORP	DHR	0.28%	15.07%	0.04%	0.19%	0.00%
WALT DISNEY CO/THE	DIS	0.66%	14.20%	0.09%	0.94%	0.01%
DISCOVERY COMMUNICATIONS-A	DISCA	0.04%	22.49%	0.01%	0.00%	0.00%
DUN & BRADSTREET CORP	DNB	0.03%	10.95%	0.00%	1.79%	0.00%
DENBURY RESOURCES INC	DNR	0.08%	15.88%	0.01%	0.00%	0.00%
DIAMOND OFFSHORE DRILLING	DO	0.09%	18.00%	0.02%	4.65%	0.00%
DOVER CORP	DOV	0.10%	13.50%	0.01%	1.73%	0.00%
DOW CHEMICAL CO/THE	DOW	0.36%	7.00%	0.03%	1.59%	0.01%
DR PEPPER SNAPPLE GROUP INC	DPS	0.07%	9.00%	0.01%	2.88%	0.00%
DARDEN RESTAURANTS INC	DRI	0.05%	12.44%	0.01%	2.60%	0.00%
DTE ENERGY COMPANY	DTE	0.07%	4.67%	0.00%	4.59%	0.00%
DIRECTV-CLASS A	DTV	0.30%	35.54%	0.11%	0.00%	0.00%
DUKE ENERGY CORP	DUK	0.20%	3.75%	0.01%	5.54%	0.01%
DEVRY INC	DV	0.03%	11.91%	0.00%	0.32%	0.00%
DAVITA INC	DVA	0.07%	12.35%	0.01%	0.00%	0.00%
DEVON ENERGY CORPORATION	DVN	0.32%	10.36%	0.03%	0.73%	0.00%
EBAY INC	EBAY	0.33%	10.38%	0.03%	0.00%	0.00%
ECOLAB INC	ECL	0.10%	13.25%	0.01%	1.27%	0.00%
CONSOLIDATED EDISON INC	ED	0.12%	3.64%	0.00%	4.75%	0.01%
EQUIFAX INC	EFX	0.04%	10.00%	0.00%	1.69%	0.00%
EDISON INTERNATIONAL	EIX	0.10%	na	na	3.56%	na
ESTEE LAUDER COMPANIES-CL A	EL	0.09%	11.75%	0.01%	0.76%	0.00%
EMC CORP/MASS	EMC	0.44%	14.60%	0.06%	0.00%	0.00%
EASTMAN CHEMICAL CO	EMN	0.06%	10.00%	0.01%	1.87%	0.00%
EMERSON ELECTRIC CO	EMR	0.36%	14.47%	0.05%	2.41%	0.01%
EOG RESOURCES INC	EOG	0.26%	14.67%	0.04%	0.56%	0.00%
EL PASO CORP	EP	0.10%	11.50%	0.01%	0.22%	0.00%
EQUITY RESIDENTIAL	EQR	0.13%	7.00%	0.01%	2.79%	0.00%
EQT CORP	EQT	0.06%	15.74%	0.01%	1.76%	0.00%
ELECTRONIC ARTS INC	ERTS	0.05%	17.50%	0.01%	0.00%	0.00%
EXPRESS SCRIPTS INC	ESRX	0.24%	19.30%	0.05%	0.00%	0.00%
E*TRADE FINANCIAL CORP	ETFC	0.03%	51.00%	0.01%	0.00%	0.00%

Name	Ticker	Weight in Index	Long-Term Growth Est.	Cap-Weighted Long-Term Growth Est.	Estimated Dividend Yield	Cap-Weighted Dividend Yield
EATON CORP	ETN	0.15%	10.25%	0.02%	2.60%	0.00%
ENERGY CORP	ETR	0.10%	1.67%	0.00%	5.08%	0.00%
EXELON CORP	EXC	0.22%	na	na	5.09%	na
EXPEDITORS INTL WASH INC	EXPD	0.09%	15.78%	0.01%	0.87%	0.00%
EXPEDIA INC	EXPE	0.05%	13.88%	0.01%	0.98%	0.00%
FORD MOTOR CO	F	0.45%	7.81%	0.03%	0.00%	0.00%
FASTENAL CO	FAST	0.08%	18.93%	0.01%	1.56%	0.00%
FREEMONT-MCMORAN COPPER	FCX	0.43%	7.00%	0.03%	2.70%	0.01%
FAMILY DOLLAR STORES	FDO	0.05%	14.71%	0.01%	1.27%	0.00%
FEDEX CORP	FDX	0.24%	13.59%	0.03%	0.51%	0.00%
FIRSTENERGY CORP	FE	0.13%	0.67%	0.00%	6.07%	0.01%
F5 NETWORKS INC	FFIV	0.07%	23.10%	0.02%	0.00%	0.00%
FIRST HORIZON NATIONAL CORP	FHN	0.02%	7.50%	0.00%	0.48%	0.00%
FEDERATED INVESTORS INC-CL B	FII	0.02%	6.00%	0.00%	3.69%	0.00%
FIDELITY NATIONAL INFORMATIO	FIS	0.08%	13.63%	0.01%	0.61%	0.00%
FISERV INC	FISV	0.07%	12.70%	0.01%	0.00%	0.00%
FIFTH THIRD BANCORP	FITB	0.10%	5.00%	0.01%	1.08%	0.00%
FLIR SYSTEMS INC	FLIR	0.04%	14.24%	0.01%	0.46%	0.00%
FLUOR CORP	FLR	0.11%	15.67%	0.02%	0.65%	0.00%
FLOWSERVE CORP	FLS	0.06%	2.50%	0.00%	0.98%	0.00%
FMC CORP	FMC	0.05%	9.67%	0.00%	0.59%	0.00%
FORTUNE BRANDS INC	FO	0.08%	15.47%	0.01%	1.25%	0.00%
FOREST LABORATORIES INC	FRX	0.07%	na	na	0.00%	na
FIRST SOLAR INC	FSLR	0.11%	18.64%	0.02%	0.00%	0.00%
FMC TECHNOLOGIES INC	FTI	0.09%	11.47%	0.01%	0.00%	0.00%
FRONTIER COMMUNICATIONS CORP	FTR	0.07%	na	na	9.12%	na
NICOR INC	GAS	0.02%	4.00%	0.00%	3.46%	0.00%
GANNETT CO	GCI	0.03%	5.50%	0.00%	1.05%	0.00%
GENERAL DYNAMICS CORP	GD	0.23%	9.33%	0.02%	2.23%	0.01%
GENERAL ELECTRIC CO	GE	1.72%	12.16%	0.21%	2.78%	0.05%
GENZYME CORP	GENZ	0.16%	19.28%	0.03%	0.00%	0.00%
GILEAD SCIENCES INC	GILD	0.27%	14.40%	0.04%	0.00%	0.00%
GENERAL MILLS INC	GIS	0.19%	8.10%	0.02%	3.00%	0.01%
CORNING INC	GLW	0.26%	13.00%	0.03%	1.02%	0.00%
GAMESTOP CORP-CLASS A	GME	0.03%	12.33%	0.00%	0.00%	0.00%
GENWORTH FINANCIAL INC-CL A	GNW	0.05%	13.48%	0.01%	0.00%	0.00%
GOOGLE INC-CL A	GOOG	1.19%	18.92%	0.23%	0.00%	0.00%
GENUINE PARTS CO	GPC	0.07%	10.68%	0.01%	3.31%	0.00%
GAP INC/THE	GPS	0.11%	9.58%	0.01%	1.87%	0.00%
GOODRICH CORP	GR	0.09%	6.87%	0.01%	1.33%	0.00%
GOLDMAN SACHS GROUP INC	GS	0.67%	8.93%	0.06%	0.91%	0.01%
GOODYEAR TIRE & RUBBER CO	GT	0.03%	25.66%	0.01%	0.00%	0.00%
WW GRAINGER INC	GWW	0.08%	12.80%	0.01%	1.73%	0.00%
HALLIBURTON CO	HAL	0.37%	19.40%	0.07%	0.72%	0.00%
HARMAN INTERNATIONAL	HAR	0.03%	20.00%	0.01%	na	na
HASBRO INC	HAS	0.05%	10.00%	0.01%	2.44%	0.00%
HUNTINGTON BANCSHARES INC	HBAN	0.05%	5.50%	0.00%	1.42%	0.00%
HUDSON CITY BANCORP INC	HCBK	0.04%	4.50%	0.00%	4.35%	0.00%
HEALTH CARE REIT INC	HCN	0.07%	11.75%	0.01%	5.40%	0.00%
HCP INC	HCP	0.12%	10.70%	0.01%	5.05%	0.01%
HOME DEPOT INC	HD	0.49%	13.24%	0.06%	2.72%	0.01%
HESS CORP	HES	0.23%	8.55%	0.02%	0.47%	0.00%
HARTFORD FINANCIAL SVCS GRP	HIG	0.10%	9.28%	0.01%	1.30%	0.00%
HJ HEINZ CO	HNZ	0.13%	7.09%	0.01%	3.68%	0.00%
HARLEY-DAVIDSON INC	HOG	0.08%	10.67%	0.01%	0.95%	0.00%
HONEYWELL INTERNATIONAL INC	HON	0.38%	14.63%	0.06%	2.18%	0.01%
STARWOOD HOTELS & RESORTS	HOT	0.09%	16.16%	0.01%	0.61%	0.00%
HELMERICH & PAYNE	HP	0.06%	9.00%	0.01%	0.35%	0.00%
HEWLETT-PACKARD CO	HPQ	0.72%	10.20%	0.07%	0.81%	0.01%
H&R BLOCK INC	HRB	0.04%	10.00%	0.00%	3.58%	0.00%
HORMEL FOODS CORP	HLR	0.06%	11.05%	0.01%	1.83%	0.00%
HARRIS CORP	HRS	0.05%	9.00%	0.00%	2.02%	0.00%
HOSPIRA INC	HSP	0.07%	12.26%	0.01%	0.00%	0.00%
HOST HOTELS & RESORTS INC	HST	0.10%	4.46%	0.00%	0.80%	0.00%
HERSHEY CO/THE	HSY	0.07%	7.50%	0.01%	2.52%	0.00%
HUMANA INC	HUM	0.10%	9.87%	0.01%	0.00%	0.00%
INTL BUSINESS MACHINES CORP	IBM	1.61%	11.32%	0.18%	1.63%	0.03%
INTERCONTINENTALEXCHANGE INC	ICE	0.07%	17.17%	0.01%	0.00%	0.00%
INTL FLAVORS & FRAGRANCES	IFF	0.04%	9.00%	0.00%	1.81%	0.00%
INTL GAME TECHNOLOGY	IGT	0.04%	14.03%	0.01%	1.49%	0.00%
INTEL CORP	INTC	0.90%	11.13%	0.10%	3.45%	0.03%
INTUIT INC	INTU	0.13%	13.50%	0.02%	0.00%	0.00%
INTERNATIONAL PAPER CO	IP	0.11%	5.00%	0.01%	2.80%	0.00%
INTERPUBLIC GROUP OF COS INC	IPG	0.05%	11.67%	0.01%	2.05%	0.00%
INGERSOLL-RAND PLC	IR	0.13%	9.25%	0.01%	0.98%	0.00%
IRON MOUNTAIN INC	IRM	0.05%	18.00%	0.01%	2.01%	0.00%
INTUITIVE SURGICAL INC	ISRG	0.11%	22.61%	0.02%	0.00%	0.00%
ITT CORP	ITT	0.09%	10.33%	0.01%	1.86%	0.00%
ILLINOIS TOOL WORKS	ITW	0.22%	12.49%	0.03%	2.83%	0.01%
INVESCO LTD	IVZ	0.10%	12.00%	0.01%	1.82%	0.00%
JABIL CIRCUIT INC	JBL	0.04%	12.50%	0.00%	1.37%	0.00%
JOHNSON CONTROLS INC	JCI	0.23%	16.78%	0.04%	1.34%	0.00%
J.C. PENNEY CO INC	JCP	0.07%	8.00%	0.01%	2.32%	0.00%
JDS UNIPHASE CORP	JDSU	0.04%	12.00%	0.00%	0.00%	0.00%
JACOBS ENGINEERING GROUP INC	JEC	0.05%	11.00%	0.01%	0.00%	0.00%
JOHNSON & JOHNSON	JNJ	1.31%	7.17%	0.09%	3.87%	0.05%
JUNIPER NETWORKS INC	JNPR	0.18%	17.58%	0.03%	0.00%	0.00%
JANUS CAPITAL GROUP INC	JNS	0.02%	10.50%	0.00%	0.47%	0.00%
JOY GLOBAL INC	JOYG	0.08%	14.25%	0.01%	0.73%	0.00%
JPMORGAN CHASE & CO	JPM	1.49%	6.54%	0.10%	1.49%	0.02%

Name	Ticker	Weight in Index	Long-Term Growth Est.	Cap-Weighted Long-Term Growth Est.	Estimated Dividend Yield	Cap-Weighted Dividend Yield
NORDSTROM INC	JWN	0.08%	11.02%	0.01%	1.93%	0.00%
KELLOGG CO	K	0.16%	7.60%	0.01%	3.09%	0.00%
KEYCORP	KEY	0.07%	4.75%	0.00%	0.85%	0.00%
KRAFT FOODS INC-CLASS A	KFT	0.44%	8.29%	0.04%	3.82%	0.02%
KIMCO REALTY CORP	KIM	0.06%	7.94%	0.00%	3.90%	0.00%
KLA-TENCOR CORPORATION	KLAC	0.06%	10.00%	0.01%	2.10%	0.00%
KIMBERLY-CLARK CORP	KMB	0.21%	8.16%	0.02%	4.28%	0.01%
CARMAX INC	KMX	0.06%	14.62%	0.01%	na	na
COCA-COLA CO/THE	KO	1.23%	9.00%	0.11%	2.86%	0.04%
KROGER CO	KR	0.12%	7.95%	0.01%	1.82%	0.00%
KOHL'S CORP	KSS	0.12%	13.50%	0.02%	0.63%	0.00%
LOEWS CORP	L	0.14%	na	na	0.58%	na
LEGGETT & PLATT INC	LEG	0.03%	20.00%	0.01%	4.41%	0.00%
LENNAR CORP-A	LEN	0.02%	8.00%	0.00%	0.87%	0.00%
LABORATORY CRP OF AMER HLDGS	LH	0.07%	12.05%	0.01%	0.00%	0.00%
LIFE TECHNOLOGIES CORP	LIFE	0.08%	11.05%	0.01%	0.00%	0.00%
L-3 COMMUNICATIONS HOLDINGS	LLL	0.07%	8.13%	0.01%	2.17%	0.00%
LINEAR TECHNOLOGY CORP	LLTC	0.06%	9.67%	0.01%	2.80%	0.00%
ELI LILLY & CO	LLY	0.33%	na	na	5.67%	na
LEGG MASON INC	LM	0.04%	9.67%	0.00%	0.59%	0.00%
LOCKHEED MARTIN CORP	LMT	0.23%	8.92%	0.02%	3.81%	0.01%
LINCOLN NATIONAL CORP	LNC	0.08%	10.97%	0.01%	0.69%	0.00%
LORILLARD INC	LO	0.11%	7.00%	0.01%	5.35%	0.01%
LOWE'S COS INC	LOW	0.28%	15.28%	0.04%	1.86%	0.01%
LSI CORP	LSI	0.03%	14.50%	0.00%	na	na
LIMITED BRANDS INC	LTD	0.08%	14.50%	0.01%	2.24%	0.00%
LEUCADIA NATIONAL CORP	LUK	0.07%	na	na	na	na
SOUTHWEST AIRLINES CO	LUV	0.08%	8.33%	0.01%	0.12%	0.00%
LEXMARK INTERNATIONAL INC-A	LXK	0.02%	na	na	0.00%	na
MACY'S INC	M	0.08%	7.63%	0.01%	0.84%	0.00%
MASTERCARD INC-CLASS A	MA	0.25%	19.67%	0.05%	0.24%	0.00%
MARRIOTT INTERNATIONAL-CL A	MAR	0.11%	12.15%	0.01%	0.80%	0.00%
MASCO CORP	MAS	0.04%	15.00%	0.01%	2.18%	0.00%
MATTEL INC	MAT	0.07%	8.50%	0.01%	3.70%	0.00%
MCDONALD'S CORP	MCD	0.64%	10.18%	0.07%	3.27%	0.02%
MICROCHIP TECHNOLOGY INC	MCHP	0.06%	12.00%	0.01%	3.60%	0.00%
MCKESSON CORP	MCK	0.16%	10.50%	0.02%	0.71%	0.00%
MOODY'S CORP	MCO	0.06%	11.33%	0.01%	1.21%	0.00%
MEDTRONIC INC	MDT	0.34%	9.25%	0.03%	2.31%	0.01%
MASSEY ENERGY CO	MEE	0.06%	na	na	0.33%	na
METLIFE INC	MET	0.38%	11.05%	0.04%	2.06%	0.01%
MCGRAW-HILL COMPANIES INC	MHP	0.10%	9.00%	0.01%	2.59%	0.00%
MEDCO HEALTH SOLUTIONS INC	MHS	0.18%	17.59%	0.03%	0.00%	0.00%
MARSHALL & ILSLEY CORP	MI	0.03%	na	na	0.50%	na
MEAD JOHNSON NUTRITION CO	MJN	0.10%	11.50%	0.01%	1.64%	0.00%
MCCORMICK & CO-NON VTG SHRS	MKC	0.05%	8.00%	0.00%	2.34%	0.00%
MARSH & MCLENNAN COS	MMC	0.13%	10.67%	0.01%	2.91%	0.00%
MOTOROLA MOBILITY HOLDINGS I	MMI	0.06%	10.67%	0.01%	0.00%	0.00%
3M CO	MMM	0.54%	12.05%	0.06%	2.36%	0.01%
ALTRIA GROUP INC	MO	0.44%	7.50%	0.03%	6.07%	0.03%
MOLEX INC	MOLX	0.02%	11.67%	0.00%	2.67%	0.00%
MONSANTO CO	MON	0.31%	16.42%	0.05%	1.49%	0.00%
MERCK & CO. INC.	MRK	0.82%	5.63%	0.05%	4.65%	0.04%
MARATHON OIL CORP	MRO	0.31%	4.78%	0.01%	1.91%	0.01%
MORGAN STANLEY	MS	0.34%	11.83%	0.04%	0.89%	0.00%
MICROSOFT CORP	MSFT	1.72%	11.31%	0.20%	2.46%	0.04%
MOTOROLA SOLUTIONS INC	MSI	0.12%	4.50%	0.01%	0.00%	0.00%
M & T BANK CORP	MTB	0.09%	7.00%	0.01%	3.16%	0.00%
MICRON TECHNOLOGY INC	MU	0.09%	11.75%	0.01%	0.00%	0.00%
MURPHY OIL CORP	MUR	0.11%	na	na	1.54%	na
MEADWESTVACO CORP	MWV	0.04%	10.00%	0.00%	3.25%	0.00%
MONSTER WORLDWIDE INC	MWW	0.02%	17.33%	0.00%	0.00%	0.00%
MYLAN INC	MYL	0.08%	13.54%	0.01%	0.31%	0.00%
NOBLE ENERGY INC	NBL	0.14%	13.57%	0.02%	0.72%	0.00%
NABORS INDUSTRIES LTD	NBR	0.07%	10.00%	0.01%	0.00%	0.00%
NASDAQ OMX GROUP/THE	NDAQ	0.04%	14.00%	0.01%	0.00%	0.00%
NOBLE CORP	NE	0.09%	6.75%	0.01%	1.55%	0.00%
NEXTERA ENERGY INC	NEE	0.19%	6.00%	0.01%	3.78%	0.01%
NEWMONT MINING CORP	NEM	0.21%	2.00%	0.00%	1.06%	0.00%
NETFLIX INC	NFLX	0.10%	29.09%	0.03%	0.00%	0.00%
NEWFIELD EXPLORATION CO	NFX	0.08%	8.73%	0.01%	0.00%	0.00%
NISOURCE INC	NI	0.04%	7.95%	0.00%	4.80%	0.00%
NIKE INC -CL B	NKE	0.24%	11.03%	0.03%	1.59%	0.00%
NORTHROP GRUMMAN CORP	NOC	0.15%	8.15%	0.01%	3.04%	0.00%
NATIONAL OILWELL VARCO INC	NOV	0.27%	8.60%	0.02%	0.53%	0.00%
NOVELL INC	NOVL	0.02%	na	na	na	na
NRG ENERGY INC	NRG	0.04%	2.51%	0.00%	0.00%	0.00%
NORFOLK SOUTHERN CORP	NSC	0.21%	14.57%	0.03%	2.28%	0.00%
NATIONAL SEMICONDUCTOR CORP	NSM	0.03%	9.50%	0.00%	2.67%	0.00%
NETAPP INC	NTAP	0.14%	18.11%	0.03%	0.00%	0.00%
NORTHERN TRUST CORP	NTRS	0.10%	6.08%	0.01%	2.14%	0.00%
NORTHEAST UTILITIES	NU	0.05%	7.38%	0.00%	3.18%	0.00%
NUCOR CORP	NUE	0.12%	5.00%	0.01%	3.14%	0.00%
NVIDIA CORP	NVDA	0.09%	16.17%	0.01%	0.00%	0.00%
NOVELLUS SYSTEMS INC	NVLS	0.03%	13.00%	0.00%	0.00%	0.00%
NEWELL RUBBERMAID INC	NWL	0.04%	10.25%	0.00%	1.07%	0.00%
NEWS CORP-CL A	NWSA	0.26%	11.84%	0.03%	0.87%	0.00%
NYSE EURONEXT	NYX	0.07%	10.50%	0.01%	3.45%	0.00%
OWENS-ILLINOIS INC	OI	0.04%	10.50%	0.00%	0.00%	0.00%
ONEOK INC	OKE	0.06%	6.25%	0.00%	3.05%	0.00%

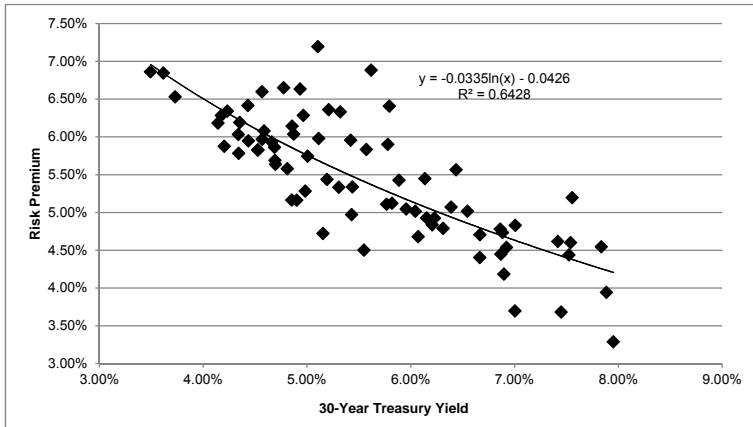
Name	Ticker	Weight in Index	Long-Term Growth Est.	Cap-Weighted Long-Term Growth Est.	Estimated Dividend Yield	Cap-Weighted Dividend Yield
OMNICOM GROUP	OMC	0.11%	11.00%	0.01%	2.00%	0.00%
ORACLE CORP	ORCL	1.37%	13.93%	0.19%	0.54%	0.01%
O'REILLY AUTOMOTIVE INC	ORLY	0.07%	17.80%	0.01%	0.00%	0.00%
OCCIDENTAL PETROLEUM CORP	OXY	0.69%	8.91%	0.06%	1.65%	0.01%
PAYCHEX INC	PAYX	0.09%	10.86%	0.01%	3.95%	0.00%
PEOPLE'S UNITED FINANCIAL	PBCT	0.04%	7.67%	0.00%	4.98%	0.00%
PITNEY BOWES INC	PBI	0.04%	na	na	5.76%	na
PACCAR INC	PCAR	0.15%	11.00%	0.02%	1.50%	0.00%
P G & E CORP	PCG	0.14%	6.17%	0.01%	4.39%	0.01%
PLUM CREEK TIMBER CO	PCL	0.06%	3.50%	0.00%	3.85%	0.00%
PRICELINE.COM INC	PCLN	0.20%	21.25%	0.04%	0.00%	0.00%
PRECISION CASTPARTS CORP	PCP	0.17%	11.20%	0.02%	0.08%	0.00%
METROPICS COMMUNICATIONS INC	PCS	0.05%	22.80%	0.01%	0.00%	0.00%
PATTERSON COS INC	PDCO	0.03%	12.84%	0.00%	1.24%	0.00%
PUBLIC SERVICE ENTERPRISE GP	PEG	0.13%	4.00%	0.01%	4.37%	0.01%
PEPSICO INC	PEP	0.83%	9.63%	0.08%	3.16%	0.03%
PFIZER INC	PFE	1.31%	2.69%	0.04%	3.94%	0.05%
PRINCIPAL FINANCIAL GROUP	PFJ	0.08%	12.47%	0.01%	1.82%	0.00%
PROCTER & GAMBLE CO/THE	PG	1.40%	9.21%	0.13%	3.16%	0.04%
PROGRESS ENERGY INC	PGN	0.11%	4.50%	0.00%	5.41%	0.01%
PROGRESSIVE CORP	PGR	0.11%	7.60%	0.01%	1.78%	0.00%
PARKER HANNIFIN CORP	PH	0.12%	9.00%	0.01%	1.22%	0.00%
PULTEGROUP INC	PHM	0.02%	10.00%	0.00%	0.00%	0.00%
PERKINELMER INC	PKI	0.02%	10.87%	0.00%	1.07%	0.00%
PROLOGIS	PLD	0.07%	10.04%	0.01%	2.82%	0.00%
PALL CORP	PLL	0.05%	15.00%	0.01%	1.13%	0.00%
PHILIP MORRIS INTERNATIONAL	PM	0.95%	9.87%	0.09%	4.15%	0.04%
PNC FINANCIAL SERVICES GROUP	PNC	0.27%	7.11%	0.02%	1.47%	0.00%
PINNACLE WEST CAPITAL	PNW	0.04%	5.00%	0.00%	4.96%	0.00%
PEPCO HOLDINGS INC	POM	0.03%	2.50%	0.00%	na	na
PPG INDUSTRIES INC	PPG	0.12%	7.93%	0.01%	2.34%	0.00%
PPL CORPORATION	PPL	0.10%	3.73%	0.00%	5.58%	0.01%
PRUDENTIAL FINANCIAL INC	PRU	0.24%	12.38%	0.03%	1.97%	0.00%
PUBLIC STORAGE	PSA	0.15%	4.85%	0.01%	2.96%	0.00%
QUANTA SERVICES INC	PWR	0.04%	17.47%	0.01%	na	na
PRAXAIR INC	PX	0.25%	9.93%	0.02%	1.93%	0.00%
PIONEER NATURAL RESOURCES CO	PXD	0.10%	22.60%	0.02%	0.16%	0.00%
QWEST COMMUNICATIONS INTL	Q	0.10%	4.20%	0.00%	4.67%	0.00%
QUALCOMM INC	QCOM	0.73%	16.80%	0.12%	1.41%	0.01%
QEP RESOURCES INC	QEP	0.06%	15.00%	0.01%	0.25%	0.00%
RYDER SYSTEM INC	R	0.02%	12.56%	0.00%	2.14%	0.00%
REYNOLDS AMERICAN INC	RAI	0.17%	6.00%	0.01%	5.91%	0.01%
ROWAN COMPANIES INC	RDC	0.05%	13.00%	0.01%	0.00%	0.00%
REGIONS FINANCIAL CORP	RF	0.07%	7.00%	0.01%	0.65%	0.00%
ROBERT HALF INTL INC	RHI	0.04%	12.67%	0.00%	1.82%	0.00%
RED HAT INC	RHT	0.07%	18.13%	0.01%	0.00%	0.00%
POLO RALPH LAUREN CORP	RL	0.07%	12.67%	0.01%	0.35%	0.00%
ROCKWELL AUTOMATION INC	ROK	0.11%	14.33%	0.02%	1.45%	0.00%
ROPER INDUSTRIES INC	ROP	0.07%	13.50%	0.01%	0.54%	0.00%
ROSS STORES INC	ROST	0.07%	12.57%	0.01%	1.12%	0.00%
RANGE RESOURCES CORP	RRC	0.08%	19.80%	0.02%	0.28%	0.00%
RR DONNELLEY & SONS CO	RRD	0.03%	10.00%	0.00%	5.50%	0.00%
REPUBLIC SERVICES INC	RSG	0.09%	11.50%	0.01%	2.69%	0.00%
RADIOSHACK CORP	RSH	0.01%	8.50%	0.00%	1.64%	0.00%
RAYTHEON COMPANY	RTN	0.15%	9.00%	0.01%	3.01%	0.00%
SPRINT NEXTEL CORP	S	0.11%	na	na	0.00%	na
SAIC INC	SAI	0.05%	9.14%	0.00%	na	na
STARBUCKS CORP	SBUX	0.22%	16.73%	0.04%	1.49%	0.00%
SCANA CORP	SCG	0.04%	4.91%	0.00%	4.92%	0.00%
SCHWAB (CHARLES) CORP	SCHW	0.18%	18.00%	0.03%	1.39%	0.00%
SPECTRA ENERGY CORP	SE	0.14%	6.67%	0.01%	3.83%	0.01%
SEALED AIR CORP	SEE	0.03%	9.27%	0.00%	1.99%	0.00%
SEARS HOLDINGS CORP	SHLD	0.07%	10.00%	0.01%	0.00%	0.00%
SHERWIN-WILLIAMS CO/THE	SHW	0.07%	10.15%	0.01%	1.81%	0.00%
SIGMA-ALDRICH	SIAL	0.06%	7.50%	0.00%	1.13%	0.00%
JM SMUCKER CO/THE	SJM	0.07%	7.28%	0.00%	2.29%	0.00%
SCHLUMBERGER LTD	SLB	1.03%	24.30%	0.25%	1.04%	0.01%
SARA LEE CORP	SLE	0.09%	8.82%	0.01%	2.58%	0.00%
SLM CORP	SLM	0.07%	10.00%	0.01%	na	na
SNAP-ON INC	SNA	0.03%	10.00%	0.00%	na	na
SANDISK CORP	SNDK	0.09%	12.50%	0.01%	0.00%	0.00%
SCRIPPS NETWORKS INTER-CL A	SNI	0.05%	15.15%	0.01%	0.61%	0.00%
SOUTHERN CO	SO	0.26%	5.00%	0.01%	4.88%	0.01%
SIMON PROPERTY GROUP INC	SPG	0.26%	7.22%	0.02%	3.03%	0.01%
STAPLES INC	SPLS	0.11%	15.03%	0.02%	1.89%	0.00%
STERICYCLE INC	SRCL	0.06%	16.75%	0.01%	na	na
SEMPRA ENERGY	SRE	0.10%	6.50%	0.01%	3.16%	0.00%
SUNTRUST BANKS INC	STI	0.13%	6.67%	0.01%	0.34%	0.00%
ST JUDE MEDICAL INC	STJ	0.14%	12.42%	0.02%	0.48%	0.00%
STATE STREET CORP	STT	0.18%	7.25%	0.01%	0.92%	0.00%
CONSTELLATION BRANDS INC-A	STZ	0.03%	7.00%	0.00%	0.00%	0.00%
SUNOCO INC	SUN	0.04%	22.48%	0.01%	1.32%	0.00%
SUPERVALU INC	SVU	0.02%	na	na	4.03%	na
STANLEY BLACK & DECKER INC	SWK	0.10%	14.00%	0.01%	1.96%	0.00%
SOUTHWESTERN ENERGY CO	SWN	0.12%	21.57%	0.03%	0.00%	0.00%
SAFEWAY INC	SWY	0.07%	9.69%	0.01%	2.13%	0.00%
STRYKER CORP	SYK	0.19%	12.41%	0.02%	1.10%	0.00%
SYMANTEC CORP	SYMC	0.11%	8.90%	0.01%	0.00%	0.00%
SYSCO CORP	SYT	0.13%	10.50%	0.01%	3.76%	0.00%
AT&T INC	T	1.46%	5.75%	0.08%	5.63%	0.08%

Name	Ticker	Weight in Index	Long-Term Growth Est.	Cap-Weighted Long-Term Growth Est.	Estimated Dividend Yield	Cap-Weighted Dividend Yield
MOLSON COORS BREWING CO -B	TAP	0.06%	12.00%	0.01%	2.49%	0.00%
TERADATA CORP	TDC	0.07%	13.00%	0.01%	na	na
TECO ENERGY INC	TE	0.03%	6.00%	0.00%	4.48%	0.00%
INTEGRYS ENERGY GROUP INC	TEG	0.03%	7.93%	0.00%	5.42%	0.00%
TERADYNE INC	TER	0.03%	15.00%	0.00%	0.00%	0.00%
TARGET CORP	TGT	0.28%	11.73%	0.03%	2.04%	0.01%
TENET HEALTHCARE CORP	THC	0.03%	10.60%	0.00%	0.00%	0.00%
TITANIUM METALS CORP	TIE	0.03%	na	na	0.81%	na
TIFFANY & CO	TIF	0.06%	14.93%	0.01%	1.72%	0.00%
TJX COMPANIES INC	TJX	0.16%	13.22%	0.02%	1.43%	0.00%
TELLABS INC	TLAB	0.02%	9.00%	0.00%	1.53%	0.00%
TORCHMARK CORP	TMK	0.04%	7.33%	0.00%	0.99%	0.00%
THERMO FISHER SCIENTIFIC INC	TMO	0.18%	12.30%	0.02%	0.00%	0.00%
T ROWE PRICE GROUP INC	TROW	0.14%	12.50%	0.02%	1.75%	0.00%
TRAVELERS COS INC/THE	TRV	0.21%	8.06%	0.02%	2.48%	0.01%
TYSON FOODS INC-CL A	TSN	0.05%	8.50%	0.00%	0.85%	0.00%
TESORO CORP	TSO	0.03%	18.22%	0.01%	0.37%	0.00%
TOTAL SYSTEM SERVICES INC	TSS	0.03%	9.20%	0.00%	1.61%	0.00%
TIME WARNER CABLE	TWC	0.20%	15.51%	0.03%	2.69%	0.01%
TIME WARNER INC	TWX	0.32%	14.96%	0.05%	2.61%	0.01%
TEXAS INSTRUMENTS INC	TXN	0.33%	10.40%	0.03%	1.51%	0.00%
TEXTRON INC	TXT	0.06%	44.69%	0.03%	0.45%	0.00%
TYCO INTERNATIONAL LTD	TYC	0.17%	11.53%	0.02%	2.14%	0.00%
UNITEDHEALTH GROUP INC	UNH	0.40%	10.32%	0.04%	1.10%	0.00%
UNUM GROUP	UNM	0.07%	9.33%	0.01%	1.43%	0.00%
UNION PACIFIC CORP	UNP	0.39%	13.75%	0.05%	1.54%	0.01%
UNITED PARCEL SERVICE-CL B	UPS	0.44%	11.64%	0.05%	2.70%	0.01%
URBAN OUTFITTERS INC	URBN	0.04%	18.55%	0.01%	0.00%	0.00%
US BANCORP	USB	0.41%	7.00%	0.03%	1.73%	0.01%
UNITED TECHNOLOGIES CORP	UTX	0.63%	10.93%	0.07%	2.16%	0.01%
VISA INC-CLASS A SHARES	V	0.29%	19.67%	0.06%	0.79%	0.00%
VARIAN MEDICAL SYSTEMS INC	VAR	0.07%	16.03%	0.01%	0.00%	0.00%
VF CORP	VFC	0.09%	11.20%	0.01%	2.54%	0.00%
VIACOM INC-CLASS B	VIA/B	0.21%	14.60%	0.03%	1.35%	0.00%
VALERO ENERGY CORP	VLO	0.14%	1.16%	0.00%	0.69%	0.00%
VULCAN MATERIALS CO	VMC	0.05%	9.80%	0.00%	2.19%	0.00%
VORNADO REALTY TRUST	VNO	0.13%	4.15%	0.01%	3.05%	0.00%
VERISIGN INC	VRSN	0.05%	14.25%	0.01%	0.00%	0.00%
VENTAS INC	VTR	0.07%	6.95%	0.00%	4.22%	0.00%
VERIZON COMMUNICATIONS INC	VZ	0.88%	6.03%	0.05%	5.11%	0.05%
WALGREEN CO	WAG	0.30%	14.14%	0.04%	1.76%	0.01%
WATERS CORP	WAT	0.06%	14.40%	0.01%	0.00%	0.00%
WESTERN DIGITAL CORP	WDC	0.07%	6.80%	0.00%	0.00%	0.00%
WISCONSIN ENERGY CORP	WEC	0.06%	7.33%	0.00%	3.40%	0.00%
WELLS FARGO & CO	WFC	1.35%	10.00%	0.14%	1.59%	0.02%
WHOLE FOODS MARKET INC	WFMI	0.09%	18.25%	0.02%	0.63%	0.00%
MEMC ELECTRONIC MATERIALS	WFR	0.02%	44.50%	0.01%	0.00%	0.00%
WHIRLPOOL CORP	WHR	0.05%	15.00%	0.01%	2.01%	0.00%
WINDSTREAM CORP	WIN	0.05%	na	na	7.77%	na
WELLPOINT INC	WLP	0.21%	9.20%	0.02%	1.23%	0.00%
WASTE MANAGEMENT INC	WM	0.14%	10.40%	0.01%	3.65%	0.01%
WILLIAMS COS INC	WMB	0.15%	14.90%	0.02%	2.08%	0.00%
WAL-MART STORES INC	WMT	1.47%	10.51%	0.15%	2.54%	0.04%
WATSON PHARMACEUTICALS INC	WPI	0.06%	11.44%	0.01%	0.00%	0.00%
WASHINGTON POST-CLASS B	WPO	0.02%	na	na	na	na
WESTERN UNION CO	WU	0.11%	12.00%	0.01%	1.36%	0.00%
WEYERHAEUSER CO	WY	0.11%	5.00%	0.01%	2.42%	0.00%
WYNDHAM WORLDWIDE CORP	WYN	0.04%	na	na	1.89%	na
WYNN RESORTS LTD	WYNN	0.13%	35.63%	0.05%	0.79%	0.00%
UNITED STATES STEEL CORP	X	0.06%	5.00%	0.00%	0.37%	0.00%
XCEL ENERGY INC	XEL	0.09%	5.30%	0.00%	4.33%	0.00%
XL GROUP PLC	XL	0.06%	10.00%	0.01%	1.73%	0.00%
XILINX INC	XLNX	0.07%	13.00%	0.01%	1.95%	0.00%
EXXON MOBIL CORP	XOM	3.38%	5.07%	0.17%	2.20%	0.07%
DENTSPLY INTERNATIONAL INC	XRAY	0.04%	11.60%	0.00%	0.58%	0.00%
XEROX CORP	XRX	0.12%	19.00%	0.02%	1.69%	0.00%
YAHOO! INC	YHOO	0.18%	9.58%	0.02%	0.00%	0.00%
YUM! BRANDS INC	YUM	0.19%	12.37%	0.02%	2.01%	0.00%
ZIONS BANCORPORATION	ZION	0.03%	8.20%	0.00%	0.17%	0.00%
ZIMMER HOLDINGS INC	ZMH	0.09%	10.70%	0.01%	0.00%	0.00%

Notes:

- [18] Equals sum of Col. [28]
- [19] Equals sum of Col. [26]
- [20] Equals ([18] x (1 + (0.5 x [19]))) + [19]
- [21] Source: Bloomberg
- [22] Equals [20] - [21]
- [23] Equals sum of Col. [24] if Col. [25] ≠ n/a
- [24] Equals weight in S&P 500 based on market capitalization
- [25] Source: Bloomberg
- [26] Equals Col. [24] x Col. [25] if Col. [8] ≠ n/a, otherwise equals n/a
- [27] Source: Bloomberg
- [28] Equals Col. [24] x Col. [27] if Col. [25] ≠ n/a, otherwise equals n/a

	[1]	[2]	[3]
Quarter	Average Authorized Electric ROE	U.S. Govt. 30-year Treasury	Treasury Risk Premium (ROE-30yr)
1992.1	12.38%	7.84%	4.55%
1992.2	11.83%	7.88%	3.94%
1992.3	12.03%	7.42%	4.62%
1992.4	12.14%	7.54%	4.60%
1993.1	11.84%	7.01%	4.83%
1993.2	11.64%	6.86%	4.78%
1993.3	11.15%	6.23%	4.92%
1993.4	11.04%	6.21%	4.84%
1994.1	11.07%	6.66%	4.40%
1994.2	11.13%	7.45%	3.68%
1994.3	12.75%	7.55%	5.20%
1994.4	11.24%	7.95%	3.29%
1995.1	11.96%	7.52%	4.44%
1995.2	11.32%	6.87%	4.45%
1995.3	11.37%	6.66%	4.71%
1995.4	11.58%	6.14%	5.45%
1996.1	11.46%	6.39%	5.07%
1996.2	11.46%	6.92%	4.54%
1996.3	10.70%	7.00%	3.70%
1996.4	11.56%	6.54%	5.02%
1997.1	11.08%	6.90%	4.18%
1997.2	11.62%	6.88%	4.73%
1997.3	12.00%	6.44%	5.56%
1997.4	11.06%	6.04%	5.02%
1998.1	11.31%	5.89%	5.43%
1998.2	12.20%	5.79%	6.41%
1998.3	11.65%	5.32%	6.33%
1998.4	12.30%	5.11%	7.20%
1999.1	10.40%	5.43%	4.97%
1999.2	10.94%	5.82%	5.12%
1999.3	10.75%	6.07%	4.68%
1999.4	11.10%	6.31%	4.79%
2000.1	11.08%	6.15%	4.93%
2000.2	11.00%	5.95%	5.05%
2000.3	11.68%	5.78%	5.90%
2000.4	12.50%	5.62%	6.88%
2001.1	11.38%	5.42%	5.96%
2001.2	10.88%	5.77%	5.11%
2001.3	10.78%	5.44%	5.34%
2001.4	11.57%	5.21%	6.36%
2002.1	10.05%	5.55%	4.50%
2002.2	11.41%	5.57%	5.83%
2002.3	11.25%	4.96%	6.29%
2002.4	11.57%	4.93%	6.63%
2003.1	11.43%	4.78%	6.65%
2003.2	11.16%	4.57%	6.60%
2003.3	9.88%	5.15%	4.72%
2003.4	11.09%	5.11%	5.98%
2004.1	11.00%	4.86%	6.14%
2004.2	10.64%	5.31%	5.33%
2004.3	10.75%	5.01%	5.74%
2004.4	10.91%	4.87%	6.04%
2005.1	10.55%	4.69%	5.86%
2005.2	10.13%	4.34%	5.78%
2005.3	10.85%	4.43%	6.41%
2005.4	10.59%	4.66%	5.93%
2006.1	10.38%	4.69%	5.69%
2006.2	10.63%	5.19%	5.44%
2006.3	10.06%	4.90%	5.16%
2006.4	10.33%	4.70%	5.64%
2007.1	10.39%	4.81%	5.58%
2007.2	10.27%	4.98%	5.28%
2007.3	10.02%	4.85%	5.16%
2007.4	10.36%	4.53%	5.83%
2008.1	10.37%	4.34%	6.03%
2008.2	10.54%	4.57%	5.97%
2008.3	10.38%	4.44%	5.95%
2008.4	10.36%	3.49%	6.86%
2009.1	10.46%	3.62%	6.85%
2009.2	10.58%	4.23%	6.34%
2009.3	10.46%	4.18%	6.28%
2009.4	10.54%	4.35%	6.19%
2010.1	10.66%	4.59%	6.08%
2010.2	10.08%	4.20%	5.87%
2010.3	10.26%	3.73%	6.53%
2010.4	10.33%	4.14%	6.18%
2011.1	10.35%	4.53%	5.82%
Mean	11.04%	5.58%	5.46%
Median	11.04%	5.42%	5.45%



SUMMARY OUTPUT

	<i>Coefficients</i>
Intercept	-0.0426
U.S. Govt. 30-year Treasury	-0.0335

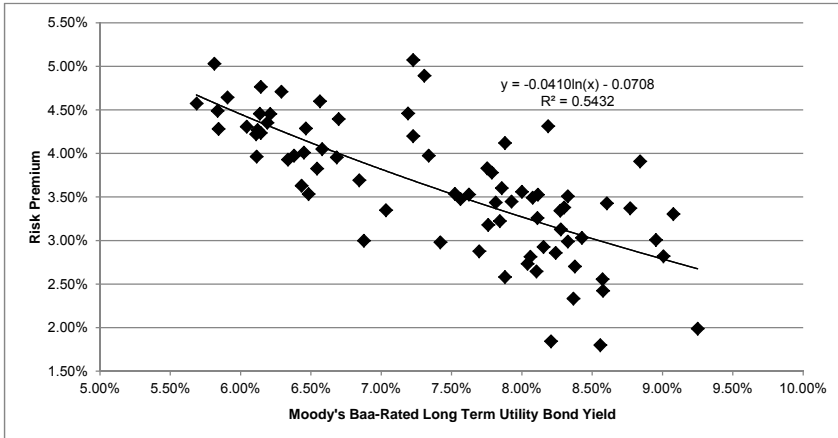
	[6]	[7]	[8]
	<i>Risk-Free Rate</i>	<i>Risk Premium</i>	<i>ROE</i>
Current 30-year Treasury Bond Yield (30-day average) [4]	4.53%	6.11%	10.64%
Blue Chip Consensus Forecast (April 2011 - September 2012) [5]	4.88%	5.85%	10.74%
MEAN	4.71%	5.98%	10.69%

Notes:

- [1] Source: Regulatory Research Associates, Rate Case Statistics, accessed April 4, 2011
- [2] Source: Bloomberg; average of last trading day of each month in a quarter
- [3] Equals Col. [1] - Col. [2]
- [4] Source: Bloomberg
- [5] Blue Chip Financial Forecasts, Vol. 30, No. 4, April 1, 2011, at 2
- [6] see Notes [4] & [5]
- [7] Equals $-0.0426 + (-0.0335 \times \ln(\text{Col. [6]}))$
- [8] Equals Col. [6] + Col. [7]

BAA UTILITY BOND YIELD PLUS
RISK PREMIUM ANALYSIS

Quarter	[1] Average Authorized Electric ROE	[2] Moody's Baa Utility Bond Index Yield	[3] Baa Bond Risk Premium (ROE-Baa Yield)
1992.1	12.38%	9.08%	3.30%
1992.2	11.83%	9.01%	2.82%
1992.3	12.03%	8.60%	3.43%
1992.4	12.14%	8.77%	3.37%
1993.1	11.84%	8.33%	3.51%
1993.2	11.64%	8.11%	3.53%
1993.3	11.15%	7.62%	3.53%
1993.4	11.04%	7.56%	3.48%
1994.1	11.07%	7.84%	3.22%
1994.2	11.13%	8.57%	2.56%
1994.3	12.75%	8.84%	3.91%
1994.4	11.24%	9.25%	1.99%
1995.1	11.96%	8.95%	3.01%
1995.2	11.32%	8.33%	2.99%
1995.3	11.37%	8.11%	3.26%
1995.4	11.58%	7.75%	3.83%
1996.1	11.46%	7.86%	3.60%
1996.2	11.46%	8.43%	3.03%
1996.3	10.70%	8.37%	2.33%
1996.4	11.56%	8.00%	3.56%
1997.1	11.08%	8.15%	2.93%
1997.2	11.62%	8.27%	3.34%
1997.3	12.00%	7.88%	4.12%
1997.4	11.06%	7.52%	3.54%
1998.1	11.31%	7.34%	3.98%
1998.2	12.20%	7.31%	4.89%
1998.3	11.65%	7.19%	4.46%
1998.4	12.30%	7.23%	5.07%
1999.1	10.40%	7.42%	2.98%
1999.2	10.94%	7.76%	3.18%
1999.3	10.75%	8.10%	2.65%
1999.4	11.10%	8.24%	2.86%
2000.1	11.08%	8.38%	2.70%
2000.2	11.00%	8.58%	2.42%
2000.3	11.68%	8.30%	3.38%
2000.4	12.50%	8.19%	4.31%
2001.1	11.38%	7.93%	3.45%
2001.2	10.88%	8.06%	2.82%
2001.3	10.78%	8.04%	2.74%
2001.4	11.57%	8.08%	3.49%
2002.1	10.05%	8.21%	1.84%
2002.2	11.41%	8.28%	3.13%
2002.3	11.25%	7.81%	3.44%
2002.4	11.57%	7.79%	3.78%
2003.1	11.43%	7.23%	4.20%
2003.2	11.16%	6.56%	4.60%
2003.3	9.88%	6.88%	3.00%
2003.4	11.09%	6.70%	4.40%
2004.1	11.00%	6.29%	4.71%
2004.2	10.64%	6.68%	3.96%
2004.3	10.75%	6.46%	4.29%
2004.4	10.91%	6.14%	4.77%
2005.1	10.55%	5.91%	4.64%
2005.2	10.13%	5.84%	4.28%
2005.3	10.85%	5.81%	5.03%
2005.4	10.59%	6.14%	4.46%
2006.1	10.38%	6.14%	4.24%
2006.2	10.63%	6.58%	4.05%
2006.3	10.06%	6.43%	3.63%
2006.4	10.33%	6.11%	4.22%
2007.1	10.39%	6.12%	4.27%
2007.2	10.27%	6.34%	3.93%
2007.3	10.02%	6.48%	3.53%
2007.4	10.36%	6.38%	3.98%
2008.1	10.37%	6.54%	3.83%
2008.2	10.54%	6.84%	3.69%
2008.3	10.38%	7.03%	3.35%
2008.4	10.36%	8.56%	1.80%
2009.1	10.46%	7.88%	2.58%
2009.2	10.58%	7.70%	2.88%
2009.3	10.46%	6.45%	4.01%
2009.4	10.54%	6.19%	4.35%
2010.1	10.66%	6.21%	4.45%
2010.2	10.08%	6.11%	3.96%
2010.3	10.26%	5.69%	4.57%
2010.4	10.33%	5.84%	4.49%
2011.1	10.35%	6.04%	4.31%
Mean	11.04%	7.43%	3.61%
Median	11.04%	7.70%	3.54%



SUMMARY OUTPUT

	<i>Coefficients</i>
Intercept	-0.0708
Baa Utility Bond Yield	-0.0410

	[6]	[7]	[8]
	<i>Risk-Free Rate</i>	<i>Risk Premium</i>	<i>ROE</i>
Current Long-Term Baa Utility Bond Yield (30-day average) [4]	5.98%	4.47%	10.45%
Gorman 13-week Avg as of January 21, 2011 [5]	5.96%	4.48%	10.44%
MEAN	5.97%	4.47%	10.45%

Notes:

- [1] Source: Regulatory Research Associates, Rate Case Statistics, accessed March 10, 2011
- [2] Source: Bloomberg; average of last trading day of each month in a quarter
- [3] Equals Col. [1] - Col. [2]
- [4] Source: Bloomberg
- [5] Direct Testimony of Michael Gorman at 29
- [6] see Notes [4] & [5]
- [7] Equals $-0.0708 + (-0.0410 \times \ln(\text{Col. [6]}))$
- [8] Equals Col. [6] + Col. [7]

TREASURY YIELD PLUS
RISK PREMIUM ANALYSIS
WITH BAA UTILITY BOND CREDIT SPREAD

	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Quarter	Average Authorized Electric ROE	Average Moody's Utility Baa Index	U.S. Govt. 30-year Treasury	Credit Spread (Baa - 30 Year)	Treasury Risk Premium (ROE-30yr)	Natural Log of 30-year Treasury	Natural Log of Credit Spread (Baa - 30 Year)
1992.1	12.38%	9.08%	7.84%	1.24%	4.55%	(2.55)	(4.39)
1992.2	11.83%	9.01%	7.88%	1.12%	3.94%	(2.54)	(4.49)
1992.3	12.03%	8.60%	7.42%	1.19%	4.62%	(2.60)	(4.43)
1992.4	12.14%	8.77%	7.54%	1.23%	4.60%	(2.58)	(4.40)
1993.1	11.84%	8.33%	7.01%	1.32%	4.83%	(2.66)	(4.33)
1993.2	11.64%	8.11%	6.86%	1.25%	4.78%	(2.68)	(4.38)
1993.3	11.15%	7.62%	6.23%	1.40%	4.92%	(2.78)	(4.27)
1993.4	11.04%	7.56%	6.21%	1.36%	4.84%	(2.78)	(4.30)
1994.1	11.07%	7.84%	6.66%	1.18%	4.40%	(2.71)	(4.44)
1994.2	11.13%	8.57%	7.45%	1.13%	3.68%	(2.60)	(4.49)
1994.3	12.75%	8.84%	7.55%	1.29%	5.20%	(2.58)	(4.35)
1994.4	11.24%	9.25%	7.95%	1.30%	3.29%	(2.53)	(4.34)
1995.1	11.96%	8.95%	7.52%	1.43%	4.44%	(2.59)	(4.25)
1995.2	11.32%	8.33%	6.87%	1.46%	4.45%	(2.68)	(4.23)
1995.3	11.37%	8.11%	6.66%	1.45%	4.71%	(2.71)	(4.24)
1995.4	11.58%	7.75%	6.14%	1.62%	5.45%	(2.79)	(4.12)
1996.1	11.46%	7.86%	6.39%	1.47%	5.07%	(2.75)	(4.22)
1996.2	11.46%	8.43%	6.92%	1.50%	4.54%	(2.67)	(4.20)
1996.3	10.70%	8.37%	7.00%	1.36%	3.70%	(2.66)	(4.30)
1996.4	11.56%	8.00%	6.54%	1.46%	5.02%	(2.73)	(4.23)
1997.1	11.08%	8.15%	6.90%	1.26%	4.18%	(2.67)	(4.38)
1997.2	11.62%	8.27%	6.88%	1.39%	4.73%	(2.68)	(4.28)
1997.3	12.00%	7.88%	6.44%	1.44%	5.56%	(2.74)	(4.24)
1997.4	11.06%	7.52%	6.04%	1.48%	5.02%	(2.81)	(4.21)
1998.1	11.31%	7.34%	5.89%	1.45%	5.43%	(2.83)	(4.23)
1998.2	12.20%	7.31%	5.79%	1.51%	6.41%	(2.85)	(4.19)
1998.3	11.65%	7.19%	5.32%	1.87%	6.33%	(2.93)	(3.98)
1998.4	12.30%	7.23%	5.11%	2.12%	7.20%	(2.97)	(3.85)
1999.1	10.40%	7.42%	5.43%	1.99%	4.97%	(2.91)	(3.92)
1999.2	10.94%	7.76%	5.82%	1.94%	5.12%	(2.84)	(3.94)
1999.3	10.75%	8.10%	6.07%	2.03%	4.68%	(2.80)	(3.90)
1999.4	11.10%	8.24%	6.31%	1.93%	4.79%	(2.76)	(3.95)
2000.1	11.08%	8.38%	6.15%	2.22%	4.93%	(2.79)	(3.81)
2000.2	11.00%	8.58%	5.95%	2.62%	5.05%	(2.82)	(3.64)
2000.3	11.68%	8.30%	5.78%	2.52%	5.90%	(2.85)	(3.68)
2000.4	12.50%	8.19%	5.62%	2.57%	6.88%	(2.88)	(3.66)
2001.1	11.38%	7.93%	5.42%	2.51%	5.96%	(2.92)	(3.69)
2001.2	10.88%	8.06%	5.77%	2.29%	5.11%	(2.85)	(3.78)
2001.3	10.78%	8.04%	5.44%	2.60%	5.34%	(2.91)	(3.65)
2001.4	11.57%	8.08%	5.21%	2.87%	6.36%	(2.95)	(3.55)
2002.1	10.05%	8.21%	5.55%	2.66%	4.50%	(2.89)	(3.63)
2002.2	11.41%	8.28%	5.57%	2.71%	5.83%	(2.89)	(3.61)
2002.3	11.25%	7.81%	4.96%	2.85%	6.29%	(3.00)	(3.56)
2002.4	11.57%	7.79%	4.93%	2.85%	6.63%	(3.01)	(3.56)
2003.1	11.43%	7.23%	4.78%	2.45%	6.65%	(3.04)	(3.71)
2003.2	11.16%	6.56%	4.57%	2.00%	6.60%	(3.09)	(3.91)
2003.3	9.88%	6.88%	5.15%	1.72%	4.72%	(2.97)	(4.06)
2003.4	11.09%	6.70%	5.11%	1.58%	5.98%	(2.97)	(4.14)
2004.1	11.00%	6.29%	4.86%	1.43%	6.14%	(3.02)	(4.25)
2004.2	10.64%	6.68%	5.31%	1.38%	5.33%	(2.94)	(4.28)
2004.3	10.75%	6.46%	5.01%	1.46%	5.74%	(2.99)	(4.23)
2004.4	10.91%	6.14%	4.87%	1.27%	6.04%	(3.02)	(4.37)
2005.1	10.55%	5.91%	4.69%	1.22%	5.86%	(3.06)	(4.41)
2005.2	10.13%	5.84%	4.34%	1.50%	5.78%	(3.14)	(4.20)
2005.3	10.85%	5.81%	4.43%	1.38%	6.41%	(3.12)	(4.28)
2005.4	10.59%	6.14%	4.66%	1.48%	5.93%	(3.07)	(4.22)
2006.1	10.38%	6.14%	4.69%	1.45%	5.69%	(3.06)	(4.23)
2006.2	10.63%	6.58%	5.19%	1.39%	5.44%	(2.96)	(4.28)
2006.3	10.06%	6.43%	4.90%	1.53%	5.16%	(3.02)	(4.18)
2006.4	10.33%	6.11%	4.70%	1.41%	5.64%	(3.06)	(4.26)
2007.1	10.39%	6.12%	4.81%	1.31%	5.58%	(3.03)	(4.34)
2007.2	10.27%	6.34%	4.98%	1.35%	5.28%	(3.00)	(4.30)
2007.3	10.02%	6.48%	4.85%	1.63%	5.16%	(3.03)	(4.12)
2007.4	10.36%	6.38%	4.53%	1.85%	5.83%	(3.10)	(3.99)
2008.1	10.37%	6.54%	4.34%	2.20%	6.03%	(3.14)	(3.81)
2008.2	10.54%	6.84%	4.57%	2.27%	5.97%	(3.09)	(3.78)
2008.3	10.38%	7.03%	4.44%	2.60%	5.95%	(3.12)	(3.65)
2008.4	10.36%	8.56%	3.49%	5.06%	6.86%	(3.35)	(2.98)
2009.1	10.46%	7.88%	3.62%	4.26%	6.85%	(3.32)	(3.15)
2009.2	10.58%	7.70%	4.23%	3.46%	6.34%	(3.16)	(3.36)
2009.3	10.46%	6.45%	4.18%	2.27%	6.28%	(3.18)	(3.78)
2009.4	10.54%	6.19%	4.35%	1.84%	6.19%	(3.13)	(4.00)
2010.1	10.66%	6.21%	4.59%	1.62%	6.08%	(3.08)	(4.12)
2010.2	10.08%	6.11%	4.20%	1.91%	5.87%	(3.17)	(3.96)
2010.3	10.26%	5.69%	3.73%	1.96%	6.53%	(3.29)	(3.93)
2010.4	10.33%	5.84%	4.14%	1.69%	6.18%	(3.18)	(4.08)
2011.1	10.35%	6.04%	4.53%	1.52%	5.82%	(3.10)	(4.19)
Mean	11.04%	7.43%	5.58%	1.84%	5.46%	(2.91)	(4.05)
Median	11.04%	7.70%	5.42%	1.52%	5.45%	(2.92)	(4.19)

SUMMARY OUTPUT

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.818090884
R Square	0.669272694
Adjusted R Square	0.660334118
Standard Error	0.004861983
Observations	77

ANOVA

	df	SS	MS	F	Significance F
Regression	2	0.003539905	0.001769952	74.87464521	1.66109E-18
Residual	74	0.001749277	2.36389E-05		
Total	76	0.005289182			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-0.009569347	0.015830506	-0.60448774	0.547368409	-0.041112319	0.021973625	-0.041112319	0.021973625
U.S. Govt. 30-year Treasury	-0.029114352	0.003311457	-8.792006088	4.11126E-13	-0.035712574	-0.022516129	-0.035712574	-0.022516129
Credit Spread (Baa - 30yr)	0.005051361	0.002075242	2.43410768	0.017341259	0.000916352	0.00918637	0.000916352	0.00918637

	[10]	[11]	[12]	[13]
	Treasury Rate	Credit Spread	Risk Premium	ROE
Current 30-year Treasury Bond Yield (30-day average) [8]	4.53%	1.52%	5.94%	10.47%
Blue Chip Consensus Forecast (January 2011 - June 2012) [9]	4.88%	1.52%	5.72%	10.60%
MEAN			5.83%	10.53%

Notes:

- [1] Source: Regulatory Research Associates, Rate Case Statistics, accessed April 4, 2011
- [2] Source: Bloomberg; average of last trading day of each month in a quarter
- [3] Source: Bloomberg; average of last trading day of each month in a quarter
- [4] Equals Col. [2] - Col. [3]
- [5] Equals Col. [1] - Col. [3]
- [6] Natural log of Col. [3]
- [7] Natural log of Col. [4]
- [8] Source: Bloomberg
- [9] Blue Chip Financial Forecasts, Vol. 30, No. 4, April 1, 2011, at 2
- [10] see Notes [8] & [9]
- [11] see Col. [4]
- [12] Equals $-0.00957 + (-0.02911 \times \ln(\text{Col. [10]})) + (0.00505 \times \ln(\text{Col. [11]}))$
- [13] Equals Col. [10] + Col. [12]

ROE ASSUMPTIONS IN DUFF & PHELPS FAIR VALUE ANALYSIS

	Assigned Probability	Assumed Authorized ROE			2012-2014 Average
		2012	2013	2014	
Scenario 1	20%	10.75%	10.00%	10.00%	10.25%
Scenario 2	20%	10.37%	11.50%	11.50%	11.12%
Scenario 3	20%	10.37%	10.75%	10.75%	10.62%
Scenario 4	20%	10.37%	10.00%	10.00%	10.12%
Scenario 5	20%	10.00%	11.50%	11.50%	11.00%
	MEAN:	10.37%	10.75%	10.75%	10.62%

NOTES:
Source: Rebuttal Schedule 1-2 of David Murray at 24.

INFLATION FACTOR				
[1]	GDP Price Index	<u>2010</u> 1.26	<u>2035</u> 2.06	<u>Inflation Rate</u> 1.98%
[2]	CPI - All Urban Consumers	<u>2010</u> 2.20	<u>2035</u> 3.92	2.34%
[3]	30yr TIPS Spread	30-day Avg. Treas. <u>Yield</u> 4.53%	30-day Avg. TIPS <u>Yield</u> 1.93%	2.60%
[4]	Average Inflation Factor			<u>2.30%</u>
REAL GROWTH				
[5]	GDP Real Growth (2005 Dollars)	<u>1929</u> 977.00	<u>2010</u> 13245.60	<u>Growth Rate</u> 3.27%
LONG-TERM GROWTH ESTIMATE				
[6]		Average Inflation Factor:		2.30%
		Historical Real GDP Growth Rate:		<u>3.27%</u>
		Long-Term Growth Estimate:		<u>5.65%</u>

Notes:

[1] Source: EIA 2010 Annual Energy Outlook, Table A20, March 2010 release

[2] Source: EIA 2010 Annual Energy Outlook, Table A20, March 2010 release

[3] Sources: Bloomberg

Federal Reserve, www.federalreserve.gov, accessed April 4, 2011

[4] Equals average of [1]. [2]. [3]

[5] Source: Bureau of Economic Analysis, National Economic Accounts, February 25, 2011 update

[6] Equals (1+ Average Inflation) x (1 + Real Growth) -1

IMPLIED COST OF EQUITY
USING UBS WEIGHTED AVERAGE COST OF CAPITAL RANGES

		Constant Nominal Cost of Debt				Increasing Nominal Cost of Debt			
Nominal Cost of Debt	[1]	7.00%	7.00%	7.00%	7.00%	7.00%	7.50%	8.00%	8.50%
Marginal Tax Rate	[1]	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
Debt Weighting	[1]	57.00%	57.00%	57.00%	57.00%	57.00%	57.00%	57.00%	57.00%
Cost of Preferred Stock	[1]	5.12%	5.12%	5.12%	5.12%	5.12%	5.12%	5.12%	5.12%
Preferred Weighting	[1]	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Cost of Equity	[2]	9.00%	10.13%	11.32%	12.51%	9.00%	9.69%	10.44%	11.19%
Equity Weighting	[1]	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%
Weighted Average Cost of Capital	[3]	6.42%	6.90%	7.40%	7.90%	6.42%	6.90%	7.40%	7.90%
Implied Equity Premium	[4]	2.00%	3.13%	4.32%	5.51%	2.00%	2.19%	2.44%	2.69%

NOTES

[1] See UBS Investment Research, Ameren Corp., June 15 2010, at 15.

[2] Solved Cost of Equity

[3] WACC ranges specified by UBS (See [1])

[4] Cost of Equity less Marginal Cost of Debt

HEVERT PROXY GROUP AS FILED
ADJUSTED TERMINAL YEAR
TERMINAL VALUE - MEDIAN HISTORICAL LONG TERM PRICE-TO-EARNINGS RATIO

30-DAY AVERAGE STOCK PRICE
Projected Annual Investor Cash Flows

Company	Ticker	K(e)	8/13/10	2/13/11	2/13/12	2/13/13	2/13/14	2/13/15	2/13/16	2/13/17	2/13/18	2/13/19	2/13/20	[1]	Terminal P/E Ratio
American Electric Power	AEP	11.62%	\$(35.44)	\$ 1.91	\$ 1.92	\$ 1.93	\$ 1.94	\$ 1.94	\$ 2.12	\$ 2.33	\$ 2.55	\$ 2.80	\$ 66.89		13.26
Cleco Corp.	CNL	9.09%	\$(28.34)	\$ 0.78	\$ 0.90	\$ 1.03	\$ 1.17	\$ 1.32	\$ 1.45	\$ 1.60	\$ 1.76	\$ 1.93	\$ 47.05		13.56
DPL, Inc.	DPL	13.12%	\$(25.53)	\$ 1.09	\$ 1.16	\$ 1.24	\$ 1.32	\$ 1.41	\$ 1.59	\$ 1.78	\$ 1.99	\$ 2.21	\$ 57.47		14.33
Empire District Electric	EDE	12.75%	\$(19.68)	\$ 1.27	\$ 1.26	\$ 1.25	\$ 1.24	\$ 1.21	\$ 1.26	\$ 1.32	\$ 1.37	\$ 1.42	\$ 39.66		16.59
IDACORP, Inc.	IDA	9.58%	\$(35.35)	\$ 1.21	\$ 1.28	\$ 1.36	\$ 1.43	\$ 1.51	\$ 1.73	\$ 1.97	\$ 2.24	\$ 2.53	\$ 60.93		13.00
Northeast Utilities	NU	11.34%	\$(27.86)	\$ 1.12	\$ 1.18	\$ 1.25	\$ 1.32	\$ 1.40	\$ 1.56	\$ 1.74	\$ 1.92	\$ 2.13	\$ 54.53		14.20
Pinnacle West Capital	PNW	9.61%	\$(38.68)	\$ 1.73	\$ 1.80	\$ 1.87	\$ 1.94	\$ 2.01	\$ 2.15	\$ 2.30	\$ 2.46	\$ 2.63	\$ 62.84		13.68
Portland General	POR	10.56%	\$(19.20)	\$ 1.07	\$ 1.07	\$ 1.08	\$ 1.07	\$ 1.07	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.45	\$ 32.29		12.50
Progress Energy	PGN	10.06%	\$(41.68)	\$ 2.57	\$ 2.59	\$ 2.60	\$ 2.61	\$ 2.62	\$ 2.68	\$ 2.76	\$ 2.84	\$ 2.94	\$ 63.75		12.70
Southern Co.	SO	7.56%	\$(35.41)	\$ 1.80	\$ 1.85	\$ 1.90	\$ 1.95	\$ 2.00	\$ 2.10	\$ 2.21	\$ 2.32	\$ 2.44	\$ 44.07		10.28
Westar Energy	WR	10.10%	\$(23.50)	\$ 0.97	\$ 1.02	\$ 1.06	\$ 1.11	\$ 1.16	\$ 1.28	\$ 1.40	\$ 1.53	\$ 1.67	\$ 40.77		13.80
	Mean:		10.53%												

90-DAY AVERAGE STOCK PRICE
Projected Annual Investor Cash Flows

Company	Ticker	8/13/10	2/13/11	2/13/12	2/13/13	2/13/14	2/13/15	2/13/16	2/13/17	2/13/18	2/13/19	2/13/20	[1]	Terminal P/E Ratio	
American Electric Power	AEP	12.32%	\$(33.77)	\$ 1.91	\$ 1.92	\$ 1.93	\$ 1.94	\$ 1.94	\$ 2.12	\$ 2.33	\$ 2.55	\$ 2.80	\$ 66.89		13.26
Cleco Corp.	CNL	9.62%	\$(27.22)	\$ 0.78	\$ 0.90	\$ 1.03	\$ 1.17	\$ 1.32	\$ 1.45	\$ 1.60	\$ 1.76	\$ 1.93	\$ 47.05		13.56
DPL, Inc.	DPL	12.94%	\$(25.85)	\$ 1.09	\$ 1.16	\$ 1.24	\$ 1.32	\$ 1.41	\$ 1.59	\$ 1.78	\$ 1.99	\$ 2.21	\$ 57.47		14.33
Empire District Electric	EDE	13.24%	\$(19.06)	\$ 1.27	\$ 1.26	\$ 1.25	\$ 1.24	\$ 1.21	\$ 1.26	\$ 1.32	\$ 1.37	\$ 1.42	\$ 39.66		16.59
IDACORP, Inc.	IDA	9.87%	\$(34.58)	\$ 1.21	\$ 1.28	\$ 1.36	\$ 1.43	\$ 1.51	\$ 1.73	\$ 1.97	\$ 2.24	\$ 2.53	\$ 60.93		13.00
Northeast Utilities	NU	11.78%	\$(26.99)	\$ 1.12	\$ 1.18	\$ 1.25	\$ 1.32	\$ 1.40	\$ 1.56	\$ 1.74	\$ 1.92	\$ 2.13	\$ 54.53		14.20
Pinnacle West Capital	PNW	10.14%	\$(37.26)	\$ 1.73	\$ 1.80	\$ 1.87	\$ 1.94	\$ 2.01	\$ 2.15	\$ 2.30	\$ 2.46	\$ 2.63	\$ 62.84		13.68
Portland General	POR	10.56%	\$(19.21)	\$ 1.07	\$ 1.07	\$ 1.08	\$ 1.07	\$ 1.07	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.45	\$ 32.29		12.50
Progress Energy	PGN	10.66%	\$(40.03)	\$ 2.57	\$ 2.59	\$ 2.60	\$ 2.61	\$ 2.62	\$ 2.68	\$ 2.76	\$ 2.84	\$ 2.94	\$ 63.75		12.70
Southern Co.	SO	8.01%	\$(34.31)	\$ 1.80	\$ 1.85	\$ 1.90	\$ 1.95	\$ 2.00	\$ 2.10	\$ 2.21	\$ 2.32	\$ 2.44	\$ 44.07		10.28
Westar Energy	WR	10.49%	\$(22.85)	\$ 0.97	\$ 1.02	\$ 1.06	\$ 1.11	\$ 1.16	\$ 1.28	\$ 1.40	\$ 1.53	\$ 1.67	\$ 40.77		13.80
	Mean:		10.92%												

180-DAY AVERAGE STOCK PRICE
Projected Annual Investor Cash Flows

Company	Ticker	8/13/10	2/13/11	2/13/12	2/13/13	2/13/14	2/13/15	2/13/16	2/13/17	2/13/18	2/13/19	2/13/20	[1]	Terminal P/E Ratio	
American Electric Power	AEP	12.18%	\$(34.11)	\$ 1.91	\$ 1.92	\$ 1.93	\$ 1.94	\$ 1.94	\$ 2.12	\$ 2.33	\$ 2.55	\$ 2.80	\$ 66.89		13.26
Cleco Corp.	CNL	9.84%	\$(26.80)	\$ 0.78	\$ 0.90	\$ 1.03	\$ 1.17	\$ 1.32	\$ 1.45	\$ 1.60	\$ 1.76	\$ 1.93	\$ 47.05		13.56
DPL, Inc.	DPL	12.50%	\$(26.67)	\$ 1.09	\$ 1.16	\$ 1.24	\$ 1.32	\$ 1.41	\$ 1.59	\$ 1.78	\$ 1.99	\$ 2.21	\$ 57.47		14.33
Empire District Electric	EDE	13.48%	\$(18.77)	\$ 1.27	\$ 1.26	\$ 1.25	\$ 1.24	\$ 1.21	\$ 1.26	\$ 1.32	\$ 1.37	\$ 1.42	\$ 39.66		16.59
IDACORP, Inc.	IDA	10.26%	\$(33.61)	\$ 1.21	\$ 1.28	\$ 1.36	\$ 1.43	\$ 1.51	\$ 1.73	\$ 1.97	\$ 2.24	\$ 2.53	\$ 60.93		13.00
Northeast Utilities	NU	12.03%	\$(26.52)	\$ 1.12	\$ 1.18	\$ 1.25	\$ 1.32	\$ 1.40	\$ 1.56	\$ 1.74	\$ 1.92	\$ 2.13	\$ 54.53		14.20
Pinnacle West Capital	PNW	10.20%	\$(37.11)	\$ 1.73	\$ 1.80	\$ 1.87	\$ 1.94	\$ 2.01	\$ 2.15	\$ 2.30	\$ 2.46	\$ 2.63	\$ 62.84		13.68
Portland General	POR	10.37%	\$(19.46)	\$ 1.07	\$ 1.07	\$ 1.08	\$ 1.07	\$ 1.07	\$ 1.15	\$ 1.25	\$ 1.35	\$ 1.45	\$ 32.29		12.50
Progress Energy	PGN	10.75%	\$(39.80)	\$ 2.57	\$ 2.59	\$ 2.60	\$ 2.61	\$ 2.62	\$ 2.68	\$ 2.76	\$ 2.84	\$ 2.94	\$ 63.75		12.70
Southern Co.	SO	8.34%	\$(33.55)	\$ 1.80	\$ 1.85	\$ 1.90	\$ 1.95	\$ 2.00	\$ 2.10	\$ 2.21	\$ 2.32	\$ 2.44	\$ 44.07		10.28
Westar Energy	WR	10.82%	\$(22.32)	\$ 0.97	\$ 1.02	\$ 1.06	\$ 1.11	\$ 1.16	\$ 1.28	\$ 1.40	\$ 1.53	\$ 1.67	\$ 40.77		13.80
	Mean:		10.99%												

Notes

Source: Schedule RBH-E2
[1] Schedule RBH-E2 Columns ([54] + [23] x [61])

HEVERT REVISED PROXY GROUP
ADJUSTED TERMINAL YEAR
TERMINAL VALUE - MEDIAN HISTORICAL LONG TERM PRICE-TO-EARNINGS RATIO

30-DAY AVERAGE STOCK PRICE

Projected Annual Investor Cash Flows

Company	Ticker	K(e)	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	Terminal P/E Ratio
American Electric Power	AEP	9.26%	(\$35.17)	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 57.69	13.14
Cleco Corp.	CNL	10.26%	(\$32.80)	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 61.24	13.59
DPL, Inc.	DPL	13.83%	(\$26.43)	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 66.10	14.23
Empire District Electric	EDE	10.69%	(\$21.39)	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 39.37	16.65
Great Plains Energy Inc.	GXP	14.57%	(\$19.42)	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 48.72	14.12
IDACORP, Inc.	IDA	10.17%	(\$37.44)	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 72.25	13.89
Pinnacle West Capital	PNW	11.43%	(\$42.41)	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 79.92	13.02
Portland General	POR	9.83%	(\$23.38)	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 39.80	13.43
Southern Co.	SO	7.49%	(\$37.76)	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 48.12	10.89
Westar Energy	WR	11.61%	(\$25.97)	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 51.74	13.84
Mean:		10.91%													

90-DAY AVERAGE STOCK PRICE

Projected Annual Investor Cash Flows

Company	Ticker	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	Terminal P/E Ratio	
American Electric Power	AEP	9.07%	(\$35.68)	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 57.69	13.14
Cleco Corp.	CNL	10.72%	(\$31.64)	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 61.24	13.59
DPL, Inc.	DPL	13.98%	(\$26.15)	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 66.10	14.23
Empire District Electric	EDE	10.53%	(\$21.66)	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 39.37	16.65
Great Plains Energy Inc.	GXP	14.51%	(\$19.50)	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 48.72	14.12
IDACORP, Inc.	IDA	10.16%	(\$37.49)	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 72.25	13.89
Pinnacle West Capital	PNW	11.67%	(\$41.68)	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 79.92	13.02
Portland General	POR	10.33%	(\$22.50)	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 39.80	13.43
Southern Co.	SO	7.44%	(\$37.93)	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 48.12	10.89
Westar Energy	WR	11.78%	(\$25.65)	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 51.74	13.84
Mean:		11.02%													

180-DAY AVERAGE STOCK PRICE

Projected Annual Investor Cash Flows

Company	Ticker	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	Terminal P/E Ratio	
American Electric Power	AEP	8.99%	(\$35.92)	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 57.69	13.14
Cleco Corp.	CNL	11.14%	(\$30.62)	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 61.24	13.59
DPL, Inc.	DPL	14.01%	(\$26.09)	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 66.10	14.23
Empire District Electric	EDE	10.93%	(\$21.01)	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 39.37	16.65
Great Plains Energy Inc.	GXP	14.82%	(\$19.09)	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 48.72	14.12
IDACORP, Inc.	IDA	10.42%	(\$36.69)	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 72.25	13.89
Pinnacle West Capital	PNW	11.86%	(\$41.11)	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 79.92	13.02
Portland General	POR	11.02%	(\$21.37)	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 39.80	13.43
Southern Co.	SO	7.59%	(\$37.48)	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 48.12	10.89
Westar Energy	WR	12.12%	(\$25.00)	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 51.74	13.84
Mean:		11.29%													

Notes

Source: Schedule RBH-ES32

[1] Schedule RBH-ES32 Columns ([55] + [24] x [61])

HEVERT REVISED PROXY GROUP
ADJUSTED TERMINAL YEAR
TERMINAL VALUE - GOLDMAN SACHS GENERIC REGULATED UTILITY PRICE-TO-EARNINGS RATIO

30-DAY AVERAGE STOCK PRICE

Projected Annual Investor Cash Flows

Company	Ticker	K(e)	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	[1] Terminal P/E Ratio	[2] Terminal P/E Ratio
American Electric Power	AEP	9.18%	(\$35.17)	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 57.11	13.00	
Cleco Corp.	CNL	9.91%	(\$32.80)	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 58.72	13.00	
DPL, Inc.	DPL	13.08%	(\$26.43)	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 60.63	13.00	
Empire District Electric	EDE	8.73%	(\$21.39)	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 31.08	13.00	
Great Plains Energy Inc.	GXP	13.91%	(\$19.42)	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 45.04	13.00	
IDACORP, Inc.	IDA	9.63%	(\$37.44)	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 67.85	13.00	
Pinnacle West Capital	PNW	11.42%	(\$42.41)	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 79.83	13.00	
Portland General	POR	9.57%	(\$23.38)	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 38.57	13.00	
Southern Co.	SO	8.84%	(\$37.76)	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 56.92	13.00	
Westar Energy	WR	11.11%	(\$25.97)	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 48.75	13.00	
Mean:			10.54%													

90-DAY AVERAGE STOCK PRICE

Projected Annual Investor Cash Flows

Company	Ticker	K(e)	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	[1] Terminal P/E Ratio	[2] Terminal P/E Ratio
American Electric Power	AEP	8.99%	(\$35.68)	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 57.11	13.00	
Cleco Corp.	CNL	10.36%	(\$31.64)	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 58.72	13.00	
DPL, Inc.	DPL	13.23%	(\$26.15)	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 60.63	13.00	
Empire District Electric	EDE	8.57%	(\$21.66)	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 31.08	13.00	
Great Plains Energy Inc.	GXP	13.85%	(\$19.50)	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 45.04	13.00	
IDACORP, Inc.	IDA	9.61%	(\$37.49)	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 67.85	13.00	
Pinnacle West Capital	PNW	11.66%	(\$41.68)	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 79.83	13.00	
Portland General	POR	10.07%	(\$22.50)	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 38.57	13.00	
Southern Co.	SO	8.78%	(\$37.93)	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 56.92	13.00	
Westar Energy	WR	11.28%	(\$25.65)	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 48.75	13.00	
Mean:			10.64%													

180-DAY AVERAGE STOCK PRICE

Projected Annual Investor Cash Flows

Company	Ticker	K(e)	3/31/11	10/1/11	10/1/12	10/1/13	10/1/14	10/1/15	10/1/16	10/1/17	10/1/18	10/1/19	10/1/20	10/1/21	[1] Terminal P/E Ratio	[2] Terminal P/E Ratio
American Electric Power	AEP	8.90%	(\$35.92)	\$ 1.62	\$ 1.65	\$ 1.69	\$ 1.72	\$ 1.76	\$ 1.89	\$ 2.03	\$ 2.19	\$ 2.36	\$ 2.56	\$ 57.11	13.00	
Cleco Corp.	CNL	10.78%	(\$30.62)	\$ 1.12	\$ 1.25	\$ 1.40	\$ 1.57	\$ 1.75	\$ 1.90	\$ 2.07	\$ 2.24	\$ 2.43	\$ 2.64	\$ 58.72	13.00	
DPL, Inc.	DPL	13.26%	(\$26.09)	\$ 1.34	\$ 1.40	\$ 1.47	\$ 1.54	\$ 1.61	\$ 1.79	\$ 1.98	\$ 2.19	\$ 2.42	\$ 2.67	\$ 60.63	13.00	
Empire District Electric	EDE	8.98%	(\$21.01)	\$ 1.18	\$ 1.19	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.25	\$ 1.31	\$ 1.36	\$ 1.41	\$ 1.46	\$ 31.08	13.00	
Great Plains Energy Inc.	GXP	14.16%	(\$19.09)	\$ 1.06	\$ 1.15	\$ 1.25	\$ 1.36	\$ 1.48	\$ 1.60	\$ 1.71	\$ 1.83	\$ 1.95	\$ 2.07	\$ 45.04	13.00	
IDACORP, Inc.	IDA	9.88%	(\$36.69)	\$ 1.23	\$ 1.33	\$ 1.43	\$ 1.55	\$ 1.67	\$ 1.88	\$ 2.12	\$ 2.37	\$ 2.65	\$ 2.96	\$ 67.85	13.00	
Pinnacle West Capital	PNW	11.85%	(\$41.11)	\$ 2.20	\$ 2.34	\$ 2.48	\$ 2.63	\$ 2.79	\$ 2.95	\$ 3.12	\$ 3.30	\$ 3.48	\$ 3.68	\$ 79.83	13.00	
Portland General	POR	10.76%	(\$21.37)	\$ 1.13	\$ 1.16	\$ 1.20	\$ 1.23	\$ 1.26	\$ 1.34	\$ 1.43	\$ 1.52	\$ 1.63	\$ 1.75	\$ 38.57	13.00	
Southern Co.	SO	8.94%	(\$37.48)	\$ 1.87	\$ 1.92	\$ 1.98	\$ 2.04	\$ 2.10	\$ 2.19	\$ 2.29	\$ 2.40	\$ 2.51	\$ 2.64	\$ 56.92	13.00	
Westar Energy	WR	11.62%	(\$25.00)	\$ 1.40	\$ 1.43	\$ 1.45	\$ 1.46	\$ 1.47	\$ 1.60	\$ 1.74	\$ 1.89	\$ 2.04	\$ 2.20	\$ 48.75	13.00	
Mean:			10.91%													

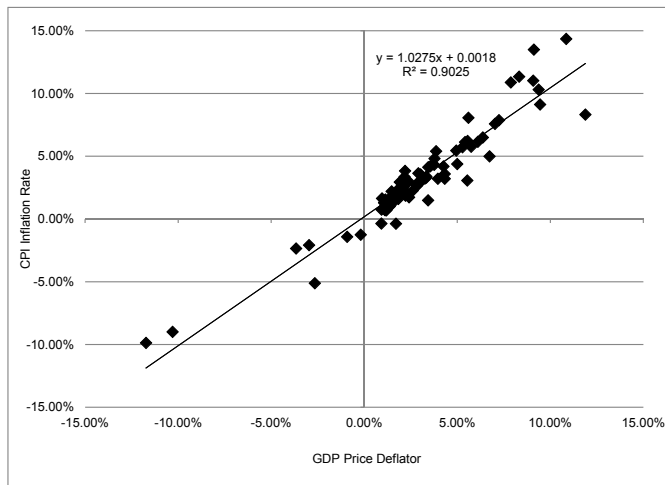
Notes

Source: Schedule RBH-ES32

[1] Schedule RBH-ES32 Columns ([55] + [24] x [61])

[2] Source: Rebuttal testimony of David Murray, at 21.

	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Year	GDP in Current Dollars	Nominal GDP Growth	GDP in Constant 2005 Dollars	Real GDP Growth	GDP Price Deflator	CPI - All Urban Consumers (1982-84 Base)	CPI Inflation Rate
1929	103.60		977.00			17.10	
1930	91.20	-11.97%	892.80	-8.62%	-3.67%	16.70	-2.34%
1931	76.50	-16.12%	834.90	-6.49%	-10.30%	15.20	-8.98%
1932	58.70	-23.27%	725.80	-13.07%	-11.73%	13.70	-9.87%
1933	56.40	-3.92%	716.40	-1.30%	-2.66%	13.00	-5.11%
1934	66.00	17.02%	794.40	10.89%	5.53%	13.40	3.08%
1935	73.30	11.06%	865.00	8.89%	2.00%	13.70	2.24%
1936	83.80	14.32%	977.90	13.05%	1.13%	13.90	1.46%
1937	91.90	9.67%	1,028.00	5.12%	4.32%	14.40	3.60%
1938	86.10	-6.31%	992.60	-3.44%	-2.97%	14.10	-2.08%
1939	92.20	7.08%	1,072.80	8.08%	-0.92%	13.90	-1.42%
1940	101.40	9.98%	1,166.90	8.77%	1.11%	14.00	0.72%
1941	126.70	24.95%	1,366.10	17.07%	6.73%	14.70	5.00%
1942	161.90	27.78%	1,618.20	18.45%	7.87%	16.30	10.88%
1943	198.60	22.67%	1,883.10	16.37%	5.41%	17.30	6.13%
1944	219.80	10.67%	2,035.20	8.08%	2.40%	17.60	1.73%
1945	223.00	1.46%	2,012.40	-1.12%	2.61%	18.00	2.27%
1946	222.20	-0.36%	1,792.20	-10.94%	11.88%	19.50	8.33%
1947	244.10	9.86%	1,776.10	-0.90%	10.85%	22.30	14.36%
1948	269.10	10.24%	1,854.20	4.40%	5.60%	24.10	8.07%
1949	267.20	-0.71%	1,844.70	-0.51%	-0.19%	23.80	-1.24%
1950	293.70	9.92%	2,006.00	8.74%	1.08%	24.10	1.26%
1951	339.30	15.53%	2,161.10	7.73%	7.23%	26.00	7.88%
1952	358.30	5.60%	2,243.90	3.83%	1.70%	26.50	1.92%
1953	379.30	5.86%	2,347.20	4.60%	1.20%	26.70	0.75%
1954	380.40	0.29%	2,332.40	-0.63%	0.93%	26.90	0.75%
1955	414.70	9.02%	2,500.30	7.20%	1.70%	26.80	-0.37%
1956	437.40	5.47%	2,549.70	1.98%	3.43%	27.20	1.49%
1957	461.10	5.42%	2,601.10	2.02%	3.34%	28.10	3.31%
1958	467.20	1.32%	2,577.60	-0.90%	2.25%	28.90	2.85%
1959	506.60	8.43%	2,762.50	7.17%	1.18%	29.10	0.69%
1960	526.40	3.91%	2,830.90	2.48%	1.40%	29.60	1.72%
1961	544.80	3.50%	2,896.90	2.33%	1.14%	29.90	1.01%
1962	585.70	7.51%	3,072.40	6.06%	1.37%	30.20	1.00%
1963	617.80	5.48%	3,206.70	4.37%	1.06%	30.60	1.32%
1964	663.60	7.41%	3,392.30	5.79%	1.54%	31.00	1.31%
1965	719.10	8.36%	3,610.10	6.42%	1.83%	31.50	1.61%
1966	787.70	9.54%	3,845.30	6.52%	2.84%	32.40	2.86%
1967	832.40	5.67%	3,942.50	2.53%	3.07%	33.40	3.09%
1968	909.80	9.30%	4,133.40	4.84%	4.25%	34.80	4.19%
1969	984.40	8.20%	4,261.80	3.11%	4.94%	36.70	5.46%
1970	1,038.30	5.48%	4,269.90	0.19%	5.28%	38.80	5.72%
1971	1,126.80	8.52%	4,413.30	3.36%	5.00%	40.50	4.38%
1972	1,237.90	9.86%	4,647.70	5.31%	4.32%	41.80	3.21%
1973	1,382.30	11.66%	4,917.00	5.79%	5.55%	44.40	6.22%
1974	1,499.50	8.48%	4,889.90	-0.55%	9.08%	49.30	11.04%
1975	1,637.70	9.22%	4,879.50	-0.21%	9.45%	53.80	9.13%
1976	1,824.60	11.41%	5,141.30	5.37%	5.74%	56.90	5.76%
1977	2,030.10	11.26%	5,377.70	4.60%	6.37%	60.60	6.50%
1978	2,293.80	12.99%	5,677.60	5.58%	7.02%	65.20	7.59%
1979	2,562.20	11.70%	5,855.00	3.12%	8.32%	72.60	11.35%
1980	2,788.10	8.82%	5,839.00	-0.27%	9.11%	82.40	13.50%
1981	3,126.80	12.15%	5,987.20	2.54%	9.37%	90.90	10.32%
1982	3,253.20	4.04%	5,870.90	-1.94%	6.10%	96.50	6.16%
1983	3,534.60	8.65%	6,136.20	4.52%	3.95%	99.60	3.21%
1984	3,930.90	11.21%	6,577.10	7.19%	3.76%	103.90	4.32%
1985	4,217.50	7.29%	6,849.30	4.14%	3.03%	107.60	3.56%
1986	4,460.10	5.75%	7,086.50	3.46%	2.21%	109.60	1.86%
1987	4,736.40	6.19%	7,313.30	3.20%	2.90%	113.60	3.65%
1988	5,100.40	7.69%	7,613.90	4.11%	3.43%	118.30	4.14%
1989	5,482.10	7.48%	7,885.90	3.57%	3.78%	124.00	4.82%
1990	5,800.50	5.81%	8,033.90	1.88%	3.86%	130.70	5.40%
1991	5,992.10	3.30%	8,015.10	-0.23%	3.55%	136.20	4.21%
1992	6,342.30	5.84%	8,287.10	3.39%	2.37%	140.30	3.01%
1993	6,667.40	5.13%	8,523.40	2.85%	2.21%	144.50	2.99%
1994	7,085.20	6.27%	8,870.70	4.07%	2.11%	148.20	2.56%
1995	7,414.70	4.65%	9,093.70	2.51%	2.08%	152.40	2.83%
1996	7,838.50	5.72%	9,433.90	3.74%	1.90%	156.90	2.95%
1997	8,332.40	6.30%	9,854.30	4.46%	1.77%	160.50	2.29%
1998	8,793.50	5.53%	10,283.50	4.36%	1.13%	163.00	1.56%
1999	9,353.50	6.37%	10,779.80	4.83%	1.47%	166.60	2.21%
2000	9,951.50	6.39%	11,226.00	4.14%	2.16%	172.20	3.36%
2001	10,286.20	3.36%	11,347.20	1.08%	2.26%	177.10	2.85%
2002	10,642.30	3.46%	11,553.00	1.81%	1.62%	179.90	1.58%
2003	11,142.10	4.70%	11,840.70	2.49%	2.15%	184.00	2.28%
2004	11,867.80	6.51%	12,263.80	3.57%	2.84%	188.90	2.66%
2005	12,638.40	6.49%	12,638.40	3.05%	3.34%	195.30	3.39%
2006	13,398.90	6.02%	12,976.20	2.67%	3.26%	201.60	3.23%
2007	14,061.80	4.95%	13,228.90	1.95%	2.94%	207.34	2.85%
2008	14,369.10	2.19%	13,228.80	0.00%	2.19%	215.30	3.84%
2009	14,119.00	-1.74%	12,880.60	-2.63%	0.92%	214.54	-0.36%
2010	14,657.80	3.82%	13,245.60	2.83%	0.96%	218.06	1.64%
Mean		6.55%		3.39%	3.00%		3.27%
Median		6.39%		3.46%	2.61%		2.95%



SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.949996686
R Square	0.902493703
Adjusted R Square	0.901259446
Standard Error	0.012445479
Observations	81

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	0.113256165	0.11325617	731.20408	1.09709E-41
Residual	79	0.012236306	0.00015489		
Total	80	0.125492471			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	0.001817449	0.001793046	1.01360969	0.31386342	-0.00175152	0.0053864	-0.00175152	0.0053864
GDP Deflator	1.027546686	0.037999883	27.0407855	1.0971E-41	0.951909812	1.1031836	0.951909812	1.1031836

Notes:

- [1] Source: Bureau of Economic Analysis, National Economic Accounts, February 25, 2011 update
- [2] Percent change in Col. [1] from previous year
- [3] Source: Bureau of Economic Analysis, National Economic Accounts, February 25, 2011 update
- [4] Percent change in Col. [3] from previous year
- [5] $((1 + \text{Col. [2]}) / (1 + \text{Col. [4]})) - 1$
- [6] Source: Bureau of Labor Statistics, Series ID CUUR0000SA0, Accessed April 8, 2011
- [7] Percent change in Col. [6] from previous year

ROE REQUIRED TO ACHIEVE ANALYST LONG-TERM
GROWTH ESTIMATES USING CURRENT PAYOUT RATIOS

		[1]	[2]	[3]	[4]	[5]	[6]	[7]
		30-day	2010	2010	2010	ROE Required to Achieve Growth of [8]		Value Line 3 - 5 Yr
Company		Avg Price	EPS	DPS	Payout Ratio	5.69%	6.71%	Proj. ROE
American Electric Power	AEP	35.17	2.60	1.71	65.77%	16.62%	19.60%	10.50%
Cleco Corp.	CNL	32.80	2.29	0.98	42.79%	9.95%	11.73%	10.00%
DPL, Inc.	DPL	26.43	2.50	1.21	48.40%	11.03%	13.00%	22.80%
Empire District Electric	EDE	21.39	1.17	1.28	109.40%	-60.52%	-71.37%	10.50%
Great Plains Energy Inc.	GXP	19.42	1.53	0.83	54.25%	12.44%	14.67%	8.00%
IDACORP, Inc.	IDA	37.44	2.85	1.20	42.11%	9.83%	11.59%	8.50%
Pinnacle West Capital	PNW	42.41	3.10	2.10	67.74%	17.64%	20.80%	8.50%
Portland General	POR	23.38	1.70	1.04	61.18%	14.66%	17.28%	8.50%
Southern Co.	SO	37.76	2.37	1.80	75.95%	23.66%	27.90%	12.50%
Westar Energy	WR	25.97	1.80	1.24	68.89%	18.29%	21.57%	10.00%
	MEAN:	30.22	2.19	1.34	63.65%	7.36%	8.68%	10.98%
					Overall Average:	8.02%		

Notes

- [1] Source: Schedule RBH-ES32
- [2] Source: Schedule RBH-ES32
- [3] Source: Value Line as of March 31, 2011
- [4] Equals Col. [3] / Col. [2]
- [5] Equals 5.69% / (1 - Col. [16])
- [6] Equals 6.71% / (1 - Col. [16])
- [7] Source: Value Line as of March 31, 2011
- [8] Rebuttal Testimony of Michael P. Gorman at 7-8

SCENARIO 1: PRICES AND GROWTH RATES AS FILED; EMPLOYING MID-YEAR CONVENTION

Company	[1] Annualized Dividend	[2] Stock Price	[3] Near-Term Growth (Year 1-5)	[4] Long-Term Growth (Year 11+)	[5] K(e)	
American Electric Power	AEP	\$1.84	\$36.19	3.78%	4.70%	9.97%
Cleco Corp.	CNL	\$1.00	\$30.89	4.33%	4.70%	8.13%
DPL, Inc.	DPL	\$1.21	\$25.97	6.10%	4.70%	10.27%
Empire District Electric	EDE	\$1.28	\$21.78	NA	4.70%	NA
IDACORP, Inc.	IDA	\$1.20	\$37.01	4.78%	4.70%	8.24%
Northeast Utilities	NU	\$1.03	\$31.61	7.23%	4.70%	8.86%
Pinnacle West Capital	PNW	\$2.10	\$41.27	7.35%	4.70%	11.26%
Portland General	POR	\$1.04	\$21.60	5.24%	4.70%	10.16%
Progress Energy	PGN	\$2.48	\$44.07	4.11%	4.70%	10.68%
Southern Co.	SO	\$1.82	\$38.08	5.01%	4.70%	10.04%
Westar Energy	WR	\$1.24	\$25.27	7.98%	4.70%	11.26%
			PROXY GROUP MEAN:	5.59%	4.70%	9.89%
			PROXY GROUP MEDIAN:	5.13%	4.70%	10.10%

Notes

- [1] Source: Schedule MPG-9
 [2] Source: Schedule MPG-9
 [3] Source: Schedule MPG-9
 [4] Source: Schedule MPG-9
 [5] Discount rate that sets net present value of cash flows to zero

SCENARIO 2: 4.90% TERMINAL GROWTH RATE

Company	[1] Annualized Dividend	[2] Stock Price	[3] Near-Term Growth (Year 1-5)	[4] Long-Term Growth (Year 11+)	[5] K(e)	
American Electric Power	AEP	\$1.84	\$36.19	3.78%	4.90%	10.12%
Cleco Corp.	CNL	\$1.00	\$30.89	4.33%	4.90%	8.30%
DPL, Inc.	DPL	\$1.21	\$25.97	6.10%	4.90%	10.42%
Empire District Electric	EDE	\$1.28	\$21.78	NA	4.90%	NA
IDACORP, Inc.	IDA	\$1.20	\$37.01	4.78%	4.90%	8.40%
Northeast Utilities	NU	\$1.03	\$31.61	7.23%	4.90%	9.02%
Pinnacle West Capital	PNW	\$2.10	\$41.27	7.35%	4.90%	11.40%
Portland General	POR	\$1.04	\$21.60	5.24%	4.90%	10.31%
Progress Energy	PGN	\$2.48	\$44.07	4.11%	4.90%	10.82%
Southern Co.	SO	\$1.82	\$38.08	5.01%	4.90%	10.19%
Westar Energy	WR	\$1.24	\$25.27	7.98%	4.90%	11.40%
			PROXY GROUP MEAN:	5.59%	4.90%	10.04%
			PROXY GROUP MEDIAN:	5.13%	4.90%	10.25%

Notes

- [1] Source: Schedule MPG-9
 [2] Source: Schedule MPG-9
 [3] Source: Schedule MPG-9
 [4] Source: Schedule MPG-R-2
 [5] Discount rate that sets net present value of cash flows to zero

GORMAN MULTI-STAGE DCF APPROACH
EFFECT OF MID-YEAR CONVENTION AND 4.90 PERCENT AND 5.275 PERCENT TERMINAL GROWTH

SCENARIO 1: PRICES AND GROWTH RATES AS FILED; EMPLOYING MID-YEAR CONVENTION

#####														07/24/2209	07/24/2210
Ticker	Initial Outflow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 199	Year 200
AEP	(\$36.19)	\$1.91	\$1.98	\$2.06	\$2.13	\$2.21	\$2.30	\$2.40	\$2.50	\$2.61	\$2.73	\$2.85	\$2.99	\$16,046.19	\$16,800.36
CNL	(\$30.89)	\$1.04	\$1.09	\$1.14	\$1.18	\$1.24	\$1.29	\$1.35	\$1.41	\$1.47	\$1.54	\$1.61	\$1.69	\$9,077.48	\$9,504.12
DPL	(\$25.97)	\$1.28	\$1.36	\$1.45	\$1.53	\$1.63	\$1.72	\$1.82	\$1.92	\$2.02	\$2.12	\$2.22	\$2.32	\$12,458.84	\$13,044.40
EDE	(\$21.78)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
IDA	(\$37.01)	\$1.26	\$1.32	\$1.38	\$1.45	\$1.52	\$1.59	\$1.66	\$1.74	\$1.82	\$1.91	\$2.00	\$2.09	\$11,247.57	\$11,776.21
NU	(\$31.61)	\$1.10	\$1.18	\$1.27	\$1.36	\$1.46	\$1.56	\$1.66	\$1.76	\$1.86	\$1.95	\$2.04	\$2.14	\$11,482.01	\$12,021.66
PNW	(\$41.27)	\$2.25	\$2.42	\$2.60	\$2.79	\$2.99	\$3.20	\$3.41	\$3.61	\$3.81	\$4.01	\$4.20	\$4.40	\$23,607.75	\$24,717.32
POR	(\$21.60)	\$1.09	\$1.15	\$1.21	\$1.28	\$1.34	\$1.41	\$1.48	\$1.56	\$1.63	\$1.71	\$1.79	\$1.88	\$10,076.00	\$10,549.57
PGN	(\$44.07)	\$2.58	\$2.69	\$2.80	\$2.91	\$3.03	\$3.16	\$3.30	\$3.44	\$3.60	\$3.76	\$3.94	\$4.12	\$22,153.45	\$23,194.66
SO	(\$38.08)	\$1.91	\$2.01	\$2.11	\$2.21	\$2.32	\$2.44	\$2.56	\$2.68	\$2.81	\$2.95	\$3.08	\$3.23	\$17,345.87	\$18,161.13
WR	(\$25.27)	\$1.34	\$1.45	\$1.56	\$1.69	\$1.82	\$1.96	\$2.09	\$2.22	\$2.35	\$2.48	\$2.59	\$2.71	\$14,574.31	\$15,259.30
		\$1.58	\$1.66	\$1.76	\$1.85	\$1.96	\$2.06	\$2.17	\$2.28	\$2.40	\$2.52	\$2.63	\$2.76	\$14,806.95	\$15,502.87

SCENARIO 2: 4.90% TERMINAL GROWTH RATE

#####														07/24/2209	07/24/2210
Ticker	Initial Outflow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 199	Year 200
AEP	(\$36.19)	\$1.91	\$1.98	\$2.06	\$2.13	\$2.21	\$2.30	\$2.40	\$2.50	\$2.62	\$2.74	\$2.87	\$3.01	\$23,125.77	\$24,258.93
CNL	(\$30.89)	\$1.04	\$1.09	\$1.14	\$1.18	\$1.24	\$1.29	\$1.35	\$1.41	\$1.48	\$1.55	\$1.63	\$1.70	\$13,082.34	\$13,723.37
DPL	(\$25.97)	\$1.28	\$1.36	\$1.45	\$1.53	\$1.63	\$1.72	\$1.82	\$1.92	\$2.02	\$2.13	\$2.23	\$2.34	\$17,954.94	\$18,834.74
EDE	(\$21.78)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
IDA	(\$37.01)	\$1.26	\$1.32	\$1.38	\$1.45	\$1.52	\$1.59	\$1.66	\$1.75	\$1.83	\$1.92	\$2.01	\$2.11	\$16,209.72	\$17,003.99
NU	(\$31.61)	\$1.10	\$1.18	\$1.27	\$1.36	\$1.46	\$1.56	\$1.66	\$1.76	\$1.86	\$1.96	\$2.06	\$2.16	\$16,546.87	\$17,357.67
PNW	(\$41.27)	\$2.25	\$2.42	\$2.60	\$2.79	\$2.99	\$3.20	\$3.41	\$3.62	\$3.83	\$4.03	\$4.23	\$4.43	\$34,021.36	\$35,688.41
POR	(\$21.60)	\$1.09	\$1.15	\$1.21	\$1.28	\$1.34	\$1.41	\$1.48	\$1.56	\$1.64	\$1.72	\$1.80	\$1.89	\$14,521.15	\$15,232.69
PGN	(\$44.07)	\$2.58	\$2.69	\$2.80	\$2.91	\$3.03	\$3.16	\$3.30	\$3.45	\$3.61	\$3.78	\$3.97	\$4.16	\$31,927.37	\$33,491.81
SO	(\$38.08)	\$1.91	\$2.01	\$2.11	\$2.21	\$2.32	\$2.44	\$2.56	\$2.69	\$2.82	\$2.96	\$3.11	\$3.26	\$24,998.33	\$26,223.25
WR	(\$25.27)	\$1.34	\$1.45	\$1.56	\$1.69	\$1.82	\$1.96	\$2.09	\$2.23	\$2.36	\$2.49	\$2.61	\$2.74	\$21,002.95	\$22,032.10
		\$1.58	\$1.66	\$1.76	\$1.85	\$1.96	\$2.06	\$2.17	\$2.29	\$2.41	\$2.53	\$2.65	\$2.78	\$21,339.08	\$22,384.69

SCENARIO 3: 4.90% TERMINAL GROWTH RATE, EXCLUDING NU AND PGN BECAUSE OF MERGER ANNOUNCEMENTS

		[1]	[2]	[3]	[4]	[5]
Company		Annualized Dividend	Stock Price	Near-Term Growth (Year 1-5)	Long-Term Growth (Year 11+)	K(e)
American Electric Power	AEP	\$1.84	\$36.19	3.78%	4.90%	10.12%
Cleco Corp.	CNL	\$1.00	\$30.89	4.33%	4.90%	8.30%
DPL, Inc.	DPL	\$1.21	\$25.97	6.10%	4.90%	10.42%
Empire District Electric	EDE	\$1.28	\$21.78	NA	4.90%	NA
IDACORP, Inc.	IDA	\$1.20	\$37.01	4.78%	4.90%	8.40%
Northeast Utilities	NU	\$1.03	\$31.61	NA	NA	NA
Pinnacle West Capital	PNW	\$2.10	\$41.27	7.35%	4.90%	11.40%
Portland General	POR	\$1.04	\$21.60	5.24%	4.90%	10.31%
Progress Energy	PGN	\$2.48	\$44.07	NA	NA	NA
Southern Co.	SO	\$1.82	\$38.08	5.01%	4.90%	10.19%
Westar Energy	WR	\$1.24	\$25.27	7.98%	4.90%	11.40%
PROXY GROUP MEAN:				5.57%	4.90%	10.07%
PROXY GROUP MEDIAN:				5.13%	4.90%	10.25%

Notes

- [1] Source: Schedule MPG-9
 [2] Source: Schedule MPG-9
 [3] Source: Schedule MPG-9
 [4] Source: Schedule MPG-R-2
 [5] Discount rate that sets net present value of cash flows to zero

SCENARIO 4: 5.275% TERMINAL GROWTH RATE

		[1]	[2]	[3]	[4]	[5]
Company		Annualized Dividend	Stock Price	Near-Term Growth (Year 1-5)	Long-Term Growth (Year 11+)	K(e)
American Electric Power	AEP	\$1.84	\$36.19	3.78%	5.275%	10.40%
Cleco Corp.	CNL	\$1.00	\$30.89	4.33%	5.275%	8.61%
DPL, Inc.	DPL	\$1.21	\$25.97	6.10%	5.275%	10.69%
Empire District Electric	EDE	\$1.28	\$21.78	NA	5.275%	NA
IDACORP, Inc.	IDA	\$1.20	\$37.01	4.78%	5.275%	8.71%
Northeast Utilities	NU	\$1.03	\$31.61	7.23%	5.275%	9.32%
Pinnacle West Capital	PNW	\$2.10	\$41.27	7.35%	5.275%	11.66%
Portland General	POR	\$1.04	\$21.60	5.24%	5.275%	10.59%
Progress Energy	PGN	\$2.48	\$44.07	4.11%	5.275%	11.09%
Southern Co.	SO	\$1.82	\$38.08	5.01%	5.275%	10.47%
Westar Energy	WR	\$1.24	\$25.27	7.98%	5.275%	11.67%
PROXY GROUP MEAN:				5.59%	5.275%	10.32%
PROXY GROUP MEDIAN:				5.13%	5.275%	10.53%

Notes

- [1] Source: Schedule MPG-9
 [2] Source: Schedule MPG-9
 [3] Source: Schedule MPG-9
 [4] Source: Midpoint of 4.90% (Gorman) and 5.65% (Hevert) Terminal Growth Rates
 [5] Discount rate that sets net present value of cash flows to zero

GORMAN MULTI-STAGE DCF APPROACH
EFFECT OF MID-YEAR CONVENTION AND 4.90 PERCENT AND 5.275 PERCENT TERMINAL GROWTH

SCENARIO 3: 4.90% TERMINAL GROWTH RATE, EXCLUDING NU AND PGN BECAUSE OF MERGER ANNOUNCEMENTS

#####														07/24/2209	07/24/2210
Ticker	Initial Outflow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 199	Year 200
AEP	(\$36.19)	\$1.91	\$1.98	\$2.06	\$2.13	\$2.21	\$2.30	\$2.40	\$2.50	\$2.62	\$2.74	\$2.87	\$3.01	\$23,125.77	\$24,258.93
CNL	(\$30.89)	\$1.04	\$1.09	\$1.14	\$1.18	\$1.24	\$1.29	\$1.35	\$1.41	\$1.48	\$1.55	\$1.63	\$1.70	\$13,082.34	\$13,723.37
DPL	(\$25.97)	\$1.28	\$1.36	\$1.45	\$1.53	\$1.63	\$1.72	\$1.82	\$1.92	\$2.02	\$2.13	\$2.23	\$2.34	\$17,954.94	\$18,834.74
EDE	(\$21.78)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
IDA	(\$37.01)	\$1.26	\$1.32	\$1.38	\$1.45	\$1.52	\$1.59	\$1.66	\$1.75	\$1.83	\$1.92	\$2.01	\$2.11	\$16,209.72	\$17,003.99
NU	(\$31.61)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
PNW	(\$41.27)	\$2.25	\$2.42	\$2.60	\$2.79	\$2.99	\$3.20	\$3.41	\$3.62	\$3.83	\$4.03	\$4.23	\$4.43	\$34,021.36	\$35,688.41
POR	(\$21.60)	\$1.09	\$1.15	\$1.21	\$1.28	\$1.34	\$1.41	\$1.48	\$1.56	\$1.64	\$1.72	\$1.80	\$1.89	\$14,521.15	\$15,232.69
PGN	(\$44.07)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
SO	(\$38.08)	\$1.91	\$2.01	\$2.11	\$2.21	\$2.32	\$2.44	\$2.56	\$2.69	\$2.82	\$2.96	\$3.11	\$3.26	\$24,998.33	\$26,223.25
WR	(\$25.27)	\$1.34	\$1.45	\$1.56	\$1.69	\$1.82	\$1.96	\$2.09	\$2.23	\$2.36	\$2.49	\$2.61	\$2.74	\$21,002.95	\$22,032.10
		\$1.51	\$1.60	\$1.69	\$1.78	\$1.88	\$1.99	\$2.10	\$2.21	\$2.32	\$2.44	\$2.56	\$2.69	\$20,614.57	\$21,624.68

SCENARIO 4: 5.275% TERMINAL GROWTH RATE

#####														07/24/2209	07/24/2210
Ticker	Initial Outflow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 199	Year 200
AEP	(\$36.19)	\$1.91	\$1.98	\$2.06	\$2.13	\$2.21	\$2.30	\$2.40	\$2.51	\$2.63	\$2.76	\$2.91	\$3.06	\$45,803.06	\$48,219.17
CNL	(\$30.89)	\$1.04	\$1.09	\$1.14	\$1.18	\$1.24	\$1.29	\$1.35	\$1.42	\$1.49	\$1.56	\$1.65	\$1.73	\$25,910.49	\$27,277.26
DPL	(\$25.97)	\$1.28	\$1.36	\$1.45	\$1.53	\$1.63	\$1.72	\$1.82	\$1.93	\$2.04	\$2.15	\$2.26	\$2.38	\$35,558.96	\$37,434.69
EDE	(\$21.78)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
IDA	(\$37.01)	\$1.26	\$1.32	\$1.38	\$1.45	\$1.52	\$1.59	\$1.67	\$1.75	\$1.84	\$1.94	\$2.04	\$2.15	\$32,104.01	\$33,797.50
NU	(\$31.61)	\$1.10	\$1.18	\$1.27	\$1.36	\$1.46	\$1.56	\$1.66	\$1.77	\$1.87	\$1.98	\$2.08	\$2.19	\$32,769.13	\$34,497.70
PNW	(\$41.27)	\$2.25	\$2.42	\$2.60	\$2.79	\$2.99	\$3.20	\$3.42	\$3.63	\$3.85	\$4.06	\$4.28	\$4.50	\$67,375.05	\$70,929.08
POR	(\$21.60)	\$1.09	\$1.15	\$1.21	\$1.28	\$1.34	\$1.41	\$1.49	\$1.57	\$1.65	\$1.74	\$1.83	\$1.92	\$28,759.29	\$30,276.35
PGN	(\$44.07)	\$2.58	\$2.69	\$2.80	\$2.91	\$3.03	\$3.16	\$3.31	\$3.46	\$3.63	\$3.81	\$4.02	\$4.23	\$63,234.86	\$66,570.50
SO	(\$38.08)	\$1.91	\$2.01	\$2.11	\$2.21	\$2.32	\$2.44	\$2.57	\$2.70	\$2.84	\$2.99	\$3.14	\$3.31	\$49,509.83	\$52,121.47
WR	(\$25.27)	\$1.34	\$1.45	\$1.56	\$1.69	\$1.82	\$1.96	\$2.10	\$2.24	\$2.37	\$2.51	\$2.64	\$2.78	\$41,592.86	\$43,786.88
		\$1.58	\$1.66	\$1.76	\$1.85	\$1.96	\$2.06	\$2.18	\$2.30	\$2.42	\$2.55	\$2.68	\$2.83	\$42,261.75	\$44,491.06

SCENARIO 5: 5.275% TERMINAL GROWTH RATE, EXCLUDING NU AND PGN BECAUSE OF MERGER ANNOUNCEMENTS

Company	[1] Annualized Dividend	[2] Stock Price	[3] Near-Term Growth (Year 1-5)	[4] Long-Term Growth (Year 11+)	[5] K(e)	
American Electric Power	AEP	\$1.84	\$36.19	3.78%	5.275%	10.40%
Cleco Corp.	CNL	\$1.00	\$30.89	4.33%	5.275%	8.61%
DPL, Inc.	DPL	\$1.21	\$25.97	6.10%	5.275%	10.69%
Empire District Electric	EDE	\$1.28	\$21.78	NA	5.275%	NA
IDACORP, Inc.	IDA	\$1.20	\$37.01	4.78%	5.275%	8.71%
Northeast Utilities	NU	\$1.03	\$31.61	NA	NA	NA
Pinnacle West Capital	PNW	\$2.10	\$41.27	7.35%	5.275%	11.66%
Portland General	POR	\$1.04	\$21.60	5.24%	5.275%	10.59%
Progress Energy	PGN	\$2.48	\$44.07	NA	NA	NA
Southern Co.	SO	\$1.82	\$38.08	5.01%	5.275%	10.47%
Westar Energy	WR	\$1.24	\$25.27	7.98%	5.275%	11.67%
			PROXY GROUP MEAN:	5.57%	5.275%	10.35%
			PROXY GROUP MEDIAN:	5.13%	5.275%	10.53%

Notes

[1] Source: Schedule MPG-9

[2] Source: Schedule MPG-9

[3] Source: Schedule MPG-9

[4] Source: Midpoint of 4.90% (Gorman) and 5.65% (Hevert) Terminal Growth Rates

[5] Discount rate that sets net present value of cash flows to zero

GORMAN MULTI-STAGE DCF APPROACH
EFFECT OF MID-YEAR CONVENTION AND 4.90 PERCENT AND 5.275 PERCENT TERMINAL GROWTH

SCENARIO 5: 5.275% TERMINAL GROWTH RATE, EXCLUDING NU AND PGN BECAUSE OF MERGER ANNOUNCEMENTS

#####														07/24/2209	07/24/2210
Ticker	Initial Outflow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 199	Year 200
AEP	(\$36.19)	\$1.91	\$1.98	\$2.06	\$2.13	\$2.21	\$2.30	\$2.40	\$2.51	\$2.63	\$2.76	\$2.91	\$3.06	\$45,803.06	\$48,219.17
CNL	(\$30.89)	\$1.04	\$1.09	\$1.14	\$1.18	\$1.24	\$1.29	\$1.35	\$1.42	\$1.49	\$1.56	\$1.65	\$1.73	\$25,910.49	\$27,277.26
DPL	(\$25.97)	\$1.28	\$1.36	\$1.45	\$1.53	\$1.63	\$1.72	\$1.82	\$1.93	\$2.04	\$2.15	\$2.26	\$2.38	\$35,558.96	\$37,434.69
EDE	(\$21.78)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
IDA	(\$37.01)	\$1.26	\$1.32	\$1.38	\$1.45	\$1.52	\$1.59	\$1.67	\$1.75	\$1.84	\$1.94	\$2.04	\$2.15	\$32,104.01	\$33,797.50
NU	(\$31.61)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
PNW	(\$41.27)	\$2.25	\$2.42	\$2.60	\$2.79	\$2.99	\$3.20	\$3.42	\$3.63	\$3.85	\$4.06	\$4.28	\$4.50	\$67,375.05	\$70,929.08
POR	(\$21.60)	\$1.09	\$1.15	\$1.21	\$1.28	\$1.34	\$1.41	\$1.49	\$1.57	\$1.65	\$1.74	\$1.83	\$1.92	\$28,759.29	\$30,276.35
PGN	(\$44.07)	NA	NA	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	NA	NA	NA	NA
SO	(\$38.08)	\$1.91	\$2.01	\$2.11	\$2.21	\$2.32	\$2.44	\$2.57	\$2.70	\$2.84	\$2.99	\$3.14	\$3.31	\$49,509.83	\$52,121.47
WR	(\$25.27)	\$1.34	\$1.45	\$1.56	\$1.69	\$1.82	\$1.96	\$2.10	\$2.24	\$2.37	\$2.51	\$2.64	\$2.78	\$41,592.86	\$43,786.88
		\$1.51	\$1.60	\$1.69	\$1.78	\$1.88	\$1.99	\$2.10	\$2.22	\$2.34	\$2.46	\$2.59	\$2.73	\$40,826.69	\$42,980.30

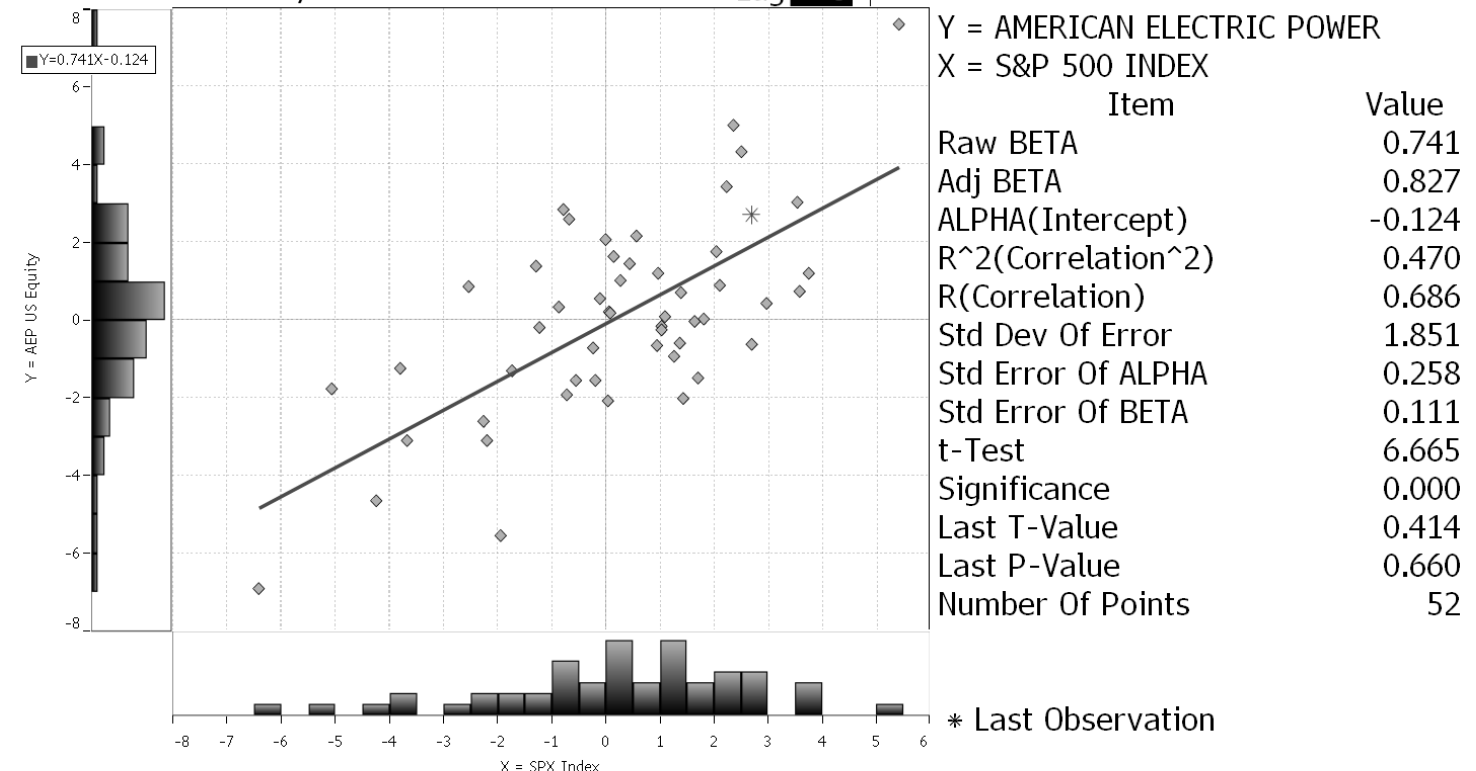
Company	Bloomberg 52-Week Calculation (3/26/2010 to 3/25/2011)				Bloomberg 104-Week Calculation (3/27/2009 to 3/25/2011)			
	Adjusted Beta	R-squared	t-Test	Significance	Adjusted Beta	R-squared	t-Test	Significance
American Electric Power AEP	0.827	0.470	6.665	0.000%	0.769	0.370	7.748	0.000%
Cleco Corp. CNL	0.810	0.557	7.936	0.000%	0.748	0.402	8.275	0.000%
DPL, Inc. DPL	0.861	0.548	7.786	0.000%	0.812	0.492	9.931	0.000%
Empire District Electric EDE	0.706	0.355	5.244	0.000%	0.664	0.283	6.343	0.000%
Great Plains Energy Inc. GXP	0.855	0.590	8.479	0.000%	0.829	0.479	9.690	0.000%
IDACORP, Inc. IDA	0.905	0.564	8.035	0.000%	0.852	0.517	10.453	0.000%
Pinnacle West Capital PNW	0.804	0.519	7.339	0.000%	0.876	0.542	10.981	0.000%
Portland General POR	0.776	0.525	7.433	0.000%	0.772	0.310	6.776	0.000%
Southern Co. SO	0.620	0.383	5.565	0.000%	0.603	0.248	5.792	0.000%
Westar Energy WR	0.817	0.558	7.941	0.000%	0.850	0.540	10.948	0.000%
Mean	0.798				0.778			

Equity **BETA**

<HELP> for explanation.

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AEP US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/26/10 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**

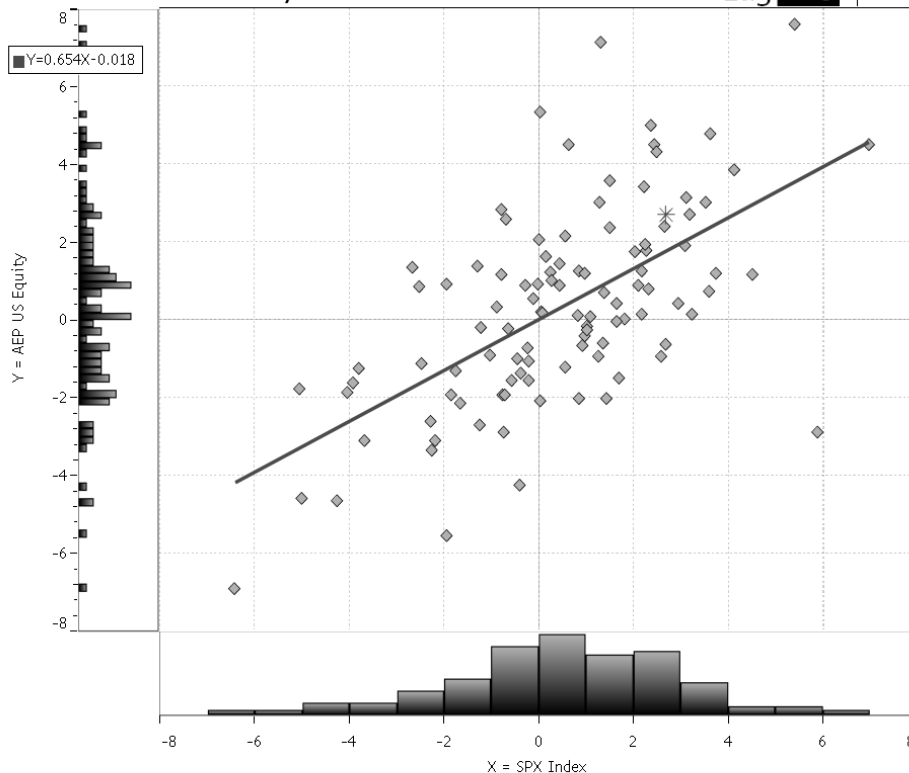


Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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Equity **BETA**

AEP US Equity Relative Index **SPX Index**
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Y = AMERICAN ELECTRIC POWER
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.654
Adj BETA	0.769
ALPHA(Intercept)	-0.018
R^2(Correlation^2)	0.370
R(Correlation)	0.609
Std Dev Of Error	2.032
Std Error Of ALPHA	0.203
Std Error Of BETA	0.084
t-Test	7.748
Significance	0.000
Last T-Value	0.444
Last P-Value	0.671
Number Of Points	104

* Last Observation

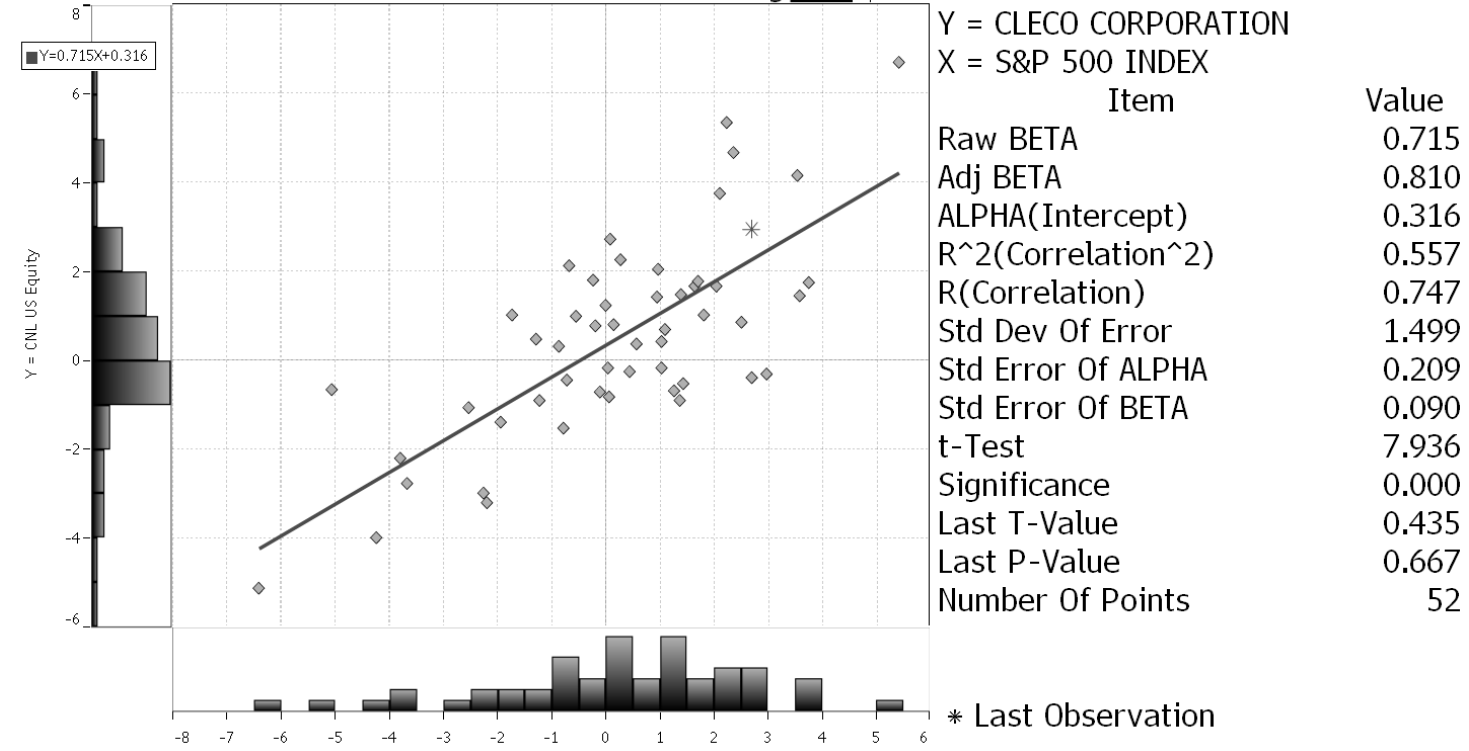
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Equity **BETA**

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CNL US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/26/10 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



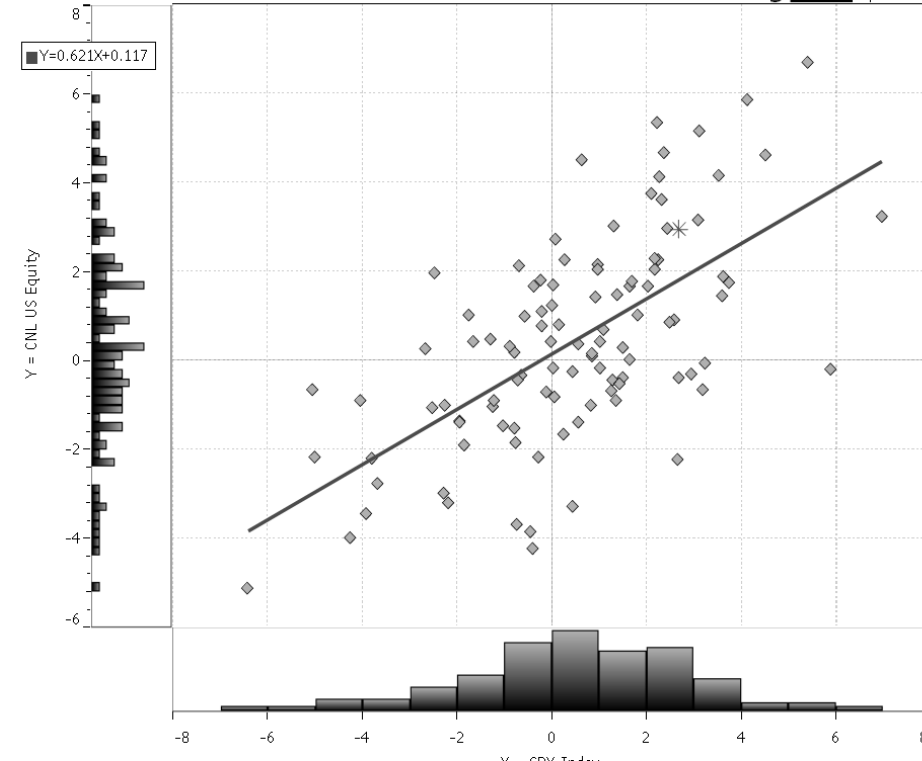
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Equity **BETA**

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CNL US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Y = CLECO CORPORATION
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.621
Adj BETA	0.748
ALPHA(Intercept)	0.117
R^2(Correlation^2)	0.402
R(Correlation)	0.634
Std Dev Of Error	1.808
Std Error Of ALPHA	0.181
Std Error Of BETA	0.075
t-Test	8.275
Significance	0.000
Last T-Value	0.612
Last P-Value	0.729
Number Of Points	104

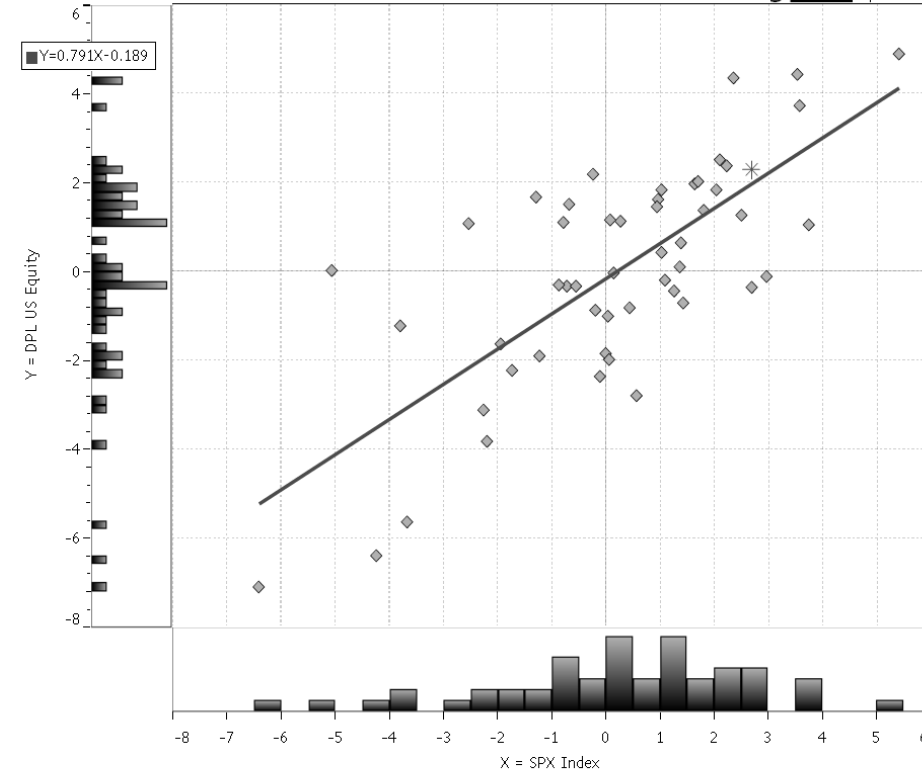
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DPL US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/26/10 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Item	Value
Raw BETA	0.791
Adj BETA	0.861
ALPHA(Intercept)	-0.189
R^2(Correlation^2)	0.548
R(Correlation)	0.740
Std Dev Of Error	1.691
Std Error Of ALPHA	0.236
Std Error Of BETA	0.102
t-Test	7.786
Significance	0.000
Last T-Value	0.176
Last P-Value	0.569
Number Of Points	52

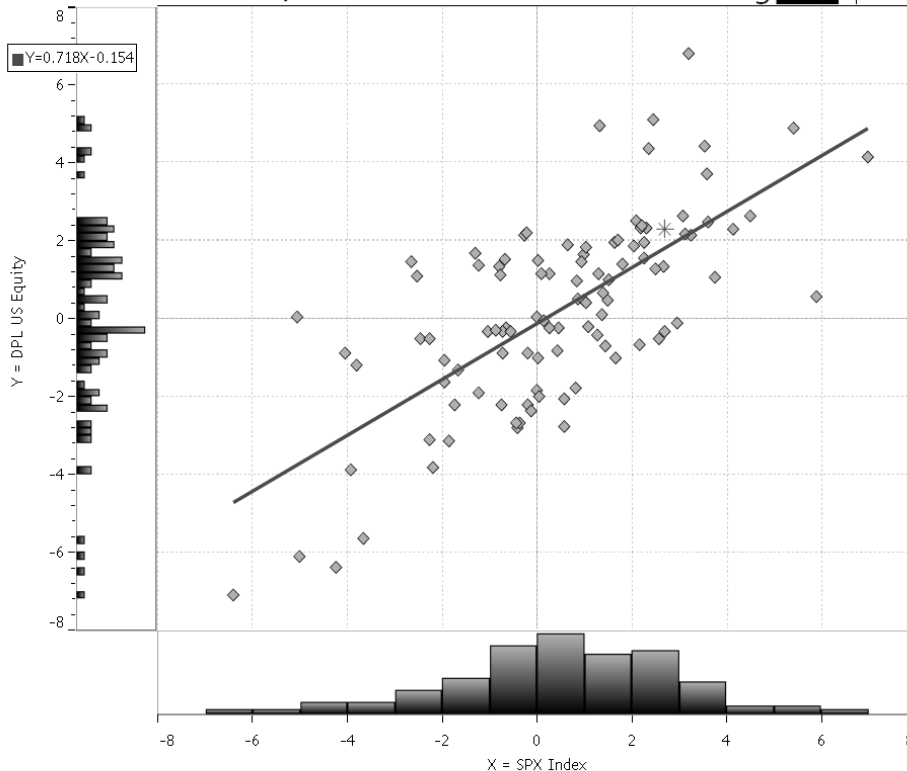
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Equity **BETA**

DPL US Equity Relative Index **SPX Index**
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Item	Value
Y = DPL INC	
X = S&P 500 INDEX	
Raw BETA	0.718
Adj BETA	0.812
ALPHA(Intercept)	-0.154
R^2(Correlation^2)	0.492
R(Correlation)	0.701
Std Dev Of Error	1.739
Std Error Of ALPHA	0.174
Std Error Of BETA	0.072
t-Test	9.931
Significance	0.000
Last T-Value	0.266
Last P-Value	0.605
Number Of Points	104

* Last Observation

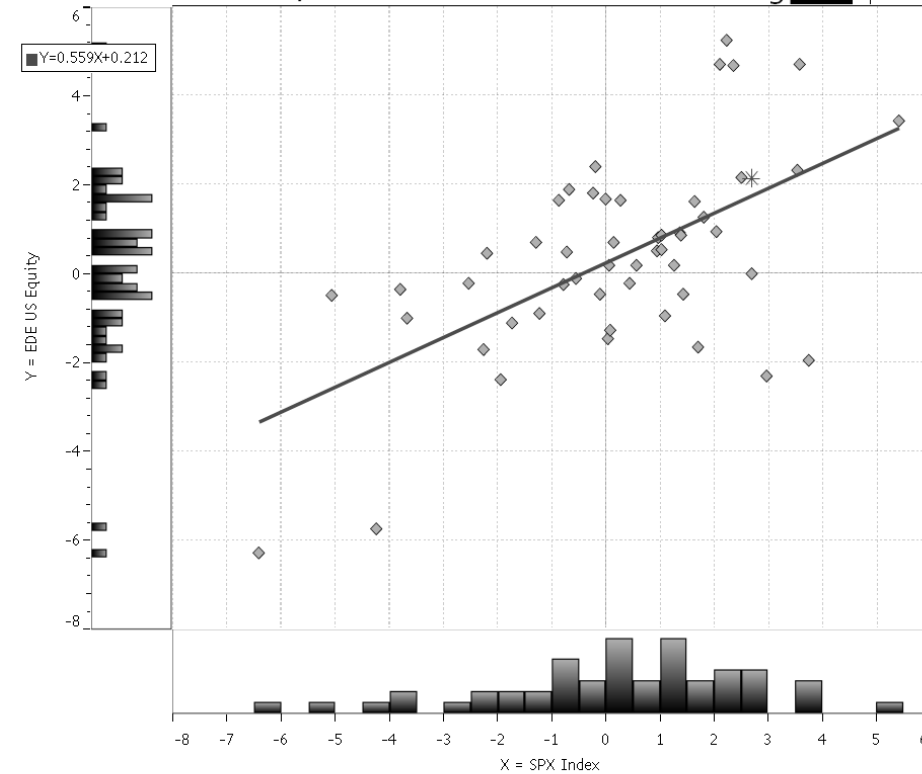
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Equity **BETA**

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EDE US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/26/10 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Y = EMPIRE DISTRICT ELECTRIC CO
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.559
Adj BETA	0.706
ALPHA(Intercept)	0.212
R^2(Correlation^2)	0.355
R(Correlation)	0.596
Std Dev Of Error	1.775
Std Error Of ALPHA	0.248
Std Error Of BETA	0.107
t-Test	5.244
Significance	0.000
Last T-Value	0.211
Last P-Value	0.583
Number Of Points	52

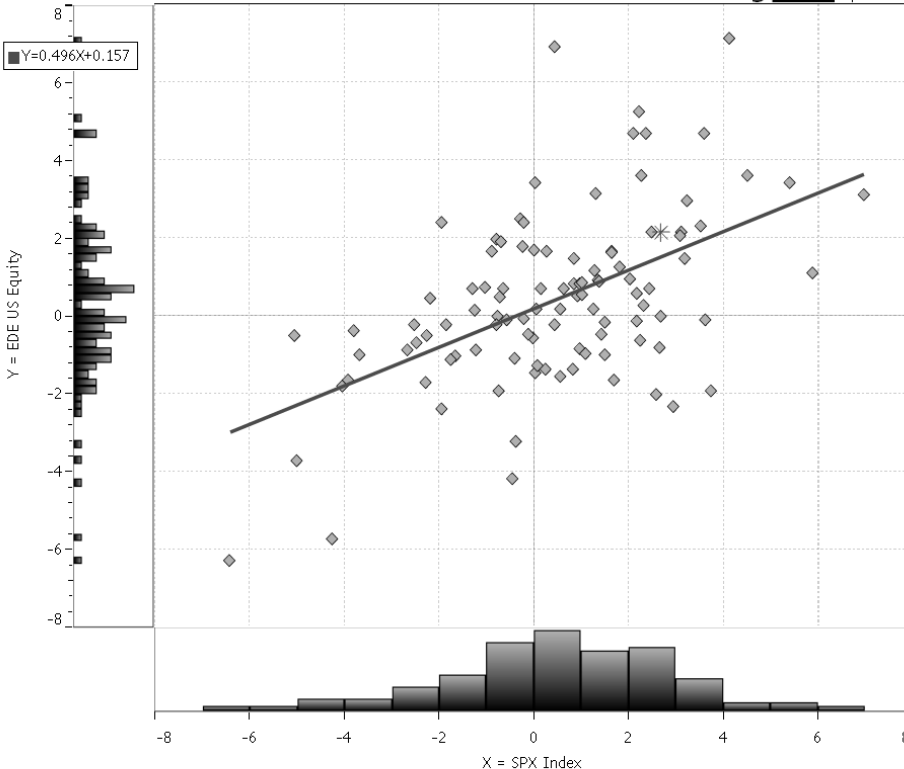
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 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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Equity **BETA**

EDE US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Y = EMPIRE DISTRICT ELECTRIC CO
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.496
Adj BETA	0.664
ALPHA(Intercept)	0.157
R^2(Correlation^2)	0.283
R(Correlation)	0.532
Std Dev Of Error	1.880
Std Error Of ALPHA	0.188
Std Error Of BETA	0.078
t-Test	6.343
Significance	0.000
Last T-Value	0.321
Last P-Value	0.626
Number Of Points	104

* Last Observation

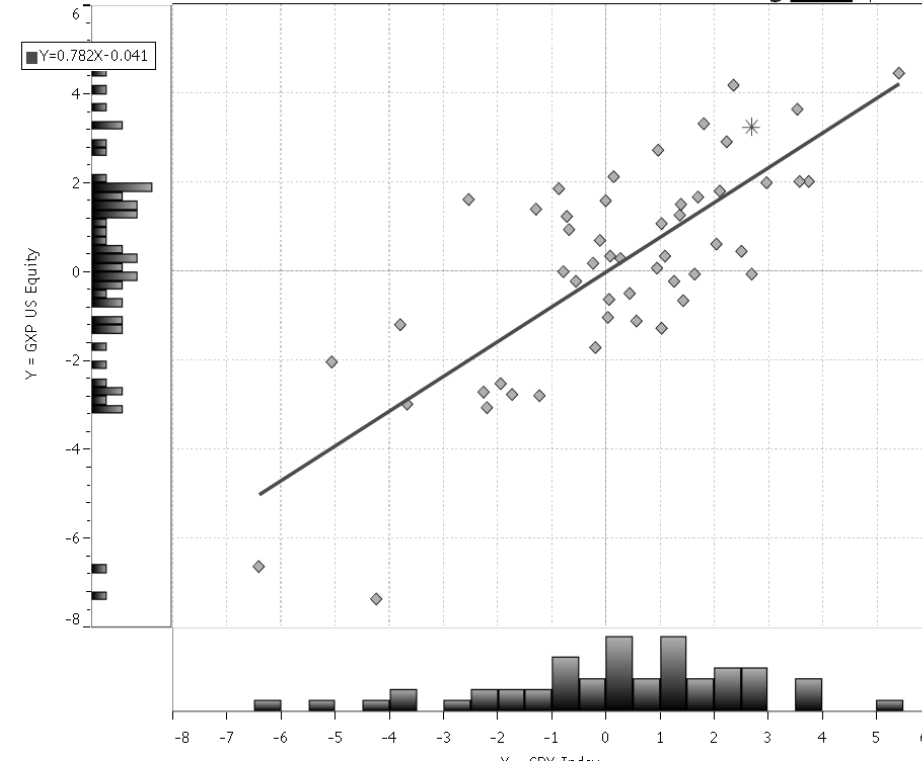
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Equity **BETA**

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GXP US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/26/10 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Y = GREAT PLAINS ENERGY INC
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.782
Adj BETA	0.855
ALPHA(Intercept)	-0.041
R ² (Correlation ²)	0.590
R(Correlation)	0.768
Std Dev Of Error	1.535
Std Error Of ALPHA	0.214
Std Error Of BETA	0.092
t-Test	8.479
Significance	0.000
Last T-Value	0.727
Last P-Value	0.765
Number Of Points	52

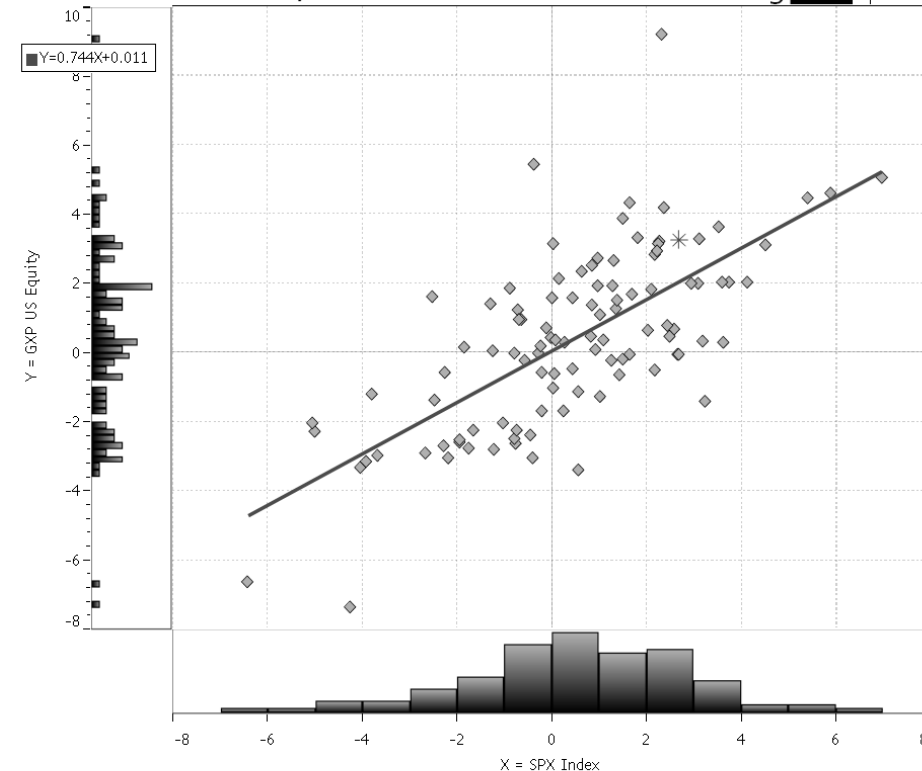
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 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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<HELP> for explanation.

Equity **BETA**

GXP US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Item	Value
Raw BETA	0.744
Adj BETA	0.829
ALPHA(Intercept)	0.011
R^2(Correlation^2)	0.479
R(Correlation)	0.692
Std Dev Of Error	1.848
Std Error Of ALPHA	0.185
Std Error Of BETA	0.077
t-Test	9.690
Significance	0.000
Last T-Value	0.638
Last P-Value	0.737
Number Of Points	104

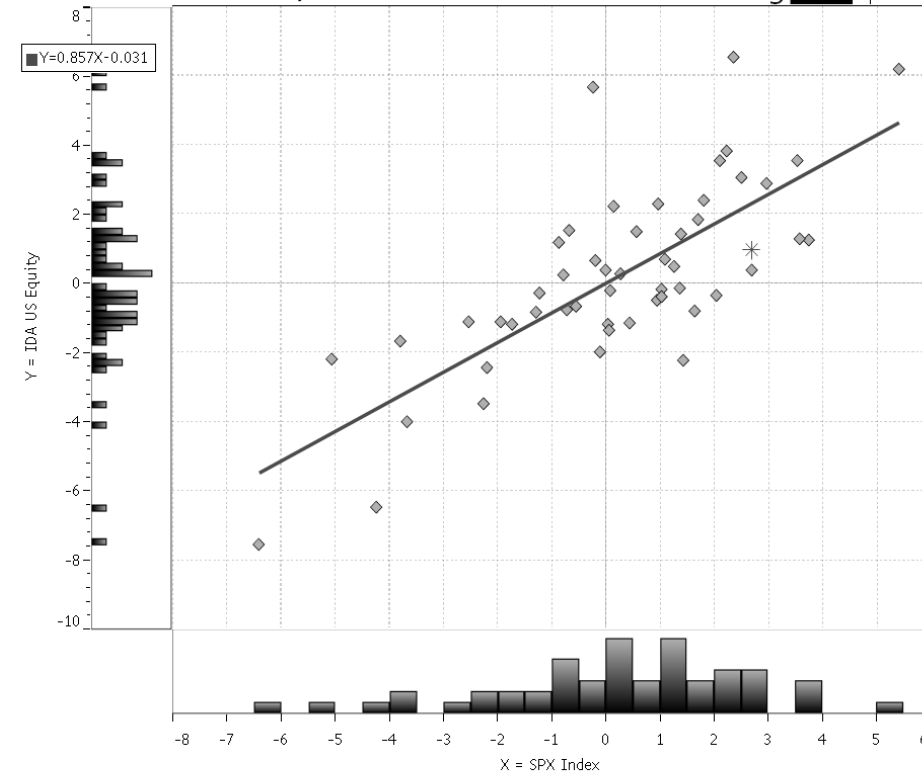
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 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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IDA US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/26/10 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Item	Value
Raw BETA	0.857
Adj BETA	0.905
ALPHA(Intercept)	-0.031
R^2(Correlation^2)	0.564
R(Correlation)	0.751
Std Dev Of Error	1.775
Std Error Of ALPHA	0.248
Std Error Of BETA	0.107
t-Test	8.035
Significance	0.000
Last T-Value	-0.753
Last P-Value	0.228
Number Of Points	52

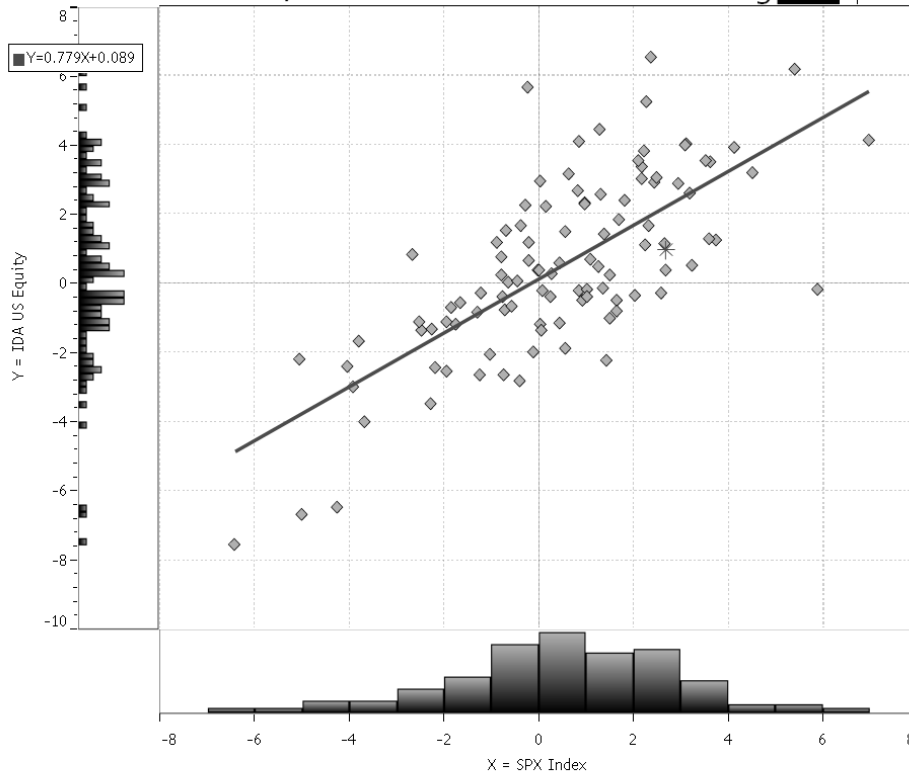
* Last Observation

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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Equity **BETA**

IDA US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Item	Value
Y = IDACORP INC	
X = S&P 500 INDEX	
Raw BETA	0.779
Adj BETA	0.852
ALPHA(Intercept)	0.089
R^2(Correlation^2)	0.517
R(Correlation)	0.719
Std Dev Of Error	1.793
Std Error Of ALPHA	0.180
Std Error Of BETA	0.075
t-Test	10.453
Significance	0.000
Last T-Value	-0.703
Last P-Value	0.242
Number Of Points	104

* Last Observation

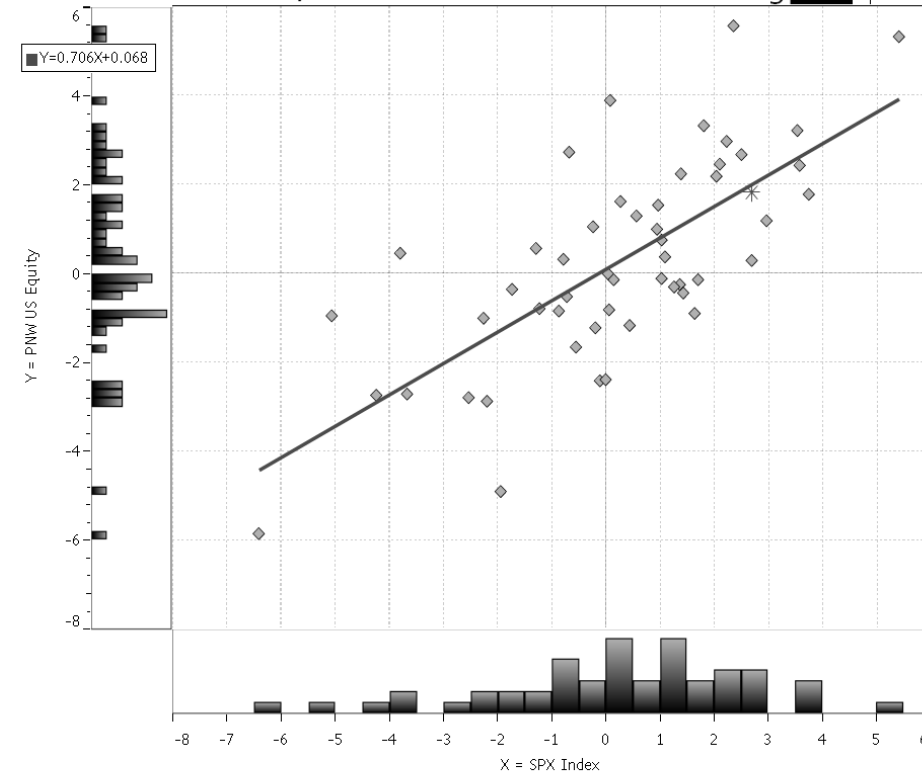
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Equity **BETA**

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PNW US Equity Relative Index SPX Index Historical Beta
 Data Last Price Range 03/26/10 - 03/25/11 Period Weekly Local CCY
 Linear Beta +/- Non-Parametric Lag 0



Y = PINNACLE WEST CAPITAL
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.706
Adj BETA	0.804
ALPHA(Intercept)	0.068
R^2(Correlation^2)	0.519
R(Correlation)	0.720
Std Dev Of Error	1.601
Std Error Of ALPHA	0.223
Std Error Of BETA	0.096
t-Test	7.339
Significance	0.000
Last T-Value	-0.116
Last P-Value	0.454
Number Of Points	52

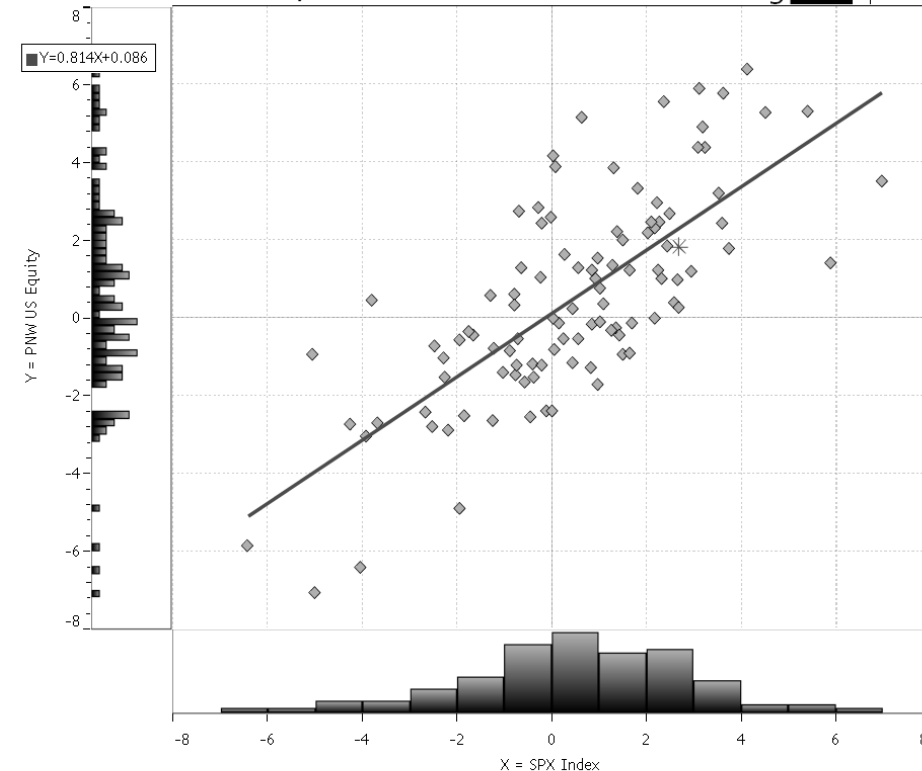
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Equity **BETA**

PNW US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Item	Value
Raw BETA	0.814
Adj BETA	0.876
ALPHA(Intercept)	0.086
R^2(Correlation^2)	0.542
R(Correlation)	0.736
Std Dev Of Error	1.784
Std Error Of ALPHA	0.179
Std Error Of BETA	0.074
t-Test	10.981
Significance	0.000
Last T-Value	-0.278
Last P-Value	0.391
Number Of Points	104

* Last Observation

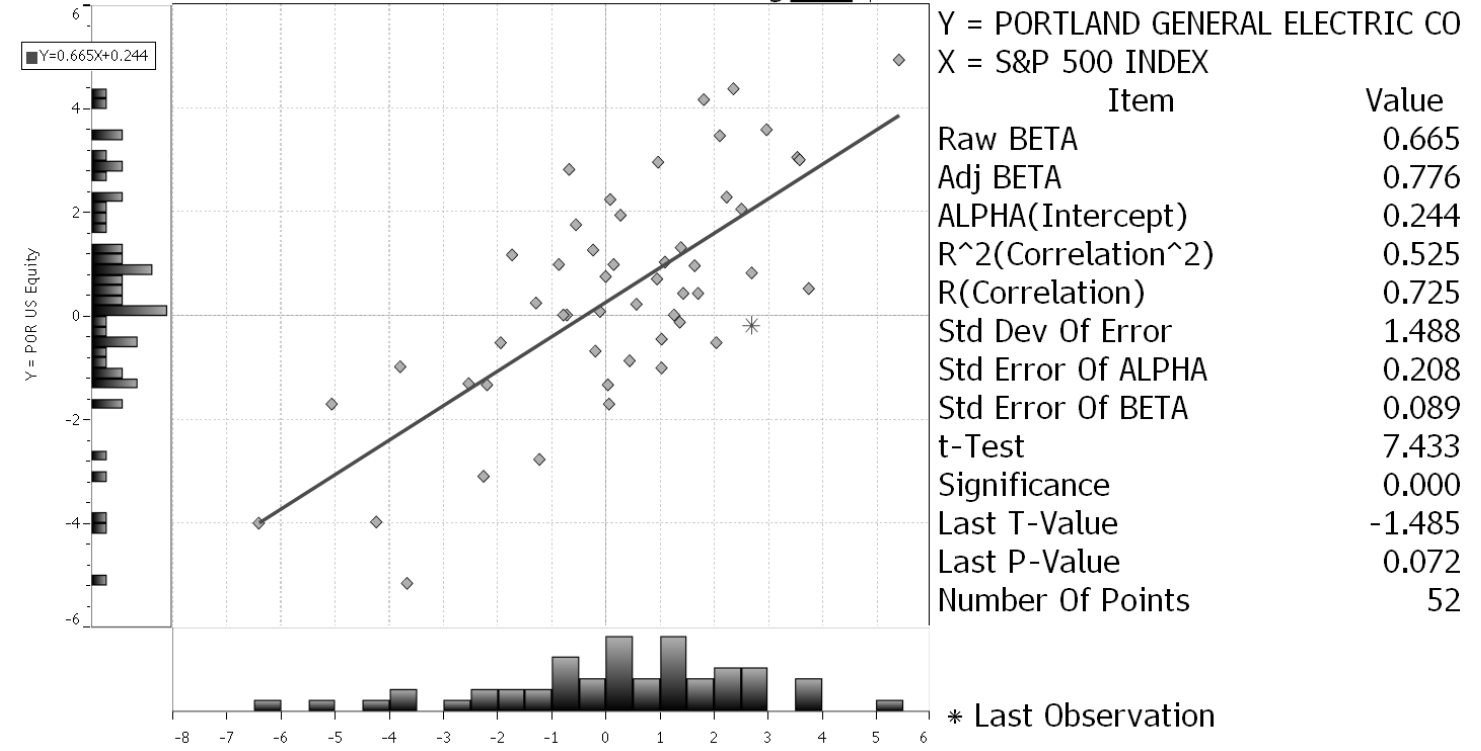
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Equity **BETA**

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POR US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/26/10 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



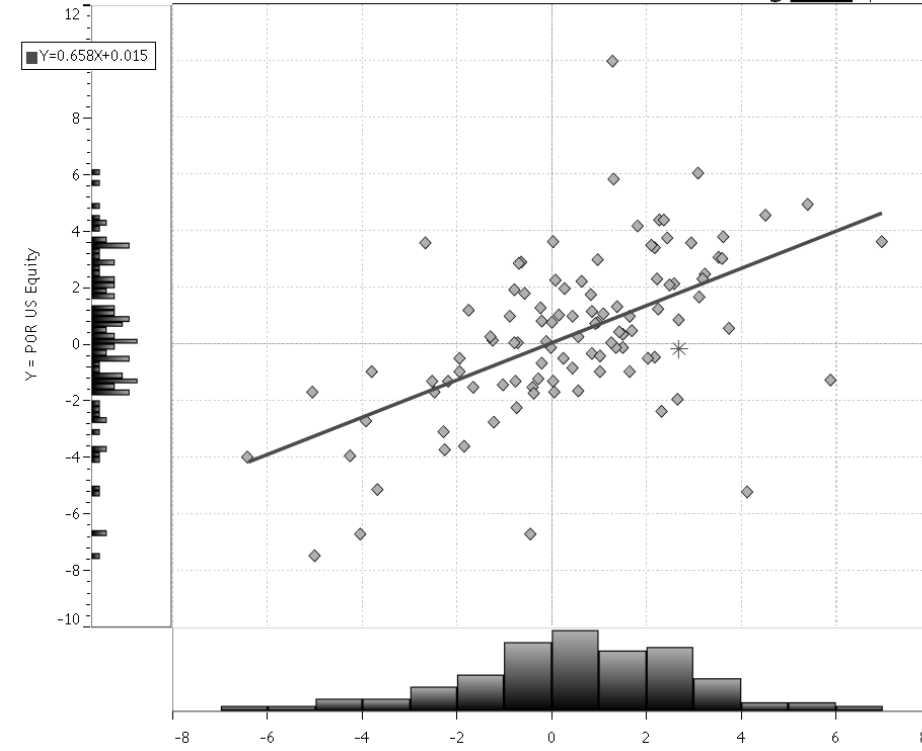
* Last Observation

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Equity **BETA**

POR US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Y = PORTLAND GENERAL ELECTRIC CO
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.658
Adj BETA	0.772
ALPHA(Intercept)	0.015
R^2(Correlation^2)	0.310
R(Correlation)	0.557
Std Dev Of Error	2.336
Std Error Of ALPHA	0.234
Std Error Of BETA	0.097
t-Test	6.776
Significance	0.000
Last T-Value	-0.852
Last P-Value	0.198
Number Of Points	104

* Last Observation

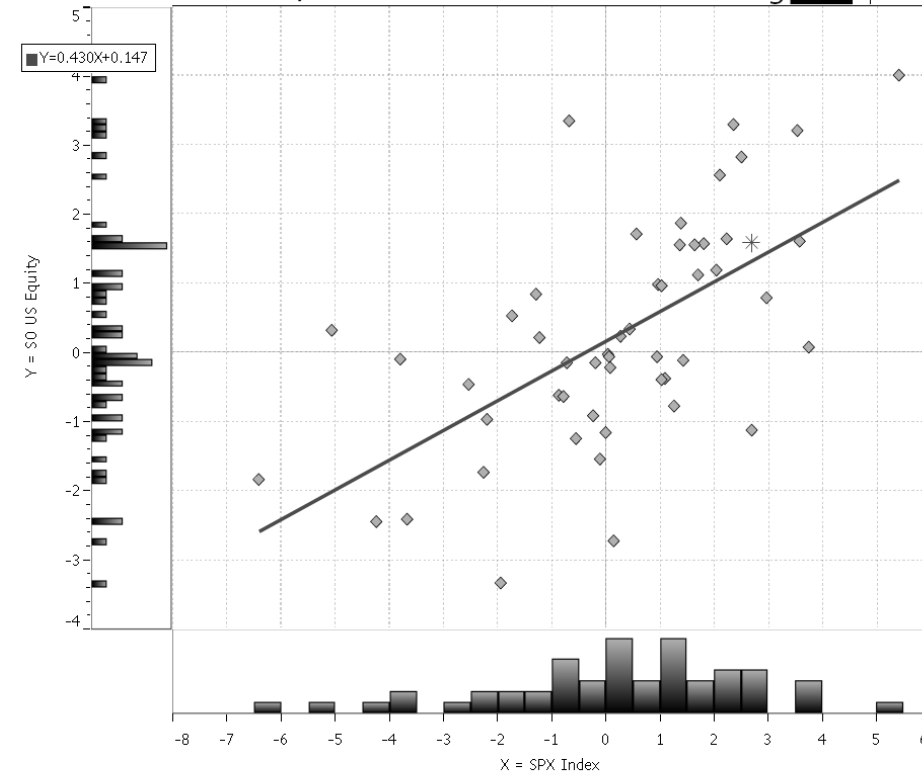
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Equity **BETA**

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SO US Equity Relative Index SPX Index Historical Beta
 Data Last Price Range 03/26/10 - 03/25/11 Period Weekly Local CCY
 Linear Beta +/- Non-Parametric Lag 0



Y = SOUTHERN CO
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.430
Adj BETA	0.620
ALPHA(Intercept)	0.147
R^2(Correlation^2)	0.383
R(Correlation)	0.618
Std Dev Of Error	1.285
Std Error Of ALPHA	0.179
Std Error Of BETA	0.077
t-Test	5.565
Significance	0.000
Last T-Value	0.197
Last P-Value	0.578
Number Of Points	52

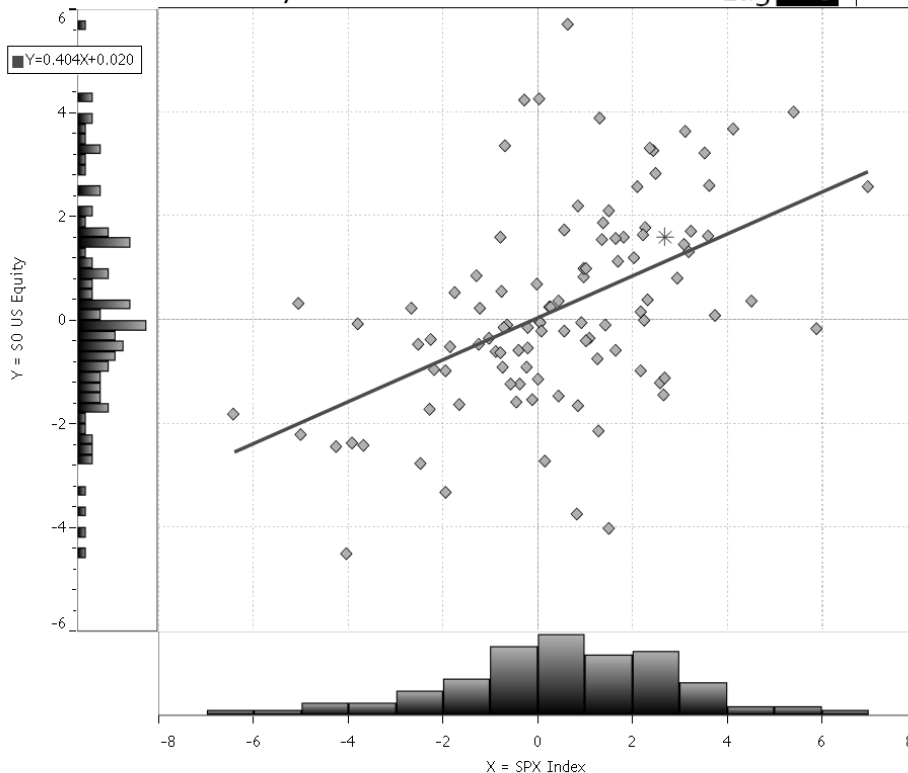
* Last Observation

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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Equity **BETA**

SO US Equity Relative Index SPX Index
 Data Last Price Range 03/27/09 - 03/25/11 Period Weekly Local CCY
 Linear Beta +/- Non-Parametric Lag 0



Item	Value
Y = SOUTHERN CO	
X = S&P 500 INDEX	
Raw BETA	0.404
Adj BETA	0.603
ALPHA(Intercept)	0.020
R^2(Correlation^2)	0.248
R(Correlation)	0.498
Std Dev Of Error	1.679
Std Error Of ALPHA	0.168
Std Error Of BETA	0.070
t-Test	5.792
Significance	0.000
Last T-Value	0.268
Last P-Value	0.605
Number Of Points	104

* Last Observation

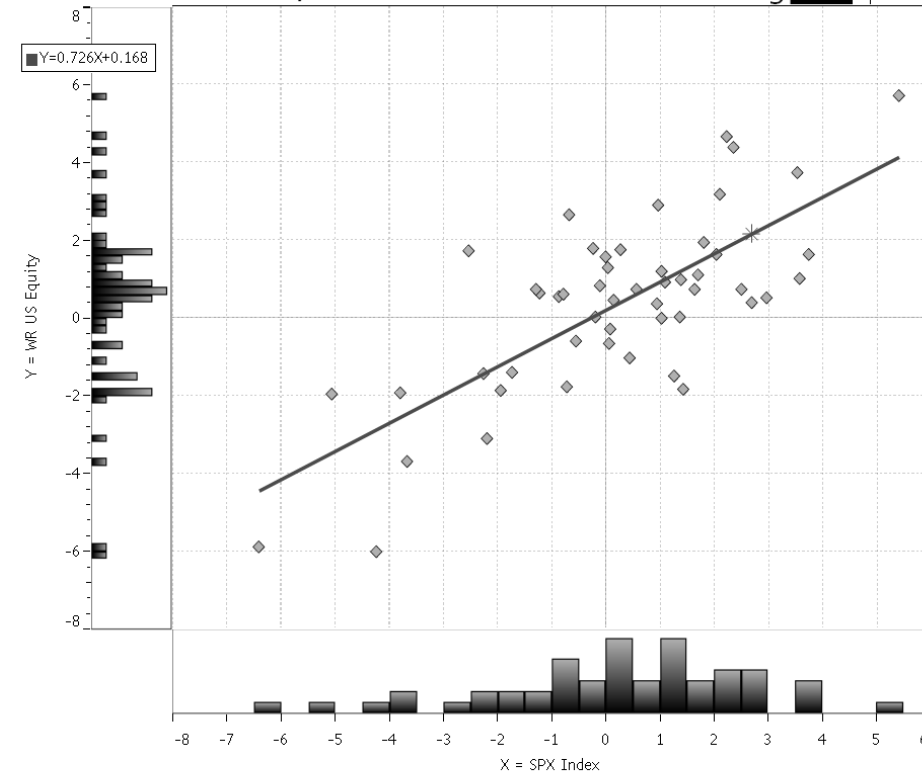
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 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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Equity **BETA**

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WR US Equity Relative Index SPX Index Historical Beta
 Data Last Price Range 03/26/10 - 03/25/11 Period Weekly Local CCY
 Linear Beta +/- Non-Parametric Lag 0



Y = WESTAR ENERGY INC
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.726
Adj BETA	0.817
ALPHA(Intercept)	0.168
R^2(Correlation^2)	0.558
R(Correlation)	0.747
Std Dev Of Error	1.521
Std Error Of ALPHA	0.212
Std Error Of BETA	0.091
t-Test	7.941
Significance	0.000
Last T-Value	-0.008
Last P-Value	0.497
Number Of Points	52

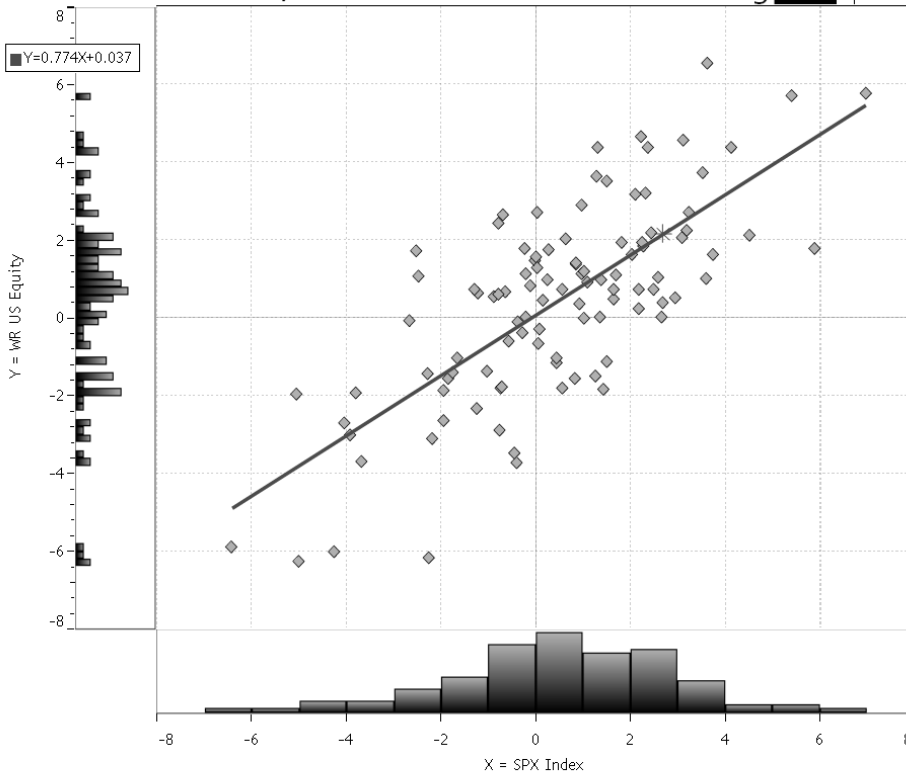
* Last Observation

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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Equity **BETA**

WR US Equity Relative Index **SPX Index** Historical Beta
 Data **Last Price** Range **03/27/09 - 03/25/11** Period **Weekly** **Local CCY**
 Linear Beta +/- Non-Parametric Lag **0**



Y = WESTAR ENERGY INC
 X = S&P 500 INDEX

Item	Value
Raw BETA	0.774
Adj BETA	0.850
ALPHA(Intercept)	0.037
R^2(Correlation^2)	0.540
R(Correlation)	0.735
Std Dev Of Error	1.703
Std Error Of ALPHA	0.170
Std Error Of BETA	0.071
t-Test	10.948
Significance	0.000
Last T-Value	-0.008
Last P-Value	0.497
Number Of Points	104

* Last Observation

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
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