Northern States Power Company Minnesota - South Dakota
DCF Rate of Return Analysis Using Dividend Discount Model (DDM)

Company	Inputs:							Output:
	Dividend Yield	2011 EPS	Zacks Growth	Long-Term Growth	Retention Ratios 2011	2015	2030	DDM (k) Return
American Electric Power	4.54%	3.15	3.60%	3.75%	0.40	0.43	0.38	8.26%
Cleco Corporation	3.26%	2.50	5.50%	3.75%	0.50	0.42	0.38	7.88%
Empire District Elec	4.78%	1.20	8.10%	3.75%	0.17	0.31	0.38	8.10%
Great Plains Energy	4.12%	1.20	7.80%	3.75%	0.28	0.37	0.38	7.89%
Hawaiian Electric	4.66%	1.60	6.70%	3.75%	0.23	0.30	0.38	8.10%
IDACORP, Inc.	3.44%	3.00	5.00%	3.75%	0.56	0.44	0.38	8.49%
Pinnacle West	4.23%	3.20	5.90%	3.75%	0.34	0.35	0.38	8.08%
Portland General	4.09%	1.90	4.10%	3.75%	0.43	0.44	0.38	8.07%
Southern Company	4.39%	2.60	5.10%	3.75%	0.25	0.31	0.38	7.74%
Westar Energy	4.67%	1.88	6.10%	3.75%	0.30	0.38	0.38	8.25%
Mean:			**5.79%**	**3.75%**	**0.35**	**0.38**		**8.08%**
Median:					**0.32**	**0.38**		**8.09%**
Std Error:								**0.05%**