

**Montana-Dakota Utilities Co.**  
**DCF Rate of Return Analysis Using Dividend Cash Flow Model (Constant Growth)**

Company	Dividend		Stock Price	Dividend Yield	Proj. EPS Growth (Zacks)	Proj. DPS Growth (VL)	Proj. BVPS Growth (VL)	% Ret. To Com. Eq. (VL)	Avg. Growth	DCF Cost of Equity k
	2013	2014								
A	B	C	D	E	F	G	H	I	J	K
AGL Resources Inc.	1.88	1.92	44.27	4.29%	4.00%	2.06%	2.39%	6.00%	3.61%	7.91%
Atmos Energy Corp.	1.40	1.42	40.11	3.52%	6.10%	1.74%	3.93%	4.50%	4.07%	7.58%
Laclede Group, Inc.	1.74	1.76	43.55	4.02%	4.20%	1.13%	1.83%	6.80%	3.49%	7.51%
New Jersey Resources Corp.	1.60	1.60	43.39	3.69%	4.00%	1.82%	5.88%	5.50%	4.30%	7.99%
Northwest Natural Gas Co.	1.83	1.87	43.36	4.27%	3.80%	2.25%	3.15%	4.50%	3.42%	7.69%
Piedmont Natural Gas Co.	1.23	1.27	32.93	3.80%	4.30%	3.10%	2.98%	3.00%	3.35%	7.14%
South Jersey Industries, Inc.	1.80	1.95	56.45	3.32%	6.00%	8.01%	4.72%	7.50%	6.56%	9.88%
Southwest Gas Corp.	1.32	1.40	46.60	2.92%	3.50%	4.93%	3.94%	6.00%	4.59%	7.51%
			<b>Mean:</b>	<b>3.73%</b>	<b>4.49%</b>	<b>3.13%</b>	<b>3.60%</b>	<b>5.48%</b>	<b>4.17%</b>	<b>7.90%</b>
			<b>Median:</b>	<b>3.74%</b>	<b>4.10%</b>	<b>2.15%</b>	<b>3.54%</b>	<b>5.75%</b>	<b>3.84%</b>	<b>7.64%</b>
				<b>Std Error:</b>	<b>0.30%</b>	<b>0.69%</b>	<b>0.39%</b>	<b>0.43%</b>	<b>0.32%</b>	<b>0.25%</b>

Sources

- Columns B, C and I: Value Line
- Column D: Stockcharts.Com
- Column F: Zacks Investment Research
- Column E: ((Column B + Column C) / 2) / Column D
- Columns G and H: Computed from Value Line data
- Column J: Average of Columns F through I
- Column K: Column E plus Column J