

**New York Power Authority  
FERC Proxy Group Method/Notes**

1. FERC past practices on proxy group selection and DCF derivation were used in developing the ROE used to support the 9.25% base ROE request.
2. Proxy group selection began by reference to the S&P Report “U.S. Regulated Electric Utilities, Strongest to Weakest.” (see pages 15-21 of this exhibit). Companies were chosen with ratings of A- or better. Ratings were verified as of 6/30/2012, and downgraded companies were excluded and companies upgraded to A- or better were included. Eleven utility or utility holding companies survived this initial screen of U.S. companies with market traded common stock, but Duke Power and Northeast Utilities were then eliminated due to Merger and Acquisition activity during the 6 month historical period of 1/1/2012 to 6/30/2012 used in the DCF model. Therefore, only nine utilities survived the screening process.
3. Three iterations of the Proxy group analysis were performed: a nine-company analysis, all inclusive; an eight-company analysis, excluding Madison G&E due to its relatively small size; and finally, a six-company proxy group where all utilities were classified as primarily electric utilities by Yahoo Finance. All three proxy group iterations have relevance to FERC’s proxy group criteria. All iterations result in returns showing that the requested 9.25% is within a range of reasonableness.
4. Stock price data was determined from historical prices from the 6 month period of January 1, 2012 to June 30, 2012. High and Low values were used for each month.
5. To calculate the yield ranges, the dividend over the next 12 months was approximated using a ½ the growth rate convention, both for the high growth rate estimate and low growth rate estimate, and dividing that dividend by the High and Low market price.
6. The first growth rates for the DCF followed FERC’s practice of using analysts’ IBES growth rates 5 years forward, which are now published on Yahoo Finance. The values used were those available on 6/30/2012.

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7. The second group of growth rates followed FERC's practice of retention growth developed from Value Line (2012-2017) with the Adjustment Factor based upon growth in Total Equity and the "sv" factor based upon share increases and price/book ratios. To estimate price book ratios, an investor expectations approach was used based upon Value Line forecasts.
8. The high growth estimates were matched with high yield estimates and low growth estimates were matched with low yield estimates to establish the range of returns.
9. Median values are reported for each Proxy group iteration, consistent with FERC's precedent favoring median values.

Exhibit PA-10 Contents:

- Pages 1 and 2, notes on FERC method
- Pages 3 to 5, proxy groups presented
- Pages 6 to 14, Value Line reports: Page 6, Con Edison; Page 7, Dominion; Page 8, Xcel Energy; Page 9, NextEra; Page 10, Southern Co.; Page 11, Wisconsin Energy.; Page 12, Vectren; Page 13, Madison G&E; Page 14, Integrys Energy
- Pages 15-21, S&P's Strongest To Weakest
- Pages 22-26, Worksheets backing up FERC DCF method: Page 22, 6 month H-L Stock Price Yield Estimate; Page 23, IBES and Retention Growth Summary and Dividend Adjustment (1/2 growth rate) ; Page 24, SV Adjustment for Retention Growth; Page 25, Retention Growth Estimate Data; Page 26, Retention Growth Adjusted for SV Adder .

## Nine-Company DCF Proxy Group

Company	Value Line Sector Classification	Sub-Class Utility Sector	S&P	Stock Sym.	Low Growth	High Growth	Low Yield	High Yield	Low DCF	High DCF
			Bond Rating 6/30/12							
Con Edison	Electric	Electric	A-	ED	3.20%	3.60%	4.04%	4.26%	7.24%	7.86%
Dominion Res.	Electric	Electric	A-	D	5.22%	5.40%	4.10%	4.32%	9.32%	9.72%
Xcel Energy	Electric	Electric	A-	XEL	4.28%	5.06%	3.98%	4.19%	8.26%	9.25%
NextEra Energy	Electric	Electric	A-	NEE	5.25%	6.02%	3.87%	4.06%	9.12%	10.08%
Southern Co.	Electric	Electric	A	SO	4.44%	5.40%	4.32%	4.53%	8.76%	9.93%
Wisconsin Engy.	Electric	Electric	A-	WEC	5.50%	5.54%	3.36%	3.54%	8.86%	9.08%
Vectren Corp.	Electric	Diversified	A-	VVC	4.33%	5.00%	4.79%	5.07%	9.12%	10.07%
Madison G&E	Electric	Diversified	AA-	MGEE	4.00%	4.46%	3.34%	3.58%	7.34%	8.04%
Integritys Energy	Electric	Gas	A-	TEG	2.18%	5.00%	4.98%	5.37%	7.16%	10.37%
Median Low									<b>8.76%</b>	
Median High										<b>9.72%</b>
Avg. H-L Median									<b>9.24%</b>	
Overall Median									<b>9.10%</b>	
Range									<b>7.16%</b>	<b>10.37%</b>
Midpoint									<b>8.77%</b>	

## Eight-Company DCF Proxy Group

Company	Value Line Sector Classification	Sub-Class Utility Sector	S&P Bond Rating 6/30/12	Stock Sym.	Low Growth	High Growth	Low Yield	High Yield	Low DCF	High DCF
Con Edison	Electric	Electric	A-	ED	3.20%	3.60%	4.04%	4.26%	7.24%	7.86%
Dominion Res	Electric	Electric	A-	D	5.22%	5.40%	4.10%	4.32%	9.32%	9.72%
Xcel Energy	Electric	Electric	A-	XEL	4.28%	5.06%	3.98%	4.19%	8.26%	9.25%
Nextera Energy	Electric	Electric	A-	NEE	5.25%	6.02%	3.87%	4.06%	9.12%	10.08%
Southern Co.	Electric	Electric	A	SO	4.44%	5.40%	4.32%	4.53%	8.76%	9.93%
Wisconsin Energy	Electric	Electric	A-	WEC	5.50%	5.54%	3.36%	3.54%	8.86%	9.08%
Vectren Corp.	Electric	Diversified	A-	VVC	4.33%	5.00%	4.79%	5.07%	9.12%	10.07%
Integrus Energy.	Electric	Gas	A-	TEG	2.18%	5.00%	4.98%	5.37%	7.16%	10.37%
Median Low									<b>8.81%</b>	
Median High										<b>9.83%</b>
Avg. H-L Median									<b>9.32%</b>	
Overall Median									<b>9.12%</b>	
Range									<b>7.16%</b>	<b>10.37%</b>
Midpoint									<b>8.77%</b>	

## Six-Company DCF Proxy Group

<b>Company</b>	<b>Value Line Sector Classification</b>	<b>Sub- Class Utility Sector</b>	<b>S&amp;P Bond Rating 6/30/12</b>	<b>Stock Sym.</b>	<b>Low Growth</b>	<b>High Growth</b>	<b>Low Yield</b>	<b>High Yield</b>	<b>Low DCF</b>	<b>High DCF</b>
Con Edison	Electric	Electric	A-	ED	3.20%	3.60%	4.04%	4.26%	7.24%	7.86%
Dominion Res.	Electric	Electric	A-	D	5.22%	5.40%	4.10%	4.32%	9.32%	9.72%
Xcel Energy	Electric	Electric	A-	XEL	4.28%	5.06%	3.98%	4.19%	8.26%	9.25%
NextEra Energy	Electric	Electric	A-	NEE	5.25%	6.02%	3.87%	4.06%	9.12%	10.08%
Southern Co.	Electric	Electric	A	SO	4.44%	5.40%	4.32%	4.53%	8.76%	9.93%
Wisconsin Engy.	Electric	Electric	A-	WEC	5.50%	5.54%	3.36%	3.54%	8.86%	9.08%
Median Low									<b>8.81%</b>	
Median High										<b>9.49%</b>
Avg. H-L Median									<b>9.15%</b>	
Overall Median									<b>9.10%</b>	
Range									<b>7.24%</b>	<b>10.08%</b>
Midpoint of Range									<b>8.66%</b>	

CON. EDISON NYSE-ED				RECENT PRICE	P/E RATIO	(Trailing: 16.7)	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE												
<b>TIMELINESS</b> 3 Raised 8/20/10 <b>SAFETY</b> 1 New 7/27/90 <b>TECHNICAL</b> 3 Raised 5/18/12 <b>BETA</b> .60 (1.00 = Market)				High: 43.4 Low: 31.4	45.4 32.7	46.0 36.6	45.6 37.2	49.3 41.1	49.3 41.2	52.9 43.1	49.3 34.1	46.3 32.6	51.0 41.5	62.7 48.6	62.3 57.0	Target Price Range 2015 2016 2017					
<b>2015-17 PROJECTIONS</b> Price Gain Ann'l Total High 60 (Nil) 5% Low 50 (-15%) 1%														% TOT. RETURN 4/12 THIS STOCK VL. ARITH. INDEX 1 yr. 19.0 -3.7 3 yr. 86.3 89.5 5 yr. 50.2 27.3							
<b>Insider Decisions</b> J J A S O N D J F to Buy 1 0 0 1 0 0 1 0 0 Options 0 0 0 0 0 3 1 0 0 to Sell 0 0 1 0 0 3 2 1 0				<b>Institutional Decisions</b> 2Q2011 3Q2011 4Q2011 to Buy 254 311 300 to Sell 198 189 213 Hlds(000) 127233 122506 125157				Percent shares traded 21 14 7		© VALUE LINE PUB. LLC 15-17											
1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Revenues per sh	50.25		
29.62	30.24	30.46	35.04	44.48	45.41	39.65	43.51	40.24	47.66	47.14	48.23	49.62	46.36	45.69	44.17	43.70	45.05	"Cash Flow" per sh	8.50		
4.97	5.08	5.29	5.74	5.51	5.70	5.44	5.12	4.54	5.27	5.28	5.77	5.99	5.86	6.24	6.61	6.95	7.30	Earnings per sh A	4.25		
2.93	2.95	3.04	3.13	2.74	3.21	3.13	2.83	2.32	2.99	2.95	3.48	3.36	3.14	3.47	3.57	3.70	3.85	Div'd Decl'd per sh B	2.50		
2.08	2.10	2.12	2.14	2.18	2.20	2.22	2.24	2.26	2.28	2.30	2.32	2.34	2.36	2.38	2.40	2.42	2.44	Cap'l Spending per sh	7.25		
2.87	2.78	2.66	3.17	4.52	5.20	5.68	5.72	5.60	6.59	7.17	7.09	8.50	7.80	6.96	6.72	7.55	7.30	Book Value per sh C	47.00		
24.37	25.18	25.88	25.31	25.81	26.71	27.68	28.44	29.09	29.80	31.09	32.58	35.43	36.46	37.93	39.05	40.35	41.80	Common Shs Outst'g D	293.00		
234.99	235.49	232.83	213.81	212.03	212.15	213.93	225.84	242.51	245.29	257.46	272.02	273.72	281.12	291.62	292.89	293.00	293.00	Avg Ann'l P/E Ratio	13.0		
10.1	10.9	15.3	14.0	12.0	12.0	13.3	14.3	18.2	15.1	15.5	13.8	12.3	12.5	13.3	15.1	15.1	15.1	Relative P/E Ratio	.85		
.63	.63	.80	.80	.78	.61	.73	.82	.96	.80	.84	.73	.74	.83	.85	.96	.96	.96	Avg Ann'l Div'd Yield	4.5%		
7.0%	6.5%	4.6%	4.9%	6.6%	5.7%	5.3%	5.5%	5.3%	5.0%	5.0%	4.8%	5.7%	6.0%	5.2%	4.5%	4.5%	4.5%				
<b>CAPITAL STRUCTURE as of 12/31/11</b> Total Debt \$10675 mill. Due in 5 Yrs \$2942.0 mill. LT Debt \$10145 mill. LT Interest \$507.0 mill. (LT interest earned: 3.8x) Leases, Uncapitalized Annual rentals \$50.0 mill. Pension Assets-12/11 \$7.80 bill. Oblig. \$11.8 bill.				8482.0	9827.0	9758.0	11690	12137	13120	13583	13032	13325	12938	12800	13200	13200	13200	13200	13200	Revenues (\$mill)	14700
				682.1	639.0	560.0	719.0	749.0	936.0	933.0	868.0	992.0	1062.0	1095	1140	1095	1140	1140	Net Profit (\$mill)	1290	
				36.9%	33.7%	34.3%	33.6%	35.2%	32.6%	36.0%	34.2%	36.0%	36.1%	36.0%	36.0%	36.0%	36.0%	36.0%	Income Tax Rate	36.0%	
				2.2%	4.2%	7.7%	2.2%	1.6%	1.9%	1.7%	2.6%	2.4%	1.6%	1.0%	1.0%	1.0%	1.0%	AFUDC % to Net Profit	1.0%		
				50.1%	50.4%	47.4%	49.6%	50.2%	45.6%	48.3%	48.5%	48.6%	46.5%	46.5%	46.5%	46.5%	46.5%	46.5%	Long-Term Debt Ratio	45.5%	
				48.1%	48.0%	51.0%	49.0%	48.5%	53.1%	50.6%	50.4%	50.4%	52.5%	53.5%	54.0%	54.0%	54.0%	54.0%	Common Equity Ratio	54.5%	
				12302	13369	13828	14921	16515	16687	19160	20330	21952	21794	22000	22700	22700	22700	22700	Total Capital (\$mill)	25200	
				13329	15225	16106	17112	18445	19914	20874	22464	23863	25093	26350	27500	27500	27500	27500	27500	Net Plant (\$mill)	30200
				7.1%	6.3%	5.6%	6.3%	6.0%	7.0%	6.2%	5.7%	5.9%	6.2%	6.5%	6.5%	6.5%	6.5%	6.5%	Return on Total Cap'l	6.5%	
				11.1%	9.6%	7.7%	9.6%	9.1%	10.3%	9.4%	8.3%	8.8%	9.1%	9.5%	9.5%	9.5%	9.5%	9.5%	Return on Shr. Equity	9.5%	
				11.3%	9.8%	7.8%	9.7%	9.2%	10.4%	9.5%	8.4%	8.9%	9.2%	9.0%	9.5%	9.5%	9.5%	9.5%	Return on Com Equity E	9.5%	
				4.0%	2.9%	.8%	2.6%	2.6%	3.9%	3.1%	2.5%	3.2%	3.1%	3.0%	3.5%	3.5%	3.5%	3.5%	Retained to Com Eq	4.0%	
				65%	71%	89%	74%	73%	63%	67%	71%	65%	66%	65%	63%	63%	63%	63%	All Div'ds to Net Prof	57%	
<b>ELECTRIC OPERATING STATISTICS</b> % Change Retail Sales (KWH) 2009 -9 2010 +3.6 2011 -1.4 Avg. Indust. Use (MWH) NA NA NA Avg. Indust. Revs. per KWH (c) NA NA NA Capacity at Peak (Mw) NMF NMF NMF Peak Load, Summer (Mw) 12242 12963 NA Annual Load Factor (%) NMF NMF NMF % Change Customers (yr-end) NA NA NA				Fixed Charge Cov. (%) 296 331 360				<b>ANNUAL RATES</b> Past Past Est'd '09-'11 of change (per sh) 10 Yrs. 5 Yrs. to '15-'17 Revenues 1.0% - - 1.5% "Cash Flow" 1.0% 4.5% 5.5% Earnings 1.0% 4.5% 4.0% Dividends 1.0% 1.0% 1.0% Book Value 4.0% 4.5% 8.0%				<b>BUSINESS:</b> Consolidated Edison, Inc. is a holding company for Consolidated Edison Company of New York, Inc. (CECONY), which sells electricity, gas, and steam in most of New York City and Westchester County. Also owns Orange and Rockland Utilities (O&R, acquired 7/99), which operates in New York, New Jersey, and Pennsylvania. Has 3.6 million electric, 1.2 million gas customers. Pursues competitive energy opportunities through three wholly owned subsidiaries. Purchases most of its power. Fuel costs: 39% of revenues. '11 reported depreciation rates: 2.8%-3.1%. Has 15,000 employees. Chairman, President & CEO: Kevin Burke, Inc.: New York. Address: 4 Irving Place, New York, NY 10003. Tel.: 212-460-4600. Internet: www.conedison.com.									
<b>We estimate that Consolidated Edison's earnings will increase this year and next.</b> The utility is benefiting from the economic recovery and from customers' conversions from heating oil to natural gas. As prices of the former have risen, prices for the latter have fallen. Our 2012 earnings estimate, which we have trimmed by a nickel a share, is still within management's targeted range of \$3.65-\$3.85. Note that our presentation includes mark-to-market accounting gains or losses stemming from ConEd's competitive energy operations.				<b>ConEd Company of New York's regulatory plan expires at the end of March, 2013.</b> The utility is still deciding whether to seek an extension of the current plan or file another one. For the 12 months that ended on March 31st, CECONY earned slightly below its allowed return on equity for electricity and gas, but well below its allowed ROE for steam. Our 2013 earnings forecast is based on no change in rates at CECONY.				<b>Orange and Rockland has an electric rate case pending in New York.</b> The utility has made two alternative proposals for the next three years, beginning in mid-2012: either rate hikes of \$19.4 million, \$8.8 million, and \$15.2 million, or increases of \$15.2 million each year. The allowed ROE would be 9.4% in the first year, followed by 9.5% and 9.6% in the following two years, respectively. The common-equity ratio would be 48%. A ruling from the New York State commission is due next month. Our figures assume reasonable regulatory treatment.													
<b>The competitive energy businesses have had an inconsistent performance in recent years.</b> Their \$0.11-a-share profit in 2011 was the lowest since 2005. Even so, they are earning an ROE that exceeds the returns provided by the regulated utility operations.				<b>This top-quality stock has a dividend yield that is average, by utility standards.</b> Dividend growth has been steady but slow, and we project a continuation of 1% annual increases through 2015-2017. With the quotation near the upper end of our 3- to 5-year Target Price Range, total return potential over that time frame is low.				Paul E. Debbas, CFA May 25, 2012													
Cal-endar	QUARTERLY REVENUES (\$ mill.)				Full Year	Cal-endar	EARNINGS PER SHARE A				Full Year	Cal-endar	QUARTERLY DIVIDENDS PAID B				Full Year				
	Mar.31	Jun.30	Sep.30	Dec.31			Mar.31	Jun.30	Sep.30	Dec.31			Mar.31	Jun.30	Sep.30	Dec.31					
2009	3423	2845	3489	3275	13032	2009	.66	.55	1.20	.73	3.14	2008	.585	.585	.585	.585	2.34				
2010	3462	3017	3707	3139	13325	2010	.80	.64	1.23	.80	3.47	2009	.59	.59	.59	.59	2.36				
2011	3349	2993	3629	2967	12938	2011	1.06	.56	1.30	.65	3.57	2010	.595	.595	.595	.595	2.38				
2012	3078	3022	3700	3000	12800	2012	.94	.65	1.35	.76	3.70	2011	.60	.60	.60	.60	2.40				
2013	3200	3100	3800	3100	13200	2013	1.05	.65	1.35	.80	3.85	2012	.605								

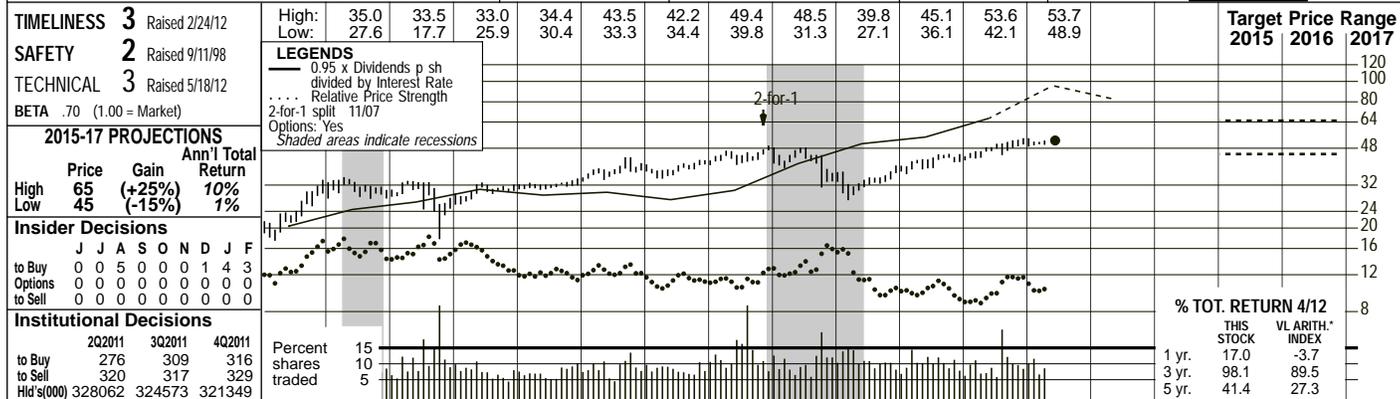
(A) Diluted EPS. Excl. nonrecurring losses: '02, 11c; '03, 45c; gain on discontinued operations: '08, \$1.01. Next earnings report due late July. (B) Dividends historically paid in mid-Mar., mid-June, mid-Sept., and mid-Dec. (C) Incl. intangibles. In '10: \$1.48/sh. (D) In millions. (E) Rate base: net original cost. Rate allowed on com. eq. for CECONY in '10: 10.15% electric, 9.6% gas and steam; O&R in '10 (electric) 9.2%, in '09 (gas) 10.3%; earned on avg. com. eq., '11: 9.5%. Regulatory Climate: Below Average. Company's Financial Strength A+ Stock's Price Stability 100 Price Growth Persistence 45 Earnings Predictability 85

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# DOMINION RES. NYSE-D

RECENT PRICE **52.30** P/E RATIO **16.6** (Trailing: 19.2; Median: 15.0) RELATIVE P/E RATIO **1.15** DIV'D YLD **4.2%** VALUE LINE



1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
13.36	20.44	15.65	14.81	18.84	19.94	16.58	18.58	20.55	26.00	23.61	27.17	27.93	25.26	26.16	25.23	<b>24.15</b>	<b>24.70</b>	Revenues per sh	27.00
3.22	3.89	2.99	3.68	3.71	3.92	4.45	3.97	4.18	3.71	4.91	5.08	5.07	4.82	5.10	5.04	<b>5.95</b>	<b>5.95</b>	"Cash Flow" per sh	7.00
1.33	1.50	.86	1.50	1.25	1.49	2.41	1.96	2.13	1.50	2.40	2.13	3.04	2.64	2.89	2.76	<b>3.15</b>	<b>3.30</b>	Earnings per sh <sup>A</sup>	4.00
1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.30	1.34	1.38	1.46	1.58	1.75	1.83	1.97	<b>2.11</b>	<b>2.24</b>	Div'd Decl'd per sh <sup>B = †</sup>	2.60
1.34	1.73	1.60	2.16	2.82	2.31	2.17	5.20	3.88	4.84	5.81	6.89	6.09	6.41	5.89	6.41	<b>7.45</b>	<b>8.30</b>	Cap'l Spending per sh	7.75
13.59	13.42	13.67	12.75	14.22	15.81	16.57	16.21	16.80	14.98	18.50	16.31	17.28	18.67	20.65	20.08	<b>21.45</b>	<b>22.75</b>	Book Value per sh <sup>C</sup>	27.25
362.44	375.60	388.92	372.64	491.60	529.40	616.20	650.00	680.00	694.00	698.00	576.80	583.20	599.00	581.00	570.00	<b>576.00</b>	<b>581.00</b>	Common Shs Outst'g <sup>D</sup>	595.00
14.8	12.5	24.6	14.5	19.4	20.9	12.0	15.2	15.1	24.9	16.0	20.6	13.8	12.7	14.3	17.3	<b>14.5</b>	<b>14.5</b>	Avg Ann'l P/E Ratio	14.0
.93	.72	1.28	.83	1.26	1.07	.66	.87	.80	1.33	.86	1.09	.83	.85	.91	1.09	<b>1.09</b>	<b>1.09</b>	Relative P/E Ratio	.95
6.6%	6.9%	6.1%	5.9%	5.3%	4.1%	4.4%	4.3%	4.0%	3.6%	3.6%	3.3%	3.8%	5.2%	4.4%	4.1%	<b>4.1%</b>	<b>4.1%</b>	Avg Ann'l Div'd Yield	4.7%

CAPITAL STRUCTURE as of 12/31/11		2009	2010	2011	BUSINESS:	
Total Debt \$20687 mill. Due in 5 Yrs \$8300.0 mill.		10218	12078	13972	Dominion Resources, Inc. is a holding company for Virginia Power & North Carolina Power, which serve 2.4 mill. customers in Virginia & northeastern North Carolina. Acq'd Consolidated Natural Gas (1.3 mill. customers in Ohio & West Virginia) 1/00. Nonutility operations include independent power production & retail energy services. Electric rev. breakdown: residential, 46%; commercial, 31%; industrial, 7%; other, 16%. Generating sources: nuclear, 28%; coal, 26%; gas, 12%; other, 1%; purch., 33%. Fuel costs: 47% of revs. '11 reported depr. rates: 2.0%-4.7%. Has 15,800 employees. Chairman, President & CEO: Thomas F. Farrell II. Inc.: VA. Address: 120 Tredegar St., P.O. Box 26532, Richmond, VA 23261-6532. Tel.: 804-819-2000. Internet: www.dom.com.	
LT Debt \$17394 mill. LT Interest \$903.0 mill. (LT interest earned: 3.7x)		1378.0	1261.0	1425.0		
Leases, Uncapitalized Annual rentals \$111.0 mill.		33.1%	34.9%	35.4%		
Pension Assets-12/11 \$5.15 bill.		6.9%	7.9%	4.9%		
Pfd Stock \$257.0 mill. Pfd Div'd \$16.0 mill.		56.2%	59.4%	57.0%		
1,340,140 shs. \$4.04-\$7.05, \$100 liq. pref., redeemable at \$101.00-\$112.50/sh.; 2,500,000 variable rate Money Market Preferred shs.		42.7%	39.7%	42.0%		
Common Stock 570,127,118 shs. as of 1/31/12		23927	26571	27190		
MARKET CAP: \$30 billion (Large Cap)		20257	25850	26716		
ELECTRIC OPERATING STATISTICS		7.7%	6.5%	6.9%		
% Change Retail Sales (KWH)		13.2%	11.7%	12.2%		
Avg. Indust. Use (MWH)		13.3%	11.8%	12.3%		
Avg. Indust. Revs. per KWH (c)		6.3%	4.0%	4.8%		
Capacity at Peak (Mw)		54%	67%	62%		
Peak Load, Summer (Mw)				89%		
Annual Load Factor (%)				58%		
% Change Customers (yr-end)				58%		

ANNUAL RATES		Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 of change (per sh)
Revenues	3.5%	2.0%	1.0%	
"Cash Flow"	3.0%	3.0%	6.0%	
Earnings	7.0%	6.5%	6.5%	
Dividends	3.5%	6.5%	6.0%	
Book Value	3.5%	3.5%	5.5%	

**We estimate that Dominion Resources' earnings will rise in 2012 and 2013.** To start, the comparison with the 2011 tally will be easy in the third quarter. The company's growth is coming from the regulated side of the business, even though mild weather conditions hurt first-quarter profits by \$0.11 a share. The service area's economy is in better shape than the national economy. Also, Virginia Power has numerous growth projects under way, and it earns a return on its investment—with an enhanced allowed return on equity—through a regulatory mechanism. One example is a 585-megawatt coal-fired plant, which should begin commercial operation this summer at a cost of about \$1.8 billion. The strength at the utility is outweighing the negative effects of weak power prices on the company's non-regulated operations. Our 2012 share-earnings estimate is within Dominion's targeted range of \$3.10-\$3.35. Based on a continuation of the growth factors at Virginia Power, we forecast 5% earnings growth next year, to \$3.30 a share. Management's goal is for average annual earnings growth of 5%-6%.

Cal-endar	QUARTERLY REVENUES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2009	4778	3450	3648	3255	15131
2010	4168	3333	3950	3746	15197
2011	4057	3341	3803	3178	14379
2012	3492	<b>3350</b>	<b>3850</b>	<b>3208</b>	<b>13900</b>
2013	<b>3800</b>	<b>3400</b>	<b>3900</b>	<b>3250</b>	<b>14350</b>

Cal-endar	EARNINGS PER SHARE <sup>A</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2009	.89	.78	1.00	d.01	2.64
2010	.51	.79	.98	.61	2.89
2011	.89	.58	.69	.60	2.76
2012	.86	<b>.64</b>	<b>1.00</b>	<b>.65</b>	<b>3.15</b>
2013	<b>.90</b>	<b>.65</b>	<b>1.10</b>	<b>.65</b>	<b>3.30</b>

Cal-endar	QUARTERLY DIVIDENDS PAID <sup>B = †</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2008	.395	.395	.395	.395	1.58
2009	.4375	.4375	.4375	.4375	1.75
2010	.4575	.4575	.4575	.4575	1.83
2011	.4925	.4925	.4925	.4925	1.97
2012	.5275				

**North Carolina Power has filed a rate case.** The utility is seeking a \$63.7 million rate hike, based on a return of 11.25% on a common-equity ratio of 52.4%. A ruling is expected in late 2012, with new tariffs taking effect at the start of 2013. **By utility standards, this equity has an average yield and average 3- to 5-year total return prospects.**

Paul E. Debbas, CFA May 25, 2012

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Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	60
Earnings Predictability	70

XCEL ENERGY NYSE-XEL		RECENT PRICE	P/E RATIO	Trailing: 15.9 Median: 14.0	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE												
TIMELINESS <b>3</b> Lowered 2/17/12	High: 31.8 Low: 24.2	26.71	15.8	15.9 14.0	1.03	4.0%	Target Price Range 2015 2016 2017												
SAFETY <b>2</b> Raised 5/14/04	28.5 5.1			23.6 17.8															
TECHNICAL <b>4</b> Lowered 3/30/12	17.4 10.4			25.0 19.6															
BETA .65 (1.00 = Market)	15.5 16.5			22.9 15.3															
2015-17 PROJECTIONS		18.8 15.5		21.9 16.0															
Price	Gain	Ann'l Total Return	LEGENDS 0.87 x Dividends p sh divided by Interest Rate Relative Price Strength Options: Yes Shaded areas indicate recessions					64 48 40 32 24 20 16 12 8 6											
High 35	(+30%)	10%																	
Low 25	(-5%)	3%																	
Insider Decisions		Percent shares traded																	
Institutional Decisions																			
© VALUE LINE PUB. LLC																			
1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	15-17	
19.22	18.32	18.46	18.42	34.11	43.56	23.89	19.90	20.84	23.86	24.16	23.40	24.69	21.08	21.38	21.90	21.35	22.20	Revenues per sh	25.25
4.33	3.92	4.30	4.13	4.12	5.09	3.14	3.35	3.27	3.28	3.61	3.45	3.50	3.48	3.51	3.79	3.95	4.10	"Cash Flow" per sh	4.75
1.91	1.61	1.84	1.43	1.60	2.27	.42	1.23	1.27	1.20	1.35	1.35	1.46	1.49	1.56	1.72	1.75	1.85	Earnings per sh <sup>A</sup>	2.25
1.37	1.40	1.43	1.45	1.48	1.50	1.13	.75	.81	.85	.88	.91	.94	.97	1.00	1.03	1.06	1.11	Div'd Decl'd per sh <sup>B</sup>	1.35
2.99	2.90	2.99	13.87	3.63	7.40	6.04	2.49	3.19	3.25	4.00	4.89	4.66	3.91	4.60	4.53	5.40	6.50	Cap'l Spending per sh	4.75
15.46	15.89	16.25	16.42	16.37	17.95	11.70	12.95	12.99	13.37	14.28	14.70	15.35	15.92	16.76	17.44	18.15	19.25	Book Value per sh <sup>C</sup>	21.75
138.13	149.24	152.70	155.73	339.79	345.02	398.71	398.96	400.46	403.39	407.30	428.78	453.79	457.51	482.33	486.49	490.00	507.00	Common Shs Outst'g <sup>D</sup>	515.00
12.5	15.5	15.2	16.6	14.3	12.4	40.8	11.6	13.6	15.4	14.8	16.7	13.7	12.7	14.1	14.2	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	13.0
.78	.89	.79	.95	.93	.64	2.23	.66	.72	.82	.80	.89	.82	.85	.90	.90			Relative P/E Ratio	.85
5.7%	5.6%	5.1%	6.1%	6.4%	5.3%	6.6%	5.2%	4.7%	4.6%	4.4%	4.0%	4.7%	5.1%	4.5%	4.2%			Avg Ann'l Div'd Yield	4.7%
CAPITAL STRUCTURE as of 12/31/11				9524.4	7937.5	8345.3	9625.5	9840.3	10034	11203	9644.3	10311	10655	10450	11250	Revenues (\$mill)	13000		
Total Debt \$9962.6 mill. Due in 5 Yrs \$1962.4 mill.				177.6	510.0	526.9	499.0	568.7	575.9	645.7	685.5	727.0	841.4	855	930	Net Profit (\$mill)	1110		
LT Debt \$9450.2 mill. LT Interest \$599.5 mill.				32.7%	23.7%	23.2%	25.8%	24.2%	33.8%	34.4%	35.1%	37.5%	35.8%	35.0%	35.0%	Income Tax Rate	35.0%		
Incl. \$191.4 mill. capitalized leases.				46.7%	8.9%	10.9%	8.5%	9.8%	12.5%	15.9%	16.8%	11.7%	9.4%	12.0%	12.0%	AFUDC % to Net Profit	8.0%		
(LT interest earned: 3.1x)				59.6%	55.3%	55.0%	51.7%	52.1%	49.7%	52.2%	51.6%	53.1%	51.1%	53.5%	52.5%	Long-Term Debt Ratio	50.0%		
Leases, Uncapitalized Annual rentals \$185.6 mill.				39.5%	43.8%	44.1%	47.3%	47.0%	49.4%	47.1%	47.7%	46.3%	48.9%	46.5%	47.5%	Common Equity Ratio	50.0%		
Pension Assets-12/11 \$2.67 bill.				11815	11790	11801	11398	12371	12748	14800	15277	17452	17331	19250	20550	Total Capital (\$mill)	22400		
Oblig. \$3.23 bill.				18816	13667	14096	14696	15549	16676	17689	18508	20663	22353	23925	26100	Net Plant (\$mill)	29700		
Pfd Stock None				5.4%	6.1%	6.2%	6.2%	6.2%	6.3%	6.0%	6.2%	5.7%	6.5%	6.0%	6.0%	Return on Total Cap'l	6.5%		
Common Stock 486,828,501 shs.				3.7%	9.7%	9.9%	9.1%	9.6%	9.0%	9.1%	9.3%	8.9%	9.9%	9.5%	9.5%	Return on Shr. Equity	10.0%		
as of 2/21/12				3.7%	9.8%	10.0%	9.2%	9.7%	9.1%	9.2%	9.4%	8.9%	9.9%	9.5%	9.5%	Return on Com Equity <sup>E</sup>	10.0%		
MARKET CAP: \$13 billion (Large Cap)				NMF	3.9%	3.9%	2.9%	3.6%	3.1%	3.8%	3.7%	3.6%	4.3%	4.0%	4.0%	Retained to Com Eq	3.5%		
ELECTRIC OPERATING STATISTICS				NMF	60%	62%	69%	63%	66%	59%	61%	59%	56%	61%	60%	All Div'ds to Net Prof	62%		
2009 2010 2011				BUSINESS: Xcel Energy Inc. is the parent of Northern States Power, which supplies electricity to Minnesota, Wisconsin, North Dakota, South Dakota, & Michigan & gas to Minnesota, Wisconsin, North Dakota, & Michigan; Public Service of Colorado, which supplies electricity & gas to Colorado; & Southwestern Public Service, which supplies electricity to Texas & New Mexico. Customers: 3.4 mill. electric, 1.9 mill. gas. Elec. rev. breakdown: residential, 31%; sm. commercial & industrial, 35%; lg. commercial & industrial, 18%; other, 16%. Generating sources not avail. Fuel costs: 48% of rev. *11 reported depr. rate: 2.9%. Has 11,300 empl. Chairman, Pres. & CEO: Ben Fowke. Inc.: MN. Address: 414 Nicollet Mall, Minneapolis, MN 55401. Tel.: 612-330-5500. Web: www.xcelenergy.com.															
% Change Retail Sales (KWH)				3.0	+3.0	+4	Xcel Energy's Colorado utility had mixed results in its rate case. Public Service of Colorado filed for an electric rate increase of \$141.9 million, including an interim tariff hike of \$100 million. The Colorado Public Utilities Commission (CPUC) rejected the utility's request for interim rate relief, but P.S. of Colorado was still able to reach a regulatory settlement with the CPUC staff and various intervenors. The agreement, which awaits a decision by the CPUC, calls for a rate hike of \$73 million (effective May 1, 2012), followed by boosts of \$16 million and \$25 million at the start of 2013 and 2014, respectively. The raises are based on a 10% return on a 56% common-equity ratio. The company has rate cases in other states, as well. In Minnesota, the state commission approved a settlement for Northern States Power, which provided for a \$14.8 million rate hike this year. NSP plans to file another rate application later this year. The utility is awaiting a final order in its South Dakota rate case, in which it sought a \$14.6 million increase. An interim rate hike of \$12.7 million took effect at the start of 2012.												
Large C & I Use (MWH)				24225	24431	24286	We have lowered our 2012 share-earnings estimate by a dime, to \$1.75. The lack of interim rate relief in Colorado hurt earnings in the first quarter. An unusually mild winter reduced profits by \$0.05 a share, as well. Accordingly, management now expects earnings to wind up in the lower half of its previously stated target of \$1.75-\$1.85 a share for 2012. Even the low end of the company's guidance would still produce a slight earnings increase from the 2011 tally, however. We expect a dividend increase at the board meeting in May. We look for the directors to boost the annual payout by \$0.03 a share (2.9%), the same increase as in recent years. Stronger earnings growth is probable in 2013. Xcel should benefit from rate relief, especially in Colorado. Also, we assume a return to normal weather patterns in the first quarter. Our forecast of \$1.85 a share would produce bottom-line growth within Xcel's goal of 5%-7% annually. This stock has a yield and 3- to 5-year total return potential that are about average, by utility standards. Paul E. Debbas, CFA May 4, 2012												
Large C & I Revs. per KWH (¢)				5.34	5.65	5.90													
Capacity at Peak (Mw)				NA	NA	NA													
Peak Load, Summer (Mw)				21108	20517	21898													
Annual Load Factor (%)				NA	NA	NA													
% Change Customers (yr-end)				+5	-	+4													
Fixed Charge Cov. (%)				258	277	298													
ANNUAL RATES				Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11													
of change (per sh)				-4.0%	-1.5%	3.0%													
Revenues				-2.0%	1.0%	5.0%													
"Cash Flow"				-1.0%	4.5%	6.0%													
Earnings				-4.0%	3.5%	5.0%													
Dividends				-	4.5%	4.5%													
Book Value																			
Cal-endar	QUARTERLY REVENUES (\$ mill.)				Full Year														
	Mar.31	Jun.30	Sep.30	Dec.31															
2009	2695	2016	2315	2618	9644.3														
2010	2807	2308	2629	2587	10311														
2011	2817	2438	2832	2568	10655														
2012	2578	2422	2850	2600	10450														
2013	2900	2650	3000	2700	11250														
Cal-endar	EARNINGS PER SHARE <sup>A</sup>				Full Year														
	Mar.31	Jun.30	Sep.30	Dec.31															
2009	.38	.25	.48	.37	1.49														
2010	.36	.29	.62	.29	1.56														
2011	.42	.33	.69	.28	1.72														
2012	.38	.34	.69	.34	1.75														
2013	.42	.36	.71	.36	1.85														
Cal-endar	QUARTERLY DIVIDENDS PAID <sup>B</sup>				Full Year														
	Mar.31	Jun.30	Sep.30	Dec.31															
2008	.23	.23	.2375	.2375	.94														
2009	.2375	.2375	.245	.245	.97														
2010	.245	.245	.2525	.2525	1.00														
2011	.2525	.2525	.26	.26	1.03														
2012	.26	.26																	

(A) Diluted EPS. Excl. nonrec. gain (loss): '02, (\$6.27); '10, 5¢; gains (losses) on disc. ops.: '03, 27¢; '04, (30¢); '05, 3¢; '06, 1¢; '09, (1¢); '10, 1¢. '09 EPS don't add due to rounding. Next egs. report due late Jul. (B) Div'ds histor. paid mid-Jan., Apr., July and Oct. (C) Div'd reinvestment plan avail. (D) Incl. intang. In '11: \$4.91/sh. (E) In mill., adj. for split. (F) Rate base: Varies. Rate all'd on com. eq.: MN '09 10.88%; WI '08 10.75%; CO '10 (elec.) 10.5%; CO '07 (gas) 10.25%; TX '86 15.05%; earned on avg. com. eq., '11: 10.1%. Reg. Clim.: Avg. Company's Financial Strength B++ Stock's Price Stability 100 Price Growth Persistence 50 Earnings Predictability 100 To subscribe call 1-800-833-0046.

NEXTERA ENERGY NYSE-NEE										RECENT PRICE	65.64	P/E RATIO	14.1	(Trailing: 12.4 Median: 14.0)	RELATIVE P/E RATIO	0.98	DIV'D YLD	3.7%	VALUE LINE			
TIMELINESS	2	Raised 2/10/12	High: 35.8	32.7	34.0	38.1	48.1	55.6	72.8	73.8	60.6	56.3	61.2	66.0	Target Price Range							
SAFETY	2	Lowered 2/26/10	Low: 25.6	22.5	26.8	30.1	35.9	37.8	53.7	33.8	41.5	45.3	49.0	58.6	2015	2016	2017					
TECHNICAL	3	Raised 5/11/12	LEGENDS 1.14 x Dividends p sh divided by Interest Rate Relative Price Strength 2-for-1 split 3/05 Options: Yes Shaded areas indicate recessions												128							
BETA	.75	(1.00 = Market)	2-for-1												96							
2015-17 PROJECTIONS										Ann'l Total		11%		4%		16						
High	90	Gain (+35%)	Price												12							
Low	65	(Nil)	Return												12							
Insider Decisions										Percent shares traded		15		10		5						
Institutional Decisions										202011		302011		402011		1 yr. 18.4		-3.7				
to Buy										316		335		340		3 yr. 31.0		89.5				
to Sell										318		321		327		5 yr. 16.2		27.3				
Hlds(000)										277449		278221		282949		© VALUE LINE PUB. LLC		15-17				
1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Revenues per sh	40.50			
16.51	17.52	18.43	18.03	20.15	24.10	22.74	26.13	28.27	30.00	38.75	37.47	40.13	37.82	36.39	36.88	35.45	36.35	"Cash Flow" per sh	11.75			
4.21	4.62	5.39	4.86	4.94	5.02	4.51	5.36	5.60	6.18	6.77	6.85	8.03	8.75	9.62	9.29	8.35	9.95	Earnings per sh A	6.00			
1.67	1.79	1.93	2.04	2.07	2.31	2.01	2.45	2.46	2.32	3.23	3.27	4.07	3.97	4.74	4.82	4.65	4.80	Div'd Decl'd per sh B = †	3.20			
.92	.96	1.00	1.04	1.08	1.12	1.16	1.20	1.30	1.42	1.50	1.64	1.78	1.89	2.00	2.20	2.40	2.60	Cap'l Spending per sh	13.50			
1.33	1.52	1.71	2.41	3.70	3.28	3.44	3.75	3.75	4.09	9.22	12.32	12.80	14.52	13.89	15.93	13.75	13.75	Book Value per sh C	49.25			
12.56	13.32	14.18	15.04	15.91	17.10	17.48	18.91	20.25	21.52	24.49	26.35	28.57	31.35	34.36	35.92	38.50	41.25	Common Shs Outst'g D	430.00			
365.63	363.63	361.42	357.11	351.53	351.71	365.51	368.53	372.24	394.85	405.40	407.35	408.92	413.62	420.86	416.00	423.00	429.00	Avg Ann'l P/E Ratio	13.0			
13.5	13.5	16.2	13.0	12.8	12.5	14.2	12.6	13.6	17.9	13.7	18.9	14.5	13.4	10.8	11.5	11.5	11.5	Relative P/E Ratio	.85			
.85	.78	.84	.74	.83	.64	.78	.72	.72	.95	.74	1.00	.87	.89	.69	.73	.73	.73	Avg Ann'l Div'd Yield	4.1%			
4.1%	4.0%	3.2%	3.9%	4.1%	3.9%	4.1%	3.9%	3.9%	3.4%	3.4%	2.7%	3.0%	3.5%	3.9%	4.0%	4.0%	4.0%	Bold figures are Value Line estimates				
CAPITAL STRUCTURE as of 12/31/11				8311.0 9630.0 10522 11846 15710 15263 16410 15643 15317 15341 15000 15600															Revenues (\$mill)		17400	
Total Debt \$22967 mill. Due in 5 Yrs \$9098.0 mill.				710.0 883.4 887.0 901.0 1281.0 1312.0 1639.0 1615.0 1957.0 2021.0 1960 2065															Net Profit (\$mill)		2620	
LT Debt \$20810 mill. LT Interest \$1040.0 mill.				25.6% 29.4% 23.1% 23.8% 23.7% 21.9% 21.5% 16.8% 21.4% 22.4% 25.0% 25.0%															Income Tax Rate		25.0%	
Incl. \$402.5 mill. of equity units, conv. into common by 2013 at \$50/share. (LT interest earned: 3.5x)				-- -- 4.2% 5.4% 3.8% 5.7% 6.6% 7.9%															AFUDC % to Net Profit		1.0%	
Pension Assets-12/11 \$3.12 bill. Oblig. \$2.12 bill.				46.7% 55.6% 51.6% 48.6% 49.1% 51.2% 54.2% 55.7%															Long-Term Debt Ratio		52.5%	
Pfd Stock None				51.5% 44.4% 48.4% 51.4% 50.9% 48.8% 45.8% 44.3%															Common Equity Ratio		47.5%	
Common Stock 416,208,761 shs. as of 1/31/12				12406 15695 15564 16538 19521 22015 25514 29267															Total Capital (\$mill)		44400	
MARKET CAP: \$27 billion (Large Cap)				14304 20297 21226 22463 24499 28652 32411 36078															Net Plant (\$mill)		60600	
ELECTRIC OPERATING STATISTICS				6.6% 6.7% 7.0% 6.9% 8.0% 7.5% 7.9% 6.9%															Return on Total Cap'l		7.5%	
% Change Retail Sales (KWH)				10.7% 12.7% 11.8% 10.6% 12.9% 12.2% 14.0% 12.5%															Return on Shr. Equity		12.5%	
Avg. Indust. Use (MWH)				10.9% 12.5% 11.8% 10.6% 12.9% 12.2% 14.0% 12.5%															Return on Com Equity E		12.5%	
Avg. Indust. Revs. per KWH (c)				4.6% 6.4% 5.6% 4.2% 6.9% 6.1% 7.9% 6.5%															Retained to Com Eq		6.0%	
Capacity at Peak (Mw)				58% 50% 53% 60% 46% 50% 44% 47%															All Div'ds to Net Prof		53%	
Peak Load, Summer (Mw) F				BUSINESS: NextEra Energy, Inc. (formerly FPL Group, Inc.) is a holding company for Florida Power & Light (FPL), which provides electricity to 4.6 million customers in a 27,650-sq.-mi. area in eastern & southern Florida. NextEra Energy Resources is a nonregulated power generator with nuclear, gas, & wind ownership. Revenue breakdown: residential, 56%; commercial, 41%; industrial & other, 3%. Generating sources: gas, 65%; nuclear, 20%; coal, 5%; oil, 1%; purchased, 9%. Fuel costs: 41% of revs. '10 reported deprec. rates: FPL, 3.2%; NextEra, 4.4%. Has 15,000 employees. Chairman & CEO: Lewis Hay, III. President & COO: James L. Robo. Inc.: FL. Address: 700 Universe Blvd., Juno Beach, FL 33408. Tel.: 561-694-4000. Internet: www.nexteraenergy.com.																		
Annual Load Factor (%)				NextEra Energy's utility subsidiary has filed a general rate case. Florida Power & Light is seeking a base rate hike of \$516.5 million, effective in early 2013, followed by an increase of \$173.9 million when a modernization project for a 1,250-megawatt gas-fired power plant becomes operational. (This is expected in June of 2013.) FPL requested a return-on-equity range with a midpoint of 11.25%. The utility's allowed ROE would be 0.25% higher if it maintains the lowest typical residential customer bills of all of the electric companies in Florida. An order is expected in the fourth quarter.																		
% Change Customers (yr-end)				FPL has already received a favorable regulatory ruling this year. The state commission granted the utility permission to modernize a 1,277-mw gas-fired plant at an expected cost of \$1.2 billion. Completion of the project is expected in 2016.																		
Fixed Charge Cov. (%)				NextEra's board of directors boosted the dividend significantly. The board raised the quarterly disbursement by a nickel a share (9.1%). A combination of strong finances and a low payout ratio should continue to give the directors the wherewithal to increase the dividend at a																		
ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '09-'11 of change (per sh)				pace well above that of most utilities. The earnings decline we look for this year isn't worrisome. Each quarter, NextEra records mark-to-market accounting gains or losses, which are impossible to predict. These boosted share net by \$0.45 a share in 2011, making for a tough comparison in 2012. (They helped the March quarter by \$0.09 a share.) Aside from these items, FPL is benefiting from a recovery in its service territory and a \$2.5 billion nuclear uprate program that will add 450 mw of capacity. The utility recoups these costs right away through a regulatory mechanism. In 2013, rate relief should help the bottom line. On the down side, low power prices and reduced output from the Seabrook nuclear plant are hurting the nonregulated side of NextEra's business. Production tax credits for the wind power business are rolling off, too. This timely stock's yield is slightly below the industry average, but healthy profit and dividend growth over the 3- to 5-year period ought to produce a total return that is superior to that of most utility issues.																		
Revenues				Paul E. Debbas, CFA																		
"Cash Flow"				May 25, 2012																		
Earnings																						
Dividends																						
Book Value																						
Cal-endar				QUARTERLY REVENUES (\$ mill.)															Full Year			
2009				3705 3811 4473 3654															15643			
2010				3622 3591 4691 3413															15317			
2011				3134 3961 4382 3864															15341			
2012				3371 3529 4600 3500															15000			
2013				3400 3800 4800 3600															15600			
Cal-endar				EARNINGS PER SHARE A															Full Year			
2009				.90 .91 1.31 .85															3.97			
2010				1.36 1.01 1.74 .63															4.74			
2011				.64 1.38 1.20 1.60															4.82			
2012				1.11 1.14 1.45 .95															4.65			
2013				1.05 1.20 1.55 1.00															4.80			
Cal-endar				QUARTERLY DIVIDENDS PAID B = †															Full Year			
2008				.445 .445 .445 .445															1.78			
2009				.4725 .4725 .4725 .4725															1.89			
2010				.50 .50 .50 .50															2.00			
2011				.55 .55 .55 .55															2.20			
2012				.60																		

(A) Diluted EPS. Excl. nonrecurring gain (losses): '00, (5¢); '02, (60¢); '03, 5¢; '11, (24¢). '11 EPS don't add due to rounding. Next earnings report due late July. (B) Div'ds historically paid in mid-March, mid-June, mid-Sept., and mid-Dec. ■ Div'd reinvestment plan available. † Shareholder investment plan available. (C) Incl. deferred charges. In '11: \$5.19/sh. (D) In millions, adj. for stock split. (E) Rate allowed on common equity in '10: 9%-11%; earned on avg. com. eq. '11: 13.6%. Regulatory Climate: Average. (F) Winter peak in '09.

Company's Financial Strength A  
 Stock's Price Stability 95  
 Price Growth Persistence 70  
 Earnings Predictability 85

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SOUTHERN CO. NYSE-50		RECENT PRICE	45.40	P/E RATIO	17.8	(Trailing: 18.3)	Median: 15.0	RELATIVE P/E RATIO	1.24	DIV'D YLD	4.4%	VALUE LINE							
TIMELINESS 3 Lowered 2/3/12	High: 35.7	31.1	32.0	34.0	36.5	37.4	39.3	40.6	37.6	38.6	46.7	46.3	Target Price Range	2015	2016	2017			
SAFETY 1 Raised 6/3/05	Low: 20.9	23.2	27.0	27.4	31.1	30.5	33.2	29.8	26.5	30.8	35.7	43.7							
TECHNICAL 3 Raised 5/18/12	<b>LEGENDS</b> 0.85 x Dividends p sh divided by Interest Rate Relative Price Strength Options: Yes Shaded areas indicate recessions																		
BETA .55 (1.00 = Market)	<b>2015-17 PROJECTIONS</b> Price Gain Ann'l Total High 50 (+10%) 7% Low 40 (-10%) 2%																		
<b>Insider Decisions</b> J A S O N D J F to Buy 0 0 0 0 0 0 0 0 1 Options 0 0 3 1 2 1 0 1 0 to Sell 0 0 3 1 2 1 0 1 0																			
<b>Institutional Decisions</b> 2Q2011 3Q2011 4Q2011 to Buy 396 435 435 to Sell 298 281 307 Hlds(000) 372740 373196 374903																			
<b>Percent shares traded</b> 9 6 3																			
<b>% TOT. RETURN 4/12</b> THIS STOCK VL ARITH. INDEX 1 yr. 21.7 -3.7 3 yr. 82.3 89.5 5 yr. 55.0 27.3																			
1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
15.30	18.19	16.34	17.40	14.78	14.54	14.73	15.31	16.05	18.28	19.24	20.12	22.04	19.21	20.70	20.41	18.40	18.95	Revenues per sh	21.25
3.64	3.86	4.26	4.17	3.89	3.55	3.46	3.53	3.65	4.03	4.01	4.22	4.43	4.43	4.51	4.91	5.00	5.30	"Cash Flow" per sh	6.00
1.68	1.58	1.73	1.83	2.01	1.61	1.85	1.97	2.06	2.13	2.10	2.28	2.25	2.32	2.36	2.55	2.55	2.75	Earnings per sh A	3.25
1.26	1.30	1.34	1.34	1.34	1.34	1.36	1.39	1.42	1.48	1.54	1.60	1.66	1.73	1.80	1.87	1.94	2.02	Div'd Decl'd per sh B = †	2.25
1.82	2.68	2.87	3.85	3.27	3.75	3.79	2.72	2.85	3.20	4.01	4.65	5.10	5.70	4.85	5.23	6.45	6.10	Cap'l Spending per sh	6.75
13.61	13.91	14.04	13.82	15.69	11.43	12.16	13.13	13.86	14.42	15.24	16.23	17.08	18.15	19.21	20.32	21.15	22.25	Book Value per sh C	26.25
677.04	693.42	697.75	665.80	681.16	698.34	716.40	734.83	741.50	741.45	746.27	763.10	777.19	819.65	843.34	865.13	875.00	885.00	Common Shs Outst'g D	940.00
13.8	14.0	15.7	14.3	13.2	14.6	14.6	14.8	14.7	15.9	16.2	16.0	16.1	13.5	14.9	15.8	15.0	15.0	Avg Ann'l P/E Ratio	14.0
.86	.81	.82	.82	.86	.75	.80	.84	.78	.85	.87	.85	.97	.90	.95	1.00	1.00	1.00	Relative P/E Ratio	.95
5.5%	5.9%	4.9%	5.1%	5.0%	5.7%	5.0%	4.7%	4.7%	4.4%	4.5%	4.4%	4.6%	5.5%	5.1%	4.6%	4.6%	4.6%	Avg Ann'l Div'd Yield	5.0%
<b>CAPITAL STRUCTURE as of 12/31/11</b> Total Debt \$21223 mill. Due in 5 Yrs \$7525.0 mill. LT Debt \$18647 mill. LT Interest \$830.0 mill. (LT interest earned: 4.9x) Leases, Uncapitalized Annual rentals \$121.0 mill. Pension Assets-12/11 \$6.80 bill. Oblig. \$8.08 bill. Prd Stock \$1082 mill. Prd Div'd \$65.0 mill. Incl. 1 mill. shs. 4.20%-5.44% cum. pfd. (\$100 par); 12 mill. shs. 4.95%-5.83% cum. pfd. (\$1 par); 2 mill. shs. 6.0% noncum. pfd. (\$25 par); 3 mill. shs. 6.0%-6.5% noncum. pfd. (\$100 par); 14 mill. shs. 5.63%-6.5% noncum. pfd. (\$1 par). Common Stock 866,573,913 shs. as of 1/31/12 MARKET CAP: \$39 billion (Large Cap)																			
<b>ELECTRIC OPERATING STATISTICS</b> 2009 2010 2011 % Change Retail Sales (KWH) -4.8 +7.6 -2.7 Avg. Indust. Use (MWH) 3095 3332 3438 Avg. Indust. Revs. per KWH (c) 6.04 6.20 6.37 Capacity at Yearend (Mw) 42932 42963 43555 Peak Load, Summer (Mw) 34471 36221 36956 Annual Load Factor (%) 60.6 63.2 59.0 % Change Customers (yr-end) - - +3 -1																			
<b>BUSINESS:</b> The Southern Company, through its subsidiaries, supplies electricity to 4.4 million customers in about 120,000 square miles of Georgia, Alabama, Florida, and Mississippi. Also has competitive generation business. Electric revenue breakdown: residential, 35%; commercial, 30%; industrial, 19%; wholesale, 11%; other, 5%. Retail revenues by state: Georgia, 51%; Alabama, 33%; Florida, 9%; Mississippi, 7%. Generating sources: coal, 49%; oil & gas, 28%; nuclear, 15%; hydro, 2%; purchased, 6%. Fuel costs: 39% of revenues. '11 reported deprec. rate (utility): 3.2%. Has 26,400 employees. Chairman, President and CEO: Thomas A. Fanning, Inc.: Delaware. Address: 30 Ivan Allen Jr. Blvd., N.W., Atlanta, Georgia 30308. Tel.: 404-506-5000. Internet: www.southerncompany.com.																			
<b>Fixed Charge Cov. (%)</b> 310 342 397																			
<b>ANNUAL RATES</b> Past Past Est'd '09-'11 of change (per sh) 10 Yrs. 5 Yrs. to '15-'17 Revenues 2.5% 2.5% 1.0% "Cash Flow" 2.0% 3.5% 4.5% Earnings 3.0% 3.0% 5.0% Dividends 3.0% 4.0% 4.0% Book Value 3.5% 6.0% 5.5%																			
Cal-endar	QUARTERLY REVENUES (mill.)				Full Year														
	Mar.31	Jun.30	Sep.30	Dec.31															
2009	3666	3885	4682	3510	15743														
2010	4157	4208	5320	3771	17456														
2011	4012	4521	5428	3696	17657														
2012	3604	3796	5000	3700	16100														
2013	3800	3950	5200	3800	16750														
Cal-endar	EARNINGS PER SHARE A				Full Year														
	Mar.31	Jun.30	Sep.30	Dec.31															
2009	.41	.61	.99	.31	2.32														
2010	.60	.62	.98	.18	2.36														
2011	.49	.70	1.06	.30	2.55														
2012	.42	.65	1.15	.33	2.55														
2013	.48	.78	1.15	.34	2.75														
Cal-endar	QUARTERLY DIVIDENDS PAID B = †				Full Year														
	Mar.31	Jun.30	Sep.30	Dec.31															
2008	.4025	.42	.42	.42	1.66														
2009	.42	.4375	.4375	.4375	1.73														
2010	.4375	.455	.455	.455	1.80														
2011	.455	.4725	.4725	.4725	1.87														
2012	.4725	.49																	

(A) Diluted earnings. Excl. nonrecurring gain (loss): '03, 6¢; '09, (25¢). '10 EPS don't add due to change in shares. Next earnings report due late July. (B) Div'ds historically paid in early Mar., June, Sept., and Dec. (C) Div'd reinvestment plan avail. (D) Shareholder investment plan avail. (E) Incl. deferred charges. In '11: \$6.27/sh. (F) In mill. (G) Rate base: AL, MS, fair value; FL, GA, orig. cost. Allowed return on com. eq. (blended): 12.5%. Earned on avg. com. eq., '11: 13.0%. Regulatory Climate: AL Above Average; GA, MS, FL Average.

Company's Financial Strength A  
 Stock's Price Stability 100  
 Price Growth Persistence 50  
 Earnings Predictability 100

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WISCONSIN ENERGY NYSE-WEC				RECENT PRICE	P/E RATIO	Trailing: 17.7 Median: 14.0	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE										
TIMELINESS <b>3</b> Lowered 1/13/12	High: 12.3	13.2	16.8	17.3	20.4	24.3	25.2	24.8	25.3	30.5	35.4	38.9	Target Price Range						
SAFETY <b>1</b> Raised 3/23/12	Low: 9.6	10.1	11.3	14.8	16.7	19.1	20.5	17.4	18.2	23.4	27.0	33.6	2015	2016	2017				
TECHNICAL <b>4</b> Lowered 6/22/12	<b>LEGENDS</b> 1.24 x Dividends p sh divided by Interest Rate Relative Price Strength 2-for-1 split 3/11 Options: Yes Shaded areas indicate recessions																		
BETA .65 (1.00 = Market)																			
<b>2015-17 PROJECTIONS</b> Ann'l Total Price Gain Return High 45 (+15%) 7% Low 35 (-10%) 2%																			
<b>Insider Decisions</b> J A S O N D J F M to Buy 0 0 0 0 0 0 0 0 0 0 Options 0 1 2 4 0 2 0 2 3 to Sell 0 1 3 4 0 2 0 4 3																			
<b>Institutional Decisions</b> 3Q2011 4Q2011 1Q2012 to Buy 178 188 191 to Sell 158 175 178 Hlds(000) 159649 158257 157172																			
													Percent shares traded 12 8 4						
<b>1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013</b>													© VALUE LINE PUB. LLC 15-17						
7.94	7.93	8.56	9.56	14.14	17.02	16.10	17.12	14.66	16.31	17.08	18.12	18.95	17.65	17.98	19.46	18.50	20.40	Revenues per sh	23.25
2.13	1.48	2.06	2.26	2.24	2.72	2.84	2.86	2.58	2.89	2.98	2.95	3.11	3.30	3.68	3.85	4.30	3.68	"Cash Flow" per sh	5.00
.99	.27	.83	.94	.54	.92	1.16	1.13	.93	1.28	1.32	1.42	1.52	1.60	1.92	2.18	2.25	2.40	Earnings per sh A	2.75
.75	.77	.78	.78	.69	4.0	4.0	4.0	4.2	4.4	4.6	5.0	5.4	.68	.80	1.04	1.20	1.36	Div'd Decl'd per sh B	1.80
1.77	1.56	1.76	2.22	2.64	3.01	2.54	2.95	2.85	3.40	4.17	5.28	4.86	3.50	3.41	3.60	3.30	3.20	Cap'l Spending per sh	3.25
8.71	8.25	8.23	8.44	8.50	8.91	9.22	9.96	10.65	11.46	12.35	13.25	14.27	15.26	16.26	17.20	17.95	18.15	Book Value per sh C	20.25
223.36	225.73	231.21	237.81	237.29	230.84	232.06	236.85	233.97	233.96	233.94	233.89	233.84	233.82	233.77	230.49	230.00	223.00	Common Shs Outst'g D	223.00
14.3	47.3	18.0	13.3	18.7	12.1	10.5	12.4	17.5	14.5	16.0	16.5	14.8	13.3	14.0	14.2	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	14.5
.90	2.73	.94	.76	1.22	.62	.57	.71	.92	.77	.86	.88	.89	.89	.89	.90			Relative P/E Ratio	.95
5.4%	6.0%	5.2%	6.3%	6.8%	3.6%	3.3%	2.8%	2.6%	2.4%	2.2%	2.1%	2.4%	3.2%	3.0%	3.3%			Avg Ann'l Div'd Yield	4.5%
<b>CAPITAL STRUCTURE as of 3/31/12</b> Total Debt \$5193.9 mill. Due in 5 Yrs \$1800.4 mill. LT Debt \$4602.8 mill. LT Interest \$257.8 mill. Incl. \$120.0 mill. capitalized leases. (LT interest earned: 3.8x) Leases, Uncapitalized Annual rentals \$16.3 mill. Pension Assets-12/11 \$1.26 bill.													Oblig. \$1.33 bill. Pfd Stock \$30.4 mill. Pfd Div'd \$1.2 mill. 260,000 shs. 3.60%, \$100 par, callable at \$101; 44,498 shs. 6%, \$100 par. Common Stock 230,455,017 shs.						
<b>MARKET CAP: \$9.0 billion (Large Cap)</b>																			
<b>ELECTRIC OPERATING STATISTICS</b>																			
% Change Retail Sales (KWH) 2009 -8.1 2010 +6.0 2011 -5 Avg. Indust. Use (MWH) NA NA NA Avg. Indust. Revs. per KWH (c) 6.57 NA NA Capacity at Peak (Mw) NA NA NA Peak Load, Summer (Mw) 5812 5908 NA Annual Load Factor (%) NA NA NA % Change Customers (yr-end) +2 +3 +2																			
Fixed Charge Cov. (%) 281 312 339																			
<b>ANNUAL RATES</b> Past 10 Yrs. Past 5 Yrs. Est'd '09-'11 of change (per sh)																			
Revenues 3.0% 3.0% 4.0% "Cash Flow" 3.5% 4.0% 7.0% Earnings 9.0% 10.0% 6.5% Dividends 3.0% 14.0% 13.5% Book Value 6.5% 7.0% 3.5%																			
<b>QUARTERLY REVENUES (\$ mill.)</b> Full Year																			
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31									Full Year						
2009	1396.2	842.5	821.9	1067.3									4127.9						
2010	1248.6	890.9	973.3	1089.8									4202.5						
2011	1328.7	991.7	1052.8	1113.2									4486.4						
2012	1191.2	933.8	975	1150									4250						
2013	1350	1000	1000	1200									4550						
<b>EARNINGS PER SHARE A</b> Full Year																			
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31									Full Year						
2009	.60	.27	.25	.48									1.60						
2010	.55	.37	.47	.53									1.92						
2011	.72	.41	.55	.49									2.18						
2012	.74	.42	.54	.55									2.25						
2013	.80	.45	.56	.59									2.40						
<b>QUARTERLY DIVIDENDS PAID B</b> Full Year																			
Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31									Full Year						
2008	.135	.135	.135	.135									.54						
2009	.169	.169	.169	.169									.68						
2010	.20	.20	.20	.20									.80						
2011	.26	.26	.26	.26									1.04						
2012	.30	.30																	
<b>BUSINESS:</b> Wisconsin Energy Corporation is a holding company for We Energies, which provides electric, gas & steam service in Wisconsin. Customers: 1.1 mill. elec., 1.1 mill. gas. Acq'd WICOR 4/00. Discontinued pump-manufacturing operations in '04. Sold Point Beach nuclear plant in '07. Electric revenue breakdown: residential, 36%; small commercial & industrial, 31%; large commercial & industrial, 24%; other, 9%. Generating sources: coal, 54%; gas, 7%; hydro, 1%; wind, 1%; purchased, 37%. Fuel costs: 42% of revs. '11 reported deprec. rate (utility): 2.8%. Has 4,600 employees. Chairman, President & CEO: Gale E. Klappa, Inc.: WI. Address: 231 W. Michigan St., P.O. Box 1331, Milwaukee, WI 53201. Tel.: 414-221-2345. Internet: www.wisconsinenergy.com.																			
<b>Wisconsin Energy's utility subsidiaries have filed a general rate case.</b> The company is seeking electric rate increases of \$172.6 million (6.2%) for 2013 and \$37.4 million for 2014, a rate decrease of \$17.1 million for 2013, and small rate hikes for steam service. The company is requesting the same 10.4%-10.5% allowed returns on equity that it currently has, and the staff of the Wisconsin commission has agreed not to contest the allowed ROE or the common-equity ratio. An order should come in time for new tariffs to take effect at the start of 2013.																			
<b>A rate case is pending in Michigan, as well.</b> The utility filed for a rate boost of \$17.5 million (9.9%), based on a return on equity of 10.4%. In January, it self-implemented a rate increase of \$7.7 million, as is allowable under Michigan regulatory law. The commission will issue its order in July, and new tariffs will take effect then.																			
<b>We estimate that earnings will advance in 2012 and 2013.</b> The utility postponed an electric rate hike that would have taken effect this year by suspending \$140.1 million of regulatory amortization.																			
<b>Our 2012 earnings estimate is within management's targeted range of \$2.24-\$2.29 a share.</b> Rate relief should help lift the bottom line next year. In addition, average shares outstanding are declining, thanks to a stock buyback. Through the end of the first quarter, Wisconsin Energy had \$100 million remaining from a \$300 million repurchase authorization.																			
<b>Shareholders can expect hefty dividend hikes in 2013 and 2014.</b> Wisconsin Energy wants to approach a 60% payout ratio by 2014, after more than a decade in which this figure was well below average for a utility. The board of directors raised the disbursement 15.4% earlier this year, and the company has suggested that increases of more than 10% are in the offing for each of the next two years.																			
<b>In our view, Wisconsin Energy's strengths are reflected in the share price,</b> which is up 8% so far in 2012. The low yield (for a utility) is typical for a company with substantial dividend-growth potential. With the quotation near the midpoint of our 3- to 5-year Target Price Range, total return prospects are modest.																			
<i>Paul E. Debbas, CFA</i>													<i>June 22, 2012</i>						
<b>Company's Financial Strength</b> A <b>Stock's Price Stability</b> 100 <b>Price Growth Persistence</b> 90 <b>Earnings Predictability</b> 95																			

(A) Diluted EPS. Excl. nonrec. gains (losses): '99, (5c); '00, 10c net; '02, (44c); '03, (10c) net; '04, (42c); gains on disc. ops.: '04, 77c; '05, 2c; '06, 2c; '09, 2c; '10, 1c; '11, 6c. '11: EPS don't add due to rounding. Next earnings report due early Aug. (B) Div'd historically paid in early Mar., June, Sept. & Dec. Div'd reinvestment plan avail. (C) Incl. intang. In '11: \$7.29/sh. (D) In mill., adj. for split. (E) Rate base: Net orig. cost. Rates allowed on com. eq. in '10: 10.4%-10.5%; earned on avg. com. eq., '11: 13.1%. Regulatory Climate: Above Avg.

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VECTREN CORP. NYSE-VVC				RECENT PRICE	P/E RATIO	(Trailing: 16.5 Median: 15.0)	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE																																												
TIMELINESS	3 Lowered 2/24/12	High: 24.4	26.1	26.1	27.1	29.5	29.3	30.5	32.2	26.9	27.8	30.7	30.7	Target Price Range	2015	2016	2017																																				
SAFETY	2 Lowered 1/5/01	Low: 19.8	18.0	19.7	22.9	25.0	25.2	24.8	19.5	18.1	21.7	23.7	28.0																																								
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<b>VECTREN HISTORY</b>		<p>Vectren was formed on March 31, 2000 through the merger of Indiana Energy and SIGCORP. The merger was consummated with a tax-free exchange of shares and has been accounted for as a pooling of interests. Indiana Energy common stockholders received one Vectren common share for each share held. SIGCORP stockholders exchanged each common share for 1.333 common shares of Vectren.</p>																																																			
<b>CAPITAL STRUCTURE as of 3/31/12</b>		<p>Total Debt \$1795.6 mill. Due in 5 Yrs \$625.5 mill.                      LT Debt \$1559.3 mill. LT Interest \$90.0 mill.                      (LT interest earned: 3.3x)</p>																																																			
<b>Pension Assets-12/11</b>		<p>\$261.0 mill. Oblig. \$329.2 mill.</p>																																																			
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<b>BUSINESS</b>		<p>Vectren is a holding company formed through the merger of Indiana Energy and SIGCORP. Supplies electricity and gas to an area nearly two-thirds of the state of Indiana. Owns gas distribution assets in Ohio. Has a customer base of 1,134,900. 2011 Electricity revenues: residential, 36%; commercial, 27%; industrial, 36%; other, 1%. 2011 Gas revenues: residential, 67%; commercial, 24%; other, 9%. Also provides energy-related products and services and has an investment subsidiary. Est'd plant age: electric, 8 years. '11 deprec. rate: 4.9%. Has 4,500 employees. Chairman, President, &amp; CEO: Carl Chapman. Incorporated: IN. Address: One Vectren Square, Evansville, Indiana 47708. Telephone: 812-491-4000. Internet: www.vectren.com.</p>																																																			
<b>Shares of Vectren have traded in a fairly narrow range since the beginning of the year.</b>		<p>The company posted mixed results for the first quarter. The utility operations benefited from higher base rates, though this was partly offset by unusually mild winter weather. Good performance at the Infrastructure Services line was countered by losses at the Energy Services and Coal Mining businesses. Overall, the top line declined in both the utility and nonutility operations. However, this was more than offset by lower operating expenses, and share net of \$0.62 compared favorably with the prior-year tally.</p>																																																			
<b>The utility group should further experience solid bottom-line performance going forward.</b>		<p>This assumes normal weather for the remainder of the year in Vectren's electric service territories. Temperature fluctuations in the company's gas service territories are largely mitigated through regulatory mechanisms. Elsewhere, the Infrastructure Services business ought to continue to post good results. This line should further benefit from healthy demand for work on transmission pipeline repairs, and other services, too.</p>																																																			
<b>Construction activity will probably remain strong as utilities and pipeline operators replace their aging natural gas and oil infrastructure, and as the demand for additional shale gas and oil infrastructure increases.</b>		<p>That said, Results will probably be less favorable in other segments. The company's coal mining operations may well experience further weakness. Moreover, unfavorable market conditions will probably continue to result in depressed asset optimization opportunities at gas-marketer ProLiance. On the bright side, efforts to deemphasize the commodities business (such as the sale of Vectren Source) ought to pay off going forward. Overall, we expect higher revenues and share earnings for the company in the current year, and respectable growth in 2013.</p>																																																			
<b>This equity remains neutrally ranked for Timeliness.</b>		<p>We anticipate steady growth in revenues and share earnings for the company over the pull to 2015-2017. From the recent quotation, this issue has worthwhile total return potential, given the healthy dividend payout.</p>																																																			
<b>Michael Napoli, CFA</b>		<p>June 22, 2012</p>																																																			
<b>(A) Diluted EPS. Excl. nonrecurr. gain (loss): '01, (13¢); '03, (6¢); '09, 15¢. Earnings may not sum due to rounding. Next eggs report due early August. (B) Div'ds historically paid in early March, June, September, and December. (C) Incl. intang. In '11, \$5.96/sh. (D) In millions. (E) Electric rate base determination: fair value. Rates allowed on elect. common equity range from 10.15% to 10.4%; earned on common equity in '11: 9.7%. Regulatory Climate: Above Average.</b>		<table border="1"> <tr> <td>Company's Financial Strength</td> <td>A</td> </tr> <tr> <td>Stock's Price Stability</td> <td>95</td> </tr> <tr> <td>Price Growth Persistence</td> <td>40</td> </tr> <tr> <td>Earnings Predictability</td> <td>90</td> </tr> </table>																Company's Financial Strength	A	Stock's Price Stability	95	Price Growth Persistence	40	Earnings Predictability	90																												
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MGE ENERGY INC. NDQ-MGEE				RECENT PRICE	P/E RATIO		Trailing: 18.0 (Median: 16.0)		RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE	
TIMELINESS	4	Lowered 3/9/12	High: 27.8	46.20	17.8	17.8	17.8	17.8	1.24	3.4%	Target Price Range	
SAFETY	1	New 1/3/03	Low: 20.9								2015 2016 2017	
TECHNICAL	4	Lowered 6/15/12	30.1									
BETA	.60	(1.00 = Market)	25.0									
2015-17 PROJECTIONS												
Price	50	Gain (+10%)										
Low	45	Return (-5%)										
Insider Decisions												
Institutional Decisions												
CAPITAL STRUCTURE as of 3/31/12												
Leases, Uncapitalized												
Pension Assets-12/11												
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Common Stock												
MARKET CAP: \$1.1 billion (Mid-Cap)												
ELECTRIC OPERATING STATISTICS												
ANNUAL RATES												
QUARTERLY REVENUES (\$ mill.)												
EARNINGS PER SHARE												
QUARTERLY DIVIDENDS PAID												

**Shares of MGE Energy have traded in a fairly narrow range over the past three months.** The company reported unimpressive results for the first quarter. Revenues and share earnings fell short of the prior-year figures. Electric revenues advanced at a decent clip for the period, though this was more than offset by a significant decline in gas revenue. Lower gas retail volumes were the result of relatively mild weather. Operating expenses declined, but not quite enough to offset the revenue shortfall. Looking forward, softness may well continue in the second and third quarters. Overall, we expect lower revenues and share earnings for the company in the current year. That said, **Performance ought to improve from 2013 onward.** MGE Energy should continue to benefit from favorable demographics within its Dane County service area. A healthy regional economy ought to drive population growth and power demand in and around Madison, Wisconsin. **The company has filed an application with the Public Service Commission of Wisconsin (PSCW) to increase**

10%. Generating sources, '11: coal, 55%; purchased power, 38%; natural gas and other, 7%. Fuel costs: 23% of revenues. '11 reported depreciation rate: electric, 3.2%; gas, 1.6%. Has 712 employees. Chairman, President & CEO: Gary J. Wolter. Inc.: Wisconsin. Address: 133 South Blair St., Madison, WI 53703. Telephone: 608-252-7000. Internet: www.mge.com.

**rates.** MGE is seeking an increase in natural gas rates of 2.6% and an electric rate hike of 5.8%, effective January 1, 2013. The company cited costs associated with infrastructure and environmental improvements as reasons for the request. Higher rates ought to boost the top line in 2013, assuming approval by the PSCW. That, in turn, should permit a modest earnings advance. **This stock remains unfavorably ranked for year-ahead relative price performance.** Looking further out, we anticipate greater revenues, share earnings, and dividends for the company by 2015-2017. Moreover, MGE possesses an attractive low-risk profile, as it earns high marks for Safety, Financial Strength, Price Stability, and Earnings Predictability. Also, the stock's low Beta score (0.60) indicates below-average volatility. However, appreciation potential appears limited for the coming years. The dividend yield is solid, though somewhat below average for the utility industry. All told, most investors can probably find better choices elsewhere at this juncture.

*Michael Napoli, CFA* *June 22, 2012*

(A) Excl. nonrecurring loss: '96, 42c. Next earnings report due in August. (B) Dividends historically paid in mid-March, June, September, and December. ■ Dvd. reinvestment plan available. (C) In millions. (D) Rate allowed on common equity in '11: 10.4%; earned on average common equity, '11: 10.3%. Regulatory Climate: Above Average.

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Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	50
Earnings Predictability	90

**To subscribe call 1-800-833-0046.**

INTEGRYS ENERGY NYSE-TEG				RECENT PRICE	55.77	P/E RATIO	18.3	(Trailing: 19.4 Median: 15.0)	RELATIVE P/E RATIO	1.28	DIV'D YLD	4.9%	VALUE LINE																																																			
TIMELINESS	3	New 3/26/10	High: 36.8	42.7	46.8	50.5	60.0	57.8	60.6	53.9	45.1	54.4	54.6	56.2	Target Price Range	2015	2016	2017																																														
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Options	0	0	0	0	1	2	0	12																																																								
to Sell	0	0	0	1	2	0	2	10																																																								
<b>Institutional Decisions</b>				<table border="1"> <thead> <tr> <th>3Q2011</th> <th>4Q2011</th> <th>1Q2012</th> <th>Percent shares traded</th> </tr> </thead> <tbody> <tr> <td>to Buy</td> <td>127</td> <td>132</td> <td>125</td> </tr> <tr> <td>to Sell</td> <td>137</td> <td>134</td> <td>147</td> </tr> <tr> <td>Hld's(000)</td> <td>38990</td> <td>38784</td> <td>42436</td> </tr> </tbody> </table>											3Q2011	4Q2011	1Q2012	Percent shares traded	to Buy	127	132	125	to Sell	137	134	147	Hld's(000)	38990	38784	42436																																		
3Q2011	4Q2011	1Q2012	Percent shares traded																																																													
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IntegrYS Energy Group was created as a holding company on February 21, 2007 to oversee the entire operations of the recently merged WPS Resources and Peoples Energy. WPS acquired Peoples in an agreement under which each common share of Peoples was converted into .825 share of WPS common. The combination took the new name of IntegrYS Energy Group. All data on this page prior to 2/21/07 are for WPS Resources only.				2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17																																															
<b>CAPITAL STRUCTURE as of 3/31/12</b>				83.55	117.07	131.26	173.37	160.01	135.44	184.86	98.71	67.27	60.44	57.10	62.90	Revenues per sh	70.50																																															
Total Debt \$2427.6 mill. Due in 5 Yrs \$1199.0 mill. LT Debt \$1850.1 mill. LT Interest \$102.9 mill. (LT interest earned: 4.1x)				5.91	6.23	6.98	7.40	6.33	5.19	4.69	5.34	6.70	6.13	6.35	7.25	"Cash Flow" per sh	8.50																																															
Leases, Uncapitalized Annual rentals \$8.5 mill. Pension Assets-12/11 \$1.10 bill. Oblig. \$1.56 bill.				2.74	2.76	4.07	4.09	3.51	2.48	1.58	2.28	3.24	2.88	3.05	3.70	Earnings per sh <sup>A</sup>	4.25																																															
Pfd Stock \$51.1 mill. Pfd Div'd \$3.1 mill. 510,626 shs. 5.00% to 6.88%, callable \$101 to \$107.50; sinking fund began 11/1/79. All cumulative, \$100 par.				2.12	2.16	2.20	2.24	2.28	2.56	2.68	2.72	2.72	2.72	2.72	2.72	Div'd Decl'd per sh <sup>B</sup>	2.80																																															
Common Stock 77,916,543 shs.				7.16	4.77	7.78	10.31	7.94	5.17	7.01	5.85	3.35	4.00	8.30	9.85	Cap'l Spending per sh <sup>C</sup>	9.00																																															
<b>MARKET CAP: \$4.3 billion (Mid Cap)</b>				24.45	27.18	29.30	32.47	35.61	42.58	40.79	37.62	37.57	38.01	38.45	39.50	Book Value per sh <sup>D</sup>	43.75																																															
<b>ELECTRIC OPERATING STATISTICS</b>				32.01	36.91	37.26	40.16	43.06	75.99	75.99	75.98	77.35	77.91	77.90	77.90	Common Shs Outst'g <sup>D</sup>	77.90																																															
% Change Retail Sales (KWH)				14.0	14.9	11.5	13.4	14.7	21.4	30.7	14.8	14.7	17.5	17.5	Bold figures are Value Line estimates	Avg Ann'l P/E Ratio	12.0																																															
Avg. C & I Use (KWH)				.76	.85	.61	.71	.79	1.14	1.85	.99	.94	1.11	1.11	Relative P/E Ratio	.80																																																
Avg. C & I Revs. per KWH (¢)				5.5%	5.3%	4.7%	4.1%	4.4%	4.8%	5.5%	8.1%	5.7%	5.4%	Avg Ann'l Div'd Yield	5.6%																																																	
Capacity at Peak (Mw)				2674.9	4321.3	4890.6	6962.7	6890.7	10292	14048	7499.8	5203.2	4708.7	4450	4900	Revenues (\$mill)	5500																																															
Peak Load, Summer (Mw)				94.4	94.5	156.2	157.4	151.6	181.1	124.8	178.2	255.9	230.9	245	295	Net Profit (\$mill)	340																																															
Annual Load Factor (%)				20.8%	26.3%	16.1%	22.9%	22.9%	32.2%	29.1%	41.5%	40.4%	36.7%	38.5%	38.5%	Income Tax Rate	38.5%																																															
% Change Customers (yr-end)				3.2%	2.5%	1.7%	1.0%	.5%	.7%	5.8%	4.5%	.7%	.4%	2.0%	2.0%	AFUDC % to Net Profit	1.0%																																															
Fixed Charge Cov. (%)				48.3%	45.3%	43.1%	39.0%	44.8%	40.8%	42.1%	45.1%	42.2%	38.3%	38.5%	41.5%	Long-Term Debt Ratio	43.5%																																															
ANNUAL RATES				45.8%	52.1%	54.4%	58.7%	53.4%	58.3%	57.0%	53.9%	56.8%	60.6%	60.5%	57.5%	Common Equity Ratio	55.5%																																															
Past 10 Yrs.				1708.3	1926.2	2008.6	2222.4	2871.9	5552.0	5438.7	5304.4	5118.5	4884.5	4955	5340	Total Capital (\$mill)	6125																																															
Past 5 Yrs.				1610.2	1828.7	2002.6	2049.4	2534.8	4463.8	4773.3	4945.1	5013.4	5199.1	5590	6090	Net Plant (\$mill)	7300																																															
Est'd '09-'11				7.0%	6.1%	8.8%	8.0%	6.4%	4.5%	3.5%	4.6%	6.2%	5.9%	6.0%	6.5%	Return on Total Cap'l	7.0%																																															
Revenues				10.7%	9.0%	13.7%	11.6%	9.6%	5.5%	4.0%	6.1%	8.7%	7.7%	8.0%	9.5%	Return on Shr. Equity	10.0%																																															
"Cash Flow"				11.7%	9.1%	14.0%	11.8%	9.7%	5.5%	3.9%	6.1%	8.7%	7.7%	8.0%	9.5%	Return on Com Equity <sup>E</sup>	10.0%																																															
Earnings				3.1%	2.0%	6.6%	5.3%	3.4%	.0%	NMF	NMF	2.3%	.7%	1.0%	2.5%	Retained to Com Eq	3.5%																																															
Dividends				74%	79%	54%	56%	65%	99%	NMF	NMF	74%	91%	88%	72%	All Div'ds to Net Prof	65%																																															
Book Value				<b>BUSINESS:</b> IntegrYS Energy Group, Inc. is a holding company for Wisconsin Public Service, Peoples Gas, and four other utility subsidiaries. Has 493,000 electric customers in WI and MI, 1.7 million gas customers in WI, IL, MN, and MI. Also has retail electric and gas marketing operations in the Northeast and Midwest. Electric revenue breakdown: residential, 29%; small commercial & industrial, 29%; large commercial & industrial, 19%; other, 23%. Generating sources: coal, 53%; other, 5%; purchased, 42%. Fuel costs: 62% of revenues. '11 deprec. rates (utility): 2.2%-3.3%. Has 4,600 employees. Chairman, President & Chief Executive Officer: Charles A. Schrock, Inc.: WI. Address: 130 East Randolph St., Chicago, IL 60601-6207. Tel.: 312-228-5400. Internet: www.integrysgroup.com.																																																												
QUARTERLY REVENUES (\$ mill.)				<b>IntegrYS Energy's utility subsidiary in Wisconsin has filed a general rate case.</b> Wisconsin Public Service requested electric and gas rate increases of \$85.1 million (9.2%) and \$12.8 million, respectively, based on a return of 10.3% on a common-equity ratio of 52.37%. WPS is also asking for a mechanism that would decouple revenues and volume. An order should come in time for new tariffs to take effect at the start of 2013.																																																												
EARNINGS PER SHARE <sup>A</sup>				<b>Another regulatory matter is pending in the state.</b> WPS is seeking regulatory approval to install pollution-control equipment at Weston 3, a 321-megawatt coal-fired unit, at an estimated cost of \$250 million. A ruling is expected by the end of 2012.																																																												
QUARTERLY DIVIDENDS PAID <sup>B</sup>				<b>A gas rate case is pending, and another is upcoming.</b> In Minnesota, the utility is seeking a rate hike of \$15 million (5.8%), based on a 10.75% return on a 50.48% common-equity ratio. The commission has issued a verbal order calling for an \$11 million (4.3%) increase, based on a 9.7% return on the same common-equity ratio. New tariffs are scheduled to take effect this fall. In Illinois, Peoples Gas and North Shore Gas plan to file rate applications soon.																																																												
Full Year				<b>We have cut our 2012 earnings estimate by \$0.40 a share, to \$3.05.</b> This was largely due to mark-to-market accounting charges in the first quarter, which reduced the bottom line by \$0.33 a share. (These gains or losses, which are impossible to predict, hurt profits by \$0.45 a share in 2011.) Also, an unusually mild winter lowered profits by an estimated \$0.12 a share. Note that the company excludes mark-to-market items from its earnings guidance of \$3.35-\$3.55 a share.																																																												
Full Year				<b>We expect higher profits in 2013.</b> The first-quarter comparison should be easy, assuming no mark-to-market losses and a return to normal weather patterns. Rate relief at the utilities should help. And the contribution of the energy services operation should climb as it picks up additional customers.																																																												
Full Year				<b>IntegrYS stock offers a dividend yield that is well above the utility average.</b> However, with the quotation above the midpoint of our 2015-2017 Target Price Range, total return potential is low.																																																												
Full Year				Paul E. Debbas, CFA June 22, 2012																																																												

(A) Diluted EPS. Excl. nonrecurr. losses: '09, \$3.24; '10, 41¢ net; gains (loss) from disc. ops.: '07, \$1.02; '08, 6¢; '09, 4¢; '11, (1¢); '12, 3¢. '11 EPS don't add due to rounding. Next earnings report due early Aug. (B) Div'ds historically paid mid-Mar., June, Sept. and Dec. (C) Div'd reinvestment plan avail. (D) Incl. intang. In '11: \$29.74/sh. (E) In mill. (F) Rate base: Net orig. cost. Rate allowed on com. eq. in WI '11: 10.3%; in IL '12: 9.45%; earned on avg. com. eq. '11: 7.7%. Regulatory Climate: WI, Above Average; IL, Below Average.

Company's Financial Strength B++  
 Stock's Price Stability 80  
 Price Growth Persistence 45  
 Earnings Predictability 45

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January 5, 2012

**Issuer Ranking:**

**U.S. Regulated Electric Utilities,  
Strongest To Weakest**

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**Issuer Ranking:****U.S. Regulated Electric Utilities, Strongest To Weakest**

The following list ranks all the rated companies in this industry from strongest to weakest based on rating and outlook. Companies with the same rating and outlook are further ranked by our opinion of credit quality based primarily on business risks for investment-grade companies and primarily on financial risks for speculative-grade companies.

Ratings are displayed as long-term rating/outlook or CreditWatch/short-term rating. A double dash (--) indicates no rating. Issuer credit ratings are identical for local and foreign currency unless noted with the "LC" and "FC" designations.

For the related industry report card, please see "Industry Report Card: U.S. Regulated Electric Utilities Continue On Stable Trajectory," published on Sept. 30, 2011.

<b>U.S. Regulated Electric Utilities</b>			
<b>Company</b>	<b>Corporate credit rating*</b>	<b>Business profile</b>	<b>Financial profile</b>
Madison Gas & Electric Co.	AA-/Stable/A-1+	Excellent	Intermediate
Midwest Independent Transmission System Operator Inc.	A+/Stable/--	Excellent	Intermediate
American Transmission Co.	A+/Stable/A-1	Excellent	Intermediate
NSTAR Electric Co.	A+/Watch Neg/A-1	Excellent	Intermediate
NSTAR	A+/Watch Neg/A-1	Excellent	Intermediate
California Independent System Operator Corp.	A/Stable/--	Excellent	Intermediate
San Diego Gas & Electric Co.	A/Stable/A-1	Excellent	Intermediate
KeySpan Energy Delivery Long Island	A/Stable/--	Excellent	Intermediate
Alabama Power Co.	A/Stable/A-1	Excellent	Intermediate
Georgia Power Co.	A/Stable/A-1	Excellent	Intermediate
Mississippi Power Co.	A/Stable/A-1	Excellent	Intermediate
Gulf Power Co.	A/Stable/A-1	Excellent	Intermediate
Southern Co.	A/Stable/A-1	Excellent	Intermediate
Central Hudson Gas & Electric Corp.	A/Stable/--	Excellent	Significant
Consolidated Edison Co. of New York Inc.	A-/Stable/A-2	Excellent	Significant
Orange and Rockland Utilities Inc.	A-/Stable/A-2	Excellent	Significant
Virginia Electric & Power Co.	A-/Stable/A-2	Excellent	Significant
Duke Energy Carolinas LLC	A-/Stable/A-2	Excellent	Significant
Florida Power & Light Co.	A-/Stable/A-2	Excellent	Intermediate
Massachusetts Electric Co.	A-/Stable/A-2	Excellent	Significant
Narragansett Electric Co.	A-/Stable/A-2	Excellent	Significant
New England Power Co.	A-/Stable/A-2	Excellent	Significant
Niagara Mohawk Power Corp.	A-/Stable/A-2	Excellent	Significant
Duke Energy Indiana Inc.	A-/Stable/A-2	Excellent	Significant
Northern States Power Wisconsin	A-/Stable/A-2	Excellent	Significant

## Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest

U.S. Regulated Electric Utilities (cont.)			
Public Service Co. of Colorado	A-/Stable/A-2	Excellent	Significant
Northern States Power Co.	A-/Stable/A-2	Excellent	Significant
Southwestern Public Service Co.	A-/Stable/A-2	Excellent	Significant
MidAmerican Energy Co.	A-/Stable/A-2	Excellent	Significant
Wisconsin Power & Light Co.	A-/Stable/A-2	Excellent	Significant
Wisconsin Electric Power Co.	A-/Stable/A-2	Excellent	Significant
Wisconsin Public Service Corp.	A-/Stable/A-2	Excellent	Significant
Southern Indiana Gas & Electric Co.	A-/Stable/--	Excellent	Significant
PacifiCorp	A-/Stable/A-2	Excellent	Significant
Duke Energy Kentucky Inc.	A-/Stable/--	Excellent	Significant
Consolidated Edison Inc.	A-/Stable/A-2	Excellent	Significant
National Grid Holdings Inc.	A-/Stable/--	Excellent	Significant
National Grid USA	A-/Stable/A-2	Excellent	Significant
KeySpan Corp.	A-/Stable/A-2	Excellent	Significant
Wisconsin Energy Corp.	A-/Stable/A-2	Excellent	Significant
Xcel Energy Inc.	A-/Stable/A-2	Excellent	Significant
Duke Energy Corp.	A-/Stable/A-2	Excellent	Significant
Dominion Resources Inc.	A-/Stable/A-2	Excellent	Significant
Duke Energy Ohio Inc.	A-/Stable/A-2	Strong	Significant
NextEra Energy Inc.	A-/Stable/--	Strong	Intermediate
Florida Power Corp. d/b/a Progress Energy Florida Inc.	BBB+/Watch Pos/A-2	Excellent	Aggressive
Carolina Power & Light Co. d/b/a Progress Energy Carolinas Inc.	BBB+/Watch Pos/A-2	Excellent	Aggressive
Progress Energy Inc.	BBB+/Watch Pos/A-2	Excellent	Aggressive
Connecticut Light & Power Co.	BBB+/Watch Pos/--	Excellent	Aggressive
Western Massachusetts Electric Co.	BBB+/Watch Pos/--	Excellent	Aggressive
Public Service Co. of New Hampshire	BBB+/Watch Pos/--	Excellent	Aggressive
Northeast Utilities	BBB+/Watch Pos/--	Excellent	Aggressive
Interstate Power & Light Co.	BBB+/Positive/A-2	Excellent	Significant
Alliant Energy Corp.	BBB+/Positive/A-2	Excellent	Significant
Integrus Energy Group Inc.	BBB+/Positive/A-2	Strong	Significant
International Transmission Co.	BBB+/Stable/--	Excellent	Aggressive
ITC Midwest LLC	BBB+/Stable/--	Excellent	Aggressive
Michigan Electric Transmission Co.	BBB+/Stable/--	Excellent	Aggressive
ITC Great Plains LLC	BBB+/Stable/--	Excellent	Aggressive
Oncor Electric Delivery Co. LLC	BBB+/Stable/--	Excellent	Aggressive
Potomac Electric Power Co.	BBB+/Stable/A-2	Excellent	Significant
Delmarva Power & Light Co.	BBB+/Stable/A-2	Excellent	Significant
Atlantic City Electric Co.	BBB+/Stable/A-2	Excellent	Significant
Baltimore Gas & Electric Co.	BBB+/Stable/A-2	Excellent	Significant
Central Maine Power Co.	BBB+/Stable/--	Excellent	Aggressive
Tampa Electric Co.	BBB+/Stable/A-2	Excellent	Significant
South Carolina Electric & Gas Co.	BBB+/Stable/A-2	Excellent	Aggressive
Oklahoma Gas & Electric Co.	BBB+/Stable/A-2	Excellent	Significant

## Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest

<b>U.S. Regulated Electric Utilities (cont.)</b>			
Southern California Edison Co.	BBB+/Stable/A-2	Excellent	Significant
New York State Electric & Gas Corp.	BBB+/Stable/--	Excellent	Significant
ITC Holdings Corp.	BBB+/Stable/--	Excellent	Aggressive
MidAmerican Energy Holdings Co.	BBB+/Stable/--	Excellent	Aggressive
TECO Energy Inc.	BBB+/Stable/--	Excellent	Significant
SCANA Corp.	BBB+/Stable/A-2	Excellent	Aggressive
CenterPoint Energy Houston Electric LLC	BBB+/Stable/--	Excellent	Aggressive
CenterPoint Energy Resources Corp.	BBB+/Stable/A-2	Excellent	Aggressive
CenterPoint Energy Inc.	BBB+/Stable/A-2	Excellent	Aggressive
PEPCO Holdings Inc.	BBB+/Stable/A-2	Excellent	Significant
Detroit Edison Co.	BBB+/Stable/A-2	Strong	Significant
DTE Energy Co.	BBB+/Stable/A-2	Strong	Significant
Montana-Dakota Utilities Co.	BBB+/Stable/--	Strong	Intermediate
OGE Energy Corp.	BBB+/Stable/A-2	Strong	Significant
ALLETE Inc.	BBB+/Stable/A-2	Strong	Significant
Public Service Electric & Gas Co.	BBB/Positive/A-2	Excellent	Significant
Arizona Public Service Co.	BBB/Positive/A-2	Excellent	Aggressive
Pinnacle West Capital Corp.	BBB/Positive/A-2	Excellent	Aggressive
Rochester Gas & Electric Corp.	BBB/Positive/--	Excellent	Aggressive
PECO Energy Co.	BBB/Stable/A-2	Excellent	Significant
Commonwealth Edison Co.	BBB/Stable/A-2	Excellent	Significant
Pacific Gas & Electric Co.	BBB/Stable/A-2	Strong	Significant
PG&E Corp.	BBB/Stable/--	Strong	Significant
PPL Electric Utilities Corp.	BBB/Stable/A-2	Excellent	Aggressive
AEP Texas Central Co.	BBB/Stable/--	Excellent	Aggressive
AEP Texas North Co.	BBB/Stable/--	Excellent	Aggressive
Westar Energy Inc.	BBB/Stable/A-2	Excellent	Aggressive
Kansas Gas & Electric Co.	BBB/Stable/--	Excellent	Aggressive
United Illuminating Co. (The)	BBB/Stable/--	Excellent	Aggressive
Columbus Southern Power Co.	BBB/Stable/--	Excellent	Aggressive
Ohio Power Co.	BBB/Stable/--	Excellent	Aggressive
Kentucky Utilities Co.	BBB/Stable/A-2	Excellent	Aggressive
Louisville Gas & Electric Co.	BBB/Stable/A-2	Excellent	Aggressive
LG&E and KU Energy LLC	BBB/Stable/--	Excellent	Aggressive
Appalachian Power Co.	BBB/Stable/--	Excellent	Aggressive
NorthWestern Corp.	BBB/Stable/A-2	Excellent	Aggressive
Green Mountain Power Corp.	BBB/Stable/--	Excellent	Aggressive
Kentucky Power Co.	BBB/Stable/--	Excellent	Aggressive
Public Service Co. of Oklahoma	BBB/Stable/--	Excellent	Aggressive
Southwestern Electric Power Co.	BBB/Stable/--	Excellent	Aggressive
Kansas City Power & Light Co.	BBB/Stable/A-2	Excellent	Aggressive
KCP&L Greater Missouri Operations Co.	BBB/Stable/A-2	Excellent	Aggressive
Great Plains Energy Inc.	BBB/Stable/A-2	Excellent	Aggressive

U.S. Regulated Electric Utilities (cont.)			
Cleco Power LLC	BBB/Stable/--	Excellent	Aggressive
Avista Corp.	BBB/Stable/A-2	Excellent	Aggressive
Idaho Power Co.	BBB/Stable/A-2	Excellent	Aggressive
IDACORP Inc.	BBB/Stable/A-2	Excellent	Aggressive
Puget Sound Energy Inc.	BBB/Stable/A-2	Excellent	Aggressive
PPL Corp.	BBB/Stable/--	Excellent	Aggressive
UHL Holdings Corp.	BBB/Stable/--	Excellent	Aggressive
American Electric Power Co. Inc.	BBB/Stable/A-2	Excellent	Aggressive
Cleco Corp.	BBB/Stable/--	Excellent	Aggressive
El Paso Electric Co.	BBB/Stable/--	Excellent	Aggressive
Portland General Electric Co.	BBB/Stable/A-2	Excellent	Aggressive
Indiana Michigan Power Co.	BBB/Stable/--	Strong	Aggressive
Entergy Gulf States Louisiana LLC	BBB/Negative/--	Excellent	Significant
Entergy Louisiana LLC	BBB/Negative/--	Excellent	Significant
Entergy Mississippi Inc.	BBB/Negative/--	Excellent	Significant
Entergy Arkansas Inc.	BBB/Negative/--	Excellent	Significant
Entergy Texas Inc.	BBB/Negative/--	Excellent	Significant
Entergy New Orleans Inc.	BBB/Negative/--	Excellent	Significant
System Energy Resources Inc.	BBB/Negative/--	Excellent	Significant
Entergy Corp.	BBB/Negative/--	Strong	Significant
Ameren Illinois Co.	BBB-/Positive/A-3	Excellent	Significant
Ameren Missouri	BBB-/Positive/A-3	Excellent	Significant
Ameren Corp.	BBB-/Positive/A-3	Strong	Significant
American Transmission Systems Inc.	BBB-/Stable/--	Excellent	Aggressive
Trans-Allegheny Interstate Line Co.	BBB-/Stable/--	Excellent	Aggressive
West Penn Power Co.	BBB-/Stable/--	Excellent	Aggressive
Pennsylvania Power Co.	BBB-/Stable/--	Excellent	Aggressive
Pennsylvania Electric Co.	BBB-/Stable/--	Excellent	Aggressive
Metropolitan Edison Co.	BBB-/Stable/--	Excellent	Aggressive
Jersey Central Power & Light Co.	BBB-/Stable/--	Excellent	Aggressive
Ohio Edison Co.	BBB-/Stable/A-3	Excellent	Aggressive
Cleveland Electric Illuminating Co.	BBB-/Stable/--	Excellent	Aggressive
Toledo Edison Co.	BBB-/Stable/--	Excellent	Aggressive
Potomac Edison Co.	BBB-/Stable/--	Excellent	Aggressive
Monongahela Power Co.	BBB-/Stable/--	Excellent	Aggressive
Duquesne Light Co.	BBB-/Stable/--	Excellent	Aggressive
Duquesne Light Holdings Inc.	BBB-/Stable/--	Excellent	Aggressive
Indianapolis Power & Light Co.	BBB-/Stable/--	Excellent	Highly leveraged
IPALCO Enterprises Inc.	BBB-/Stable/--	Excellent	Highly leveraged
Consumers Energy Co.	BBB-/Stable/--	Excellent	Aggressive
CMS Energy Corp.	BBB-/Stable/A-3	Excellent	Aggressive
Black Hills Power Inc.	BBB-/Stable/--	Excellent	Aggressive
Otter Tail Power Co.	BBB-/Stable/--	Excellent	Significant

## Issuer Ranking: U.S. Regulated Electric Utilities, Strongest To Weakest

<b>U.S. Regulated Electric Utilities (cont.)</b>			
Empire District Electric Co.	BBB-/Stable/A-3	Excellent	Aggressive
Northern Indiana Public Service Co.	BBB-/Stable/--	Excellent	Aggressive
Dayton Power & Light Co.	BBB-/Stable/--	Excellent	Aggressive
DPL Inc.	BBB-/Stable/--	Excellent	Aggressive
Hawaiian Electric Co. Inc.	BBB-/Stable/A-3	Strong	Aggressive
Edison International	BBB-/Stable/--	Strong	Aggressive
FirstEnergy Corp.	BBB-/Stable/--	Strong	Aggressive
Black Hills Corp.	BBB-/Stable/--	Strong	Aggressive
Hawaiian Electric Industries Inc.	BBB-/Stable/A-3	Strong	Aggressive
Ohio Valley Electric Corp.	BBB-/Stable/--	Strong	Aggressive
Otter Tail Corp.	BBB-/Stable/--	Satisfactory	Significant
Nevada Power Co.	BB+/Stable/--	Excellent	Highly leveraged
Sierra Pacific Power Co.	BB+/Stable/--	Excellent	Highly leveraged
NV Energy Inc.	BB+/Stable/--	Excellent	Highly leveraged
Puget Energy Inc.	BB+/Stable/--	Excellent	Aggressive
Tucson Electric Power Co.	BB+/Stable/B-2	Strong	Aggressive
Texas-New Mexico Power Co.	BB/Positive/--	Strong	Aggressive
Public Service Co. of New Mexico	BB/Positive/--	Strong	Aggressive
PNM Resources Inc.	BB/Positive/--	Strong	Aggressive

\*As of Jan. 4, 2012.

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## WorkSheet for 6 Month H-L Stock Price, Forward Dividend, Yield

<b>Stock Sym.</b>	<b>ED</b>		<b>D</b>		<b>XEL</b>		<b>NEE</b>			
<b>Date 2012</b>	<b>High</b>	<b>Low</b>	<b>High</b>	<b>Low</b>	<b>High</b>	<b>Low</b>	<b>High</b>	<b>Low</b>		
June	63.64	59.97	54.69	51.28	29.12	27.62	68.96	64.31		
May	60.65	58.35	52.74	51.57	28.12	26.75	66.00	62.62		
April	59.50	57.01	52.24	49.87	27.13	25.89	64.85	61.20		
Marc	59.50	56.99	51.47	50.13	27.25	25.92	61.21	59.19		
Feb	59.51	57.46	51.65	49.56	26.81	26.13	61.00	59.10		
Jan	62.26	57.59	53.68	48.87	27.93	26.16	61.16	58.57		
Avg	60.84	57.90	52.75	50.21	27.73	26.41	63.86	60.83		
Dividend	2.42		2.11		1.08		2.40			
Low g Adj Div Factor	1.016		1.026		1.021		1.026			
High g Adj Div Factor	1.018		1.027		1.025		1.030			
Low Div	2.459		2.165		1.103		2.472			
High Div	2.464		2.167		1.107		2.472			
Low Yield	4.041%		4.104%		3.977%		3.871%			
High Yield	4.255%		4.316%		4.191%		4.064%			
<b>Stock Sym.</b>	<b>SO</b>		<b>WEC</b>		<b>VVC</b>		<b>MGEE</b>		<b>TEG</b>	
<b>Date 2012</b>	<b>High</b>	<b>Low</b>								
June	48.45	45.62	40.00	37.46	30.17	28.67	47.82	44.38	57.55	53.41
May	46.30	44.95	37.97	36.14	29.77	28.38	46.49	44.29	55.15	52.83
April	46.00	44.22	36.84	34.54	29.60	28.03	46.01	43.10	54.70	50.89
March	45.50	43.71	35.35	33.72	29.75	28.60	45.93	43.03	54.30	51.61
Feb	45.68	43.85	35.05	33.91	29.88	28.29	46.67	43.86	54.88	51.95
Jan	46.06	44.33	35.35	33.62	30.69	28.21	47.23	43.59	54.73	50.80
Avg.	46.33	44.45	36.76	34.90	29.98	28.36	46.69	43.71	55.22	51.92
Dividend	1.96		1.20		1.40		1.53		2.72	
Low g Adj Div Factor	1.022		1.028		1.025		1.020		1.011	
High g Adj Div Factor	1.027		1.028		1.028		1.022		1.025	
Low Div	2.003		1.234		1.435		1.561		2.750	
High Div	2.013		1.234		1.439		1.564		2.788	
Low Yield	4.323%		3.356%		4.787%		3.342%		4.980%	
High Yield	4.529%		3.535%		5.074%		3.577%		5.370%	

## Worksheet for High and Low Growth Rate Adjustments for 12-Month Forward Dividend

<b>Company</b>	<b>IBES Growth</b>	<b>Adjusted Retention Growth</b>	<b>Low Growth</b>	<b>High Growth</b>	<b>Low g Dividend Adj Factor</b>	<b>High g Dividend Adj Factor</b>
		<b>(br+sv)</b>				
Con Edison	3.20%	3.60	3.20%	3.60%	1.016	1.018
Dominion Res.	5.40%	5.22	5.22%	5.40%	1.026	1.027
Xcel Energy	5.06%	4.28	4.28%	5.06%	1.021	1.025
NextEra Energy	5.24%	6.02	5.25%	6.02%	1.026	1.030
Southern Co.	5.40%	4.44	4.44%	5.40%	1.022	1.027
Wisconsin Engy.	5.50%	5.54	5.50%	5.54%	1.028	1.028
Vectren Corp.	5.00%	4.33	4.33%	5.00%	1.022	1.025
Madison G&E	4.00%	4.46	4.00%	4.46%	1.020	1.022
Integrus Energy	5.00%	2.18	2.18%	5.00%	1.011	1.025

## Worksheet for FERC SV Retention Growth Adjustment

Company	Common Shares O/S		5 year Increase Factor	Annual Change (1/5 root)	2015-17	2015-17	M/B Ratio	s	v	sv
	2011	2015-17			Mkt Price	BV				
Consolidated Edison	292.89	293.00	1.0004	0.01%	\$55.00	\$47.00	1.17	0.0001	0.1455	0.00
Dominion Resources	570.00	581.00	1.0193	0.38%	\$55.00	\$27.25	2.02	0.0076	0.5045	0.38
Xcel Energy	486.49	515.00	1.0586	1.15%	\$30.00	\$21.75	1.38	0.0158	0.2750	0.44
NextEra Energy	416.00	430.00	1.0337	0.67%	\$77.50	\$49.25	1.57	0.0105	0.3645	0.38
Southern Co.	865.13	940.00	1.0865	1.67%	\$45.00	\$26.25	1.71	0.0286	0.4167	1.19
Wisconsin Energy	230.49	223.00	NMD	0.00%	\$40.00	\$20.25	1.98	0.0000	0.4938	0.00
Vectren Corp.	81.90	88.00	1.0745	1.45%	\$37.50	\$21.00	1.79	0.0260	0.4400	1.14
Madison Gas & Elec.	23.11	23.50	1.0169	0.34%	\$47.50	\$30.65	1.55	0.0053	0.3547	0.18
Integrys Energy Grp.	77.91	77.90	1.0000	0.00%	\$52.50	\$43.75	1.20	0.0000	0.1667	0.00

Source: Value Line  
Investment Survey

## Worksheet for Retention Growth Estimate

Company	EPS		EPS 2015- 17	DPS		DPS 2015- 17	"b"		"b" 2015- 17	Avg. "b"	ROE		ROE 2015- 17	Avg. ROE "r"
	EPS 2012	EPS 2013		DPS 2012	DPS 2013		"b" 2012	"b" 2013			ROE 2012	ROE 2013		
Con Edison	\$3.70	\$3.85	\$4.25	\$2.42	\$2.44	\$2.50	0.35	0.37	0.43	0.38	9.50	9.50	9.50	9.50
Dominion Res.	\$3.15	\$3.30	\$4.00	\$2.11	\$2.24	\$2.60	0.33	0.32	0.35	0.33	14.50	14.50	14.50	14.50
Xcel Energy	\$1.75	\$1.85	\$2.25	\$1.06	\$1.11	\$1.35	0.39	0.40	0.40	0.40	9.50	9.50	10.00	9.67
NextEra Energy	\$4.65	\$4.80	\$6.00	\$2.40	\$2.60	\$3.20	0.48	0.46	0.47	0.47	12.00	11.50	12.50	12.00
Southern Co.	\$2.55	\$2.75	\$3.25	\$1.94	\$2.02	\$2.25	0.24	0.27	0.31	0.27	11.50	12.00	12.50	12.00
Wisconsin Engy.	\$2.25	\$2.40	\$2.75	\$1.20	\$1.36	\$1.80	0.47	0.43	0.35	0.42	12.50	13.50	14.00	13.33
Vectren Corp.	\$1.85	\$2.00	\$2.50	\$1.41	\$1.43	\$1.60	0.24	0.29	0.36	0.29	10.00	10.50	12.00	10.83
Madison G&E	\$2.60	\$2.72	\$3.15	\$1.55	\$1.62	\$1.84	0.40	0.40	0.42	0.41	10.50	10.50	10.50	10.50
Integrus Energy	\$3.05	\$3.70	\$4.25	\$2.72	\$2.72	\$2.80	0.11	0.26	0.34	0.24	8.00	9.50	10.00	9.17

Data Source: Value Line Investment Survey

## Worksheet for Retention Growth Rate and SV Adder

<b>Company</b>	<b>Avg. "b"</b>	<b>Avg. ROE "r"</b>	<b>Retention Growth</b>	<b>SV</b>	<b>br+sv Adj. Growth</b>
Consolidated Edison	0.38	9.50	3.60	0.00	3.60
Dominion Resources	0.33	14.50	4.84	0.38	5.22
Exel Energy	0.40	9.67	3.85	0.44	4.28
NextEra Energy	0.47	12.00	5.64	0.38	6.02
Southern Company	0.27	12.00	3.25	1.19	4.44
Wisconsin Energy	0.42	13.33	5.54	0.00	5.54
Vectren Corporation	0.29	10.83	3.19	1.14	4.33
Madison Gas & Elec.	0.41	10.50	4.28	0.18	4.46
Integrus Energy	0.24	9.17	2.18	0.00	2.18