

Standard & Poor's Public Utilities
Capitalization and Financial Statistics ⁽¹⁾
2001-2005, Inclusive

| | <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> | |
|--|-----------------------|--------------------|--------------------|--------------------|--------------------|----------------|
| | (Millions of Dollars) | | | | | |
| Amount of Capital Employed | | | | | | |
| Permanent Capital | \$ 14,644.5 | \$ 14,562.2 | \$ 14,658.8 | \$ 14,236.2 | \$ 13,783.4 | |
| Short-Term Debt | \$ 485.3 | \$ 278.7 | \$ 276.6 | \$ 952.3 | \$ 1,204.1 | |
| Total Capital | <u>\$ 15,129.8</u> | <u>\$ 14,840.9</u> | <u>\$ 14,935.4</u> | <u>\$ 15,188.5</u> | <u>\$ 14,987.5</u> | |
| Market-Based Financial Ratios | | | | | | <u>Average</u> |
| Price-Earnings Multiple | 18 x | 15 x | 13 x | 15 x | 17 x | 16 x |
| Market/Book Ratio | 195.5% | 180.1% | 149.0% | 151.3% | 183.6% | 171.9% |
| Dividend Yield | 3.7% | 3.8% | 4.2% | 5.0% | 4.1% | 4.2% |
| Dividend Payout Ratio | 58.9% | 73.3% | 59.9% | 75.3% | 64.1% | 66.3% |
| Capital Structure Ratios | | | | | | |
| Based on Permanent Capital: | | | | | | |
| Long-Term Debt | 56.6% | 58.3% | 59.8% | 60.4% | 58.9% | 58.8% |
| Preferred Stock | 1.2% | 1.5% | 1.6% | 1.8% | 2.3% | 1.7% |
| Common Equity ⁽²⁾ | <u>42.2%</u> | <u>40.2%</u> | <u>38.6%</u> | <u>37.8%</u> | <u>38.9%</u> | <u>39.5%</u> |
| | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> |
| Based on Total Capital: | | | | | | |
| Total Debt incl. Short Term | 58.5% | 59.7% | 61.3% | 63.5% | 62.9% | 61.2% |
| Preferred Stock | 1.2% | 1.5% | 1.6% | 1.6% | 2.1% | 1.6% |
| Common Equity ⁽²⁾ | <u>40.3%</u> | <u>38.8%</u> | <u>37.2%</u> | <u>34.9%</u> | <u>35.0%</u> | <u>37.2%</u> |
| | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> |
| Rate of Return on Book Common Equity ⁽²⁾ | 10.9% | 11.1% | 9.8% | 7.7% | 14.5% | 10.8% |
| Operating Ratio ⁽³⁾ | 83.0% | 84.5% | 84.9% | 84.5% | 85.9% | 84.6% |
| Coverage incl. AFUDC ⁽⁴⁾ | | | | | | |
| Pre-tax: All Interest Charges | 3.01 x | 2.88 x | 2.51 x | 2.36 x | 2.84 x | 2.72 x |
| Post-tax: All Interest Charges | 2.41 x | 2.32 x | 2.07 x | 1.95 x | 2.22 x | 2.19 x |
| Overall Coverage: All Int. & Pfd. Div. | 2.37 x | 2.28 x | 2.03 x | 1.90 x | 2.17 x | 2.15 x |
| Coverage excl. AFUDC ⁽⁴⁾ | | | | | | |
| Pre-tax: All Interest Charges | 2.97 x | 2.85 x | 2.47 x | 2.31 x | 2.80 x | 2.68 x |
| Post-tax: All Interest Charges | 2.37 x | 2.29 x | 2.03 x | 1.90 x | 2.18 x | 2.15 x |
| Overall Coverage: All Int. & Pfd. Div. | 2.34 x | 2.25 x | 1.99 x | 1.86 x | 2.13 x | 2.11 x |
| Quality of Earnings & Cash Flow | | | | | | |
| AFC/Income Avail. for Common Equity | 0.9% | 3.1% | 1.7% | 2.6% | 2.0% | 2.1% |
| Effective Income Tax Rate | 31.6% | 26.3% | 40.9% | 29.4% | 28.1% | 31.3% |
| Internal Cash Generation/Construction ⁽⁵⁾ | 110.4% | 127.2% | 128.0% | 90.6% | 88.6% | 109.0% |
| Gross Cash Flow/ Avg. Total Debt ⁽⁶⁾ | 19.7% | 19.7% | 20.3% | 18.2% | 17.7% | 19.1% |
| Gross Cash Flow Interest Coverage ⁽⁷⁾ | 4.20 x | 4.21 x | 4.34 x | 3.98 x | 3.57 x | 4.06 x |
| Common Dividend Coverage ⁽⁸⁾ | 4.12 x | 4.83 x | 5.20 x | 4.07 x | 3.83 x | 4.41 x |

See Page 2 for Notes.

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Notes:

- (1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.
- (2) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account.
- (3) Total operating expenses, maintenance, depreciation and taxes other than income taxes as a percent of operating revenues.
- (4) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
- (5) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends divided by gross construction expenditures.
- (6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) as a percentage of average total debt.
- (7) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) plus interest charges, divided by interest charges.
- (8) Common dividend coverage is the relationship of internally-generated funds from operations after payment of preferred stock dividends to common dividends paid.

Source of Information: Annual Reports to Shareholders
Utility COMPUSTAT

Standard & Poor's Public Utilities

Company Identities ⁽¹⁾

| | Ticker | Credit Rating ⁽²⁾ | | Common Stock Traded | S&P Stock Ranking | Value Line Beta |
|------------------------------|--------|------------------------------|-------------|---------------------------|-------------------------|-----------------------|
| | | Moody's | S&P | | | |
| Allegheny Energy | AYE | Baa3 | BB+ | NYSE | B- | 1.85 |
| Ameren Corporation | AEE | A2 | BBB+ | NYSE | A- | 0.75 |
| American Electric Power | AEP | Baa2 | BBB | NYSE | B | 1.20 |
| CMS Energy | CMS | Ba1 | BB | NYSE | C | 1.45 |
| CenterPoint Energy | CNP | Baa3 | BBB | NYSE | B | 0.65 |
| Consolidated Edison | ED | A1 | A | NYSE | B+ | 0.65 |
| Constellation Energy Group | CEG | A3 | BBB+ | NYSE | B | 0.95 |
| DTE Energy Co. | DTE | Baa1 | BBB | NYSE | B+ | 0.70 |
| Dominion Resources | D | Baa1 | BBB | NYSE | B+ | 0.95 |
| Duke Energy | DUK | Baa2 | BBB | NYSE | B+ | 1.20 |
| Edison Int'l | EIX | Baa1 | BBB+ | NYSE | B | 1.05 |
| Entergy Corp. | ETR | Baa2 | BBB | NYSE | B+ | 0.85 |
| Exelon Corp. | EXC | A3 | BBB+ | NYSE | B+ | 0.80 |
| FPL Group | FPL | A1 | A | NYSE | A- | 0.80 |
| FirstEnergy Corp. | FE | Baa2 | BBB | NYSE | B+ | 0.75 |
| Keyspan Energy | KSE | A3 | A | NYSE | B | 0.85 |
| NICOR Inc. | GAS | A1 | AA | NYSE | B | 1.15 |
| NiSource Inc. | NI | Baa2 | BBB | NYSE | B | 0.80 |
| PG&E Corp. | PCG | Baa1 | BBB | NYSE | B | 1.10 |
| PPL Corp. | PPL | Baa1 | A- | NYSE | B | 1.00 |
| Peoples Energy | PGL | A1 | A- | NYSE | B | 0.85 |
| Pinnacle West Capital | PNW | Baa2 | BBB- | NYSE | A- | 0.90 |
| Progress Energy, Inc. | PGN | Baa1 | BBB | NYSE | B+ | 0.80 |
| Public Serv. Enterprise Inc. | PEG | Baa1 | BBB | NYSE | B+ | 0.90 |
| Sempra Energy | SRE | A2 | A | NYSE | B | 1.00 |
| Southern Co. | SO | A2 | A | NYSE | A- | 0.65 |
| TECO Energy | TE | Baa2 | BBB- | NYSE | B- | 1.00 |
| TXU CORP | TXU | Baa3 | BBB- | NYSE | B | 1.05 |
| Xcel Energy Inc | XEL | A3 | BBB+ | NYSE | B | 0.80 |
| Average for S&P Utilities | | <u>Baa1</u> | <u>BBB+</u> | | <u>B</u> | <u>0.95</u> |

Note: ⁽¹⁾ Includes companies contained in S&P Utility Compustat. AES Corp. and Dynegy, Inc. are not included.

⁽²⁾ Ratings are those of utility subsidiaries

Source of Information: Moody's Investors Service
Standard & Poor's Corporation
Standard & Poor's Stock Guide
Value Line Investment Survey for Windows