

Capitalization Rate Study

Centrally Assessed Properties
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Montana Department of Revenue

2008 Capitalization Rate Study
Business Tax & Valuation Bureau
Centrally Assessed Properties

Dan Bucks
Director



Brian Schweitzer
Governor

METHODOLOGY

The Business Tax and Valuation Bureau develops a capitalization rate for each centrally assessed utility industry group using the band-of-investment technique. The typical industry rate for each source of capital (common equity and debt) is weighted according to its proportion in the typical market capital structure for each industry to derive a weighted average direct capitalization rate for the specific industry. The rate for each of the sources of capital is taken from directly observed information in the market.

For a company in a given industry, the capitalization rate for its industry is applied directly to an estimate of the company's typical net utility operating income to derive an income indicator of value for the company.

COMPARABLE COMPANIES

The companies used as comparables are taken from the appropriate industry group in the Value Line Investment Survey.

THE RATE FOR COMMON EQUITY

Under direct capitalization, the measure of the rate for common equity is the Earnings/Price (E/P) ratio. The E/P ratio is the annual earnings (net operating income) per share of common stock divided by the average market price per share for common stock.



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For each of the companies included in the equity portion of the industry capitalization rate data set, the Bureau calculates several different measures of the E/P ratio, and then calculates an industry (simple) average for each of these measures:

- | | |
|----------------------------|--|
| E/P (Yahoo) | The previous calendar year's earnings per share reported on Yahoo Finance's website is divided by the average of the previous calendar year's monthly high and low price (January through December) reported by Yahoo Finance. |
| E/P (VL) | The previous calendar year's earnings per share reported in the Value Line Investment Survey is divided by the average of the previous calendar year's monthly high and low price (January through December) reported by Yahoo Finance. |
| Inverse of P/E (Yahoo) | This is calculated by dividing 1 by the Price/Earnings (P/E) ratio reported by Yahoo Finance for end of the previous calendar year. |
| Inverse of P/E (VL) | This is calculated by dividing 1 by the P/E ratio reported in the Value Line Investment Survey for end of the previous calendar year. |
| Inverse of MEDIAN P/E (VL) | This is calculated by dividing 1 by the MEDIAN Price/Earnings ratio reported in the Value Line Investment Survey for end of the previous calendar year. Value Line derives the MEDIAN P/E ratio by calculating the average of a company's last 10 years P/E ratios after deleting the 2 highest and 2 lowest values. |



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THE RATE FOR PREFERRED STOCK

The measure of the rate for preferred stock is a percent dividend yield.

The Business Tax and Valuation Bureau does not calculate an annual (simple) average of the monthly percent yields for all preferred stock issues as a separate rate used in the band of investment. Instead, the preferred stock is included in the debt portion of the capital structure.

THE RATE FOR DEBT

The measure of the rate for debt used in the direct capitalization rate and yield rate is yield to maturity. The yield to maturity is the interest rate that equates the present value of a bond's cash flow to its current price (expressed as a percent). Yield to maturity assumes that the bond will be held to maturity. If the bond is not held until maturity, or if the interim cash flows are reinvested at a rate that differs from the yield to maturity, an investor's actual yield will differ from the yield to maturity. The yield to maturity calculation equates a bond's cash flows to its current price; this yield calculation considers both coupon and income and any capital gain or loss the investor will realize by holding the bond to maturity.

Although valuation theory typically requires the use of current yields (the annual coupon rate divided by price) for direct capitalization and the use of yield to maturity for yield capitalization, the two rates will generally not vary significantly for seasoned issues (except under certain circumstances) and they will be the same for new issues. Therefore, for consistency the Department has chosen to use the same cost of debt for both direct capitalization and yield capitalization. This may have a minor effect on the overall rates but using the same rate for direct capitalization and the yield capitalization rates is consistent with the assumption that the prospective buyers would finance the hypothetical sale with new debt securities.



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Yield to Maturity

For each of the companies included in the embedded debt portion of the industry capitalization rate data set, the bureau calculates an annual (simple) average of the monthly yield to maturities for all debt issues listed in the Standard & Poor's Bond Guide. These average yields are then used to calculate an industry (simple) average.

DIRECT CAPITALIZATION of "GROSS" CASH FLOW

The Business Tax and Valuation Bureau develops another direct capitalization rate for each centrally assessed utility industry group. This direct capitalization rate is calculated like the rate for capitalizing net operating income. The only difference is that the rate for common equity is "gross" cash flow per share divided by price per share.

"Gross" cash flow is defined as net utility operating income plus depreciation and amortization expense minus preferred stock dividends.

For a company in a given industry, the capitalization rate for its industry is applied directly to an estimate of the company's typical "gross" cash flow to derive an income indicator of value for the company.

The use of the "gross" cash flow capitalization model is less common than the traditional net operating income capitalization model. The "gross" cash flow model can be valuable in developing an income indicator of value for industries or companies that have been experiencing net operating losses, or in cases where book depreciation does not reflect economic depreciation.



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YIELD CAPITALIZATION of PROJECTED FUTURE (NET) CASH FLOWS

The Business Tax and Valuation Bureau also develops a yield capitalization rate for each centrally assessed utility industry group. Yield capitalization is fundamentally different from direct capitalization, both in the rates developed for each source of capital (common equity and debt), and the level and nature of income that the capitalization rate is applied to.

The rate for each source of capital is the "cost of capital" for each industry group. The cost of debt is the yield to maturity for debt derived from the set of comparable companies for each industry group. The cost of equity capital is calculated using several methods, including the DCF (discounted cash flow) model, the ERP (equity risk premium model), the CAPM (capital asset pricing model) or a combination thereof depending on the quantity and quality of available data.

The correct application of a yield capitalization rate is to use the rate for the industry to discount a stream of estimated future (net) cash flows for a company to present value.

It is important to note that the cash flow used in yield capitalization is "true", "net" or "free" cash flow and not the "gross" cash flow used in the Department's direct "gross" cash flow indicator.

The development of a valid future cash flow stream requires considerable time and effort. Most companies choose not to spend the time and effort to develop this future cash flow stream. Therefore, in the event a company does not provide a future cash flow stream as requested in the Annual Reporting Forms, the Department normalizes "net" historical cash flows to determine a cash flow stream. The yield capitalization rate for specific industries is applied directly to this derived cash flow stream.

Properly developed and applied, yield capitalization and direct capitalization usually result in similar indicators of value.



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The Centrally Assessed Property Appraisers, of the Business Tax & Valuation Bureau of the Montana Department of Revenue, produced this study. The team members include:

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Angie Haller	Eileen Taylor
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MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study
Industry: Scheduled Passenger Airlines
 2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

All	Median
16.78%	8.70% Yahoo
9.21%	7.88% Value Line
13.00%	8.29% Average
Inverse of P/E Ratios:	
19.31%	9.08% Yahoo
14.34%	10.03% Value Line
16.82%	9.56% Average of Inverse of the P/E
14.34%	10.03% Inverse of median P/E, Value Line
14.91%	8.93% Average of all above except median P/E
Mean =	14.80%
Median =	9.08%

Equity Measure NUOI = **13.50%**

Debt Measure Calculated:

	Annual	4th Qtr
14.34%	15.81% All	
6.02%	5.81% BBB & Above	
6.01%	5.78% BBB's	
Mean =	10.18%	10.81%
Median =	10.18%	10.81%
Debt Measure =	11.00%	

Gross Cash Flow / Price:

All	Median
23.36%	25.95% Value Line
Equity Measure Gross =	24.00%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate

Equity	40.00%	x	13.50%	=	5.40%
Debt	60.00%	x	11.00%	=	6.60%
	100%				12.00%
			Direct Cap Rate NUOI	=	12.00%

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MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study
Industry: Scheduled Freight Airlines
 2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

All	Median
14.38%	10.89% Yahoo
8.70%	6.47% Value Line
11.54%	8.68% Average

Debt Measure Calculated:

Annual	4th Qtr
14.34%	15.81% All
6.02%	5.81% BBB & Above
6.01%	5.78% BBB's
10.18%	10.81%
10.18%	10.81%

Inverse of P/E Ratios:

16.79%	11.44% Yahoo	Debt Measure =	11.00%
6.92%	6.84% Value Line		
11.86%	9.14% Average of Inverse of the P/E		
5.72%	5.72% Inverse of median P/E, V. L.		
11.70%	8.91% Average of all above except median P/E		
Mean =	10.50%	8.27%	
Median =	8.70%	6.84%	

Equity Measure NUOI = **8.00%**

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate				
Equity	95.00%	x	8.00%	= 7.60%
Debt	5.00%	x	11.00%	= 0.55%
	100%			8.15%
Direct Cap Rate NUOI				= 8.25%

Gross Cash Flow / Price:

All	Median
10.28%	10.25% Value Line
Equity Measure Gross =	11.00%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)				
Equity	95.00%	x	11.00%	= 10.45%
Debt	5.00%	x	11.00%	= 0.55%
	100%			11.00%
Direct Cap Rate GCF				= 11.00%

MONTANA DEPARTMENT OF REVENUE

Yield Capitalization Rate Study
Industry: Scheduled Airlines
2008 Assessment Year

Dividend Growth Model	Passenger	Freight			
	nmf	10.30%			
Capital Asset Pricing Model	13.83%	10.29%			
Mean =	13.83%	10.30%			
Median =	13.83%	10.30%			
Equity Measure FCF =	14.50%	10.20%			
Debt Measure Calculated =					
Passenger		11.00%			
Freight		11.00%			
Yield Cap Rate Free Cash Flow - Passenger					
Equity	40.00%	x	14.50%	=	5.80%
Debt	60.00%	x	11.00%	=	6.60%
	100%				12.40%
Weighted Average Cost of Capital (WACC) =		12.50%			
Yield Cap Rate Free Cash Flow - Freight					
Equity	95.00%	x	10.20%	=	9.69%
Debt	5.00%	x	11.00%	=	0.55%
	100%				10.24%
Weighted Average Cost of Capital (WACC) =		10.25%			
Where Assumed Growth Rate = Inflation <i>see appendix for calculation</i>	Growth =	2.44%			

MONTANA DEPARTMENT OF REVENUE

Support for industry Capital Structure from Value Line and Yahoo Finance

Industry: Airlines

2008 Assessment Year

A COMPANY	B TICKER SYMBOL	C (VL) FIN STR	D VL SHARES (000)	E (YAHOO) AVG PRICE COMMON 4th Qtr	F (VL) BOOK VALUE PER SHARE	G MKT VALUE COMMON (000) DxE	H (VL) BOOK VALUE COMMON (000) DxF	I (VL) BOOK VALUE PREFERRED (000)	J (VL) BOOK VALUE DEBT (000)	K MKT/BOOK ratio for DEBT
AirTran Hdgs	AAI	B	91,200	9.01	4.20	821,256	383,040		724,300	1.0
Alaska Air	ALK	C++	40,300	24.94	21.98	1,004,948	885,794		1,031,700	1.0
AMR Corp	AMR	C+	222,200	21.21	(2.73)	4,712,862	(506,606)		12,041,000	1.0
Conti Airlines'B'	CAL	C++	91,800	30.01	3.78	2,754,765	347,004		4,859,000	1.0
Delta Air Lines	DAL	C++	197,300,000	18.367	(58.88)	3,623,743	(13,590,024)		6,509,000	1.0
ExpressJet Holdings	XJT	C++	54,200	2.89	5.62	156,819	304,604		150,200	1.0
Frontier Airlines	FRNT	C+	36,600	6.27	5.72	229,543	209,352		451,900	1.0
Great Lakes Aviation	GLUX		14,100	2.27	(0.20)	32,031	(2,220)		67,900	1.0
JetBlue Airways	JBLU	C++	177,600	8.23	5.36	1,461,056	951,936		2,626,000	1.0
MAIR Holdings	MAIR	B+	15,000,000	5.22	4.480	78,250,000	67,200		500,000	1.0
Mesa Air Group	MESA	C+	33,900	4.25	7.79	143,906	264,081		542,600	1.0
Northwest Airlines	NWA		87,400	16.01	(91.48)	1,399,420	(7,995,352)	277,000	8,693,000	1.0
SkyWest Inc	SKYW	B	64,000	26.54	18.42	1,698,773	1,178,880		1,675,600	1.0
Southwest Airlines	LUV	B+	783,300	13.84	8.23	10,836,956	6,446,559		1,567,000	1.0
UAL Corp	UAUA	C++	112,300	43.13	19.13	4,843,312	2,148,299		8,803,000	1.0
Atlas Air Worldwide	AAWW	B	20,600	54.62	22.94	1,125,241	472,564		398,900	1.0
ABX Air Inc	ABXA	B	58,500	5.45	2.05	318,825	119,925		189,100	1.0
AirNet Systems	ANS	B	10,200	2.07	3.35	21,114	34,170		6,000	1.0
FedEx Corp	FDX	B++	308,000	99.28	41.09	30,577,727	12,655,720		2,007,000	1.0
United Parcel'B'	UPS	A	1,070,000	73.82	14.47	78,989,183	15,482,900		3,133,000	1.0

SUMS & AVERAGES

ALL		144,829,728	41,952,028	277,000	55,476,700
PASSENGER AIRLINES		33,797,638	13,186,749	277,000	49,742,700
MEDIAN OF PASSENGER AIRLINES		1,399,420	383,040	277,000	1,567,000
FREIGHT CARRIERS		111,032,090	28,765,279		5,734,000
MEDIAN OF FREIGHT CARRIERS		1,125,241	472,564		398,900

INDUSTRY MARKET STRUCTURE:

ALL	Passenger Airlines			Freight	
EQUITY	72.00%	144,829,728	40.00%	\$33,797,638	95.00%
DEBT	28.00%	55,753,700	60.00%	50,019,700	5.00%
TOTAL		200,583,428		\$83,817,338	116,766,090

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure from Value Line and Yahoo Finance

Industry: Airlines

2008 Assessment Year

A COMPANY	B TICKER SYMBOL	L MKT VALUE PREFERRED & DEBT	M EPS (YAHOO)	N E/P (YAHOO)	O EPS (VL)	P E/P (VL)	Q CF/S (VL)	R CF/P (VL)	S P/E (YAHOO)	T Inverse of P/E (YAHOO)	U P/E (VL)	V Inverse of P/E (VL)	W Median P/E (VL)	X Inv of Median P/E (VL)	Y ValueLine Beta	Z S&P Beta	
			M/E		O/E				1/S		1/U						
AirTran Holdings	AAI	724,300	0.55	6.11%	0.71	7.88%	1.25	13.88%	13.02	7.68%	9.97	10.03%			1.45	0.6544	
Alaska Air	ALK	1,031,700	2.70	10.83%	2.60	10.43%	6.90	27.67%	9.00	11.11%	8.10	12.35%			1.35	1.4007	
AMR Corp	AMR	12,041,000	2.10	9.90%	2.20	10.37%	7.20	33.95%	6.44	15.53%	5.57	17.95%			2.55	5.4695	
Contl Airlines'B'	CAL	4,859,000	4.23	14.10%	4.25	14.16%	9.40	31.32%	4.95	20.20%	5.95	16.81%			2.25	4.0555	
Delta Air Lines	DAL	6,509,000	(1.07)	-5.83%	1.30	7.08%	5.650	30.76%			10.51	9.51%					
ExpressJet Holdings	XJT	150,200	(0.28)	-9.50%	(1.06)	-36.64%									1.50	2.1409	
Frontier Airlines	FRNT	451,900	(9.27)	-4.31%											1.55	2.5765	
Great Lakes Aviation	GLUX	67,900	1.15	50.62%	0.66	29.05%				2.00	50.00%	2.00	50.00%		0.60	-1.158	
JetBlue Airways	JBLU	2,626,000	0.21	2.55%	0.10	1.22%	1.20	14.59%	26.87	3.72%	45.70	2.19%			0.95	0.7843	
MAIR Holdings	MAIR	500,000	0.09	1.73%	0.200	3.83%			51.32	1.95%				24.00	4.17%	0.85	
Mesa Air Group	MESA	542,600	(0.24)	-5.65%	(0.26)	-6.12%								25.00	4.00%	1.20	0.5182
Northwest Airlines	NWA	8,970,000	10.83	67.64%	(1.69)	-10.55%				1.28	78.13%						
SkyWest Inc	SKYW	1,675,600	2.31	8.70%	2.47	9.31%			11.41	8.76%				13.00	7.69%	1.30	1.8826
Southwest Airlines	LUV	1,567,000	0.75	5.42%	0.63	4.55%	1.45	10.48%	16.11	6.21%	18.63	5.37%	26.00	3.85%	0.95	0.3866	
UAL Corp	UAUA	8,803,000	2.990	6.93%	1.500	3.48%	10.45	24.23%	11.01	9.08%	20.58	4.86%					
Atlas Air Worldwide	AAWW	398,900	5.95	10.89%	4.01	7.34%	5.6	10.25%	8.74	11.44%	14.62	6.84%			1.00	1.1728	
ABX Air Inc	ABXA	189,100	1.37	25.14%	0.31	5.69%			2.97	33.67%				17.00	5.88%	0.80	2.4052
AirNet Systems	ANS	6,000	0.50	24.15%	0.38	18.36%			3.88	25.77%				18.00	5.56%	1.05	1.0811
FedEx Corp	FDX	2,007,000	6.43	6.48%	6.42	6.47%	12.72	12.81%	13.39	7.47%	12.81	7.81%					
United Parcel'B'	UPS	3,133,000	3.88	5.26%	4.15	5.62%	5.75	7.79%	17.80	5.62%	16.34	6.12%			0.80	0.7946	

SUMS & AVERAGES

ALL	55,753,700	16	16.03%	17	9.05%	11	19.79%	16	18.52%	12	12.49%	6	5.19%	1.25	1.61
PASSENGER AIRLINES	50,019,700	11	16.78%	12	9.21%	7	23.36%	11	19.31%	9	14.34%	4	4.93%	1.38	1.71
MEDIAN OF PASSENGER AIRLINES	1,567,000	11	8.70%	12	7.88%	8	25.95%	11	9.08%	9	10.03%	4	4.08%	1.33	1.62
FREIGHT CARRIERS	5,734,000	5	14.38%	5	8.70%	3	10.28%	5	16.79%	3	6.92%	2	5.72%	0.91	1.30
MEDIAN OF FREIGHT CARRIERS	398,900	5	10.89%	5	6.47%	3	10.25%	5	11.44%	3	6.84%	2	5.72%	0.90	1.00

FOREIGN CARRIERS -British Air, World Air Holdings, WestJet Airelines Ltd.

* All Negative values left out of calculations

Overall Industry Beta: 1.25
 Passenger Beta: 1.40
 Freight Beta: 0.90

MONTANA DEPARTMENT OF REVENUE

Dividend Growth Model

Industry: Airlines

2008 Assessment Year

$$K_E = D_1 / P_0 + G_A$$

KE= Cost of Equity

D1= Expected Dividends

P0= Current Price Per Share

G= Sustainable Growth

Company Name	Ticker	Stock Price (P0)	Expected Dividend 1 Year	Dividend Yield (D1/P0)	Dividend Growth (G1)	Ke 1 Year
AirTran Hldgs	AAI	9.01	nil		nil	
Alaska Air	ALK	24.94	nil		nil	
AMR Corp	AMR	21.21	nil		nmf	
Contl Airlines'B'	CAL	30.01	nil		nil	
ExpressJet Holdings	XJT	2.89	na		na	
Frontier Airlines	FRNT	6.27	na		na	
Great Lakes Aviation	GLUX	2.27	na		na	
JetBlue Airways	JBLU	8.23	nil		nil	
Mesa Air Group	MESA	4.25	na		na	
SkyWest Inc	SKYW	26.54	na		na	
Southwest Airlines	LUV	13.84	0.02	0.14%	6.00%	6.14%
Delta Air Lines	DAL	18.37	nil		nmf	
MAIR Holdings	MAIR	5.22	na		na	
Northwest Airlines	NWA	16.01	na		na	
UAL Corp	UAUA	43.13	nil		nil	
Atlas Air Worldwide	AAWW	54.62	nil		nil	
ABX Air Inc	ABXA	5.45	na		na	
AirNet Systems	ANS	2.07	na		na	
FedEx Corp	FDX	99.28	0.41	0.41%	10.00%	10.41%
United Parcel'B'	UPS	73.82	1.76	2.38%	8.00%	10.38%

Mean 8.98%
Median 10.38%

Cost of Equity - Domestic

K_E = **nmf**

Cost of Equity for - Freight

K_E = **10.30%**

MONTANA DEPARTMENT OF REVENUE

Capital Asset Pricing Model
Industry: Airlines
 2008 Assessment Year

$$K_E = R_f + \beta (R_M - R_f)$$

	Passenger	Freight
K_E = Cost of Equity	13.83%	10.29%
R_f = Risk Free Rate	3.92%	3.92%
β = Beta	1.40	0.90
R_M = Market Rate of Return	11.00%	11.00%
R_p = Equity Risk Premium ($R_M - R_f$)	7.08%	7.08%

R_m = Investor's Market Rate of Return

Ibbotson, SBBI, Large Company, Average Annual Return, *Arithmetic Average, Ex Post
 Ibbotson, SBBI, Large Company, Average Annual Return, *Geometric Average, Ex Post
 3 Stage Dividend Growth Model, S & P 500, Ex Ante

R_M =	12.30%
R_M =	10.40%
R_M =	10.00%

Mean =	10.90%
Median =	10.40%
R_M =	11.00%

R_f = Risk Free Rate

Internal Revenue Service, Rev Rule 2007-70 Table 2 December 2007
Rev Rule 2007-70 Table 2, 2007

<u>Annual Rates</u>	<u>Short Term - AFR</u>	R_f =	3.40%
	<u>Mid Term - AFR</u>	R_f =	3.67%
	<u>Long Term - AFR</u>	R_f =	4.34%

The ValueLine Investment Survey

U.S. Treasury Securities December 28 2007

<u>3 Month</u>	R_f =	2.89%
<u>6 Month</u>	R_f =	3.31%
<u>1 Year</u>	R_f =	3.31%

Federal Reserve Statistical Release

Treasury constant Maturities, 2007

Market yield on U.S. Treasury securities, Annual Averages

<u>3-month constant maturity, quoted on investment basis</u>	R_f =	4.48%
<u>6-month constant maturity, quoted on investment basis</u>	R_f =	4.62%
<u>1-year constant maturity, quoted on investment basis</u>	R_f =	4.53%

U.S. Treasury Securities Long-Term December 31, 2007

<u>30 year constant maturity</u>	R_f = 4.45%	Mean =	3.84%
<u>20 year constant maturity</u>	R_f = 4.50%	Median =	3.67%
		Weighted Mean =	3.92%

R_f = **4.50%**

MONTANA DEPARTMENT OF REVENUE																		
Historical Stock Price Analysis From YAHOO Finance																		
Industry: Airlines																		
2008 Assessment Year																		
Ticker	Company		Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	4th Qtr Average	Annual Average	Yahoo P-E	EPS 1st 12 mo
AAI	AirTran Hldgs	high low	\$13.09 \$10.64	\$11.93 \$10.29	\$11.09 \$9.69	\$12.10 \$10.18	\$12.65 \$10.75	\$12.50 \$10.52	\$11.50 \$9.65	\$11.17 \$9.00	\$10.90 \$9.77	\$10.85 \$9.06	\$10.27 \$7.95	\$8.77 \$7.13	\$9.01	\$10.48	13.02	0.55
ALK	Alaska Air	high low	\$44.52 \$39.57	\$44.50 \$40.06	\$41.17 \$36.56	\$38.99 \$29.51	\$30.72 \$27.16	\$29.30 \$25.90	\$29.09 \$23.26	\$26.22 \$21.50	\$26.00 \$22.60	\$27.89 \$23.09	\$25.77 \$21.15	\$28.00 \$23.72	\$24.94	\$30.26	9.00	2.70
AMR	AMR Corp	high low	\$41.00 \$30.65	\$39.87 \$33.28	\$34.69 \$29.68	\$34.00 \$25.99	\$28.87 \$25.25	\$28.74 \$24.88	\$29.32 \$24.49	\$25.68 \$20.30	\$25.48 \$20.28	\$26.00 \$22.50	\$24.83 \$19.00	\$21.28 \$13.65	\$21.21	\$27.07	6.44	2.10
AAWW	Atlas Air Worldwide	high low	\$48.16 \$43.69	\$50.80 \$48.05	\$54.69 \$46.27	\$60.05 \$52.73	\$60.94 \$56.37	\$59.96 \$56.10	\$61.08 \$53.22	\$56.27 \$48.34	\$55.90 \$48.89	\$58.68 \$51.18	\$58.68 \$51.32	\$55.99 \$51.89	\$54.62	\$53.72	8.74	5.95
BAIRY.PK	British Airways ADR	high low	\$109.54 \$102.80	\$114.67 \$101.82	\$104.59 \$94.85	\$104.14 \$97.75	\$104.14 \$89.25	\$93.30 \$83.10	\$90.00 \$77.25	\$86.59 \$73.65	\$87.60 \$73.44	\$93.10 \$79.60	\$91.50 \$64.09	\$71.60 \$60.61	\$76.75	\$89.54		
CAL	Contl Airlines'B'	high low	\$52.40 \$40.44	\$46.23 \$38.26	\$41.35 \$35.22	\$44.10 \$35.31	\$40.91 \$34.81	\$40.54 \$32.00	\$38.79 \$31.40	\$33.50 \$26.21	\$36.00 \$30.11	\$37.79 \$32.58	\$34.10 \$25.18	\$28.81 \$21.59	\$30.01	\$35.73	4.95	4.23
DAL	Delta Air Lines	high low	Emerged from Bankruptcy in May				\$21.95 \$18.02	\$19.89 \$18.02	\$21.80 \$17.32	\$19.50 \$14.94	\$18.34 \$15.90	\$21.05 \$17.81	\$21.10 \$16.20	\$20.00 \$14.04	\$18.37	\$17.40	NA	(1.07)
FRNT	Frontier Airlines	high low	\$8.07 \$6.97	\$7.74 \$6.65	\$6.80 \$5.90	\$6.37 \$5.90	\$6.75 \$6.00	\$6.27 \$5.51	\$6.06 \$5.15	\$6.17 \$4.51	\$6.32 \$5.48	\$7.46 \$6.12	\$7.13 \$5.56	\$6.16 \$5.20	\$6.27	\$6.26	NA	(0.27)
GLUX.OB GLUX	Great Lakes Aviation ticker change	high low	\$3.50 \$2.25	\$3.40 \$2.15	\$2.80 \$2.20	\$3.20 \$2.30	\$2.85 \$2.44	\$2.80 \$2.25	\$2.75 \$2.20	\$2.75 \$2.46	\$3.00 \$2.45	\$2.60 \$2.30	\$2.45 \$2.00	\$2.30 \$1.98	\$2.27	\$2.56	2.00	1.15
JBLU	JetBlue Airways	high low	\$17.02 \$13.48	\$14.02 \$12.07	\$12.42 \$11.33	\$12.08 \$9.85	\$11.21 \$9.72	\$11.91 \$10.05	\$11.99 \$9.77	\$10.37 \$8.53	\$9.94 \$8.97	\$9.98 \$8.97	\$9.11 \$6.57	\$8.83 \$5.90	\$8.23	\$10.59	26.87	0.21
MESA	Mesa Air Group	high low	\$8.82 \$7.35	\$8.09 \$7.49	\$8.36 \$7.26	\$8.02 \$6.62	\$7.11 \$6.51	\$7.18 \$6.54	\$7.25 \$6.31	\$6.87 \$4.39	\$5.69 \$4.38	\$5.38 \$4.34	\$4.77 \$3.10	\$4.85 \$3.03	\$4.25	\$6.24	NA	(0.24)
MAIR	MAIR Holdings	high low	\$7.85 \$7.14	\$7.49 \$6.80	\$7.04 \$6.50	\$7.45 \$6.30	\$7.00 \$6.20	\$6.93 \$6.30	\$6.70 \$6.15	\$6.64 \$6.10	\$6.62 \$5.87	\$6.10 \$5.01	\$5.28 \$4.79	\$5.88 \$4.24	\$5.22	\$6.35	51.32	0.09
MEH	Midwest Air Group	high low	\$14.15 \$11.13	\$14.11 \$12.03	\$13.54 \$10.99	\$14.75 \$11.50	\$15.74 \$13.20	\$15.30 \$13.96	\$15.30 \$12.43	\$16.23 \$13.41	\$16.48 \$16.08	\$16.47 \$15.80	\$16.26 \$15.10	\$15.65 \$13.60	\$15.48	\$14.30	30.25	0.49
NWA	Northwest Airlines	high low	\$0.00 \$0.00	\$0.00 \$0.00	\$0.00 \$0.00	\$25.50 \$24.71	\$26.50 \$21.00	\$24.25 \$17.21	\$20.74 \$14.00	\$19.15 \$15.93	\$20.63 \$17.10	\$21.00 \$15.30	\$18.85 \$13.91	\$14.73 \$12.28	\$16.01	\$14.28	1.28	10.83
SKYW	SkyWest Inc ticker change	high low	\$28.49 \$25.63	\$27.73 \$25.25	\$27.67 \$24.70	\$28.60 \$26.48	\$27.79 \$25.44	\$27.95 \$23.69	\$24.66 \$21.77	\$25.46 \$21.27	\$25.58 \$22.95	\$27.49 \$25.07	\$29.50 \$23.44	\$28.05 \$25.71	\$26.54	\$25.85	11.41	2.31
LUV	Southwest Airlines	high low	\$16.58 \$14.95	\$16.14 \$15.00	\$15.59 \$14.50	\$15.90 \$14.21	\$14.82 \$14.14	\$15.15 \$14.03	\$16.57 \$14.84	\$16.96 \$14.66	\$15.41 \$14.21	\$15.06 \$13.70	\$14.80 \$12.89	\$14.44 \$12.12	\$13.84	\$14.86	16.11	0.75
ABXA	ABX Air Inc	high low	\$7.04 \$6.47	\$7.95 \$6.74	\$7.76 \$6.78	\$7.13 \$6.44	\$6.83 \$6.23	\$8.56 \$6.00	\$8.36 \$7.19	\$7.69 \$6.51	\$7.24 \$6.53	\$7.39 \$6.26	\$6.39 \$3.45	\$5.14 \$4.07	\$5.45	\$6.67	2.97	1.37
ANS	AirNet Systems	high low	\$3.47 \$2.85	\$3.45 \$3.14	\$3.43 \$3.11	\$3.69 \$3.31	\$3.64 \$3.48	\$3.58 \$3.21	\$3.45 \$3.24	\$3.44 \$2.48	\$2.90 \$2.42	\$2.54 \$2.19	\$2.31 \$1.77	\$1.96 \$1.65	\$2.07	\$2.95	3.88	0.50
AIRT	Air T	high low	\$9.29 \$8.70	\$9.31 \$7.65	\$8.04 \$7.52	\$8.10 \$7.84	\$8.88 \$7.70	\$11.40 \$7.99	\$10.65 \$9.55	\$10.00 \$7.95	\$10.25 \$8.88	\$10.49 \$9.50	\$10.05 \$8.39	\$9.58 \$8.74	\$9.46	\$9.02	9.00	1.00

MONTANA DEPARTMENT OF REVENUE

Historical Stock Price Analysis From YAHOO Finance
Industry: Airlines
2008 Assessment Year

Ticker	Company		Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	4th Qtr Average	Annual Average	Yahoo P-E	EPS 1st 12 mo
FDX	FedEx Corp	high low	\$112.90 \$106.63	\$121.42 \$110.30	\$116.76 \$106.29	\$110.36 \$105.15	\$111.67 \$104.01	\$113.28 \$107.05	\$119.10 \$108.81	\$112.54 \$99.30	\$111.29 \$102.05	\$108.14 \$101.89	\$104.00 \$91.10	\$101.53 \$89.01	\$99.28	\$107.27	13.39	6.43
FWRD	Forward Air	high low	\$31.58 \$29.30	\$33.64 \$29.50	\$35.32 \$30.74	\$34.20 \$29.67	\$35.74 \$30.25	\$35.78 \$32.43	\$37.03 \$32.78	\$41.90 \$33.08	\$35.49 \$29.18	\$32.89 \$27.07	\$33.69 \$28.25	\$34.93 \$30.98	\$31.30	\$32.73	18.38	1.47
UPS	United Parcel'B'	high low	\$75.98 \$70.38	\$75.32 \$69.93	\$71.63 \$68.66	\$73.20 \$69.53	\$72.20 \$69.71	\$74.48 \$70.93	\$78.40 \$72.70	\$78.99 \$72.87	\$76.42 \$73.31	\$77.76 \$74.00	\$75.10 \$70.00	\$75.82 \$70.25	\$73.82	\$73.23	17.80	3.88
RJET	Republic Airways Holdings Inc.	high low	\$19.34 \$16.70	\$20.00 \$18.30	\$23.13 \$19.18	\$23.59 \$21.02	\$23.88 \$20.44	\$23.60 \$19.80	\$21.36 \$18.98	\$19.98 \$17.46	\$22.46 \$18.75	\$22.75 \$19.15	\$22.47 \$18.39	\$20.82 \$18.32	\$20.32	\$20.41	10.82	1.84
XJT	ExpressJet Holdings	high low	\$9.61 \$7.50	\$8.08 \$7.15	\$7.38 \$5.78	\$6.19 \$5.69	\$6.63 \$5.65	\$6.32 \$5.61	\$6.45 \$5.08	\$5.45 \$3.75	\$4.50 \$3.03	\$3.72 \$2.65	\$3.27 \$2.30	\$2.97 \$2.45	\$2.89	\$5.30	NA	(0.28)
UAUA	UAL Corp	high low	\$51.57 \$40.90	\$46.50 \$38.34	\$41.56 \$36.64	\$44.32 \$33.20	\$40.53 \$31.62	\$40.65 \$33.89	\$50.00 \$40.33	\$47.85 \$35.90	\$48.57 \$42.40	\$51.60 \$45.51	\$49.48 \$35.87	\$42.83 \$33.48	\$43.13	\$41.82	11.01	2.99
UTIW	Uti Worldwide Inc	high low	\$31.00 \$28.22	\$32.00 \$28.38	\$30.52 \$23.61	\$25.09 \$22.25	\$28.72 \$23.26	\$28.74 \$26.14	\$28.39 \$24.86	\$25.25 \$21.57	\$23.18 \$20.49	\$25.91 \$22.81	\$25.24 \$21.74	\$24.14 \$17.80	\$22.94	\$25.39	18.62	1.04

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Airlines
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR	
Southwest Airlines Co.	7.875	844741AF5	Deb	9/1/2007	A	5.65	5.61	5.61	5.66	5.59	5.76	5.86						5.68%		
Southwest Airlines Co.	7.375	844741AN8	Deb	3/1/2027	A-	6.78	6.60	6.89	6.69	7.11	7.10	7.05	7.03	6.82	5.69	5.43	4.80	5.53	6.85%	6.63%
Southwest Airlines Co.	6.5	844741AV0	Nts	3/1/2012	A-	5.66	5.51	5.44	5.50	5.69	5.88	5.83	5.82	5.69	5.43	4.80	5.53	5.57%	5.25%	
Southwest Airlines Co.	5.25	844741AW8	Nts	10/1/2014	A-	5.92	5.75	5.79	5.89	6.04	6.17	6.31	5.85	5.97	5.70	5.61	5.70	5.89%	5.67%	
Southwest Airlines Co.	5.12	844741AX6	Nts	3/1/2017	A-	6.15	6.00	6.04	6.14	6.30	6.42	6.59	6.27	6.29	5.87	5.66	5.67	6.12%	5.73%	
Federal Express	9.65	313309AJ5	Nts	6/15/2012	BBB	5.68	5.53	5.41	5.45	5.64	5.79	5.61	5.42	5.29	5.03	4.65	5.25	5.40%	4.98%	
Federal Express	7.6		Nts	1/1/2097	BBB	6.58	6.34	6.57	6.48	6.68	6.78	6.85	6.75	6.77	6.67	6.67	6.38	6.63%	6.57%	
AMR Corp.	9	001765AC0	Deb	9/15/2016	CCC+	8.25	8.25	8.37	8.37	8.87	8.91	9.24	8.99	9.16	9.22	9.24	9.25	8.84%	9.24%	
AMR Corp.	10.2	001765AE6	Deb	3/15/2020	CCC+	9.75	9.71	10.02	10.05	10.16	10.41	10.74	10.63	10.63	10.67	10.94	11.22	10.41%	10.94%	
AMR Corp.	9.88	001765AG1	Deb	6/15/2020	CCC+	9.94	9.91	10.26	10.19	10.21	10.52	10.67	10.74	11.14	11.08	11.31	11.67	10.64%	11.35%	
AMR Corp.	10	001765AK2	Deb	4/15/2021	CCC+	9.57	9.54	9.99	10.03	10.06	10.27	10.48	10.55	10.92	10.87	10.97	11.22	10.37%	11.02%	
AMR Corp.	9.75	001765AP1	Deb	8/15/2021	CCC+	9.74	9.71	9.86	9.86	9.87	10.11	10.36	10.40	10.87	10.82	10.95	11.21	10.31%	10.99%	
AMR Corp.	9.8	001765AQ9	Deb	10/1/2021	CCC+	9.79	9.76	9.88	9.91	9.92	10.13	10.34	10.41	10.85	10.79	10.93	11.22	10.33%	10.98%	
Delta Air Lines, Inc.	9	001765AU0	Deb	8/1/2012	CCC+	7.75	7.73	7.83	7.73	8.03	8.38	8.89	8.80	8.41	8.47	8.92	9.33	8.36%	8.91%	
Delta Air Lines, Inc.	9	247361AD0	Deb	5/15/2016	NR	17.69	17.41	19.76	20.68	22.21	22.57	22.57	22.57	22.57	22.57	22.57	22.57	22.57	21.31%	22.57%
Delta Air Lines, Inc.	10.125	247361QN1	Deb	5/15/2010	NR	32.30	34.83	34.51	40.28	38.06	38.06	38.06	38.06	38.06	38.06	38.06	38.06	37.20%	38.06%	
Delta Air Lines, Inc.	10.375	247361WG9	Deb	2/1/2011	NR	27.84	29.65	29.39	34.66	33.66	33.66	33.66	33.66	33.66	33.66	33.66	33.66	33.57%	33.66%	
Delta Air Lines, Inc.	9.75	247361WH7	Deb	5/15/2021	NR	17.19	16.99	19.00	19.72	19.28	19.28	19.28	19.28	19.28	19.28	19.28	19.28	18.93%	19.28%	
Delta Air Lines, Inc.	9.3	247361XR4	Eq Tr '92A	1/2/2010	NR	9.49	9.44	9.39	9.23									9.39%		
Delta Air Lines, Inc.	9.3	247361XS2	Eq Tr '92B	1/2/2010	NR	9.49	9.44	9.39	9.23									9.39%		
Delta Air Lines, Inc.	9.3	247361XT0	Eq Tr '92C	1/2/2010	NR	9.44	9.49	9.49	9.45									9.39%		
Delta Air Lines, Inc.	9.3	247361XU7	Eq Tr '92D	1/2/2010	NR	9.44	9.49	9.49	9.45									9.47%		
Delta Air Lines, Inc.	9.3	247361XV5	Eq Tr '92E	1/2/2010	NR	9.44	9.49	9.49	9.45									9.47%		
Delta Air Lines, Inc.	9.3	247361XW3	Eq Tr '92F	1/2/2011	NR	9.88	9.93	9.01	8.92									9.47%		
Delta Air Lines, Inc.	9.25	247361XX1	Deb	3/15/2022	NR	16.30	16.11	18.02	18.68	17.95	17.95	17.95	17.95	17.95	17.95	17.95	17.95	17.73%	17.95%	
Delta Air Lines, Inc.	10.38	247361XY9	Deb	12/15/2022	NR	17.88	17.67	19.72	20.46	20.08	20.08	20.08	20.08	20.08	20.08	20.08	20.08	19.70%	20.08%	
Delta Air Lines, Inc.	7.9	247361YF9	Nts	12/15/2009	NR	28.91	31.10	31.21	36.69	35.50	35.50	35.50	35.50	35.50	35.50	35.50	35.50	35.50	35.50%	
Delta Air Lines, Inc.	8.3	247361YG7	Nts	12/15/2029	NR	13.91	13.69	15.18	15.80	15.85	15.85	15.85	15.85	15.85	15.85	15.85	15.85	15.45%	15.85%	
Northwest Airlines Corp.	7.875	667281AM1	Nts	3/15/2008	NR	15.64	10.44	22.58	33.18	38.97								25.36%		
United Air Lines	10.85	909279AG6	Eq Tr '91A	7/5/2014	NR	23.11	23.11	23.11	23.11	23.11	23.11	23.11	23.11	23.11	23.11	23.11	23.11	23.11%		
United Air Lines	10.85	909279AH4	Eq Tr '91B	2/19/2015	NR	26.84	28.84	28.84	28.84	28.84	28.84	28.84	28.84	28.84	28.84	28.84	28.84	28.84%	28.84%	
United Air Lines	10.36	909279AQ4	Eq Tr '91E	11/27/2012	NR	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22	16.22%	16.22%	

Counts of data

32

32

32

32

26

25

25

24

24

24

32

24

NOTES:

Data downloaded from the S&P website and supplemented from month end Bond Guides when available.

means the data was not available in S&P Guide

means issuance matured or called

	Annual	4th Qtr
A's	6.02%	5.82%
BBB's	6.01%	5.78%
CCC's	9.90%	10.49%
NR's	19.30%	24.65%
Investment Grade (BBB & above)		
ALL	14.34%	15.81%
BBB+ thru AA	6.02%	5.81%
BBB's	6.01%	5.78%

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study
Industry: Electric Utilities - Regulated
 2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

All

Western

6.33%	6.39% Yahoo
5.74%	6.00% Value Line
6.03%	6.19% Average of E/Ps

Inverse of P/E Ratios:

6.36%	6.41% Yahoo
6.22%	6.16% Value Line
6.29%	6.28% Average of Inverse of the P/E
6.57%	6.47% Inverse of median P/E, Value Line
6.16%	6.24% Average of all above except median P/E

Mean = 6.24% 6.29%

Median = 6.33% 6.39%

Equity Measure NUOI = 6.30%

Debt Measure Calculated:

Annual 4th Qtr

5.83%	5.64% All
5.65%	5.43% BBB & Above
5.74%	5.51% BBB's

Mean = 5.74% 5.53%

Median = 5.74% 5.51%

Debt Measure = 5.75%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate					
Equity	61.00%	x	6.30%	=	3.84%
Debt	39.00%	x	5.75%	=	2.24%
	100%				6.09%
Direct Cap Rate NUOI					= 6.25%

Gross Cash Flow / Price:

All Western

14.42% 14.71% Value Line

Equity Measure Gross = 14.50%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)					
Equity	61.00%	x	14.50%	=	8.85%
Debt	39.00%	x	5.75%	=	2.24%
	100%				11.09%
Direct Cap Rate GCF					11.25%

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study
Industry: Electric Utility - Exempt Wholesale Generators
 2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

All	B+
6.13%	5.96% Yahoo
5.87%	6.07% Value Line
6.00%	6.01% Average of E/Ps

Inverse of P/E Ratios:

4.86%	5.29% Yahoo
5.29%	4.99% Value Line
5.07%	5.14% Average of Inverse of the P/E
7.39%	8.33% Inverse of median P/E, Value Line
5.53%	5.58% Average of all above except median P/E

Mean = 5.91% 6.13%
 Median = 5.87% 5.96%

Equity Measure NUOI = 6.75%

Debt Measure Calculated:

Annual	4th Qtr
5.83%	5.64% All
5.65%	5.43% BBB & Above
5.74%	5.51% BBB's

Debt Measure = 6.00%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate				
Equity	72.00%	x	6.75%	= 4.86%
Debt	28.00%	x	6.00%	= 1.68%
	100%			6.54%
Direct Cap Rate NUOI				= 6.75%

Gross Cash Flow / Price:

All	B+
11.74%	14.37% Value Line
Equity Measure Gross =	14.37%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)				
Equity	72.00%	x	14.37%	= 10.35%
Debt	28.00%	x	6.00%	= 1.68%
	100%			12.03%
Direct Cap Rate GCF				12.25%

MONTANA DEPARTMENT OF REVENUE

Yield Capitalization Rate Study
Industry: Electric Utilities
2008 Assessment Year

	All	Western	Wholesale Generators
Dividend Growth Model	10.00%	10.30%	13.00%
Capital Asset Pricing Model	10.22%	10.35%	11.65%
Mean =	10.11%	10.33%	12.33%
Median =	10.11%	10.33%	12.33%
Equity Measure FCF =	10.25%	12.25%	
Debt Measure =			5.75%
Yield Cap Rate Free Cash Flow - Electric Utilities			
Equity	61.00%	x	10.25% = 6.25%
Debt	39.00%	x	5.75% = 2.24%
	100%		8.50%
Weighted Average Cost of Capital (WACC) = 8.50%			
Yield Cap Rate Free Cash Flow - Wholesale Generators			
Equity	72.00%	x	12.25% = 8.82%
Debt	28.00%	x	6.00% = 1.68%
	100%		10.50%
Weighted Average Cost of Capital (WACC) = 10.50%			
Where Assumed Growth Rate = Inflation see appendix for calculation		Growth = 2.44%	

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
 Industry: Electric Utilities - Regulated
 2008 Assessment Year

COMPANY	TICKER SYMBOL	(VL) FIN STR	(VL) SHARES (000)	(YAHOO) AVG PRICE COMMON 4th Quarter	(VL) BOOK VALUE PER SHARE	MKT VALUE COMMON (000) DxE	(VL) BOOK VALUE COMMON (000)	(VL) BOOK VALUE PREFERRED (000)	MKT VALUE PREFERRED (000) lxL	(VL) BOOK VALUE DEBT (000)
MDU Resources Group	MDU	A+	181,000	27.22	11.88	4,926,217	2,149,900	15,000	15,000	1,170,500
Great Plains Energy	GXP	A	80,400	29.51	16.69	2,372,202	1,341,900	39,000	39,000	607,500
Pinnacle West Capital	PNW	A	100,000	41.88	34.46	4,188,333	3,446,100	0	0	3,232,600
OGE Energy	OGE	A	91,200	36.10	17.59	3,292,624	1,603,800	0	0	1,346,300
Portland General Electric	POR	B++	62,500	27.24	19.58	1,702,292	1,224,000	0	0	937,000
Xcel Energy	XEL	B++	407,300	22.30	14.28	9,082,111	5,816,800	105,000	105,000	6,449,600
Alliant Energy	LNT	A	116,100	40.48	22.84	4,699,535	2,651,300	243,800	243,800	1,323,300
Black Hills Corp	BKH	B+	33,400	42.85	23.65	1,431,079	790,000	0	0	628,300
El Paso Electric	EE	B++	45,900	24.76	12.63	1,136,561	579,700	0	0	616,100
Idacorp Inc	IDA	B+	43,600	34.66	25.78	1,511,103	1,124,200	0	0	928,700
NiSource Inc	NI	B+	273,700	19.23	18.32	5,261,883	5,013,600	0	0	5,146,200
Puget Energy	PSD	B+	116,600	27.26	18.15	3,178,710	2,116,000	1,900	1,900	2,646,100
Avista Corp	AVA	B+	52,500	21.13	17.46	1,109,325	916,800	0	0	1,063,300
DPL Inc	DPL	B	113,000	29.02	6.30	3,279,448	712,100	22,900	22,900	1,551,800
Edison Int'l	EIX	B++	325,800	55.89	23.66	18,208,419	7,709,000	915,000	915,000	9,101,000
Sierra Pacific Resources	SRP	B	221,000	16.75	11.87	3,701,750	2,622,300	0	0	4,001,500
Unisource Energy	UNS	C++	35,200	31.03	18.59	1,092,256	654,200	0	0	1,759,900
NorthWestern Corp	NWEC	na	35,600	27.91	20.87	993,655	742,800	0	0	739,400

SUMS & AVERAGES - ALL

AVERAGES - excluding C, NR

SUMS & AVERAGES - WESTERN COMPANIES

AVA, BKH, EIX,EE, IDA, MDU, PNW, POR,PSD, SRP,XEL

71,167,502	41,214,500	1,342,600	1,342,600	43,249,100
69,081,591	39,817,500	1,342,600	1,342,600	40,749,800
51,268,156	29,149,000	1,036,900	1,036,900	32,534,600

Preferred stock is grouped with debt.

* All Negative values left out of calculations

**ValueLine data was not available for all Northwestern Corp items

INDUSTRY MARKET STRUCTURE

COMPONENT	ALL	WESTERN
EQUITY	61.00%	60.00%
DEBT	39.00%	40.00%
TOTAL	\$115,759,202	\$84,839,656

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Electric Utilities - Regulated
2008 Assessment Year

COMPANY	TICKER SYMBOL	MKT/BOOK ratio for DEBT	MKT VALUE DEBT (000) Kxl	EPS (YAHOO) 1st 12-mo	E/P (YAHOO)	EPS (VL)	E/P (VL)	CF/S (VL)	CF/P (VL)	P/E (YAHOO)	Inverse of P/E (YAHOO) 1/T	P/E (VL)	Inverse of P/E (VL) 1/V	Median P/E (VL)	Inverse of Median P/E (VL) 1/X	(VL) INDUSTRY GROUP	(VL) BETA
MDU Resources Group	MDU	1.00	1,170,500	2.30	8.45%	1.65	6.06%	3.45	12.68%	11.95	8.37%	15.70	6.37%	14.00	7.14%	UTILWEST	0.90
Great Plains Energy	GXP	1.00	607,500	1.72	5.83%	1.70	5.76%	4.10	13.90%	16.71	5.98%	15.58	6.42%	15.00	6.67%	UTILCENT	0.80
Pinnacle West Capital	PNW	1.00	3,232,600	3.20	7.64%	2.95	7.04%	6.85	16.35%	12.99	7.70%	13.94	7.17%	14.00	7.14%	UTILWEST	0.80
OGE Energy	OGE	1.00	1,346,300	2.48	6.86%	2.40	6.65%	4.60	12.74%	14.36	6.96%	14.54	6.88%	14.00	7.14%	UTILCENT	0.85
Portland General Electric	POR	1.00	937,000	2.58	9.47%	2.35	8.63%	5.05	18.54%	10.50	9.52%	13.91	7.19%	N/A	N/A	UTILWEST	N/A
Xcel Energy	XEL	1.00	6,449,600	1.27	5.70%	1.41	6.32%	3.70	16.59%	17.55	5.70%	15.35	6.51%	15.00	6.67%	UTILWEST	0.80
Alliant Energy	LNT	1.00	1,323,300	3.73	9.21%	2.60	6.42%	5.35	13.22%	10.76	9.29%	15.49	6.46%	14.00	7.14%	UTILCENT	0.80
Black Hills Corp	BKH	1.00	628,300	2.64	6.16%	2.52	5.88%	5.25	12.25%	16.34	6.12%	20.15	4.96%	14.00	7.14%	UTILWEST	0.90
El Paso Electric	EE	1.00	616,100	1.65	6.66%	1.55	6.26%	3.60	14.54%	15.05	6.64%	14.20	7.04%	15.00	6.67%	UTILWEST	0.90
Idacorp Inc	IDA	1.00	928,700	2.05	5.92%	1.98	5.71%	4.25	12.26%	16.70	5.99%	16.61	6.02%	15.00	6.67%	UTILWEST	0.95
NiSource Inc	NI	1.00	5,146,200	1.15	5.98%	1.20	6.24%	3.30	17.17%	16.38	6.11%	16.63	6.01%	16.00	6.25%	UTILCENT	0.90
Puget Energy	PSD	1.00	2,646,100	1.59	5.83%	1.60	5.87%	3.95	14.49%	17.35	5.76%	18.08	5.53%	16.00	6.25%	UTILWEST	0.90
Avista Corp	AVA	1.00	1,063,300	0.81	3.83%	0.80	3.79%	2.70	12.78%	26.35	3.80%	18.82	5.31%	16.00	6.25%	UTILWEST	0.95
DPL Inc	DPL	1.00	1,551,800	1.55	5.34%	1.80	6.20%	3.35	11.54%	18.75	5.33%	16.35	6.12%	15.00	6.67%	UTILCENT	0.85
Edison Intl	EIX	1.00	9,101,000	3.55	6.35%	3.29	5.89%	7.00	12.52%	14.92	6.70%	17.26	5.79%	13.00	7.69%	UTILWEST	0.85
Sierra Pacific Resources	SRP	1.00	4,001,500	0.99	5.91%	0.95	5.67%	2.70	16.12%	17.10	5.85%	15.44	6.48%	30.00	3.33%	UTILWEST	1.20
Unisource Energy	UNS	1.00	1,759,900	1.47	4.75%	1.50	4.83%	5.40	17.40%	21.10	4.74%	18.14	5.51%	16.00	6.25%	UTILWEST	0.60
NorthWestern Corp	NWEC	1.00	739,400	1.13	4.05%	1.48	5.30%	N/A	N/A	25.76	3.88%	N/A	N/A	N/A	N/A	UTILCENT	N/A

SUMS & AVERAGES - ALL

43,249,100

6.33% 5.74% 14.42% 6.36% 6.22% 6.57% 0.87

AVERAGES - excluding C, NR

40,749,800

6.57% 6.15% 14.23% 6.61% 6.27% 6.59% 0.89

SUMS & AVERAGES - WESTERN COMPAN

32,534,600

6.39% 6.00% 14.71% 6.41% 6.16% 6.47% 0.89

AVA, BKH, EIX,EE, IDA, MDU, PNW, POR,PSD, SRP

Beta of Industry
Beta of Western Sector

Preferred stock is grouped with debt.

* All Negative values left out of calculations

**ValueLine data was not available for all Northwestern

COMPANY	TICKER SYMBOL	S&P BETA
MDU Resources Group	MDU	0.7059
Great Plains Energy	GXP	0.8101
Pinnacle West Capital	PNW	0.6295
OGE Energy	OGE	0.5955
Portland General Electric	POR	N/A
Xcel Energy	XEL	0.6008
Alliant Energy	LNT	0.8118
Black Hills Corp	BKH	0.9269
El Paso Electric	EE	0.6318
Idacorp Inc	IDA	0.7822
NiSource Inc	NI	0.4559
Puget Energy	PSD	0.5311
Avista Corp	AVA	1.2572
DPL Inc	DPL	0.9151
Edison Intl	EIX	0.6738
Sierra Pacific Resources	SRP	2.0294
Unisource Energy	UNS	0.0936
NorthWestern Corp	NWEC	0.4665

SUMS & AVERAGES - ALL 0.76

AVERAGES - excluding C, NR 0.82

SUMS & AVERAGES - WESTERN COMPANIES 0.81

AVA, BKH, EIX,EE, IDA, MDU, PNW, POR, PSD, SRP 0.88

Preferred stock is grouped with debt 0.90

* All Negative values left out of calculations

**ValueLine data was not available for all Northwestern

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Exempt Wholesale Generators
2008 Assessment Year

COMPANY	TICKER SYMBOL	(VL) FIN STR	(VL) SHARES (000)	(YAHOO) AVG PRICE COMMON	(VL) BOOK VALUE PER SHARE	MKT VALUE COMMON (000) CxD	BOOK VALUE COMMON (000) CxE	(VL) BOOK VALUE PREFERRED (000)	MKT VALUE PREFERRED (000)	(VL) BOOK VALUE DEBT (000)
Constellation Energy	CEG	A	180,500	41.69	25.54	7,525,045	4,609,300	190,000	190,000	4,222,300
Duke Energy	DUK			19.32						
Sempra Energy	SRE	A	262,000	59.53	28.66	15,597,188	7,508,000	196,000	196,000	4,525,000
PPL Corp	PPL	B++	385,000	45.33	13.30	17,453,013	5,122,000	301,000	301,000	6,728,000
NRG Energy	NRG	B+	244,600	38.62	19.36	9,446,809	4,735,000	1,170,000	1,170,000	8,647,000
AES Corp	AES	C++	655,100	21.23	4.63	13,908,865	3,036,000	0	0	14,892,000
Reliant Resources	RRI	C+	339,300	23.45	11.64	7,956,161	3,949,900	0	0	3,177,700
Dynegy Inc. 'A'	DYN	C+	456,000	8.73	4.97	3,979,930	2,267,000	0	0	3,190,000

SUMS & AVERAGES - ALL

Average of VL B++

Average of VL A THRU B++

INDUSTRY MARKET STRUCTURE

COMPONENT	All	AVERAGE of B Companies	VL A THRU B++
EQUITY	62.00%	75,867,009	71.00%
DEBT	38.00%	47,239,000	29.00%
TOTAL	100.00%	\$123,106,009	100.00%
		\$24,482,013	100.00%
			\$56,737,545

These companies have significant amounts of non-utility generation

Preferred stock is grouped with debt.

* All Negative values left out of calculations

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
 Industry: Electric Utilities - Exempt Wholesale Generators
 2008 Assessment Year

COMPANY	TICKER SYMBOL	MKT/BOOK ratio for DEBT	MKT VALUE DEBT (000)	EPS (YAHOO) last 12mo	E/P (YAHOO)	EPS (VL)	E/P (VL)	CF/S (VL)	CF/P (VL)	P/E (YAHOO)	Inverse of P/E (YAHOO)	P/E (VL)	inverse of P/E (VL)	Median P/E (VL)	Inverse of Median P/E (VL)	(VL) INDUSTRY GROUP	(VL) BETA
Constellation Energy	CEG	1.00	4,222,300	5.30	12.71%	4.60	11.03%	8.45	20.27%	19.24	5.20%	20.70	4.83%	15.00	6.67%	UTILEAST	0.85
Duke Energy	DUK	1.00		1.30	6.73%	1.25	6.47%	2.80	14.49%	15.28	6.54%	14.86	6.73%		UTILEAST		
Sempra Energy	SRE	1.00	4,525,000	3.54	5.95%	4.10	6.89%	6.95	11.67%	17.55	5.70%	15.49	6.46%	10.00	10.00%	UTILWEST	0.90
PPL Corp	PPL	1.00	6,728,000	2.70	5.96%	2.75	6.07%	5.00	11.03%	18.90	5.29%	20.04	4.99%	12.00	8.33%	UTILEAST	0.90
NRG Energy	NRG	1.00	8,647,000	2.01	5.20%	2.06	5.33%	5.15	13.33%	19.32	5.18%	16.85	5.93%		POWER	0.95	
AES Corp	AES	1.00	14,892,000	(0.15)	-0.71%	0.93	4.38%	2.45	11.54%			23.52	4.25%	22.00	4.55%	POWER	1.30
Reliant Resources	RRI	1.00	3,177,700	0.25	1.05%	0.44	1.88%	1.65	7.04%	97.04	1.03%	26.29	3.80%		POWER	1.20	
Dynegy Inc. 'A'	DYN	1.00	3,190,000	0.38	4.35%	0.25	2.86%	0.40	4.58%	19.60	5.10%				GASDIVRS	1.45	
SUMS & AVERAGES - ALL			45,382,000		6.13%		5.87%		11.74%		4.86%		5.29%		7.39%		1.08
Average of VL B++			6,728,000		5.96%		6.07%		11.03%		5.29%		4.99%		8.33%		0.90
Average of VL A THRU B++			15,475,300		7.84%		7.61%		14.37%		5.68%		5.75%		8.33%		0.88

These companies have significant amounts of non-utility generation

Beta of Industry

Preferred stock is grouped with debt.

* All Negative values left out of calculations

COMPANY	TICKER SYMBOL	S&P BETA
Constellation Energy	CEG	0.498
Duke Energy	DUK	0.8744
Sempra Energy	SRE	0.5137
PPL Corp	PPL	0.27
NRG Energy	NRG	1.5055
AES Corp	AES	2.3097
Reliant Resources	RRI	1.8477
Dynegy Inc. 'A'	DYN	2.1314

SUMS & AVERAGES - ALL	1.61
Average of VL B++	0.27
Average of VL A THRU B++	0.54

These companies have significant amounts of non-utility generation	1.10
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Preferred stock is grouped with debt.
 * All Negative values left out of calculations

MONTANA DEPARTMENT OF REVENUE

Capital Asset Pricing Model (CAPM)
Industry: Electric Utilities
 2008 Assessment Year

$$K_E = R_F + \beta (R_M - R_F)$$

	Electric Utilities	Western Utilities	Wholesale Generators
K_E = Cost of Equity	10.22%	10.35%	11.65%
R_F = Risk Free Rate	4.50%	4.50%	4.50%
β = Beta	0.88	0.90	1.10
R_M = Market Rate of Return	11.00%	11.00%	11.00%
R_P = Equity Risk Premium ($R_M - R_F$)	6.50%	6.50%	6.50%

R_m = Investor's Market Rate of Return

Ibbotson, SBBI, Large Company, Average Annual Return, *Arithmetic Average, Ex-Post

Ibbotson, SBBI, Large Company, Average Annual Return, *Geometric Average, Ex-Post

3 Stage Dividend Growth Model, S & P 500, See Exhibit, Ex Ante

$R_M =$ 12.30%

$R_M =$ 10.40%

$R_M =$ 10.00%

Mean = 10.90%
 Median = 10.40%

$R_M =$ 11.00%

R_f = Risk Free Rate

Internal Revenue Service, Rev Rule 2007-70 Table 2 December 2007

Rev Rule 2007-70 Table 1: 2007

<u>Annual Rates</u>	Short Term - AFR	$R_f =$	3.40%
	Mid Term - AFR	$R_f =$	3.67%
	Long Term - AFR	$R_f =$	4.34%

The ValueLine Investment Survey

U.S. Treasury Securities December 28 2007

3 Month	$R_f =$	2.89%
6 Month	$R_f =$	3.31%
1 Year	$R_f =$	3.31%

Federal Reserve Statistical Release

Treasury constant Maturities, 2007

Market yield on U.S. Treasury securities, Annual Averages

3-month constant maturity, quoted on investment basis	$R_f =$	4.48%
6-month constant maturity, quoted on investment basis	$R_f =$	4.62%
1-year constant maturity, quoted on investment basis	$R_f =$	4.53%

U.S. Treasury Securities Long-Term December 31, 2007

30 year constant maturity	$R_f = 4.45\%$	Mean = 3.84%
20 year constant maturity	$R_f = 4.50\%$	Median = 3.67%
		Weighted Mean = 3.92%

$R_f =$ 4.50%

MONTANA DEPARTMENT OF REVENUE

Dividend Growth Model
Industry: Electric Utilities - Regulated
 2008 Assessment Year

$$K_E = D_1 / P_0 + G_A$$

KE= Cost of Equity

D1= Expected Dividends

Po= Current Price Per Share

G= Sustainable Growth

Company Name	Ticker*	Stock Price (Po)	Expected Dividend 1 Year	Divided Yield (D1/Po)	Divided Growth (G _A)	Ke 1 Year
Alliant Energy	LNT	40.48	1.40	3.46%	8.00%	11.46%
Avista Corp	AVA	21.13	0.65	3.08%	12.50%	15.58%
Black Hills Corp	BKH	42.85	1.40	3.27%	3.00%	6.27%
DPL Inc	DPL	29.02	1.10	3.79%	3.50%	7.29%
Edison Intl	EIX	55.89	1.24	2.22%	6.50%	8.72%
El Paso Electric	EE	24.76	nil	nmf	nil	nmf
Great Plains Energy	GXP	29.51	1.66	5.63%	nil	nil
Idacorp Inc	IDA	34.66	1.20	3.46%	nil	nil
MDU Resources Group	MDU	27.22	0.60	2.20%	6.50%	8.70%
NiSource Inc	NI	19.23	0.92	4.79%	1.50%	6.29%
NorthWestern Corp	NWEC	27.91	1.32	4.73%	4.70%	9.43%
OGE Energy	OGE	36.10	1.40	3.88%	2.00%	5.88%
Pinnacle West Capital	PNW	41.88	2.12	5.06%	3.00%	8.06%
Portland General Electric	POR	27.24	0.99	3.63%	14.00%	17.63%
Puget Energy	PSD	27.26	1.00	3.67%	3.00%	6.67%
Sierra Pacific Resources	SRP	16.75	0.40	2.39%	nmf	nmf
Unisource Energy	UNS	31.03	0.96	3.09%	7.00%	10.09%
Xcel Energy	XEL	22.30	0.95	4.26%	4.50%	8.76%

*Bold denotes primarily western operations

All Companies In Survey

Weighted Mean= 9.38%
 Median= 8.71%
 Mean= 9.34%

K_E = **10.00%**

Western Companies Only

Weighted Mean= 9.09%
 Median= 8.72%
 Mean= 9.14%

K_E = **10.30%**

MONTANA DEPARTMENT OF REVENUE

Dividend Growth Model
Industry: Electric Utilities - Exempt Wholesale Generators
2008 Assessment Year

$$K_E = D_1 / P_0 + G_A$$

K_E= Cost of Equity

D₁= Expected Dividends

P₀= Current Price Per Share

G= Sustainable Growth

Company Name	Ticker	Stock Price (P ₀)	Expected Dividend (D ₁)	Dividend Yield (D ₁ /P ₀)	Dividend Growth (G ₁)	Ke 1 Year
Sempra	SRE	60.98	1.28	2.10%	4.00%	6.10%
NRG Energy	NRG	43.12	nil		nil	
Duke Energy	DUK	19.50	0.90	4.62%	nmf	
Constellation Energy	CEG	40.21	2.00	4.97%	13.00%	17.97%
Dynegy	DYN	8.29	nil		nil	
PPL Corp	PPL	50.62	1.34	2.65%	15.00%	17.65%
AES Corp	AES	21.48	nil		nil	
Reliant Resources	RRI	26.42	nil		nil	

Weighted Mean= 13.91%
Median = 13.00%
Mean = 13.91%

K_E = 13.00%

MONTANA DEPARTMENT OF REVENUE

Historical Stock Price Analysis From YAHOO Finance
Industry: Electric Utilities
2008 Assessment Year

														Yahoo				
Ticker	Company	high	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	4th Qtr Average	Annual Average	Yahoo P-E	EPS 1st 12 mo
AES	AES Corp	high low	\$22.32 \$19.92	\$23.10 \$20.50	\$21.88 \$19.44	\$23.19 \$21.37	\$24.24 \$21.85	\$24.04 \$20.54	\$23.39 \$19.62	\$20.33 \$16.69	\$20.62 \$17.65	\$21.75 \$19.78	\$23.09 \$20.73	\$22.54 \$20.98	\$21.48	\$21.23	NA	-0.15
AVA	Avista Corp	high low	\$25.77 \$24.34	\$25.81 \$23.07	\$24.70 \$22.91	\$24.89 \$23.50	\$24.29 \$22.88	\$23.56 \$21.17	\$22.38 \$19.53	\$20.93 \$18.19	\$20.69 \$18.90	\$22.05 \$20.00	\$21.90 \$19.58	\$22.24 \$21.01	\$21.13	\$22.26	26.35	0.81
BKH	Black Hills Corp	high low	\$37.90 \$36.71	\$39.63 \$35.55	\$37.53 \$35.40	\$40.00 \$36.86	\$42.59 \$39.64	\$41.73 \$38.46	\$41.53 \$37.28	\$44.48 \$36.84	\$43.09 \$40.81	\$44.74 \$40.74	\$44.29 \$40.21	\$45.41 \$41.69	\$42.85	\$40.13	16.34	2.64
CEG	Constellation Energy	high low	\$72.65 \$68.78	\$83.16 \$72.55	\$88.20 \$76.40	\$95.48 \$86.56	\$95.57 \$87.00	\$92.39 \$82.71	\$98.20 \$83.06	\$88.94 \$76.64	\$90.45 \$82.08	\$97.22 \$85.81	\$101.24 \$92.17	\$104.29 \$98.32	\$40.21	\$41.69	19.24	5.3
CMS	CMS Energy	high low	\$16.88 \$15.98	\$18.41 \$16.63	\$17.95 \$16.73	\$19.55 \$17.77	\$19.00 \$17.66	\$18.48 \$16.60	\$17.93 \$15.85	\$16.98 \$14.98	\$17.07 \$15.75	\$17.12 \$15.85	\$17.50 \$16.17	\$18.07 \$17.23	\$16.99	\$17.17	NA	-0.6
D	Dominion Resources Stock Split 11/07 2:1	high low	\$84.00 \$79.67	\$88.30 \$82.97	\$89.42 \$83.65	\$93.63 \$88.20	\$92.92 \$85.60	\$89.28 \$80.05	\$89.02 \$81.51	\$92.00 \$82.75	\$88.02 \$83.76	\$91.83 \$84.46	\$93.55 \$91.12	\$98.76 \$93.80	\$92.25	\$87.84	14.16	3.302
DPL	DPL Inc	high low	\$28.80 \$27.11	\$31.46 \$28.70	\$31.44 \$29.58	\$32.72 \$30.68	\$31.89 \$30.26	\$30.85 \$27.85	\$29.75 \$26.38	\$29.49 \$25.41	\$26.82 \$25.98	\$29.04 \$25.71	\$30.48 \$28.70	\$31.00 \$29.20	\$29.02	\$29.14	18.75	1.549
DTE	DTE Energy	high low	\$49.42 \$45.25	\$48.69 \$46.03	\$48.55 \$45.65	\$51.82 \$47.80	\$54.74 \$50.61	\$53.43 \$47.22	\$51.74 \$46.01	\$50.53 \$45.26	\$49.98 \$47.10	\$51.19 \$47.05	\$50.00 \$46.95	\$51.15 \$43.96	\$48.38	\$48.76	8.95	4.92
DUK	Duke Energy	high low	\$20.00 \$18.40	\$20.43 \$19.43	\$20.62 \$19.06	\$21.30 \$20.05	\$20.97 \$19.05	\$19.65 \$18.06	\$18.61 \$17.00	\$19.90 \$16.91	\$19.17 \$18.13	\$19.54 \$18.25	\$20.09 \$18.61	\$20.78 \$19.70	\$19.50	\$19.32	15.28	1.3
DYN	Dynegy Inc	high low	\$7.25 \$6.47	\$8.81 \$6.95	\$9.74 \$7.91	\$10.53 \$9.29	\$10.95 \$9.34	\$9.81 \$8.90	\$10.66 \$8.60	\$9.70 \$7.27	\$9.50 \$8.08	\$9.60 \$8.25	\$9.25 \$7.01	\$8.46 \$7.14	\$8.29	\$8.73	19.60	0.38
EDE	Empire Dist Elec	high low	\$25.00 \$23.45	\$26.11 \$23.62	\$24.97 \$23.07	\$26.13 \$24.51	\$25.09 \$23.30	\$23.83 \$21.99	\$23.67 \$21.09	\$24.29 \$21.49	\$23.27 \$22.00	\$24.07 \$22.22	\$24.34 \$22.69	\$23.50 \$22.26	\$23.18	\$23.58	16.36	1.38
EE	El Paso Electric	high low	\$24.70 \$23.15	\$24.97 \$23.39	\$27.24 \$22.95	\$27.78 \$26.19	\$28.19 \$25.76	\$27.61 \$24.08	\$25.58 \$22.78	\$24.03 \$20.76	\$23.95 \$22.11	\$24.86 \$22.27	\$26.16 \$23.42	\$26.81 \$25.05	\$24.76	\$24.74	15.05	1.65
EIX	Edison Int'l	high low	\$46.28 \$42.76	\$51.00 \$45.00	\$50.83 \$46.20	\$54.27 \$49.13	\$60.26 \$52.34	\$58.75 \$53.51	\$59.57 \$51.79	\$57.18 \$50.64	\$58.02 \$52.35	\$58.31 \$53.58	\$58.55 \$53.75	\$58.00 \$53.14	\$55.89	\$53.13	14.92	3.55
GXP	Great Plains Energy	high low	\$32.54 \$31.04	\$32.40 \$30.90	\$32.76 \$30.24	\$33.36 \$32.37	\$33.04 \$30.34	\$31.35 \$28.82	\$29.86 \$27.50	\$30.63 \$26.89	\$29.11 \$27.87	\$30.13 \$28.04	\$30.52 \$28.94	\$30.51 \$28.89	\$29.51	\$30.34	16.71	1.72
IDA	Idacorp Inc	high low	\$39.19 \$36.38	\$38.39 \$33.34	\$35.06 \$32.00	\$35.18 \$33.21	\$34.89 \$31.22	\$33.67 \$31.30	\$32.38 \$30.07	\$36.57 \$30.28	\$33.90 \$31.20	\$36.45 \$32.36	\$35.74 \$33.00	\$36.72 \$33.68	\$34.66	\$34.01	16.70	2.053
ILA	Aquila Inc	high low	\$4.81 \$4.45	\$4.68 \$4.12	\$4.23 \$3.94	\$4.31 \$4.11	\$4.30 \$4.13	\$4.39 \$4.00	\$4.16 \$3.66	\$4.10 \$3.45	\$4.12 \$3.83	\$4.19 \$3.95	\$4.19 \$3.86	\$4.04 \$3.68	\$3.99	\$4.11	21.08	0.18
LNT	Alliant Energy	high low	\$38.22 \$35.21	\$44.00 \$36.05	\$46.30 \$40.71	\$46.53 \$43.60	\$45.47 \$42.07	\$43.48 \$37.86	\$40.80 \$36.84	\$39.62 \$34.95	\$39.03 \$36.61	\$40.57 \$37.32	\$42.00 \$38.88	\$43.41 \$40.69	\$40.48	\$40.43	10.76	3.73
MDU	MDU Resources Group	high low	\$26.45 \$24.39	\$27.50 \$25.84	\$29.00 \$25.25	\$31.79 \$28.84	\$31.15 \$29.50	\$30.56 \$27.40	\$30.40 \$26.50	\$28.60 \$24.64	\$28.22 \$26.05	\$28.69 \$25.87	\$28.14 \$25.89	\$27.99 \$26.02	\$27.22	\$27.72	11.95	2.3

MONTANA DEPARTMENT OF REVENUE																		
Historical Stock Price Analysis From YAHOO Finance Industry: Electric Utilities 2008 Assessment Year																		
Ticker	Company		Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	4th Qtr Average	Annual Average	Yahoo EPS 1st 12 mo	
NI	NiSource Inc	high low	\$24.49 \$23.04	\$24.80 \$23.67	\$24.80 \$23.19	\$25.23 \$24.31	\$25.43 \$21.38	\$22.31 \$19.90	\$21.68 \$19.06	\$21.16 \$17.58	\$19.73 \$18.63	\$20.82 \$19.10	\$20.35 \$17.49	\$19.47 \$18.12	\$19.23	\$21.49	16.38	1.15
NWEC	NorthWestern Corp	high low	\$36.00 \$35.30	\$36.66 \$35.54	\$36.51 \$35.32	\$35.57 \$34.92	\$35.40 \$32.10	\$33.11 \$30.25	\$32.61 \$26.66	\$27.94 \$24.45	\$27.60 \$26.50	\$27.70 \$26.88	\$28.10 \$26.95	\$30.20 \$27.64	\$27.91	\$31.25	25.76	1.13
NRG	NRG Energy 2:1 Stock Split June	high low	\$30.12 \$27.22	\$35.00 \$29.78	\$37.10 \$32.62	\$40.39 \$35.98	\$44.33 \$39.22	\$45.93 \$40.38	\$44.74 \$36.40	\$45.08 \$23.03	\$42.84 \$38.08	\$47.19 \$41.96	\$46.56 \$38.79	\$43.70 \$40.50	\$43.12	\$38.62	19.32	2.01
OGE	OGE Energy	high low	\$40.48 \$37.52	\$41.30 \$38.22	\$39.23 \$36.39	\$39.65 \$38.41	\$39.12 \$36.07	\$37.16 \$33.65	\$37.59 \$33.08	\$34.62 \$29.12	\$34.25 \$31.29	\$38.30 \$32.93	\$37.81 \$34.83	\$37.45 \$35.30	\$36.10	\$36.41	14.36	2.475
PCG	PG&E Corp	high low	\$47.95 \$45.34	\$49.32 \$45.50	\$49.44 \$45.10	\$52.17 \$45.51	\$51.95 \$48.49	\$49.52 \$44.70	\$46.77 \$42.70	\$47.00 \$42.58	\$48.78 \$43.54	\$49.52 \$45.08	\$49.39 \$43.70	\$47.61 \$43.04	\$46.39	\$46.99	16.23	2.65
PNM	PNM Resources	high low	\$31.57 \$29.62	\$31.65 \$29.46	\$32.70 \$29.32	\$34.28 \$32.31	\$33.37 \$28.50	\$30.06 \$26.50	\$28.71 \$25.11	\$27.48 \$21.05	\$23.62 \$21.19	\$25.21 \$23.05	\$25.06 \$21.71	\$23.95 \$21.41	\$23.40	\$27.37	17.53	1.22
PNW	Pinnacle West Capital	high low	\$51.67 \$48.09	\$49.05 \$47.21	\$48.89 \$46.43	\$50.68 \$48.14	\$49.45 \$45.05	\$46.66 \$39.38	\$41.30 \$37.23	\$41.76 \$36.79	\$40.70 \$39.48	\$42.62 \$39.50	\$43.64 \$39.04	\$44.50 \$42.00	\$41.88	\$44.14	12.99	3.2
POR	Portland General Electric	high low	\$27.50 \$25.56	\$29.30 \$26.16	\$30.16 \$27.90	\$30.00 \$28.12	\$31.25 \$28.68	\$29.72 \$26.40	\$28.59 \$26.59	\$29.13 \$25.50	\$28.59 \$26.30	\$28.83 \$26.55	\$28.01 \$25.74	\$28.05 \$26.24	\$27.24	\$27.87	10.50	2.58
PPL	PPL Corp	high low	\$36.66 \$34.43	\$39.68 \$35.14	\$41.53 \$37.03	\$45.58 \$40.87	\$49.44 \$43.27	\$47.63 \$42.74	\$50.32 \$45.40	\$52.79 \$45.65	\$50.07 \$46.01	\$52.11 \$46.36	\$51.80 \$47.99	\$54.58 \$50.90	\$50.62	\$45.33	18.90	2.7
PSD	Puget Energy	high low	\$25.80 \$24.23	\$25.65 \$24.20	\$25.84 \$24.00	\$26.91 \$25.62	\$26.50 \$24.86	\$25.42 \$23.58	\$24.95 \$23.10	\$25.38 \$22.47	\$24.69 \$23.19	\$28.60 \$23.40	\$28.30 \$27.90	\$28.17 \$27.20	\$27.26	\$25.42	17.35	1.59
RRI	Reliant Resources	high low	\$15.20 \$13.52	\$17.74 \$14.76	\$21.70 \$16.59	\$23.96 \$20.37	\$27.79 \$21.58	\$27.57 \$23.65	\$30.69 \$25.13	\$29.20 \$22.72	\$27.21 \$24.87	\$28.14 \$24.55	\$27.69 \$24.11	\$28.74 \$25.29	\$26.42	\$23.45	97.04	0.247
SO	Southern Co	high low	\$37.25 \$36.10	\$36.95 \$35.11	\$37.09 \$34.85	\$38.90 \$36.58	\$38.46 \$35.27	\$36.20 \$33.50	\$35.30 \$33.51	\$37.70 \$33.16	\$37.48 \$35.04	\$37.23 \$35.16	\$38.75 \$35.15	\$39.35 \$37.36	\$37.17	\$36.31	16.87	2.27
SRE	Sempra Energy	high low	\$58.01 \$54.73	\$62.53 \$57.25	\$63.03 \$57.85	\$66.38 \$60.13	\$65.44 \$61.00	\$62.40 \$57.04	\$62.25 \$52.27	\$57.67 \$50.95	\$60.33 \$53.59	\$61.80 \$57.62	\$62.88 \$58.60	\$64.21 \$60.79	\$60.98	\$59.53	17.55	3.54
SRP	Sierra Pacific Resources	high low	\$17.36 \$16.47	\$18.26 \$16.76	\$17.75 \$16.38	\$18.56 \$17.27	\$19.60 \$18.10	\$19.15 \$16.87	\$18.15 \$15.49	\$16.37 \$14.06	\$16.04 \$14.76	\$16.98 \$14.89	\$17.64 \$16.49	\$17.76 \$16.74	\$16.75	\$17.00	17.10	0.99
TE	TECO Energy	high low	\$17.49 \$16.69	\$17.28 \$16.42	\$17.48 \$16.22	\$18.38 \$17.30	\$18.58 \$17.14	\$17.66 \$16.40	\$17.71 \$16.10	\$17.01 \$14.84	\$16.63 \$15.42	\$16.92 \$15.58	\$17.49 \$16.35	\$17.91 \$16.85	\$16.85	\$16.91	12.39	1.38
UNS	Unisource Energy	high low	\$37.85 \$35.46	\$39.17 \$37.32	\$38.41 \$36.79	\$40.01 \$37.45	\$39.94 \$36.02	\$36.95 \$32.67	\$33.72 \$30.09	\$31.44 \$27.63	\$30.82 \$28.33	\$32.30 \$29.86	\$31.91 \$29.13	\$32.72 \$30.26	\$31.03	\$34.01	21.10	1.473
XEL	Xcel Energy	high low	\$23.62 \$22.78	\$24.73 \$23.29	\$24.94 \$22.75	\$25.03 \$24.09	\$24.46 \$22.38	\$23.19 \$19.97	\$21.35 \$19.96	\$21.40 \$19.59	\$22.41 \$20.30	\$22.62 \$20.70	\$23.13 \$21.35	\$23.50 \$22.49	\$22.30	\$22.50	17.55	1.27

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Electric Utilities
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR	
Alabama Power Co.	5.75 010392EQ7		Sr InsurQtrlyNts'EE'	1/15/2036	AAA	5.92	5.84	6.03	6.01	6.10	6.10	5.98	5.92	6.11	5.83	5.63	6.19	5.97%	5.88%	
Consumers Energy Co.	5.65 210518CM6		InsurQtrlyNts	4/15/2035	AAA	6.14	6.05	6.06	6.00	6.10	6.13	6.04	5.98	5.96	5.82	5.63	6.01	6.00%	5.82%	
Entergy New Orleans	5.6 23634PAK9	1st		9/1/2024	AAA	5.99	5.92	5.95	5.97	6.06	6.13	6.08	6.04	6.09	5.95	5.79	6.16	6.01%	5.97%	
Entergy New Orleans	5.65 23634PAJ2	1st		9/10/2029	AAA	6.00	5.92	5.93	5.96	6.06	6.14	6.01	6.04	6.08	6.00	5.82	6.24	6.02%	6.02%	
Savannah Electric&Power	5.5 804787DG1	Sr Nts'D'		11/15/2017	AAA	5.84	5.78	5.74	5.77	5.84	5.93	5.78	5.70	5.74	5.58	5.51	5.81	5.75%	5.63%	
Savannah Electric&Power	5.5 804787DJ5	Sr Nts'F'		12/15/2028	AAA	5.92	5.84	5.92	6.01	6.10	6.19	6.04	5.98	6.11	5.83	5.66	6.19	5.98%	5.89%	
Tenn Valley Auth	5 880597TB0	M-T Nts		12/15/2014	AAA	5.55	4.97	5.45	5.40	5.57	5.62	5.47	5.30	5.26	5.20	5.20	5.13	5.34%	5.18%	
Tennessee Valley Authority	5.375 880591DB5	Global Pwr Bonds'98G		11/13/2005	AAA	5.66	4.97	5.11	5.37	5.24	5.14	5.00	4.77	4.46	4.34	4.34	4.38	4.90%	4.35%	
Tennessee Valley Authority	5.625 880591DN9	Global Pwr Bonds'01A		1/18/2011	AAA	5.08	4.84	4.94	4.85	5.18	5.23	5.10	4.62	4.48	4.43	4.43	3.79	4.75%	4.22%	
Tennessee Valley Authority	6 880591CW0	Global Pwr Bonds'98C		3/15/2013	AAA	5.10	4.84	4.97	5.03	5.21	5.35	5.19	4.83	4.79	4.53	4.53	4.04	4.87%	4.37%	
Tennessee Valley Authority	4.75 880591DW9	Pwr Bonds'03C		8/1/2013	AAA	5.11	5.02	4.89	5.25	5.36	5.20	4.81	4.75	4.74	4.74	4.23	4.93%	4.57%		
Tennessee Valley Authority	4.38 880591DY5	Global Pwr Bonds'05B		6/15/2015	AAA	5.18	4.94	5.06	4.96	5.21	5.42	5.30	4.96	4.96	4.76	4.35	4.99%	4.62%		
Tennessee Valley Authority	4.83 880591DS8	Global Pwr Bonds'01D		12/15/2016	AAA	5.18	4.96	5.10	4.99	5.26	5.47	5.40	5.07	5.08	4.89	4.91	4.52	5.07%	4.77%	
Tennessee Valley Authority	6.25 880591CU4	Pwr Bonds'97E		12/15/2017	AAA	5.33	4.98	5.13	5.04	5.31	5.50	5.38	5.05	5.06	4.87	4.87	4.57	5.09%	4.77%	
Tennessee Valley Authority	6.75 880591CJ9	Global Pwr Bonds'95E		11/1/2025	AAA	5.33	5.08	5.33	5.47	5.55	5.47	5.28	5.25	5.08	4.86	5.25%	5.01%			
Tennessee Valley Authority	7.125 880591DM1	Global Pwr Bonds'00G		5/1/2030	AAA	5.31	5.13	5.31	5.23	5.43	5.59	5.49	5.30	5.31	5.18	4.86	5.28%	5.07%		
Tennessee Valley Authority	4.7 880591DV1	Pwr Bonds'03 B"		7/15/2033	AAA	5.35	5.49	5.33	5.24	5.45	5.60	5.49	5.30	5.31	5.16	4.91	5.32%	5.08%		
Northern IllinoisGas	5.88 66522BBX9	1st		8/15/2008	AA	5.45	5.37	5.28	5.39	5.53	5.61	5.48	5.47	5.18	4.81	4.73	4.70	5.25%	4.75%	
Northern IllinoisGas	6.62 66522BBU5	1st		2/1/2011	AA	5.57	5.27	5.13	5.17	5.37	5.58	5.21	5.02	4.81	4.98	4.20	4.31	5.05%	4.50%	
Northern IllinoisGas	7.2 66522BBV3	1st		5/15/2016	AA	5.57	5.43	5.40	5.45	5.61	5.78	5.53	5.37	5.37	5.48	5.10	5.27	5.45%	5.28%	
Northern IllinoisGas	6.58 66522BBQ4	1st		2/15/2028	AA	5.88	5.75	5.82	5.85	5.97	6.08	5.91	5.87	5.85	5.88	5.64	5.81	5.86%	5.78%	
Madison Gas & Electric	6.02 557497AM6	Nts		9/15/2008	AA-	5.48	5.39	5.29	5.41	5.57	5.66	5.54	5.41	5.07	4.83	4.73	4.56	5.25%	4.71%	
Madison Gas & Electric	7.7 557497AL8	1st		2/15/2028	AA-	7.43	7.41	7.40	7.41	7.44	7.47	7.42	7.42	7.42	7.39	7.40	7.42%	7.39%		
Wisconsin Public Service	7.125 976843AX0	1st		7/1/2023	A+	7.02	6.99	6.99	6.99	7.03	7.06	7.00	6.98	6.96	6.94	6.94	6.94	6.99%	6.94%	
Alabama Power Co.	7.12 010392DP0	Sr Nts 'L'		10/1/2007	A	5.50	5.38	5.40	5.49	5.56	5.66	5.44	5.31					5.54%		
Alabama Power Co.	3.5 010392EN4	Sr Nts'CC'		11/15/2007	A	5.40	5.32	5.33	5.38	5.54	5.48	5.35	5.72	5.54				5.45%		
Alabama Power Co.	3.12 010392EH7	Sr Nts 'X'		5/1/2008	A	5.35	5.27	5.19	5.25	5.44	5.42	5.36	5.50	5.31	4.85	4.93	5.06	5.24%	4.95%	
Alabama Power Co.	5.38 010392DK1	Sr Nts 'G'		10/1/2008	A	5.37	5.28	5.21	5.28	5.45	5.46	5.36	5.34	5.30				5.24%	4.93%	
Alabama Power Co.	4.7 010392EA2	Sr Nts 'R'		12/1/2010	A	5.41	5.16	5.08	5.14	5.34	5.50	5.22	5.26	5.21	4.70	4.19	4.32	5.04%	4.40%	
Alabama Power Co.	5.1 010392ET1	Sr Nts 'HH'		2/1/2011	A	5.41	5.21	5.13	5.19	5.39	5.52	5.25	5.48	5.45	4.75	4.29	4.60	5.14%	4.55%	
Alabama Power Co.	5.2 010392ER5	Sr Nts 'FF'		1/15/2016	A	5.47	5.36	5.39	5.44	5.56	5.79	5.61	5.73	5.83	5.39	5.24	5.33	5.51%	5.32%	
Alabama Power Co.	5.5 010392DZ8	Sr Nts 'Q'		10/15/2017	A	5.54	5.39	5.40	5.45	5.59	5.87	5.67	5.83	5.93	5.49	5.33	5.57%	5.39%		
Alabama Power Co.	5.12 010392EK0	Sr Nts 'Z'		2/15/2019	A	5.67	5.49	5.49	5.54	5.76	5.96	5.76	5.88	6.03	5.59	5.69	5.58	5.70%	5.62%	
Alabama Power Co.	5.88 010392EB0	Sr Nts 'S'		12/1/2022	A	5.82	5.70	5.80	5.83	5.86	6.08	5.88	5.88	6.13	5.89	5.79	5.68	5.85%	5.72%	
Alabama Power Co.	5.7 010392EC6	Sr Nts 'T'		2/15/2033	A	5.87	5.75	5.85	5.88	6.00	6.13	6.00	6.25	6.30	5.89	6.01	5.96	6.00%	5.99%	
Alabama Power Co.	5.6 010392E54	Sr Nts 'V'		3/15/2033	A	5.87	5.75	5.85	5.88	6.00	6.18	6.05	6.25	6.30	5.99	6.01	5.96	6.01%	5.99%	
Baltimore Gas & Elec	6.625 059165BX7	1st Ref		3/15/2008	A	5.58	5.38	5.33	5.40	5.55	5.65	5.47	5.59	5.79	5.42	5.31	5.36	5.49%	5.36%	
Consolidated Edison, Inc.	6.45 209111CV3	Deb 97B		12/1/2007	A	5.49	5.38	5.33	5.40	5.56	5.53	5.42	5.68	5.43				5.42%	5.00%	
Consolidated Edison, Inc.	6.25 209111CX9	Deb '98A		2/1/2008	A	5.43	5.33	5.30	5.36	5.52	5.46	5.37	5.59	5.54	5.02	5.41			5.39%	
Consolidated Edison, Inc.	6.15 209111CZ4	Deb 98C		7/1/2008	A	5.43	5.33	5.19	5.26	5.42	5.45	5.42	5.54	5.30	4.97	5.17	5.23	5.31%	5.12%	
Consolidated Edison, Inc.	7.15 209111DD2	Deb 99B		12/1/2009	A	5.38	5.23	5.04	5.16	5.35	5.40	5.37	5.34	5.10	4.76	4.57	4.47	5.10%	4.60%	
Consolidated Edison, Inc.	8.12 209111DE0	Deb '00A		5/1/2010	A	5.40	5.24	5.12	5.19	5.38	5.48	5.32	5.20	5.16	4.81	4.41	4.53	5.10%	4.58%	
Consolidated Edison, Inc.	7.5 209111DJ9	Deb '00B		9/1/2010	A	5.37	5.21	5.09	5.16	5.35	5.45	5.32	5.20	5.16	4.81	4.51	4.53	5.10%	4.62%	
Consolidated Edison, Inc.	5.62 209111DZ3	Deb '02A		7/1/2012	A	5.41	5.27	5.11	5.17	5.41	5.55	5.40	5.43	5.45	5.03	4.55	4.80	5.22%	4.79%	
Consolidated Edison, Inc.	4.88 209111EA7	Deb '02B		2/1/2013	A	5.44	5.29	5.27	5.32	5.49	5.62	5.40	5.53	5.50	4.90	4.94	5.34%	5.06%		
Consolidated Edison, Inc.	3.85 209111EC3	Deb '03B		6/15/2013	A	5.49	5.32	5.29	5.34	5.49	5.62	5.40	5.53	5.68	5.14	5.26	5.13	5.39%	5.18%	
Consolidated Edison, Inc.	4.7 209111EE9	Deb '04A		2/1/2014	A	5.50	5.35	5.34	5.39	5.56	5.73	5.58	5.68	5.68	5.29	5.31	5.28	5.47%	5.29%	
Consolidated Edison, Inc.	7.1 209111CW1	Deb '98B		2/1/2028	A	6.75	6.73	6.73	6.74	6.77	6.75	6.72	6.75	6.74	6.74	6.76	6.77	6.75%	6.76%	
Consolidated Edison, Inc.	5.88 209111EB5	Deb '03A		4/1/2033	A	5.97	5.78	5.92	5.90	6.05	6.21	6.25	6.28	6.30	5.99	5.94	6.06	6.05%	6.00%	
Consolidated Edison, Inc.	5.7 209111EF6	Deb '04B		2/1/2034	A	5.97	5.78	5.92	5.90	6.05	6.21	6.25	6.28	6.30	5.99	5.94	6.06	6.05%	6.00%	
Consolidated Edison, Inc.	5.3 209111EH2	Deb '05A		3/1/2035	A	5.97	5.78	5.92	5.90	6.05	6.21	6.25	6.28	6.30	5.99	5.94	6.06	6.05%	6.00%	
Consolidated Edison, Inc.	5.25 209111EJ8	Deb '05B		7/1/2035	A	5.97	5.78	5.92	5.90	6.05	6.21	6.25	6.28	6.30	5.99	5.94	6.06	6.05%	6.00%	
Duke Energy Corp.	3.75 264399EK8	1st & Ref		3/5/2008	A	5.46	5.27	5.29	5.35	5.49	5.44	5.36	5.50	5.46	4.85	4.99	5.24	5.31%	5.03%	
Duke Energy Corp.	4.5 264399EH5	1st & Ref		4/1/2010	A	5.36	5.21	5.03	5.15	5.39	5.48	5.32	5.16	5.16	4.70	4.01	4.32	5.02%	4.34%	
Duke Energy Corp.	5.3 264399EM4	1st & Ref		10/1/2015	A	5.47	5.32	5.32	5.38	5.53	5.80	5.73	5.68	5.39	5.09	5.33	5.48%	5.27%		
Exelon Corp.	5.95 693304AB3	1st & Ref Mtg		11/1/2011	A	5.39	5.25	5.19	5.24	5.44	5.58	5.30	5.12	5.20	4.93	4.60	4.95	5.18%	4.83%	
Exelon Corp.	4.75 693304AD9	1st & Ref Mtg		10/1/2012	A	5.49	5.34	5.23	5.24	5.47	5.62	5.35	5.18	5.20	4.93	4.50	4.99	5.21%	4.81%	
Exelon Corp.	5.9 693304AG2	1st Ref Mtg		5/1/2034	A	5.97	5.85	5.92	5.95	6.07	6									

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Electric Utilities
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	Rating	S&P Bond												Avg Full Year	Avg 4th QTR	
						Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07			
Florida Power & Light	4.95 341081ET0	1st		6/1/2035	A	5.80	5.65	5.77	5.82	5.95	6.08	5.96	6.13	6.13	5.88	5.75	5.83	5.90%	5.82%	
Georgia Power Co.	4.88 373334FL0	Sr Nts 'J'		7/15/2007	A	5.41	5.32	5.39	5.44	5.53								5.42%		
Georgia Power Co.	4.1 373334FY2	Sr Nts 'V'		8/15/2009	A	5.37	5.28	5.16	5.22	5.40	5.45	5.19	5.25	5.35				5.12%	4.80%	
Georgia Power Co.	4 373334FV8	Sr Nts 'S'		1/15/2011	A	5.41	5.20	5.13	5.19	5.38	5.49	5.25	5.48	5.45	4.75	4.29	4.42	5.12%	4.49%	
Georgia Power Co.	5.125 373334FN6	Sr Nts 'K'		11/15/2012	A	5.41	5.27	5.18	5.24	5.44	5.58	5.31	5.58	5.50	5.08	4.68	4.84	5.26%	4.87%	
Georgia Power Co.	4.9 373334FT3	Sr Nts 'Q'		9/15/2013	A	5.34	5.39	5.41	5.46	5.53	5.73	5.53	5.53	5.73	5.34	5.19	5.23	5.47%	5.25%	
Georgia Power Co.	5.75 373334FS5	Sr Nts 'N'		4/15/2023	A	5.82	5.70	5.80	5.83	5.95	6.09	5.93	6.10	6.15	5.84	5.86	5.91	5.92%	5.87%	
Georgia Power Co.	5.8 373334FZ9	Sr Nts 'Y'		4/15/2035	A	6.22	6.05	6.14	6.17	6.32	6.46	6.33	6.40	6.50	6.29	6.31	6.26	6.29%	6.29%	
Gulf Power Co.	4.35 402479BT5	Sr Nts 'G'		7/15/2013	A	5.54	5.39	5.41	5.46	5.53	5.73	5.53	5.53	5.73	5.34	5.19	5.23	5.47%	5.25%	
Gulf Power Co.	5.65 402479BW8	Sr Nts 'L'		9/1/2035	A	6.22	6.05	6.14	6.17	6.32	6.46	6.33	6.40	6.50	6.29	6.31	6.31	6.29%	6.30%	
Kentucky Utilities	7.92 491674AR8	1st P		5/15/2007	A	5.65	5.58	5.72										5.65%		
KeySpan Gas East	7.88 49337EA8	Nts		2/1/2010	A	5.52	5.33	5.16	5.23	5.38	5.52	5.22	5.45	5.46	4.91	4.31	4.73	5.19%	4.65%	
Mississippi Power Co.	5.4 605417BT0	Sr Nts 'G'		7/1/2035	A	6.22	6.05	6.14	6.17	6.32	6.46	6.33	6.40	6.50	6.29	6.31	6.21	6.28%	6.27%	
Northern Sts Pwr (Minn)	8 665772BW8	1st		8/28/2012	A	5.44	5.27	5.19	5.24	5.43	5.67	5.39	5.37	5.44	5.13	4.60	5.00	5.26%	4.91%	
Northern Sts Pwr (Minn)	7.125 665772BN8	1st		7/1/2025	A	5.92	5.80	5.92	5.95	6.07	6.21	6.08	6.20	6.15	5.89	5.83	5.96	6.00%	5.89%	
Northern Sts Pwr (Minn)	6.5 665772BQ1	1st		3/1/2028	A	5.92	5.80	5.92	5.95	6.02	6.16	6.03	6.20	6.15	5.89	5.83	5.96	5.99%	5.89%	
Northern Sts Pwr (Minn)	5.25 665772CA5	1st		7/15/2035	A	5.87	5.70	5.82	5.85	5.97	6.11	6.02	6.20	6.20	5.89	5.83	5.96	5.95%	5.89%	
North Sts Pwr (Wisc)	7.375 665789AN3	1st		12/1/2026	A	7.11	7.08	7.08	7.09	7.12	7.16	7.09	7.08	7.07	7.06	7.05	7.05	7.09%	7.06%	
NSTAR	8 67019EA5	Nts		2/15/2010	A	5.42	5.26	5.14	5.21	5.45	5.50	5.22	5.15	5.31	4.81	4.31	4.44	5.10%	4.52%	
Orange & Rockland Utils	7.5 68406SA1	Deb '00A		6/15/2010	A	5.51	5.36	5.24	5.26	5.45	5.55	5.37	5.25	5.21	4.86	4.46	4.58	5.18%	4.63%	
Orange & Rockland Utils	7 68406SAU9	Deb 'G'		3/1/2029	A	6.79	6.73	6.72	6.74	6.83	6.82	6.71	6.75	6.72	6.62	6.55	6.59	6.71%	6.59%	
Public Serv. Colorado	5.5 74444BBX8	1st Coll Tr Ser 15		4/1/2014	A	5.55	5.35	5.35	5.40	5.56	5.78	5.58	5.71	5.78	5.39	5.11	5.33	5.49%	5.28%	
Rochester Gas & Electric	6.95 771367BR9	1st TT'		4/1/2011	A	5.62	5.47	5.29	5.34	5.52	5.68	5.35	5.43	5.53	5.18	4.59	4.76	5.31%	4.84%	
Savannah Electric&Power	6.55 804787DF3	Sr Nts 'C'		5/15/2008	A	5.48	5.38	5.23	5.29	5.45	5.49	5.37	5.54	5.55	5.22	4.96	5.19	5.35%	5.12%	
Southern California Edison Co.	5 842400ER0	1st & Ref '04A		1/15/2014	A	5.54	5.32	5.31	5.36	5.51	5.61	5.70	5.53	5.70	5.22	5.04	5.18	5.44%	5.15%	
Southern California Edison Co.	5 842400EY5	1st & Ref '05A		1/15/2016	A	5.56	5.41	5.39	5.43	5.59	5.83	5.76	5.61	5.78	5.36	5.21	5.35	5.52%	5.31%	
Southern California Edison Co.	6 842400ES8	1st & Ref '04B		1/15/2034	A	5.91	5.72	5.85	5.83	5.94	6.11	6.15	6.20	5.89	5.88	5.91	5.98%	5.89%		
Southern California Edison Co.	5.35 842400FA6	1st & Ref '05E		7/15/2035	A	5.91	5.72	5.85	5.83	5.95	6.11	6.15	6.15	6.20	5.94	5.88	5.91	5.97%	5.91%	
Southern California Edison Co.	5.55 842400EZ2	1st & Ref '05B		1/15/2036	A	5.90	5.72	5.85	5.83	5.95	6.11	6.15	6.15	6.20	5.89	5.88	5.91	5.96%	5.89%	
Southern Indiana Gas & El	8.88 843163AP1	1st		6/1/2016	A	5.76	5.60	5.55	5.58	5.72	5.89	5.89	5.72	5.72	5.49	5.20	5.48	5.63%	5.39%	
Southern Indiana Gas & El	6.72 843163AX4	Sr Nts		8/1/2029	A	6.23	6.11	6.23	6.20	6.22	6.43	6.40	6.35	6.40	6.19	6.03	6.26	6.25%	6.16%	
Wisconsin Public Service	4.875 976843BC5	Sr(Sec)Nts		12/1/2012	A	5.46	5.31	5.23	5.29	5.49	5.62	5.35	5.28	5.35	5.03	4.50	4.79	5.23%	4.77%	
Wisconsin Public Service	4.8 976843BD3	Sr(Sec)Nts		12/1/2013	A	5.52	5.37	5.39	5.44	5.61	5.78	5.73	5.63	5.83	5.59	5.21	5.23	5.53%	5.34%	
Cincinnati Gas & Electric Co.	6.4 172070CE2	Deb		4/1/2008	A	5.62	5.52	5.37	5.44	5.60	5.55	5.47	5.64	5.59	5.37	5.36	5.39	5.49%	5.37%	
Cincinnati Gas & Electric Co.	5.7 172070CN2	Deb		9/15/2012	A	5.51	5.34	5.32	5.36	5.54	5.70	5.50	5.58	5.50	5.23	4.62	4.75	5.33%	4.87%	
Cincinnati Gas & Electric Co.	6.9 172070BT0	Deb		6/1/2025	A	6.19	6.07	6.17	6.20	6.22	6.35	6.20	6.35	6.30	6.24	6.05	6.31	6.22%	6.20%	
Consolidated Edison, Inc.	3.62 209115AB0	Deb'03A		8/1/2008	A	5.31	5.22	5.17	5.26	5.48	5.41	5.36	5.50	5.30	4.91	5.03	5.04	5.25%	4.99%	
Detroit Edison Co	5.45 250847DZ0	Sr(Sec)Nts'BR'		2/15/2035	A	6.02	5.85	5.94	5.95	6.07	6.24	6.21	6.22	6.35	6.03	6.02	6.14	6.09%	6.06%	
Detroit Edison Co	5.7 250847E44	Sr(Sec)Nts'E'		10/1/2037	A	6.02	5.85	5.94	5.95	6.07	6.23	6.25	6.22	6.35	6.02	6.02	6.14	6.09%	6.06%	
Detroit Edison Co.	6.125 250847DS6	Sr Nts		10/1/2010	A	5.56	5.24	5.16	5.21	5.37	5.51	5.32	5.25	5.16	4.76	4.46	4.68	5.14%	4.63%	
Detroit Edison Co.	5.2 250847DT4	Sr Nts		10/15/2012	A	5.55	5.36	5.18	5.24	5.46	5.65	5.50	5.48	5.40	5.16	4.74	4.89	5.30%	4.93%	
Detroit Edison Co.	5.4 250847DV9	Sr Nts'D'		8/1/2014	A	5.62	5.47	5.44	5.52	5.66	5.85	5.78	5.73	5.44	5.27	5.33	5.57%	5.35%		
Detroit Edison Co.	4.8 250847DX5	Sr(Sec)Nts'AR'		2/15/2015	A	5.67	5.52	5.49	5.54	5.69	5.90	5.83	5.73	5.54	5.37	5.38	5.62%	5.43%		
Detroit Edison Co.	6.35 250847DU1	Sr Nts		10/15/2032	A	6.05	5.90	5.97	5.95	6.07	6.29	6.26	6.23	6.35	6.16	6.09	6.14	6.12%	6.13%	
Dominion Resources	5.125 257469AH9	Sr Nts'D'		12/15/2009	A	5.42	5.28	5.10	5.17	5.40	5.43	5.31	5.49	5.40	4.96	4.62	4.61	5.18%	4.73%	
Dominion Resources	5.7 257469AF3	Sr Nts 'C'		9/17/2012	A	5.49	5.29	5.23	5.27	5.46	5.68	5.60	5.68	5.70	5.28	4.90	5.04	5.39%	5.07%	
Dominion Resources	7.82 257469AC0	Remkt Nts 'E'		9/15/2014	A	6.29	5.98	6.14	6.19	6.28	6.20	6.38	6.42	6.58	6.18	5.95	6.12	6.23%	6.08%	
Dominion Resources	6.75 257469AG1	Sr Nts 'E'		12/15/2032	A	6.14	5.98	6.17	6.15	6.27	6.16	6.45	6.48	6.50	6.14	6.18	6.51	6.26%	6.28%	
Dominion Resources, Inc. (Va.)	4.12 257469UAL3	Sr Nts '03B		2/15/2008	A	5.52	5.37	5.35	5.41	5.45	5.45	5.46	5.65	5.61	5.15	5.08	5.13	5.39%	5.12%	
Dominion Resources, Inc. (Va.)	5.69 257469UH2	Sr Nts '02A		5/15/2008	A	5.55	5.37	5.46	5.53	5.55	5.53	5.45	5.78	5.74	5.31	5.16	5.04	5.46%	5.17%	
Dominion Resources, Inc. (Va.)	6.12 257469UAAT	Sr Nts'00A		6/15/2010	A	5.42	5.23	5.07	5.19	5.35	5.28	5.42	5.50	5.36	4.86	4.46	4.63	5.15%	4.65%	
Dominion Resources, Inc. (Va.)	4.75 257469UAU3	Sr Nts '05A		12/15/2010	A	5.49	5.27	5.17	5.25	5.44	5.50	5.37	5.56	5.41	4.90	4.46	4.67	5.21%	4.68%	
Dominion Resources, Inc. (Va.)	6.25 257469UAJ8	Sr Nts '02B		6/30/2012	A	5.49	5.29	5.24	5.27	5.45	5.56	5.36	5.60	5.67	5.70	5.28	4.90	5.05	5.36%	5.08%
Dominion Resources, Inc. (Va.)	5.15 257469AW9	Sr Nts '05C		7/15/2015	A	5.65	5.42	5.54	5.57	5.71	5.94	5.91	5.93	6.03	5.66	5.51	5.68	5.71%	5.62%	
Dominion Resources, Inc. (Va.)	5.95 257469AV1	Sr Nts '05B		6/15/2035	A	6.08	5.90	6.16	6.15	6.27	6.43	6.50	6.48	6.47	6.19	6.13	6.46	6.27%	6.26%	
Duke Energy Corp.	4.611 264399E52	Sr Nts		11/30/2007	A	5.46	5.27	5.40	5.46	5.55	5.55	5.36	5.70							

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Electric Utilities
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR	
Entergy Arkansas	5.66 29364DAL4	1st		2/1/2025	A-	6.29	6.18	6.03	6.04	6.13	6.24	6.44	6.52	6.79	6.42	6.19	6.59	6.32%	6.40%	
Entergy Arkansas	6.38 29364DAK6	1st		11/1/2034	A-	6.48	6.40	6.40	6.43	6.51	6.58	6.56	6.65	6.75	6.61	6.42	6.76	6.55%	6.60%	
Entergy Louisiana	4.67 29364MAG5	1st		6/1/2010	A-	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03	6.03%	6.03%	
Entergy Louisiana	5.09 29364MAF7	1st		11/1/2014	A-	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93	5.93%	5.93%	
Entergy Louisiana	5.56 29364MAH3	1st		9/1/2015	A-	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04	6.04%	6.04%	
Entergy Louisiana	5.5 29364MAD2	1st		4/1/2019	A-	6.11	6.11	6.11	6.11	6.11	6.11	6.11	6.11	6.11	6.11	6.11	6.11	6.11%	6.11%	
Entergy Louisiana	6.3 29364MAJ9	1st		9/1/2035	A-	6.35	6.35	6.35	6.35	6.35	6.35	6.35	6.35	6.35	6.35	6.35	6.35	6.35%	6.35%	
Entergy Mississippi	4.65 29364NAM0	1st Mtg		5/1/2011	A-	5.69	5.57	5.41	5.51	5.74	5.84	5.67	5.65	5.47	5.29	5.00	5.38	5.52%	5.22%	
Entergy Mississippi	5.15 29364NAH1	1st		2/1/2013	A-	5.96	5.82	5.76	5.67	5.86	6.02	5.86	5.78	5.79	5.56	4.96	5.80	5.74%	5.44%	
Entergy Mississippi	5.92 29364NAN8	1st		2/1/2016	A-	6.03	5.88	5.86	5.90	6.03	6.15	6.19	6.16	6.31	5.99	5.63	5.97	6.01%	5.86%	
Entergy Mississippi	4.95 29364NAK4	1st		6/1/2018	A-	6.14	6.02	5.87	5.91	6.04	6.18	6.20	6.13	6.25	5.95	5.61	5.98	6.02%	5.85%	
Entergy Mississippi	6.25 29364NAL2	1st		4/1/2034	A-	6.58	6.40	6.47	6.49	6.59	6.68	6.55	6.61	6.84	6.65	6.44	6.72	6.59%	6.60%	
Equitable Resources, Inc.	7.75 294549AE0	Deb		7/15/2026	A-	6.10	5.98	6.10	6.08	6.20	6.31	6.28	6.23	6.25	6.04	5.78	5.96	6.11%	5.93%	
Florida Power Corp.	6.875 341099BH1	1st		2/1/2008	A-	5.54	5.43	5.31	5.38	5.54	5.60	5.47	5.58	5.54	5.18	5.15	0.00	4.98%	3.44%	
Florida Power Corp.	4.5 341099CE7	1st		6/1/2010	A-	5.46	5.31	5.13	5.16	5.35	5.52	5.27	5.31	5.16	4.70	4.11	4.20	5.06%	4.34%	
Florida Power Corp.	6.65 341099BZ1	1st		7/15/2011	A-	5.36	5.21	5.16	5.19	5.39	5.63	5.40	5.52	5.43	5.03	4.55	4.68	5.21%	4.75%	
Florida Power Corp.	4.8 341099CC1	1st		3/1/2013	A-	5.47	5.32	5.29	5.32	5.47	5.73	5.63	5.58	5.64	5.24	4.96	4.93	5.38%	5.04%	
Florida Power Corp.	5.9 341099CB3	1st		3/1/2033	A-	5.92	5.80	5.97	5.93	6.03	6.20	6.05	6.27	6.30	5.91	5.85	5.98	6.02%	5.91%	
FPL Group Capital	7.38 302570AJ5	Deb		6/1/2009	A-	5.37	5.28	5.11	5.18	5.34	5.50	5.27	5.04	5.20	4.76	4.68	5.10%	4.84%		
Idaho Pwr	7.38 45138LAH6	Sec M-T Nts 'C'		12/1/2007	A-	5.87	5.89	6.12	6.22	6.39	6.50	6.40	6.48	6.41	5.82	4.82	4.40	5.08%	4.68%	
Idaho Pwr	7.2 45138LAG8	Sec M-T Nts 'B'		12/1/2009	A-	5.49	5.20	5.41	5.35	5.73	5.12	4.86	4.91	4.81	4.82	4.82	4.40	5.13%	4.61%	
Idaho Pwr	6.6 45138LAJ2	Sec M-T Nts 'C'		3/2/2011	A-	5.44	5.15	5.29	5.18	5.55	5.62	5.37	5.26	4.81	4.78	4.78	4.27	5.26%	4.95%	
Idaho Pwr	4.75 45138LAK9	Sec M-T Nts 'D'		11/15/2012	A-	5.55	5.25	5.34	5.15	5.57	5.69	5.33	5.18	5.16	5.04	4.76	4.76	5.26%	5.36%	
Idaho Pwr	4.25 45138LAM5	Sec M-T Nts 'E'		10/1/2013	A-	5.60	5.31	5.42	5.41	5.73	5.78	5.47	5.41	5.43	5.31	5.31	5.05	5.44%	5.22%	
Idaho Pwr	6 45138LAL7	Sec M-T Nts 'D'		11/15/2032	A-	5.98	5.74	5.96	5.88	6.08	6.18	6.03	6.09	6.06	6.06	6.01	6.01%	6.04%		
Idaho Pwr	5.5 45138LAN3	Sec M-T Nts 'E'		4/1/2033	A-	6.03	5.79	6.03	5.88	6.08	6.18	6.08	6.13	6.06	6.06	6.06	6.03	6.03%	6.04%	
Idaho Pwr	5.5 45138LAP8	Sec M-T Nts 'E'		3/15/2034	A-	6.04	5.80	6.03	5.88	6.08	6.18	6.08	6.07	6.13	6.06	6.06	6.03	6.04%	6.06%	
Idaho Pwr	5.875 45138LAQ6	Sec M-T Nts 'E'		8/15/2034	A-	6.03	5.80	6.03	5.88	6.08	6.18	6.09	6.08	6.14	6.06	6.06	6.03	6.04%	6.05%	
IES Utilities	5.88 44949RAB8	CT Bonds		5/1/2007	A-	5.63	5.50	5.56										5.57%		
Iowa Elec Lt & Pwr	6 46216AM0	CT Bonds		10/1/2008	A-	5.63	5.53	5.37	5.43	5.55	5.59	5.46	5.54	5.40	5.06	4.87	4.87	5.36%	4.93%	
KeySpan Corp.	7.62 49337WAB6	Nts		11/15/2010	A-	5.52	5.32	5.19	5.29	5.45	5.57	5.27	5.50	5.51	4.96	4.36	4.68	5.22%	4.67%	
KeySpan Corp.	4.65 49337WA5	Nts		4/1/2013	A-	5.69	5.50	5.49	5.49	5.64	5.71	5.44	5.73	5.80	5.49	5.26	5.33	5.55%	5.36%	
KeySpan Corp.	5.88 49337WAH3	Nts		4/1/2033	A-	6.18	6.06	6.23	6.18	6.30	6.41	6.30	6.40	6.60	6.19	6.13	6.46	6.29%	6.26%	
MDU Resources Group, Inc.	5.98 552690AF6	Sr(Sec)Nts		12/15/2033	A-	5.85	5.72	5.79	5.82	5.94	6.05	5.88	6.26	6.24	6.03	5.79	6.05	5.95%	5.96%	
PacificCorp	6.375 69512EGN9	Sec M-T Nts 'H'		5/15/2008	A-							5.71	5.65	5.80	5.56	5.55	5.55	4.83%	3.70%	
PacificCorp	7 69511AZ1	1st		7/15/2009	A-				4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08	4.08%	4.08%	
PacificCorp	6.9 69511ABU1	1st		11/15/2011	A-	5.46	5.31	5.21	5.24	5.44	5.58	5.40	5.42	5.30	5.08	4.65	4.70	5.23%	4.81%	
PacificCorp	4.95 69511ABY3	1st		8/15/2014	A-	5.60	5.45	5.34	5.39	5.56	5.75	5.68	5.63	5.73	5.44	5.26	5.28	5.51%	5.33%	
PacificCorp	7.7 69511ABT4	1st		11/15/2031	A-	5.95	5.78	5.89	5.92	6.04	6.18	6.30	6.20	6.35	5.94	6.08	6.11	6.06%	6.04%	
PacificCorp	5.9 69511ABX5	1st		8/15/2034	A-	5.94	5.74	5.87	5.90	6.02	6.16	6.30	6.22	6.30	5.94	6.01	6.03%	5.96%		
PacificCorp	5.25 69511ABZ0	1st		6/15/2035	A-	5.94	5.74	5.87	5.90	6.02	6.16	6.30	6.22	6.30	5.96	5.93	5.98	6.03%	5.98%	
Penn P&L	7.7 709051CC8	1st		10/1/2009	A-	5.63	5.53	5.37	5.34	5.50	5.55	5.32	5.29	5.15	4.81	4.72	4.82	5.25%	4.78%	
Pennia P&L	7.375 709051CD6	1st		3/1/2014	A-	5.67	5.52	5.60	5.65	5.86	6.13	5.98	5.90	5.88	5.59	5.36	5.63	5.73%	5.53%	
Pennsylvania Power Co	7.62 709068AW0	1st		7/1/2023	A-	7.47	7.44	7.45	7.47	7.51	7.55	7.47	7.45	7.42	7.39	7.39	7.45%	7.39%		
PP&L, Inc.	5.875 69351UA1	Sr Sec Bonds		8/15/2007	A-	5.68	5.38	5.43	5.50	5.46	5.52	5.52	5.50	5.44	5.30	4.81	4.72	4.67	5.17%	4.73%
PP&L, inc.	6.25 69351UB9	Sr Sec Bonds		8/15/2009	A-	5.38	5.28	5.22	5.18	5.35	5.49	5.21	5.44	5.30	4.81	4.72	4.67	5.17%	4.73%	
Progress Energy, Inc.	5.12 144141CT3	1st		9/15/2013	A-	5.49	5.32	5.34	5.35	5.49	5.73	5.63	5.58	5.64	5.24	5.01	5.08	5.41%	5.11%	
Progress Energy, Inc.	5.15 144141CW6	1st		4/1/2015	A-	5.62	5.37	5.42	5.39	5.55	5.81	5.66	5.71	5.76	5.32	5.14	5.28	5.50%	5.25%	
Progress Energy, Inc.	5.25 144141CX4	1st		12/15/2015	A-	5.59	5.39	5.44	5.39	5.55	5.81	5.68	5.71	5.83	5.32	5.14	5.33	5.52%	5.26%	
Progress Energy, Inc.	8.62 144141BP2	1st		9/15/2021	A-	5.97	5.77	5.85	5.75	5.91	6.08	6.08	5.98	5.89	5.66	5.68	5.89%	5.74%		
Progress Energy, Inc.	5.7 144141CV8	1st		4/1/2035	A-	5.97	5.85	5.99	5.95	6.04	6.22	6.15	6.27	6.30	5.91	5.88	5.96	6.04%	5.92%	
PSI Energy, Inc.	7.85 693627AN1	Deb		10/19/2007	A-	5.71	5.49	5.66	5.60	5.67	5.80	5.50	5.75					5.64%		
PSI Energy, Inc.	6.52 693627AL5	Sr Nts		3/15/2009	A-	5.63	5.53	5.35	5.42	5.58	5.62	5.41	5.39	5.50	5.11	4.67	4.82	5.34%	4.87%	
PSI Energy, Inc.	5 693627AX9	Deb		9/15/2013	A-	5.67	5.44	5.49	5.54	5.64	5.79	5.50	5.58	5.73	5.44	5.26	5.43	5.54%	5.38%	
PSI Energy, Inc.	6.12 693627AY7	Deb		10/15/2035	A-	6.12	5.92	6.11	6.10	6.18	6.34	6.23	6.36	6.49	6.21	6.23	6.39	6.22%	6.28%	
Public Service Electric and Gas	6.75 744567EP9	1st & Ref VV		1/1/2016	A-	5.72	5.44	5.16	5.54	5.75	5.89	5.78	5.70	5.80	5.54	5.54	5.54	5.60%	5.47%	
Public Service Electric and Gas	9.25 744567CN6	1st & Ref CC		6/1/2021	A-	5.75	5.54	5.68	5.59	5.86	6.03	6.03	5.91	6.04	5.75	5.75	5.78%	5.63%		
Public Service Electric and Gas	6.38 744567FA1	1st & Ref YY		5/1/2023	A-	6.27	6.25	6.28	6.28	6.31	6.30	6.31	6.32	6.32	6.33	6.33	6.33	6.30%	6.33%	
Public Service Electric and Gas	8 744567BA5	1st & Ref		6/1/2037	A-	6.71	5.91	6.63	6.08	6.27										

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
 Industry: Electric Utilities
 2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
 BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond												Avg Full Year	Avg 4th QTR	
					Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
Public Sv E&G	8.1 744560AD8		Sec M-T Nts 'A'	5/26/2009	A-	5.26	5.08	5.17	5.19	5.58	5.64	5.67	5.52	5.58	5.67	5.67	5.67	3.37	5.28% 4.90%
Public Sv E&G	5.12 744560AJ5		Sec M-T Nts 'B'	9/1/2012	A-	5.45	5.20	5.35	5.23	5.54	5.65	5.46	5.21	5.36	5.21	5.21	4.96	5.32% 5.13%	
Public Sv E&G	5 744560AK2		Sec M-T Nts 'B'	1/1/2013	A-	5.50	5.26	5.46	5.33	5.52	5.67	5.58	5.62	5.72	5.38	5.38	5.13	5.46% 5.30%	
Public Sv E&G	5.38 744560AL0		Sec M-T Nts 'C'	9/1/2013	A-	5.52	5.28	5.48	5.38	5.65	5.80	5.74	5.59	5.78	5.42	5.42	5.20	5.52% 5.35%	
Public Sv E&G	5 744560AN6		Sec M-T Nts'D'	8/15/2014	A-	5.54	5.31	5.52	5.42	5.67	5.84	5.75	5.69	5.77	5.38	5.52	5.23	5.55% 5.38%	
Public Svc No Car	6.62 74451PA01		M-T Nts	2/15/2011	A-	5.50	5.28	5.41	5.23	5.57	5.68	5.49	4.91	5.10	5.13	4.98	5.28%	5.08%	
Public Svc No Car	6.99 744516A03		Sr Deb	1/15/2026	A-	6.00	5.88	6.00	6.03	6.12	6.25	6.17	6.30	6.40	6.19	5.93	6.36	6.14% 6.16%	
Public Svc No Car	7.45 744516AB1		Sr Deb	12/15/2026	A-	6.00	5.88	6.00	6.03	6.12	6.25	6.17	6.30	6.40	6.19	5.93	6.36	6.14% 6.16%	
Scottish Power plc	4.91 81013TA09		Notes	3/15/2010	A-	5.61	5.32	5.19	5.25	5.27	5.22	5.10	5.41	5.05	4.86	5.17	5.22%	5.03%	
Scottish Power plc	5.38 81013TAB7		Notes	3/15/2015	A-	5.72	5.50	5.52	5.46	5.45	5.65	5.57	6.03	5.54	5.51	6.04	5.64% 5.70%		
South Carolina Electric & Gas C	6.12 837004BJ8	1st		3/1/2009	A-	5.33	5.23	5.22	5.28	5.45	5.51	5.36	5.19	5.25	4.47	4.72	5.16% 4.72%		
South Carolina Electric & Gas C	6.7 837004BQ2	1st		2/1/2011	A-	5.47	5.32	5.24	5.30	5.44	5.60	5.37	5.29	5.35	5.08	4.45	4.85	5.23% 4.79%	
South Carolina Electric & Gas C	7.12 837004BC3	1st		6/15/2013	A-	5.47	5.32	5.35	5.40	5.46	5.65	5.50	5.57	5.68	5.44	5.06	5.18	5.42% 5.23%	
South Carolina Electric & Gas C	5.25 837004BY5	1st		11/1/2018	A-	5.64	5.49	5.51	5.56	5.86	5.85	5.70	5.78	5.83	5.59	5.21	5.43	5.60% 5.41%	
South Carolina Electric & Gas C	6.62 837004BV1	1st		2/1/2032	A-	5.85	5.70	5.82	5.85	5.97	6.13	6.05	6.15	6.15	5.94	6.01	5.94% 5.88%		
South Carolina Electric & Gas C	5.8 837004BW9	1st		1/15/2033	A-	5.85	5.70	5.82	5.85	5.97	6.13	6.05	6.15	6.15	5.94	6.01	5.94% 5.88%		
South Carolina Electric & Gas C	5.3 837004BX7	1st		5/15/2033	A-	5.85	5.70	5.82	5.85	5.97	6.10	6.05	6.15	6.15	5.94	6.01	5.94% 5.88%		
South Carolina Electric & Gas C	5.25 837004BZ2	1st		3/1/2035	A-	5.85	5.70	5.82	5.85	5.97	6.13	6.05	6.15	6.15	5.94	6.01	5.94% 5.88%		
Southwest'n Elec Power	7 845437AR3	1st X		9/1/2007	A-	5.67	5.39	5.55	5.64	5.57	5.75	5.61						5.58%	
Union Light Heat & Pwr	6.5 906888AM4	Deb		4/30/2008	A-	5.70	5.60	5.42	5.49	5.60	5.65	5.47	5.84	5.44	5.16	5.16	5.29	5.47% 5.20%	
Wisconsin Electric Power	6.5 976656BP2	Deb		6/1/2028	A-	5.97	5.85	5.92	5.90	5.99	6.13	6.10	6.10	6.00	5.94	5.73	6.01	5.97% 5.89%	
Wisconsin Electric Power Comp	6.875	Deb		12/1/2095	A-	6.47	6.30	6.52	6.33	6.52	6.67	6.60	6.54	6.43	6.35	6.32	6.45%	6.34%	
Wisconsin Power & Light Co.	7 976286BA4	Deb		6/15/2007	A-	5.62	5.49	5.49	5.62								5.56%		
Wisconsin Power & Light Co.	5.7 976286BB2	Deb		10/15/2008	A-	5.62	5.33	5.36	5.43	5.55	5.59	5.41	5.39	5.25	5.21	4.82	4.82	5.33% 4.95%	
Wisconsin Power & Light Co.	7.625 976286BC0	Deb		3/1/2010	A-	5.52	5.36	5.24	5.31	5.50	5.60	5.27	5.15	5.06	4.66	3.96	4.13	5.06% 4.25%	
Wisconsin Power & Light Co.	6.25 976286BD8	Deb		7/31/2034	A-	6.02	5.85	5.97	6.00	6.12	6.23	6.10	6.15	6.30	5.99	5.83	6.11	6.06% 5.98%	
Avista Corp.	8.02 05379FAA6	M-T Nts 'C'		10/26/2010	BBB+	6.07	5.88	6.03	5.95	5.81	5.94	5.74	5.43	5.44	5.45	5.45	5.72%	5.45%	
CenterPoint Energy Houston	5.7 15189XAC2	Gen Mtge'J2'		3/15/2013	BBB+	5.62	5.46	5.54	5.55	5.66	5.81	5.81	5.65	5.71	5.47	5.24	5.48	5.58% 5.40%	
CenterPoint Energy Houston	5.75 15189XAG3	Gen Mtge'M2'		1/15/2014	BBB+	5.75	5.52	5.60	5.53	5.71	5.98	5.91	5.75	5.81	5.59	5.56	5.58%	5.58%	
CenterPoint Energy Houston	5.6 15189XAH1	Gen Mtge'L2'		7/1/2023	BBB+	6.07	5.92	6.12	6.10	6.19	6.31	6.32	6.19	6.24	5.98	5.85	5.93	6.10% 5.92%	
CenterPoint Energy Houston	6.95 15189XAHD0	Gen Mtge'K2'		3/15/2033	BBB+	6.15	6.03	6.22	6.25	6.24	6.36	6.33	6.28	6.33	6.12	6.06	6.21	6.13% 6.13%	
Cinergy Corp.	6.53 172474AC2	Deb		12/16/2008	BBB+					5.61	5.61	5.87	5.83	5.14	5.19	5.12	4.98	5.37%	5.12%
Cleveland Electric Illuminating C	7.43 1861085V7	Sec Nts 'D'		11/1/2009	BBB+	5.55	5.43	5.32	5.39	5.55	5.66	5.43	5.34	5.15	5.06	4.82	4.92	5.30% 4.93%	
Cleveland Electric Illuminating C	7.88 1861085U9	Sec Nts 'D'		11/1/2017	BBB+	5.80	5.62	5.70	5.75	5.88	6.13	6.08	5.97	6.13	5.89	5.86	6.13	5.91% 5.96%	
Connecticut Lt & Pwr	5 207597DT9	1st & Ref '05A		4/1/2015	BBB+	5.62	5.47	5.49	5.54	5.71	5.91	5.71	5.73	5.93	5.64	5.26	5.53	5.63% 5.48%	
Connecticut Lt & Pwr	7.875 207597CZ6	1st & Ref D		10/1/2024	BBB+	5.92	5.80	5.97	6.00	6.12	6.26	6.13	6.25	6.55	6.19	5.93	6.11	6.10% 6.08%	
Connecticut Lt & Pwr	5.62 207597DU6	1st & Ref '05B		4/1/2035	BBB+	6.05	5.85	5.95	5.98	6.10	6.24	6.11	6.25	6.55	6.24	5.98	6.26	6.13% 6.16%	
Constellation Energy Group, Inc	6.35 210371AG5	Nts		4/1/2007	BBB+	5.62	5.36										5.49%		
Constellation Energy Group, Inc	6.125 210371AJ9	Nts		9/1/2009	BBB+	5.40	5.28	5.27	5.33	5.48	5.59	5.46	5.37	5.35	4.96	4.82	4.87	5.27% 4.88%	
Constellation Energy Group, Inc	7 210371AH3	Nts		4/1/2012	BBB+	5.47	5.29	5.34	5.39	5.61	5.83	5.70	5.62	5.67	5.30	5.05	5.15	5.45% 5.17%	
Constellation Energy Group, Inc	4.55 210371AK6	Nts		6/15/2015	BBB+	5.69	5.48	5.79	5.79	5.79	6.07	6.01	6.08	6.18	5.79	5.66	5.85	5.84% 5.77%	
Constellation Energy Group, Inc	7.6 210371AF7	Nts		4/1/2032	BBB+	6.29	6.12	6.52	6.48	6.54	6.73	6.67	6.75	6.46	6.53	6.56	6.53% 6.52%		
Duke Energy Field Svcs	7.875 26439XAB9	Nts		8/16/2010	BBB+	5.67	5.37	5.24	5.35	5.62	5.68	5.42	5.60	5.46	5.01	4.46	4.88	5.31% 4.78%	
Duke Energy Field Svcs	6.875 26439XAD5	Nts		2/1/2011	BBB+	5.72	5.42	5.34	5.35	5.54	5.71	5.50	5.72	5.38	4.95	5.20	5.46%	5.18%	
Duke Energy Field Svcs	8.125 26439XAC7	Nts		8/16/2030	BBB+	6.42	6.20	6.35	6.35	6.44	6.58	6.65	6.65	6.85	6.59	6.53	6.76	6.53% 6.63%	
Dug Lt	6.45 26623FBF4	Sec M-T Nts 'C'		2/27/2008	BBB+	5.63	5.39	5.58	5.55									5.54%	
Empire District Electric Co. (The	8.12 291641AP3	1st		11/1/2009	BBB+	5.83	5.68	5.69	5.76	5.95	6.05	5.82	5.64	5.20	4.91	4.72	4.82	5.50% 4.82%	
Empire District Electric Co. (The	6.5 291641AT5	1st		4/1/2010	BBB+	5.91	5.76	5.78	5.85	6.05	6.14	5.87	5.65	5.36	5.01	4.31	4.43	5.51% 4.58%	
Empire District Electric Co. (The	7.2 291641AS7	1st		12/1/2015	BBB+	6.32	6.17	6.15	6.05	6.21	6.38	6.23	6.07	5.98	5.74	5.41	5.53	6.02% 5.56%	
Entergy New Orleans	4.98 29364PAL7	1st		7/1/2010	BBB+												5.09% 5.34%		
Entergy New Orleans	6.75 29364PAD5	1st		10/15/2017	BBB+												5.09% 5.34%		
Exelon Generation	6.95 30161MAB9	Sr Nts		6/5/2011	BBB+	5.58	5.33	5.63	5.54	5.61	5.84	5.64	5.82	5.79	5.22	4.94	5.54	5.54% 5.23%	
IES Utilities	6.62 44949RAC6	Sr Deb 'A'		8/1/2009	BBB+	5.63	5.58	5.42	5.48	5.60	5.59	5.31	5.14	5.00	4.66	4.82	4.82	5.25% 4.77%	
IES Utilities	6.75 44949RAD4	Sr Deb 'B'		3/15/2011	BBB+	5.72	5.57	5.49	5.54	5.54	5.68	5.40	5.32	5.40	5.08	4.75	4.95	5.37% 4.93%	
Interstate Pwr & Lt	5.5 461070AE4	Sr Deb		7/15/2025	BBB+	6.25	6.05	6.07	6.10	6.22	6.33	6.20	6.25	6.30	6.04	6.08	6.26	6.18% 6.13%	
Interstate Pwr & Lt	6.45 461070AC8	Sr Deb		10/15/2033	BBB+	6.25	6.05	6.07	6.10	6.22	6.33	6.20	6.25	6.30	6.04	6.13	6.31	6.19% 6.16%	
Interstate Pwr & Lt	6.3 461070AD6	Sr Deb		5/1/2034	BBB+	6.25	6.05	6.07	6.10	6.22	6.33	6.20	6.25	6.30	6.04	6.13	6.31	6.19% 6.16%	
MidAmerican Energy Hldg	4.62 59562VAD9	Sr Nts		10/1/2007	BBB+	5.46	5.37	5.49	5.55	5.64	5.52	5.40	5.84				5.53%		
MidAmerican Energy Hldg	3.5 59562VAH0	Sr Nts		5/15/2008	BBB+	5.46	5.37	5.23	5.35	5.55	5								

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Electric Utilities
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond												Avg Full Year	Avg 4th QTR		
					Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07			
Niagara Mohawk Holdings Inc.	7.75	653522DJ8	Sr Nts 'G'	10/1/2008	BBB+	5.59	5.48	5.28	5.35	5.54	5.61	5.42	5.59	5.79	5.02	4.96	4.99	5.39%	4.99%	
North'n Sts Pwr (Wisc)	7.64	655789AC6	Sr Nts	10/1/2008	BBB+	5.59	5.38	5.23	5.35	5.51	5.59	5.42	5.44	5.49	4.92	4.96	5.09	5.33%	4.99%	
Oklahoma Gas & Elec	5.15	678858SG5	Sr Nts	1/15/2016	BBB+	5.62	5.47	5.54	5.54	5.66	5.88	5.68	5.83	5.73	5.44	5.06	5.38	5.55%	5.29%	
Oklahoma Gas & Elec	6.5	678858BB6	Sr Nts	7/15/2017	BBB+	5.67	5.52	5.60	5.60	5.71	5.93	5.73	5.67	5.78	5.54	5.16	5.48	5.62%	5.39%	
Oklahoma Gas & Elec	7.3	678858BA8	Sr Nts	10/15/2025	BBB+	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00%	7.00%	
Oklahoma Gas & Elec	6.65	678858AZ4	Sr Nts	7/15/2027	BBB+	6.02	5.80	6.07	6.05	6.17	6.33	6.20	6.25	6.30	6.04	5.78	6.11	6.10%	5.98%	
Oklahoma Gas & Elec	6.5	678858BC4	Sr (Unsec) Nts	4/15/2028	BBB+	6.02	5.90	6.07	6.05	6.17	6.33	6.20	6.25	6.30	6.04	5.78	6.11	6.10%	5.98%	
Oklahoma Gas & Elec	5.75	678858BF7	Sr Nts	1/15/2036	BBB+	6.02	5.90	6.07	6.10	6.22	6.33	6.20	6.25	6.30	6.04	5.78	6.11	6.11%	5.98%	
Otter Tail Corp.	6.38	689648AL7	Sr Deb	12/1/2007	BBB+	5.97	5.94	5.84	5.90	5.93	5.95	5.89	6.04	5.72	5.38	4.83	4.55	5.18%	4.71%	
Pacific Gas & Electric Co.	3.6	694308GB7	1st	3/1/2009	BBB+	5.31	5.21	5.07	5.17	5.35	5.47	5.41	5.30	5.45	4.76	4.65	4.74	5.22%	4.78%	
Pacific Gas & Electric Co.	4.2	694308GC5	1st	3/1/2011	BBB+	5.41	5.21	5.10	5.14	5.37	5.55	5.50	5.58	5.45	4.96	4.65	5.33	5.52%	5.32%	
Pacific Gas & Electric Co.	4.8	694308GD3	1st	3/1/2014	BBB+	5.52	5.34	5.32	5.37	5.56	5.80	5.83	5.73	5.83	5.32	5.31	5.31	6.03	6.10%	6.03%
Pacific Gas & Electric Co.	6.05	694308GE1	1st	3/1/2034	BBB+	6.04	5.84	6.03	5.95	6.09	6.29	6.38	6.22	6.32	6.00	6.03	6.06	6.25%	6.04%	
Portland Gen'l Elec	9.31	73651HAV3	M-T Nts	8/11/2021	BBB+	6.41	6.13	6.30	6.21	6.47	6.62	6.35	6.16	6.21	6.11	5.80	5.80	5.72%	5.66%	
Potomac Edison Co.	5.35	737662BP1	1st	11/15/2014	BBB+	5.70	5.50	5.61	5.64	5.71	5.88	5.85	5.78	5.97	5.64	5.46	5.88	5.72%	5.66%	
Potomac Edison Co.	5.12	737662BR6	1st	8/15/2015	BBB+	5.75	5.57	5.64	5.69	5.81	5.98	5.88	5.83	6.02	5.69	5.46	5.88	5.77%	5.6%	
Potomac Electric Power	6.5	737679BR0	1st	3/15/2008	BBB+	5.59	5.49	5.34	5.41	5.55	5.61	5.42	5.64	5.39	5.12	5.31	5.35	5.44%	5.26%	
Potomac Electric Power	5.88	737679CA6	1st	10/15/2008	BBB+	5.60	5.43	5.27	5.33	5.50	5.54	5.36	5.49	5.25	4.96	4.92	5.30%	4.93%		
Potomac Electric Power	4.95	737679CW3	Sr Nts	11/15/2013	BBB+	5.61	5.46	5.48	5.49	5.66	5.83	5.78	5.73	5.78	5.49	5.36	5.43	5.59%	5.43%	
Potomac Electric Power	4.65	737679CX6	Sr Nts	4/15/2014	BBB+	5.67	5.47	5.49	5.54	5.71	5.88	5.81	5.78	5.98	5.69	5.53	5.67%	5.56%		
Potomac Electric Power	5.75	737679CY4	Sr Nts	4/15/2034	BBB+	6.12	6.00	6.12	6.15	6.27	6.38	6.35	6.35	6.14	6.23	6.41	6.24%	6.26%		
Potomac Electric Power	5.4	737679CZ1	Sr Nts	6/1/2035	BBB+	6.12	6.00	6.12	6.15	6.22	6.38	6.35	6.35	6.14	6.28	6.41	6.24%	6.28%		
Progress Energy, Inc.	6.8	144141CH9	1st	8/15/2007	BBB+	5.60	5.44	5.46	5.54	5.57	5.73	5.57	5.57	5.57	5.56	5.56	5.56%	5.56%		
Progress Energy, Inc.	5.95	144141CK2	Sr(Sec)Nts	3/1/2009	BBB+	5.43	5.33	5.17	5.21	5.40	5.42	5.36	5.39	5.45	5.01	4.52	4.52	5.18%	4.68%	
Public Serv. New Hamp.	5.25	744482BG4	1st 'L'	7/15/2014	BBB+	5.71	5.56	5.58	5.63	5.80	5.93	5.73	5.78	6.13	5.79	5.41	5.68	5.73%	5.63%	
Puget Sound Energy	5.2	745332BV7	Sr(Sec)Nts	10/1/2015	BBB+	5.82	5.57	5.59	5.59	5.76	5.93	5.73	5.78	5.93	5.74	5.56	5.78	5.73%	5.69%	
Puget Sound Energy	5.48	745332BU9	Sr Nts	6/1/2035	BBB+	6.22	6.05	6.17	6.15	6.27	6.38	6.25	6.40	6.50	6.34	6.18	6.41	6.28%	6.31%	
Roch G&E	5.84	77136XBA9	Sed-M T Nts 'B'	12/22/2008	BBB+	5.83	5.58	5.68	5.63	5.85	5.80	5.44	5.29	5.48	5.51	5.51	5.29	5.57%	5.44%	
Roch G&E	7.6	77136XB7	Sed-M T Nts 'B'	10/27/2009	BBB+	5.70	5.49	5.65	5.28	5.19	5.26	5.15	4.89	5.07	5.13	4.81	5.23%	5.02%		
Sempra Energy	4.62	816851AE9	SrNts	5/17/2007	BBB+	5.49	5.40	5.37	5.40	5.40	5.40	5.46	5.70	5.46	5.01	4.51	4.58	5.24%	4.70%	
Sempra Energy	7.95	816851AB3	Nts	3/1/2010	BBB+	5.52	5.31	5.22	5.16	5.40	5.60	5.46	5.70	5.46	5.01	4.51	4.58	5.24%	4.70%	
Sempra Energy	6	816851AF6	Nts	2/1/2013	BBB+	5.67	5.42	5.40	5.38	5.54	5.66	5.60	5.56	5.50	5.48	5.01	5.25	5.46%	5.25%	
Southwestern Public Serv	6.2	847543BF9	Sr Nts 'A'	3/1/2009	BBB+	5.58	5.38	5.22	5.38	5.55	5.67	5.54	5.37	5.15	4.86	4.67	4.97	5.28%	4.83%	
Wisconsin Energy Corp.	6.5	976657AC0	Sr Nts	4/1/2011	BBB+	5.52	5.37	5.23	5.28	5.46	5.62	5.39	5.42	5.35	5.08	4.50	4.90	5.26%	4.83%	
WPS Resources Corp.	7	92931BA44	Sr Nts	11/1/2009	BBB+	5.53	5.43	5.24	5.31	5.50	5.59	5.46	5.44	5.50	5.16	4.67	4.82	5.30%	4.88%	
WPS Resources Corp.	5.375	92931BA2	Sr Nts	12/1/2012	BBB+	5.61	5.41	5.33	5.29	5.49	5.72	5.45	5.37	5.45	5.13	4.60	4.94	5.32%	4.89%	
AEP Texas North	5.5	0010EQAB2	Sr Nts	3/1/2013	BBB	5.69	5.46	5.47	5.52	5.68	5.90	5.83	5.88	5.59	5.46	5.73	5.67%	5.59%		
AmerenUE	5.1	02360FAA4	Sr Sec Nts	10/1/2019	BBB	5.92	5.71	5.87	5.89	6.09	6.37	6.26	6.13	6.08	5.79	5.68	5.75	5.96%	5.74%	
AmerenUE	5.3	02360FBAB2	Sr Sec Nts	8/1/2037	BBB	6.13	5.98	6.22	6.20	6.30	6.51	6.48	6.45	6.45	6.24	6.23	6.36	6.30%	6.28%	
American Electric Power Co., Ir	5.25	025537AE1	Sr Nts	6/1/2015	BBB	5.65	5.39	5.49	5.47	5.65	5.90	5.93	5.93	6.08	5.74	5.61	5.73	5.71%	5.69%	
Appalachian Power	4.4	037735CC9	Sr Nts 'J'	6/1/2010	BBB	5.56	5.36	5.21	5.28	5.47	5.68	5.52	5.41	5.31	5.15	4.66	4.72	5.28%	4.84%	
Appalachian Power	4.95	037735CB1	Sr Nts 'I'	2/1/2015	BBB	5.73	5.53	5.56	5.67	5.79	6.13	6.06	5.93	5.98	5.69	5.56	5.83	5.79%	5.69%	
Appalachian Power	5	037735CD7	Sr Nts 'K'	6/1/2017	BBB	5.83	5.59	5.69	5.71	5.86	6.08	6.11	6.07	6.03	5.79	5.71	5.88	5.86%	5.79%	
Appalachian Power	5.8	037735CE5	Sr Nts 'L'	10/1/2035	BBB	6.22	6.03	6.19	6.10	6.24	6.40	6.42	6.55	6.45	6.19	6.38	6.56	6.31%	6.38%	
Appalachian Power	6.38	037735CG0	Sr Nts 'N'	4/1/2036	BBB	6.26	6.00	6.19	6.10	6.24	6.38	6.45	6.55	6.60	6.24	6.38	6.56	6.33%	6.39%	
Appalachian Power Co.	3.6	037735BY2	Sr Nts 'G'	5/15/2008	BBB	5.48	5.32	5.35	5.40	5.55	5.47	5.46	5.70	5.76	5.10	5.03	5.52	5.43%	5.22%	
Appalachian Power Co.	6.6	037735BM8	Sr Nts 'C'	5/1/2009	BBB	5.47	5.38	5.17	5.24	5.40	5.49	5.38	5.45	5.35	5.26	4.72	5.25%	4.90%		
Appalachian Power Co.	5.95	037735BZ9	Sr Nts 'H'	5/15/2033	BBB	6.22	6.03	6.24	6.10	6.30	6.39	6.36	6.50	6.60	6.21	6.33	6.56	6.32%	6.37%	
Black Hills Corp.	8.06	092113AB5	1st AC'	2/1/2010	BBB	5.88	5.73	5.57	5.65	5.85	6.04	5.85	5.69	5.44	5.12	4.92	4.77	5.54%	4.94%	
CenterPoint Energy Res	7.875	15189YAB2	Sr Nts	4/1/2013	BBB	5.82	5.57	5.60	5.60	5.76	5.96	5.93	5.77	5.93	5.69	5.61	5.88	5.74%	5.66%	
CenterPoint Energy Res	5.95	15189WAB6	Sr Nts	1/15/2014	BBB	5.89	5.72	5.80	5.78	5.94	6.14	6.08	5.92	6.03	5.79	5.64	5.68	5.88%	5.70%	
Central Illinois Public Service C	5.38	153663BH1	Sr Nts	12/15/2008	BBB	5.62	5.48	5.81	5.87	5.95	5.98	5.81	5.59	5.80	5.51	5.17	5.21	5.65%	5.30%	
Central Illinois Public Service C	6.625	153663BL2	Sr Nts	6/15/2011	BBB	5.83	5.77	5.53	5.34	6.79	6.37	6.45	6.32	6.30	6.03	5.65	5.75	6.23%	5.81%	
Cleco Power LLC	5.375	185508AC2	Nts	5/1/2013	BBB	6.03	5.88	5.77	5.81	5.99	6.11	5.82	5.78	5.67	5.40	4.85	4.91	5.67%	5.05%	
Cleco Power LLC	4.95	185508AD0	Nts	7/15/2015	BBB	6.16	6.02	5.99	6.04	6.15	6.32	6.08	6.11	6.08	5.81	5.41	5.46	5.97%	5.56%	
Cleco Power LLC	6.5	185508AE8	Nts	12/1/2035	BBB	6.52	6.39	6.46	6.49	6.61										

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Electric Utilities
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR
Consumers Energy Co.	4.4	210518CC8	1st 'N'	8/15/2009	BBB	5.55	5.33	5.31	5.37	5.50	5.55	5.41	5.50	5.25	4.76	4.82	4.96	5.28%	4.85%
Consumers Energy Co.	5	210518CD6	1st 'O'	2/15/2012	BBB	5.56	5.34	5.27	5.34	5.50	5.69	5.50	5.53	5.45	5.08	4.70	5.19	5.35%	4.99%
Consumers Energy Co.	5.5	210518CE4	1st 'P'	8/15/2016	BBB	5.75	5.55	5.57	5.61	5.76	5.92	5.82	5.78	5.93	5.64	5.36	5.63	5.69%	5.54%
Consumers Energy Co.	5.15	210518CG9	1st	2/15/2017	BBB	5.82	5.62	5.64	5.69	5.79	6.00	5.88	5.88	5.98	5.69	5.41	5.68	5.76%	5.59%
Consumers Energy Co.	6.875	210518AT3	Sr Nts 'B'	3/1/2018	BBB	5.97	5.82	5.86	5.85	6.01	6.18	6.03	6.02	6.03	5.79	5.56	5.78	5.91%	5.71%
Consumers Energy Co.	5.65	210518CL8	1st	4/15/2020	BBB	6.02	5.75	5.78	5.79	5.96	6.13	6.01	6.18	6.18	5.84	5.61	5.78	5.92%	5.74%
Consumers Energy Co.	5.8	210518CP9	1st	9/15/2035	BBB	6.19	6.05	6.18	6.21	6.24	6.36	6.35	6.40	6.40	6.19	6.13	6.11	6.23%	6.14%
Duquesne Light Co.	6.7	26522CR4	1st 'O'	4/15/2012	BBB	5.61	5.47	5.19	5.29	5.49	5.63	5.40	5.37	5.30	5.18	4.55	4.85	5.28%	4.86%
El Paso Electric Co.	6	283677AW2	Sr Nts	9/15/2035	BBB	6.32	6.20	6.27	6.30	6.42	6.48	6.40	6.55	6.55	6.34	6.23	6.51	6.38%	6.36%
Energy East Corp.	8.05	29265MAA7	Nts	11/15/2010	BBB	5.62	5.42	5.32	5.38	5.57	5.74	5.42	5.35	5.26	5.01	4.46	4.78	5.28%	4.75%
Energy East Corp.	6.75	29266MAD1	Nts	6/15/2012	BBB	5.65	5.49	5.39	5.43	5.63	5.78	5.55	5.58	5.80	5.43	5.10	5.20	5.49%	5.24%
Energy East Corp.	6.75	29266MAE9	Nts	9/15/2033	BBB	6.37	6.19	6.36	6.37	6.49	6.52	6.45	6.55	6.65	6.44	6.36	6.66	6.45%	6.49%
Entera Energy Trust	6	95709TAAB3	1st	7/1/2014	BBB	5.72	5.52	5.51	5.57	5.73	5.92	5.77	5.77	5.83	5.59	5.36	5.63	5.66%	5.53%
Entera Energy Trust	5.15	95709TABA6	1st	1/1/2017	BBB	5.93	5.72	5.74	5.84	6.01	6.13	5.98	5.88	5.93	5.79	5.56	5.73	5.85%	5.69%
Entera Energy Trust	5.1	95709TAD2	1st	7/15/2020	BBB	5.97	5.77	5.79	5.89	6.06	6.23	6.08	5.98	6.03	5.84	5.61	5.83	5.92%	5.76%
Entera Energy Trust	5.95	95709TAC4	1st	1/1/2035	BBB	6.37	6.15	6.27	6.40	6.52	6.63	6.55	6.60	6.65	6.54	6.38	6.46	6.46%	6.46%
Entera Energy Trust	5.88	95709TAEO	1st	7/15/2036	BBB	6.37	6.15	6.27	6.40	6.52	6.63	6.55	6.60	6.65	6.54	6.38	6.46	6.46%	6.46%
Exelon Corp.	4.45	30161NAB7	Sr Nts	6/15/2010	BBB	5.51	5.36	5.43	5.39	5.55	5.68	5.52	5.66	5.56	4.90	4.41	4.82	5.32%	4.71%
Exelon Corp.	6.75	30161NAAS	Sr Nts	5/1/2011	BBB	5.60	5.38	5.59	5.53	5.67	5.85	5.65	5.77	5.80	5.23	5.00	5.25	5.53%	5.16%
Exelon Corp.	4.9	30161NAD3	Sr Nts	6/15/2015	BBB	5.81	5.55	5.91	5.74	5.87	6.18	6.13	6.08	6.15	5.79	5.71	5.88	5.90%	5.79%
Exelon Corp.	5.62	30161NAC5	Sr Nts	6/15/2035	BBB	6.07	5.88	6.27	6.15	6.19	6.45	6.50	6.55	6.55	6.33	6.46	6.31%	6.38%	
Florida Pwr	6.81	34110QAK4	Nts	7/1/2007	BBB	5.51	5.34	5.52	5.62	5.59	5.78	5.60	5.57	5.55	5.22	5.00	5.52%	5.52%	
Florida Pwr	6.75	34110QAL2	Nts	2/1/2028	BBB	6.17	5.97	6.02	6.05	6.17	6.28	6.35	6.36	6.35	6.01	5.90	6.16	6.15%	6.02%
Hawaiian Elec Indus	4	41987QBA0	M-T Nts 'D'	3/7/2008	BBB	5.90	5.53	5.51	5.42	5.32	5.21	4.93	4.87	4.87	4.84	5.08	4.84	5.50%	5.00%
Hawaiian Elec Indus	5.25	41987QB8	M-T Nts 'D'	3/7/2013	BBB	6.23	5.59	5.69	5.57	5.86	5.90	5.72	5.24	5.18	5.08	5.08	4.84	5.50%	5.00%
Hawaiian Elec Indus	6.51	41987QAX1	M-T Nts 'C'	5/5/2014	BBB	6.25	5.62	5.76	5.64	5.93	6.01	5.72	5.38	5.36	5.28	5.28	5.63%	5.28%	
Indiana Mich Pwr	6.375	454889AH9	Sr Nts 'E'	11/1/2012	BBB	5.68	5.49	5.39	5.44	5.59	5.78	5.60	5.57	5.55	5.48	5.10	5.25	5.49%	5.28%
Indiana Mich Pwr	5.05	454889AK2	Sr Nts 'F'	11/15/2014	BBB	5.73	5.55	5.55	5.64	5.83	6.10	5.98	5.93	5.98	5.64	5.51	5.78	5.77%	5.64%
Indiana Mich Pwr	5.65	454889AL0	Sr Nts 'G'	12/1/2015	BBB	5.91	5.62	5.74	5.69	5.81	6.03	5.98	5.93	6.08	5.79	5.71	5.88	5.85%	5.79%
Indiana Michigan Power	6.45	45488PA8	M-T Nts 'A'	11/10/2008	BBB	5.83	5.62	5.71	5.68	5.82	5.96	4.98	4.83	4.56	5.22	5.07	5.28%	5.17%	
Kansas City Power & Light	6.5	458134PA2	Sr Nts	11/15/2011	BBB	5.56	5.42	5.34	5.39	5.59	5.73	5.45	5.47	5.45	5.08	4.60	4.95	5.34%	4.88%
Kentucky Power	5.5	491386AK4	Sr Nts	7/1/2007	BBB	5.59	5.43	5.51	5.57	5.50	5.76	5.57	5.57	5.55	5.26	5.00	5.52%	5.52%	
Kentucky Power	5.62	491386AL2	Sr Nts 'D'	12/1/2032	BBB	6.22	6.05	6.19	6.10	6.22	6.35	6.35	6.40	6.60	6.24	6.28	6.46	6.29%	6.33%
Kentucky Pwr	6.91	49138QA2	M-T Nts 'A'	10/1/2007	BBB	5.97	6.02	6.15	6.15	6.21	6.35	6.35	6.40	6.60	6.24	6.28	6.46	6.05%	
Kentucky Pwr	6.45	49138QAB0	M-T Nts 'A'	11/1/2008	BBB	5.84	5.62	5.71	5.68	5.32	5.21	4.93	4.78	4.51	5.22	5.22	5.09	5.26%	5.18%
Northern Sts Pwr (Minn)	6.88	665772BR9	Sr Nts	8/1/2009	BBB	5.48	5.31	5.15	5.24	5.45	5.54	5.45	5.24	5.10	4.81	4.57	4.77	5.18%	4.72%
NorthWestern Corp.	5.88	668074AM9	Sr Sec Nts	11/1/2014	BBB	6.22	6.04	6.09	6.04	6.21	6.38	6.18	6.33	6.37	5.79	5.86	6.13	6.14%	5.93%
Northwestern Pub. Serv.	7	668231AH6	New Mtg	8/15/2023	BBB	6.94	6.94	6.94	6.94	6.94	6.94	6.94	6.94	6.94	6.92	6.84	6.86	6.92%	6.87%
Ohio Power Co.	5.3	677415CK5	Sr Nts 'J'	1/1/2010	BBB	5.46	5.26	5.11	5.21	5.39	5.56	5.42	5.36	5.26	5.00	4.41	4.48	5.16%	4.83%
Ohio Power Co.	5.5	677415CD1	Sr Nts 'F'	2/15/2013	BBB	5.57	5.37	5.38	5.42	5.55	5.80	5.76	5.75	5.76	5.49	5.36	5.63	5.57%	5.49%
Ohio Power Co.	4.85	677415CG4	Sr Nts 'H'	1/15/2014	BBB	5.64	5.41	5.41	5.46	5.58	5.83	5.83	5.83	5.93	5.51	5.46	5.68	5.63%	5.55%
Ohio Power Co.	6.6	677415CF6	Sr Nts 'G'	2/15/2033	BBB	6.15	5.92	6.14	6.08	6.17	6.32	6.32	6.30	6.40	6.26	6.23	6.56	6.24%	6.35%
Ohio Power Co.	6.38	677415CJ8	Sr Nts 'I'	7/15/2033	BBB	6.62	6.45	6.64	6.40	6.52	6.70	6.70	6.91	6.97	6.74	6.63	6.91	6.68%	6.76%
Ohio Pwr	6.24	677417PAB3	M-T Nts 'A'	12/4/2008	BBB	5.71	5.48	5.57	5.53	5.76	5.17	4.87	4.61	4.34	5.17	5.17	4.95	5.19%	5.10%
Penna Elec	7.77	70869QAF2	M-T Nts 'E'	8/2/2010	BBB	5.84	5.01	5.26	5.17	5.59	5.77	5.59	5.51	5.52	5.49	5.49	5.37	5.47%	5.45%
Pennsylvania Electric	6.625	70869GBM0	Sr Nts 'C'	4/1/2019	BBB	6.02	5.87	5.93	5.95	6.21	6.44	6.28	6.22	6.23	5.89	6.16	6.28	6.12%	6.11%
Pennsylvania Electric	6.125	70869GBL2	Sr Nts 'B'	4/1/2009	BBB	5.58	5.48	5.32	5.38	5.55	5.64	5.41	5.34	5.35	4.96	4.57	4.67	5.27%	4.73%
Portland General Elec	7.88	73650BBC5	Nts	3/15/2010	BBB	5.86	5.39	5.21	5.29	5.48	5.55	5.47	5.30	5.07	4.74	4.02	4.51	5.13%	4.42%
PPL Energy Supply	6.4	69352JAC1	Sr Nts 'A'	11/1/2011	BBB	5.66	5.52	5.44	5.49	5.62	5.98	5.75	5.75	5.60	5.28	4.85	5.70	5.57%	5.28%
Progress Energy, Inc.	7.1	743263AD7	Sr Nts	3/1/2011	BBB	5.42	5.25	5.17	5.20	5.42	5.63	5.50	5.47	5.55	5.18	4.75	4.88	5.29%	4.94%
Progress Energy, Inc.	6.86	743263AJ4	Sr Nts	4/15/2012	BBB	5.58	5.31	5.21	5.27	5.47	5.69	5.67	5.69	5.66	5.23	4.87	5.01	5.39%	5.04%
Progress Energy, Inc.	6.5	144141CS5	Nts	7/15/2012	BBB	5.53	5.27	5.17	5.28	5.43	5.65	5.45	5.52	5.46	5.13	4.65	4.90	5.29%	4.89%
Progress Energy, Inc.	5.62	743263AL9	Sr Nts	1/15/2016	BBB	5.67	5.42	5.42	5.54	5.70	5.93	5.98	5.88	5.88	5.64	5.41	5.63	5.70%	5.56%
Progress Energy, Inc.	7.75	743263AE5	Sr Nts	3/1/2031	BBB	6.16	5.97	6.17	6.15	6.25	6.45	6.50	6.46	6.56	6.24	6.16	6.26	6.28%	6.22%
Progress Energy, Inc.	7	743263AG0	Sr Nts	10/30/2031	BBB	6.13	5.97	6.15	6.15	6.25	6.43	6.50	6.46	6.56	6.19	6.15	6.26	6.27%	6.20%
PSEG Power LLC	3.75	69362BAQ5	Sr Nts	4/1/2009	BBB	5.47	5.37	5.30	5.37	5.50	5.52	5.36	5.35	5.40	4.96	4.57	4.70	5.24%	4.74%
PSEG Power LLC	7.75	69362BAF9	Sr Nts	4/15/2011	BBB	5.52	5.36	5.39	5.38	5.57	5.73	5.49	5.62	5.70	5.13	4.95	5.20	5.42%	5.09%
PSEG Power LLC	6.95	69362BAM4	Sr Nts	6/1															

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Electric Utilities
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond												Avg Full Year	Avg 4th QTR	
					Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
Public Service Co. of Oklahoma	4.7	744533BG4	Sr Nts'E'	5/15/2011	BBB	5.63	5.43	5.33	5.39	5.54	5.72	5.55	5.53	5.50	5.23	4.85	4.89	5.39%	5.02%
Puget Sd P&L	8.4	74533HAG8	Sed M-T Nts 'A'	5/7/2007	BBB	5.82	7.94	7.94	7.94	5.73	5.69	5.58	5.66	4.90	5.29	5.29	4.93	7.41%	
Puget Sound Energy	6.46	74531EAD4	Sr M-T Nts 'B'	3/9/2009	BBB	5.60	5.33	5.46	5.40	5.73	5.69	5.58	5.66	4.90	5.29	5.29	4.93	5.41%	5.17%
Puget Sound Energy	7.96	74531EAE2	Sr M-T Nts 'B'	2/22/2010	BBB	5.52	5.27	5.45	5.40	5.79	5.87	5.82	5.77	4.82	5.00	5.00	4.30	5.33%	4.77%
Puget Sound Energy	7.69	74531EAG7	Sr M-T Nts 'B'	2/1/2011	BBB	5.55	5.28	5.45	5.36	5.73	5.82	5.74	5.18	5.18	5.31	5.31	4.55	5.37%	5.06%
Puget Sound Energy	6.74	74531EAB8	Sr M-T Nts 'A'	6/15/2018	BBB	5.99	5.72	5.77	5.69	6.03	6.18	6.02	5.79	5.98	6.03	6.03	5.59	5.90%	5.88%
Puget Sound Energy	7	74531EAC6	Sr M-T Nts 'B'	3/9/2029	BBB	6.23	5.94	6.21	6.13	6.32	6.42	6.33	6.21	6.48	6.55	6.55	6.31	6.31%	6.47%
Puget Sound Pwr & Lt	7.02	74531EAA0	Sr M-T Nts'A'	12/1/2027	BBB	6.30	5.94	6.19	6.13	6.33	6.43	6.32	6.19	6.48	6.55	6.55	6.31	6.31%	6.47%
Southern California Edison Co.	7.625	842400EE9	Nts	1/15/2010	BBB	5.52	5.36	5.14	5.16	5.40	5.55	5.32	5.30	5.36	4.96	4.36	4.43	5.16%	4.58%
Southern California Edison Co.	6.65	842400EB5	Nts	4/1/2029	BBB	6.02	5.82	5.97	5.92	6.05	6.23	6.30	6.35	6.09	6.07	6.16	6.11%	6.11%	
Southwest'n Elec Power	5.38	845437BE1	Sr Nts	4/15/2015	BBB	5.74	5.54	5.54	5.54	5.71	5.93	5.83	5.93	6.03	5.69	5.66	5.88	5.75%	5.74%
Tucson Elec Pwr	7.5	888813AJ9	1st CT	8/1/2008	BBB	6.04	5.93	5.73	5.80	5.85	5.91	5.62	5.79	6.04	5.52	5.16	5.19	5.72%	5.29%
Union Electric	6.75	906548BN1	1st	5/1/2008	BBB	5.73	5.53	6.61	5.94	5.85	5.76	5.67	5.84	5.79	5.52	5.26	5.35	5.74%	5.38%
Union Electric	5.25	906548BX9	Sr Sec Nts	9/1/2012	BBB	5.81	5.61	5.73	5.74	5.69	5.77	5.68	5.58	5.45	5.18	4.80	4.89	5.51%	4.96%
Union Electric	4.65	906548CB6	Sr Sec Nts	10/1/2013	BBB	5.82	5.62	5.84	5.84	5.86	5.98	5.93	5.83	5.83	5.49	5.36	5.18	5.72%	5.34%
Union Electric	5.5	906548CC4	Sr Sec Nts	5/15/2014	BBB	5.82	5.62	5.84	5.89	5.91	6.03	5.95	5.85	5.88	5.59	5.41	5.48	5.77%	5.49%
Union Electric	4.75	906548ZB4	Sr Sec Nts	4/1/2015	BBB	5.82	5.67	5.89	5.94	5.91	6.08	6.00	5.90	5.93	5.64	5.46	5.53	5.81%	5.54%
Union Electric	5	906548CD2	Sr Sec Nts	2/1/2020	BBB	6.02	5.82	5.89	5.89	6.11	6.41	6.31	6.18	5.99	5.86	5.93	6.05%	5.93%	
Union Electric	5.5	906548BY7	Sr Sec Nts	3/15/2034	BBB	6.12	5.95	6.12	6.20	6.32	6.53	6.50	6.40	6.19	6.18	6.26	6.27%	6.21%	
Virginia El & Pwr	5.73	92781FBP2	M-T Nts 'F'	11/25/2008	BBB	5.55	5.30	5.44	5.43	5.70	5.55	5.46	5.24	5.19	5.09	5.09	5.19	5.35%	5.12%
Virginia Electric & Power Co.	7.625	927804CE2	1st & Ref '92D	7/1/2007	BBB	5.66	5.44	5.51	5.63	5.57							5.56%		
Virginia Electric & Power Co.	4.5	927804EV2	Sr Nts 'B'	12/15/2010	BBB	5.39	5.26	5.16	5.18	5.39	5.53	5.28	5.41	5.16	4.80	4.36	4.62	5.13%	4.59%
Virginia Electric & Power Co.	4.75	927804EU4	Sr Nts 'A'	3/1/2013	BBB	5.53	5.32	5.36	5.35	5.52	5.77	5.68	5.63	5.68	5.29	5.11	5.38	5.47%	5.26%
Virginia Electric & Power Co.	5.25	927804EW0	Sr Nts 'C'	12/15/2015	BBB	5.67	5.47	5.52	5.53	5.66	5.88	5.79	5.88	5.59	5.36	5.43	5.63%	5.46%	
Virginia Electric & Power Co.	5.4	927804EZ3	Sr Nts'A'	1/15/2016	BBB	5.67	5.42	5.54	5.52	5.68	5.93	5.87	5.82	6.03	5.54	5.36	5.48	5.68%	5.46%
Virginia Electric & Power Co.	6	927804FA7	Sr Nts'B'	1/15/2036	BBB	6.02	5.83	6.02	6.00	6.15	6.32	6.35	6.38	6.40	6.08	6.06	6.16	6.15%	6.10%
West Texas Utilities	7.75	9562279AS2	1st P	6/1/2007	BBB	5.67	5.45	5.65	5.87								5.66%		
Xcel Energy	7	98388MAA5	Sr Nts	12/1/2010	BBB	5.52	5.32	5.14	5.23	5.42	5.60	5.31	5.55	5.41	5.01	4.61	5.03	5.26%	4.88%
Allegheny Generating	6.88	017364AG5	Deb	9/1/2023	BBB	7.05	7.45	7.46	6.87	6.79	6.97	7.52	7.24	7.13	6.92	7.08	7.03	7.13%	7.01%
Ameren Corp.	4.26	023608AD4	Nts	5/15/2007	BBB	5.67	5.36	5.89									5.64%		
AmerenEnergy Generating	8.35	042360XAF4	Sr Nts'D'	11/1/2010	BBB	5.92	5.72	6.24	5.85	5.81	5.99	5.95	5.82	5.80	5.73	5.35	5.77%	5.37%	
AmerenEnergy Generating	7.95	02360XAJ6	Sr Nts 'F'	6/1/2032	BBB	6.52	6.35	7.17	6.85	6.82	6.78	6.60	6.75	6.54	6.58	6.76	6.71%	6.63%	
AmerenUE	5.4	02360FAFC0	Sr Sec Nts	2/1/2016	BBB	5.78	5.58	5.74	5.74	5.91	6.11	6.03	5.93	5.93	5.69	5.51	5.63	5.80%	5.61%
Arizona Public Service	6.375	040555CC0	Nts	10/15/2011	BBB	5.78	5.57	5.44	5.49	5.64	5.85	5.57	5.70	5.60	5.31	4.77	5.35	5.51%	5.14%
Arizona Public Service	6.5	040555CD4	Nts	3/1/2012	BBB	5.81	5.59	5.51	5.56	5.72	5.90	5.62	5.72	5.65	5.33	4.80	5.40	5.55%	5.18%
Arizona Public Service	5.8	040555CG7	Nts	6/30/2014	BBB	5.87	5.66	5.65	5.70	5.82	6.03	5.83	5.97	6.03	5.66	5.41	5.83	5.79%	5.63%
Arizona Public Service	4.65	040555CE2	Nts	5/15/2015	BBB	5.88	5.67	5.69	5.74	5.85	6.07	5.87	6.03	6.08	5.73	5.56	5.88	5.84%	5.72%
Arizona Public Service	5.625	040555CF9	Nts	5/15/2033	BBB	6.39	6.18	6.30	6.30	6.42	6.54	6.47	6.65	6.65	6.49	6.33	6.66	6.45%	6.49%
Arizona Public Service	5.5	040555CH5	Nts	9/1/2035	BBB	6.34	6.14	6.32	6.30	6.42	6.54	6.47	6.65	6.65	6.43	6.33	6.66	6.44%	6.47%
Black Hills Corp.	6.5	092113AE9	Nts	5/15/2013	BBB	6.48	6.32	6.21	6.25	6.44	6.56	6.56	6.42	6.66	6.38	6.13	6.45	6.41%	6.32%
CenterPoint Energy, Inc.	5.88	15189TAF4	Sr Nts 'B'	6/1/2008	BBB	5.68	5.53	5.52	5.58	5.65	5.72	5.54	5.79	6.10	5.61	5.57	5.62	5.66%	5.60%
CenterPoint Energy, Inc.	7.25	15189TAJ6	Sr Nts 'B'	9/1/2010	BBB	5.67	5.47	5.44	5.50	5.55	5.70	5.50	5.60	5.46	5.11	4.66	4.83	5.37%	4.87%
CenterPoint Energy, Inc.	6.85	15189TAG2	Sr Nts 'B'	6/1/2015	BBB	6.07	5.74	5.90	5.95	5.97	6.17	6.08	5.92	6.08	5.99	5.89	6.03	5.98%	5.97%
Cisco Corp.	7	12561WAB1	Nts	5/1/2008	BBB	6.00	5.97	5.89	6.02	5.91	5.93	5.81	5.56	5.28	5.08	4.95	4.89	5.61%	4.97%
Cleveland Electric Illuminating C	5.65	186108CD6	Sr Nts	12/15/2013	BBB	5.72	5.50	5.62	5.60	5.76	6.03	5.88	5.88	5.98	5.69	5.61	5.88	5.76%	5.73%
DTE Energy Co.	5.63	233331AL1	Sr Nts	8/16/2007	BBB	5.65	5.47	5.39	5.43	5.47	5.51						5.49%		
DTE Energy Co.	6.65	233331AG2	Sr Nts'02A	4/15/2009	BBB	5.46	5.31	5.20	5.29	5.45	5.54	5.41	5.43	5.14	5.01	4.67	4.72	5.22%	4.80%
DTE Energy Co.	7.05	233331AE7	Sr Nts	6/1/2011	BBB	5.55	5.30	5.29	5.35	5.52	5.75	5.57	5.52	5.55	5.28	4.90	5.05	5.40%	5.08%
Duquesne Light Holdings, Inc.	5.5	266223AA3	Sr Nts	8/15/2015	BBB	6.57	6.42	6.34	6.39	6.36	6.58	6.53	6.43	6.48	6.24	5.86	6.13	6.38%	6.08%
Duquesne Light Holdings, Inc.	6.25	266223AB1	Sr Nts	8/15/2035	BBB	7.37	7.05	7.12	7.15	7.12	7.13	7.20	7.25	6.89	6.63	7.06	7.10%	6.86%	
FirstEnergy Corp.	6.45	337932AB3	Nts 'B'	11/15/2011	BBB	5.46	5.26	5.26	5.31	5.51	5.78	5.55	5.57	5.70	5.35	5.30	5.50	5.46%	5.38%
FirstEnergy Corp.	7.38	337932AC1	Nts 'C'	11/15/2031	BBB	6.26	6.06	6.28	6.26	6.41	6.68	6.75	6.59	6.69	6.54	6.68	6.56	6.48%	6.59%
Indianapolis Pwr & Lt	7.375	455434AY6	1st	8/1/2007	BBB	5.81	5.59	5.48	5.57	5.63	5.95						5.67%		
Northeast Utilities	3.3	664397AF3	Sr Nts 'B'	6/1/2008	BBB	5.51	5.42	5.24	5.50	5.74	5.77	5.56	5.65	5.81	5.35	5.08	5.76	5.53%	5.40%
Northeast Utilities	7.25	664397AE6	Sr Nts 'A'	4/1/2012	BBB	5.82	5.67	5.59	5.64	5.69	5.85	5.57	5.57	5.60	5.28	4.65	5.00	5.49%	4.98%
Oncor Electric Delivery	5	68233DAQ0	Deb	9/1/2007	BBB	5.71	5.52	5.40	5.65	5.64	5.80	5.59	5.59				5.62%		
Oncor Electric Delivery	6.38	68233DAS6	Sr Sec Nts	5/1/2012	BBB	6.72	5.45	5.42	5.45	5.67	5.88	5.80	5.64	5.80	5.43	4.97	5.30	5.54%	

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Electric Utilities
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond													Avg Full Year	Avg 4th QTR
					Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
Tampa Electric Co.	6.675	675127AS1	Nts	6/15/2012	BBB-	5.59	5.37	5.26	5.31	5.52	5.70	5.57	5.57	5.50	5.18	4.78	5.10	5.37%	5.02%
Tampa Electric Co.	6.375	675127AU6	Nts	8/15/2012	BBB-	5.56	5.34	5.26	5.31	5.52	5.73	5.60	5.55	5.18	4.78	5.10	5.38%	5.02%	
Tampa Electric Co.	6.55	675127AV4	Nts	5/15/2036	BBB-	6.17	6.00	6.12	6.10	6.19	6.38	6.40	6.40	6.14	6.06	6.33	6.22%	6.18%	
Texas-New Mexico Pwr	6.25	882587AV0	Sr Nts	1/15/2009	BBB-	5.72	5.53	5.34	5.40	5.58	5.70	5.44	6.77	6.62	5.25	4.94	5.12	5.62%	5.10%
West Penn Power Co.	6.625	955278BF2	Nts	4/15/2012	BBB-	5.94	5.78	5.69	5.74	5.68	5.83	5.60	5.47	5.54	5.27	4.74	5.25	5.54%	5.08%
Allegheny Energy Supply	7.8	017363AD4	Nts	3/15/2011	BB+	6.09	5.86	6.00	6.04	6.00	6.63	7.63	6.79	6.49	5.89	6.42	6.30	6.35%	6.20%
Avista Corp.	9.75	05379BAC1	Sr Nts	6/1/2008	BB+	6.06	5.97	5.89	6.07	6.09	6.11	5.95	5.49	5.36	5.30	4.50	4.67	5.62%	4.82%
CMS Energy Corp.	9.875	125896AP5	Sr Nts	10/15/2007	BB+	6.17	5.97	5.82	6.00	5.80	6.52	6.68	6.28					6.16%	
CMS Energy Corp.	8.5	125896AQ3	Sr Nts	4/15/2011	BB+	6.23	5.87	6.02	5.85	5.89	6.57	6.51	6.63	6.29	5.99	5.53	5.87	6.10%	5.80%
CMS Energy Corp.	6.3	125896AX8	Sr Nts	2/1/2012	BB+	6.30	5.85	6.05	5.96	6.03	6.58	6.59	6.87	6.45	6.06	5.88	6.04	6.22%	5.99%
CMS Energy Corp.	6.88	125896AZ3	Sr Nts	12/15/2015	BB+	6.42	6.16	6.23	6.26	6.30	6.66	6.81	7.09	6.82	6.79	6.46	6.68	6.56%	6.64%
Empire District Elec	6.7	29164RAA9	Sr Nts	11/15/2033	BB+	7.20	7.08	7.15	7.00	7.12	7.23	7.15	7.10	7.00	6.79	6.58	6.71	7.01%	6.69%
Empire District Electric Co. (Th)	4.5	29164IAY4	Sr Nts	6/15/2013	BB+	6.82	6.67	6.29	6.29	6.46	6.63	6.48	6.33	6.23	5.99	5.66	5.78	6.30%	5.81%
Empire District Electric Co. (Th)	7.05	29164IAX6	Sr Nts	12/15/2022	BB+	7.20	7.15	7.14	7.14	7.19	7.24	7.15	7.11	7.08	7.04	7.13	7.19	7.15%	7.12%
Empire District Electric Co. (Th)	5.8	29164IAZ1	Sr Nts	7/1/2035	BB+	7.20	7.08	7.15	7.00	7.12	7.23	7.15	7.10	7.00	6.79	6.58	6.71	7.01%	6.69%
Nevada Power	8.25	641423AZ1	Gen & Ref'A'	6/1/2011	BB+	5.79	5.54	5.53	5.52	5.79	5.87	5.67	5.83	5.69	5.29	4.86	5.44	5.57%	5.20%
Nevada Power	6.5	641423BH0	Gen & Ref'I'	4/15/2012	BB+	5.83	5.61	5.57	5.65	5.85	6.05	5.86	5.92	5.90	5.63	4.93	5.55	5.70%	5.37%
Nevada Power	9	641423BF4	Gen & Ref'G'	8/15/2013	BB+	7.43	7.42	7.46	7.46	7.46	7.59	7.66	7.58	7.60	7.59	7.49	7.63	7.53%	7.57%
Nevada Power	5.88	641423BK3	Gen & Ref'L'	1/15/2015	BB+	5.95	5.71	5.74	5.79	5.98	6.26	6.24	6.33	6.33	5.84	5.66	5.98	5.98%	5.83%
Sierra Pacific Power	8	826418AY1	Gen & Ref'A'	6/1/2008	BB+	5.92	5.74	5.74	5.85	5.79	5.96	5.88	5.60	5.47	5.24	4.56	5.18	5.58%	4.99%
Sierra Pacific Power	6.25	826418BS0	Gen & Ref'H'	4/15/2012	BB+	5.86	5.61	5.54	5.62	5.85	6.05	5.86	5.92	5.90	5.53	5.00	5.69%	5.36%	
TECO Energy, Inc.	7.5	872375AK6	Nts	6/15/2010	BB+	5.84	5.52	5.43	5.38	5.65	5.99	6.42	6.28	5.84	5.56	4.88	4.30	5.59%	4.91%
TECO Energy, Inc.	7.2	872375AC4	Nts	5/1/2011	BB+	5.88	5.56	5.53	5.37	5.77	6.12	6.56	6.38	5.99	5.73	5.50	4.90	5.77%	5.38%
TECO Energy, Inc.	7	872375AG5	Nts	5/1/2012	BB+	5.93	5.69	5.73	5.49	5.79	6.18	6.70	6.52	6.18	5.83	5.60	5.45	5.92%	5.63%
TECO Energy, Inc.	6.75	872375AP5	Nts	5/1/2015	BB+	6.14	5.96	5.94	5.78	6.04	6.41	6.96	6.67	6.41	6.19	6.31	5.93	6.23%	6.14%
Washington Water Power	7.39	94068VAF0	Sec M-T Nts'A'	5/11/2018	BB+	7.16	6.93	7.11	7.02	7.29	7.43	7.27	7.04	7.09	6.97	6.72	7.08%	6.89%	
Nevada Power	10.875	641423BD9	Gen & Ref'A'	10/15/2009	BB	8.66	8.66	8.66	8.66	8.66	8.66	8.66	8.66	8.66	8.66	8.66	8.66	8.66%	8.66%
TECO Energy, Inc.	6.125	872375AF7	Nts	5/1/2007	BB	6.03	6.00	5.97										6.00%	
Union Electric	7.69	906548BT8	Sub Cap Inc Sec'A'	12/15/2036	BB	7.32	7.32	7.56	7.51	7.51	7.50	7.47	7.43	7.42	7.40	7.39	7.39	7.44%	7.39%
PSEG Energy Hldgs	8.62	69361LAF8	Sr Nts	2/15/2008	BB-	6.22	6.18	6.08	5.84	5.94	6.42	6.51	6.54	6.31	6.30	5.76	6.86	6.25%	6.31%
PSEG Energy Hldgs	10	69361LAC5	Sr Nts	10/1/2009	BB-	6.37	6.13	6.01	5.95	6.03	6.36	6.36	6.93	6.29	6.16	6.66	6.28%	6.31%	
PSEG Energy Hldgs	8.5	69361LAH4	Sr Nts	6/15/2011	BB-	6.89	6.34	6.30	6.20	6.44	6.77	6.57	7.18	6.71	7.03	6.65	7.10	6.67%	6.93%
Texas Utilities Electric	7.17	882850DM9	Debt	8/1/2007	BB-	4.89	4.80	6.84	6.83	6.75	6.74							6.14%	
Commonwealth Edison	3.875	202795AU4	SF Deb	1/1/2008	B+	9.12	9.08	8.93	9.36	10.33	11.21	11.76	11.31	12.28	14.03			10.74%	14.03%
Commonwealth Edison	4.625	202795AV2	SF Deb	1/1/2009	B+	6.23	6.18	6.04	6.11	6.09	5.98	5.86	5.45	5.36	5.27	6.96	8.87	6.18%	6.97%
Commonwealth Edison	4.75	202795AW0	SF Deb	12/1/2011	B+	5.66	5.58	5.45	5.47	5.54	5.74	5.53	5.37	5.25	5.07	6.04	7.61	5.69%	6.24%
Commonwealth Edison	6.95	202795GX2	Nts	7/15/2018	B+	6.37	6.12	7.04	6.94	6.56	7.08	7.21	7.08	6.66	6.22	6.00	6.79	6.67%	6.34%
UtiliCorp United	7.95	91805AYS	Sr Nts	2/1/2011	B+	5.15	5.24	5.18	5.13	5.28	5.50	5.97	5.52	5.01	4.89	4.52	5.24	5.22%	4.88%
AES Corp.	9.375	00104CAE6	Sr Nts	9/15/2010	B	6.83	6.41	6.50	6.29	6.13	7.11	8.16	7.68	7.55	7.16	7.94	7.29	7.09%	7.46%
AES Corp. (The)	8.750	00130HAV7	Sr Nts	6/15/2008	B	6.42	6.19	6.12	6.07	6.22	6.69	8.42	7.40	6.54	5.03	4.51	6.46	6.34%	5.33%
AES Corp. (The)	9.5	00130HQ8	Sr Nts	6/1/2009	B	6.67	6.41	6.24	6.20	6.00	6.95	8.29	7.54	7.07	6.95	7.53	6.85	6.89%	7.11%
AES Corp. (The)	7.750	00130HBC8	Sr Nts	3/1/2014	B	6.80	6.66	6.82	6.68	6.74	7.69	8.34	7.89	7.74	7.77	8.29	7.59	7.42%	7.88%
NRG Energy, Inc.	7.25	629377AT9	SRnts	2/1/2014	B	7.20	6.88	6.78	6.68	6.70	7.19	8.41	7.49	7.19	7.29	7.50	7.77	7.26%	7.52%
NRG Energy, Inc.	7.38	629377AU6	SRnts	2/1/2016	B	7.35	7.01	6.95	6.79	6.79	7.33	8.33	7.65	7.33	7.41	7.62	7.79	7.36%	7.61%
Sierra Pacific Resources	7.8	826428AJ3	Sr Nts	6/15/2012	B	6.72	6.40	6.45	6.41	6.47	6.56	7.00	6.63	6.76	7.08	6.53	6.67%	6.90%	
Sierra Pacific Resources	8.625	826428AH7	Sr Nts	3/15/2014	B	7.19	7.16	7.11	7.21	7.19	7.22	7.29	7.51	7.49	7.43	7.28	7.23	7.28%	7.31%
Sierra Pacific Resources	6.75	826428AN4	Sr Nts	8/15/2017	B	6.72	6.52	6.47	6.43	6.56	6.98	7.44	7.38	7.03	7.14	7.01	6.58	6.86%	6.91%
UtiliCorp United	8	918005AG4	Sr Nts	3/1/2023	B	7.88	7.76	7.76	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.74	7.76%	7.74%
DynegyHldgs	6.875	26816LAD4	Sr Nts	4/1/2011	B-	6.87	6.58	6.80	6.65	6.79	7.41	8.48	7.68	7.78	7.71	8.53	8.11	7.45%	8.12%
DynegyHldgs	8.75	26816LAG7	Sr Nts	2/15/2012	B-	7.30	6.82	7.20	6.88	6.97	7.95	8.88	8.06	8.05	7.90	8.88	8.45	7.78%	8.41%
Texas Utilities Co	6.375	882854AH7	Sr Nts'C'	1/1/2008	CCC	5.86	5.87	5.95	6.01	5.95	5.86	6.00	5.15	4.94	4.72	8.38		6.11%	7.83%
TXU Corp.	5.55	873168AL2	Sr Nts'P	11/15/2014	CCC	6.52	6.27	7.54	7.42	7.52	8.33	9.08	8.93	9.53	9.93	10.26	9.63	8.41%	9.94%
TXU Corp.	6.55	873168AN8	Sr Nts'Q'	11/15/2024	CCC	7.24	7.05	8.20	8.00	8.02	8.41	9.06	8.85	9.00	9.84	10.18	9.81	8.62%	9.94%
TXU Corp.	6.55	873168AQ1	Sr Nts'R'	11/15/2034	CCC	7.25	7.05	8.02	7.92	8.33	8.91	8.90	8.80	8.89	9.39	9.83	9.38	8.44%	9.53%
TXU Energy Co.	6.125	90210VAD0	Sr Nts	3/15/2008	CCC	5.68	5.58	5.37	5.59	5.70	5.79	6.06	5.94	7.05	4.47			5.72%	4.47%
TXU Energy Co.	7	90210VAB4	Sr Nts	3/15/2013	CCC	6.07	5.82	6.20	6.22	6.29	6.33	6.50	6.52	6.28	4.81	4.66	4.66	5.86%	4.71%
Central Illinois Public Service C	6.125	153663BJ7	Sr Nts	12/15/2028	NR	6.57	6.40	6.62	6.55	6.67	6.83	6.80	6.80						

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Electric Utilities
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond												Avg Full Year	Avg 4th QTR	
					Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
Indianapolis Pwr & Lt	7.05	455434BB5	1st	2/1/2024	NR	6.56												6.56%	
Otter Tail Corp.	5.62	689648AN3	Sr Nts	10/1/2017	NR	5.95	5.89	5.86	5.88	5.96	6.04	5.90	5.82	5.61	5.62	5.62	5.81%	5.62%	
Otter Tail Corp.	6.8	689648AP8	Sr Nts	10/1/2032	NR	6.96	6.92	6.92	6.93	6.98	7.03	6.94	6.91	6.79	6.79	6.79	6.90%	6.79%	
Tennessee Valley Authority	7.14	880591DL3	PwrBonds '00F	5/23/2012	NR	5.03	4.79	4.94	4.84	5.22	5.33	5.26	4.89	4.84	4.77	4.77	3.80	4.87%	4.45%
Tennessee Valley Authority	5.98	880591CK6	Pwr Bonds '96A	4/1/2036	NR	5.36	5.18	5.37	5.28	5.49	5.62	5.59	5.32	5.31	5.15	5.15	5.06	5.32%	5.12%
Tennessee Valley Authority	5.88	880591CS9	Pwr Bonds '97C	4/1/2036	NR	5.35	5.15	5.32	5.23	5.43	5.59	5.49	5.30	5.31	5.16	5.16	4.89	5.28%	5.07%
Tennessee Valley Authority	6.15	880591CP5	Pwr Bonds '98B	1/15/2038	NR	5.35	5.18	5.33	5.28	5.45	5.62	5.52	5.33	5.35	5.20	5.20	4.92	5.31%	5.11%
Tennessee Valley Authority	8.25	880591BL5	Pwr Bonds '92D	4/15/2042	NR	7.17	7.04	7.00	7.04	7.11	7.15	7.25	7.16	6.95	6.87	6.87	6.94	7.05%	6.89%
Tennessee Valley Authority	6.235	880591CF7	Pwr Bonds '95B	7/15/2045	NR	6.13	5.93	6.01	5.93	6.09	6.41	6.13	5.98	5.99	5.88	5.88	5.84	6.02%	5.87%
TXU Corp.	4.8	873168AJ7	Sr Nts'0'	11/15/2009	NR	5.81	5.56	5.53	5.55	5.72	6.03	5.83	5.85	6.30	4.36	4.64	5.92	5.59%	4.97%
UtilCorp United	9	918005AE9	Sr Nts	11/15/2021	NR	8.79	8.75	8.75	8.75	8.75	8.74	8.74	8.74	8.74	8.74	8.74	8.74	8.75%	8.74%

NOTES:

January data hand entered from S&P Bond Guide remainder data downloaded from the S&P website and supplemented from month end Bond Guides when available
means the data was not available in S&P Guide
means issuance matured or called

	Annual	4th Qtr
AAA's	5.38%	5.13%
AA's	5.71%	5.40%
A's	5.66%	5.45%
BBB's	5.77%	5.55%
BB's	6.38%	6.19%
B's	7.10%	7.46%
CCC's	7.20%	7.74%
NR's	6.44%	6.31%
Investment Grade (BBB & above)		
ALL	5.83%	5.64%
BBB+ thru AAA	5.65%	5.43%
BB thru AAA	5.74%	5.51%

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study

Industry: Gas Pipelines

2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

All	Median
2.61%	6.02% Yahoo
5.09%	5.40% Value Line
3.85%	5.71% Average of E/Ps

Inverse of P/E Ratios:

5.38%	5.87% Yahoo
5.23%	5.57% Value Line
5.31%	5.72% Average of Inverse of the P/E
6.64%	6.25% Inverse of median P/E, Value Line
4.58%	5.72% Average of all above except median P/E
Mean =	4.99%
Median =	5.23%

Equity Measure NUOI = 6.50%

Debt Measure Calculated:

	Annual	4th Qtr
6.17%	5.97% All	
5.66%	5.38% BBB & Above	
5.97%	5.77% BBB's	
Mean =	5.94%	5.71%
Median =	5.97%	5.77%

Debt Measure = 5.80%

Gross Cash Flow / Price:

	Mean	Median
Equity Measure Gross =	9.66%	9.00% Value Line
		10.50%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate					
Equity	82.00%	x	6.50%	=	5.33%
Debt	18.00%	x	5.80%	=	1.04%
	100%				6.37%
Direct Cap Rate NUOI					= 6.50%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)

Equity	82.00%	x	10.50%	=	8.61%
Debt	18.00%	x	5.80%	=	1.04%
	100%				9.65%
Direct Cap Rate GCF					= 9.75%

MONTANA DEPARTMENT OF REVENUE

Yield Capitalization Rate Study
Industry: Gas Pipelines
2008 Assessment Year

Dividend Growth Model	All
	18.00%
Capital Asset Pricing Model	9.70%
	Mean = 13.85%
	Median = 13.85%
<u>Equity Measure FCF =</u>	9.50%

Debt Measure Calculated = **5.80%**

Yield Cap Rate Free Cash Flow - Gas Pipelines					
Equity	82.00%	x	9.50%	=	7.79%
Debt	18.00%	x	5.80%	=	1.04%
	100%				8.83%
Weighted Average Cost of Capital (WACC) =					9.00%

Assumed Growth Rate = Inflation **Growth = 2.44%**
see appendix for calculation

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
 Industry: Gas Pipelines
 2007 Assessment Year

COMPANY	TICKER SYMBOL	(VL) FIN STR	(VL) SHARES (000)	(YAHOO) AVG PRICE COMMON 4th Quarter	(VL) BOOK VALUE PER SHARE H/D	(VL) MKT VALUE COMMON (000) DxE	(VL) BOOK VALUE COMMON (000)	(VL) BOOK VALUE PREFERRED (000)	(VL) MKT VALUE PREFERRED (000) IXL	(VL) BOOK VALUE DEBT (000)
ONEOK Partners LP	OKS	A	82,900	61.760	26.402	5,119,904	2,188,700	0	0	2,019,600
Devon Energy	DVN	B++	444,000	87.688	38.946	38,933,620	17,292,000	150,000	150,000	5,568,000
ENCANA Corp	ECA	B++	777,900	67.340	22.453	52,383,786	17,466,000	0	0	6,577,000
Southwestern Energy	SWN	B++	169,000	50.630	8.489	8,556,470	1,434,600	0	0	136,600
Boardwalk	BWP	B+	108,300	31.375	11.750	3,397,913	1,272,500	0	0	1,350,900
Buckeye	BPL	B+	39,700	50.937	20.401	2,022,186	809,900	0	0	994,100
Kinder Morgan Egy Ptnrs L.P.	KMP	B+	224,600	51.492	17.418	11,565,028	3,912,000	109,700	109,700	4,427,000
Plains All American	PAA	B+	109,400	52.220	27.210	5,712,868	2,976,800	0	0	2,626,300
Enterprise Products	EPD	B	432,400	31.238	14.987	13,507,455	6,480,200	0	0	5,295,600
Teppco Partners	TPP	B	89,800	39.105	15.657	3,511,629	1,406,000	(85,700)	(85,700)	1,603,300

SUMS & AVERAGES - ALL

144,710,859 55,238,700 259,700 259,700 30,598,400

SUMS & AVERAGES - B++ - A

104,993,780 38,381,300 150,000 150,000 14,301,200

MEDIAN VALUE - ALL

7,134,669 2,582,750 2,322,950

* All Negative values left out of calculations

INDUSTRY MARKET STRUCTURE

ALL

EQUITY	82.00%	144,710,859
DEBT	18.00%	30,858,100
TOTAL	100.00%	175,568,959

INDUSTRY MARKET STRUCTURE

B++ - A

EQUITY	88.00%	104,993,780
DEBT	12.00%	14,451,200
TOTAL	100.00%	119,444,980

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Gas Pipelines
2008 Assessment Year

COMPANY	TICKER SYMBOL	MKT/BOOK ratio for DEBT	MKT VALUE DEBT (000) KXL	EPS 1st 12mo	E/P (YAHOO)	EPS (VL)	E/P (VL)	OF/S (VL)	CF/P (VL)	P/E (YAHOO)	Inverse of P/E (YAHOO)	P/E (VL)	Inverse of P/E (VL)	Median P/E (VL)	Inverse of Median P/E (VL) 1/X	ValueLine Beta	S&P Beta
ONEOK Partners LP	OKS	1	2,019,600	3.77	6.10%	2.29	3.71%	NA	16.46	6.08%			16.00	6.25%	0.65	0.3061	
Devon Energy	DVN	1	5,568,000	6.36	7.25%	6.31	7.20%	12.05	13.74%	14.42	6.93%	14.33	6.98%	11.00	9.09%	0.95	0.9326
ENCANA Corp	ECA	1	6,577,000	4.55	6.76%	5.40	8.02%	10.15	15.07%	13.84	7.23%	13.14	7.61%	13.14	7.61%	0.85	0.7962
Southwestern Energy	SWN	1	136,600	1.06	2.09%	1.25	2.47%	2.95	5.83%	55.05	1.82%	36.11	2.77%	18.00	5.56%	1.25	1.2404
Boardwalk	BWP	1	1,350,900	1.89	6.02%	1.90	6.06%	2.45	7.81%	17.05	5.87%						0.587
Buckeye	BPL	1	994,100	2.92	5.73%	2.90	5.69%	4.20	8.25%	17.21	5.81%	15.66	6.39%	14.00	7.14%	0.75	0.3955
Kinder Morgan Egy Ptnrs L.P.	KMP	1	4,427,000	(0.12)	-0.23%	1.70	3.30%	5.25	10.20%	NA		27.93	3.58%	19.00	5.26%	0.65	0.1169
Plains All American	PAA	1	2,626,300	2.57	4.92%	3.20	6.13%	4.70	9.00%	20.05	4.99%	17.29	5.78%			0.70	0.4809
Enterprise Products	EPD	1	5,295,600	0.91	2.91%	1.00	3.20%	2.45	7.84%	35.23	2.84%	29.36	3.41%			0.55	0.3181
Teppco Partners	TPP	1	1,603,300	2.72	6.96%	2.00	5.11%	3.60	9.21%	14.50	6.90%	18.65	5.36%	18.00	5.56%	0.65	0.2198

SUMS & AVERAGES - ALL
SUMS & AVERAGES - B++ - A
MEDIAN VALUE - ALL

30,598,400	2.61%	5.09%	9.66%	5.38%	5.23%	6.64%	0.78	0.54
14,301,200	5.55%	5.35%	11.55%	5.51%	5.79%	7.13%	0.93	0.82
2,322,950	6.02%	5.40%	9.00%	5.87%	5.57%	6.25%	0.70	0.44

* All Negative values left out of calculations

Industry Beta 0.800

MONTANA DEPARTMENT OF REVENUE

2008 Capital Asset Pricing Model
Industry: Gas Pipelines
2008 Assessment Year

$$K_E = R_F + \beta (R_M - R_F)$$

Gas Pipelines

K_E = Cost of Equity	9.70%
R_F = Risk Free Rate	4.50%
β = Beta	0.80
R_M = Market Rate of Return	11.00%
R_P = Equity Risk Premium ($R_M - R_F$)	6.50%

R_m = Investor's Market Rate of Return

Ibbotson, SBBI, Large Company, Average Annual Return, *Arithmetic Average, Ex Post
Ibbotson, SBBI, Large Company, Average Annual Return, *Geometric Average, Ex Post
3 Stage Dividend Growth Model, S & P 500, Ex Ante

R_M =	12.30%
R_M =	10.40%
R_M =	10.00%

Mean =	10.90%
Median =	10.40%
R_M =	11.00%

R_f = Risk Free Rate

Internal Revenue Service, Rev Rule 2007-70 Table 2 December 2007
Rev Rule 2007-70 Table 2 2007

Annual Rates	Short Term - AFR	R_f =	3.40%
	Mid Term - AFR	R_f =	3.67%
	Long Term - AFR	R_f =	4.34%

The ValueLine Investment Survey

U.S. Treasury Securities December 28 2007

3 Month	R_f =	2.89%
6 Month	R_f =	3.31%
1 Year	R_f =	3.31%

Federal Reserve Statistical Release

Treasury constant Maturities, 2007

Market yield on U.S. Treasury securities, Annual Averages

3-month constant maturity, quoted on investment basis	R_f =	4.48%
6-month constant maturity, quoted on investment basis	R_f =	4.62%
1-year constant maturity, quoted on investment basis	R_f =	4.53%

U.S. Treasury Securities Long-Term December 31, 2007

30 year constant maturity	R_f =	4.45%	Mean =	3.84%
20 year constant maturity	R_f =	4.50%	Median =	3.67%
			Weighted Mean =	3.92%
			R_f =	4.50%

MONTANA DEPARTMENT OF REVENUE

Dividend Growth Model
Industry: Gas Pipelines
2008 Assessment Year

$$K_E = D_1 / P_0 + G_A$$

K_E= Cost of Equity

D₁= Expected Dividends

P₀= Current Price Per Share

G= Sustainable Growth

Company Name	Ticker	Stock Price (P ₀)	Expected Dividend (D ₁)	Dividend Yield (D ₁ /P ₀)	Dividend Growth (G ₁)	Ke 1 Year
ONEOK Partners LP	OKS	16.460	na		4.50%	
Devon Energy	DVN	14.420	0.56	3.88%	14.00%	17.88%
ENCANA Corp	ECA	13.840	0.82	5.92%	23.00%	28.92%
Southwestern Energy	SWN	55.050	nil		nil	
Boardwalk	BWP	17.050	1.74	10.21%	nmf	
Buckeye	BPL	17.210	3.23	18.77%	5.50%	24.27%
Kinder Morgan Egy Ptnrs L.P.	KMP	51.492	3.65	7.09%	6.50%	13.59%
Plains All American	PAA	20.050	3.29	16.41%	8.50%	24.91%
Enterprise Products	EPD	35.230	2.06	5.85%	9.50%	15.35%
Teppco Partners	TPP	14.500	2.8	19.31%	2.50%	21.81%

Weighted Mean = 18.14%

Median = 21.81%

Mean = 20.96%

K_E = 18.00%

MONTANA DEPARTMENT OF REVENUE

Historical Stock Price Analysis From YAHOO Finance
Industry: Gas Pipelines
2008 Assessment Year

Ticker	Company	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	4th Qtr Average	Annual Average	Yahoo P-E	EPS 1st 12 mo	
BPL	Buckeye	high low	\$52.21 \$46.00	\$52.75 \$48.85	\$50.21 \$48.51	\$54.75 \$49.37	\$54.80 \$49.89	\$53.49 \$48.79	\$55.19 \$51.80	\$54.50 \$44.40	\$51.60 \$48.77	\$55.54 \$48.51	\$55.26 \$47.75	\$51.06 \$47.50	\$50.94	\$50.90	17.21	2.92
BWP	Boardwalk	high low	\$35.79 \$30.13	\$37.35 \$34.50	\$39.20 \$35.39	\$37.46 \$35.94	\$36.69 \$32.65	\$35.88 \$33.81	\$37.79 \$32.18	\$36.99 \$28.80	\$33.93 \$30.50	\$33.33 \$29.76	\$32.53 \$30.38	\$32.25 \$30.00	\$31.38	\$33.88	17.05	1.89
CHK	Chesapeake Energy Corp.	high low	\$30.11 \$27.27	\$31.83 \$28.88	\$31.49 \$29.05	\$34.40 \$30.88	\$36.22 \$33.51	\$37.75 \$34.25	\$37.55 \$33.12	\$36.64 \$31.38	\$36.18 \$32.05	\$39.74 \$34.90	\$41.19 \$36.61	\$39.75 \$37.04	\$38.21	\$34.24	12.61	3.17
COG	Cabot Oil & Gas' A'	high low	\$65.45 \$55.73	\$71.83 \$63.58	\$70.91 \$64.67	\$37.47 \$33.64	\$39.93 \$35.51	\$42.50 \$36.48	\$38.46 \$31.38	\$35.25 \$29.99	\$37.66 \$32.50	\$39.85 \$34.83	\$40.17 \$33.03	\$41.15 \$33.47	\$37.08	\$43.56	25.79	1.61
CPE	Calion Petroleum	high low	\$15.00 \$12.54	\$14.31 \$13.15	\$14.37 \$12.77	\$14.76 \$13.26	\$14.73 \$13.59	\$15.19 \$13.62	\$15.68 \$13.94	\$14.28 \$11.50	\$14.45 \$11.55	\$14.75 \$13.33	\$15.95 \$13.74	\$17.21 \$14.11	\$14.85	\$14.07	21.63	0.77
DGAS	Delta Natural Gas	high low	\$25.35 \$24.68	\$25.48 \$24.30	\$25.10 \$24.30	\$25.25 \$24.70	\$25.91 \$25.00	\$26.08 \$23.89	\$25.83 \$24.69	\$25.37 \$23.50	\$25.23 \$23.89	\$25.50 \$24.45	\$25.44 \$24.10	\$25.84 \$24.75	\$25.01	\$24.94	16.44	1.54
DVN	Devon Energy	high low	\$70.91 \$63.24	\$71.24 \$64.78	\$70.44 \$62.80	\$75.29 \$69.30	\$79.77 \$72.21	\$83.92 \$75.34	\$83.97 \$73.80	\$80.50 \$69.01	\$85.20 \$74.69	\$94.75 \$82.69	\$94.65 \$80.05	\$92.12 \$81.87	\$87.69	\$77.19	14.42	6.36
DYN	Dynegy Inc	high low	\$7.25 \$6.47	\$8.81 \$6.95	\$9.74 \$7.91	\$10.53 \$9.29	\$10.95 \$9.34	\$9.81 \$8.90	\$10.66 \$8.60	\$9.70 \$7.27	\$9.50 \$8.08	\$9.60 \$8.25	\$9.25 \$7.01	\$8.46 \$7.14	\$8.29	\$8.73	19.60	0.38
ECA	ENCANA Corp	high low	\$49.01 \$42.38	\$49.86 \$47.19	\$51.49 \$45.87	\$54.99 \$50.58	\$63.21 \$51.79	\$66.87 \$59.88	\$65.18 \$59.22	\$63.13 \$55.13	\$64.16 \$58.33	\$69.89 \$60.86	\$75.85 \$63.82	\$69.59 \$64.03	\$67.34	\$58.43	13.84	4.55
EGN	Energen Corp.	high low	\$46.95 \$43.78	\$49.35 \$45.75	\$51.43 \$46.55	\$57.00 \$51.05	\$60.49 \$55.86	\$59.93 \$53.54	\$58.90 \$51.04	\$57.46 \$48.24	\$57.99 \$53.01	\$64.49 \$56.81	\$65.53 \$60.42	\$70.41 \$63.05	\$63.45	\$55.38	14.31	4.50
EEP	Enbridge Energy Partners L.P.	high low	\$52.95 \$48.25	\$54.07 \$51.60	\$56.43 \$52.00	\$61.82 \$55.45	\$60.83 \$53.69	\$56.92 \$52.30	\$58.47 \$54.90	\$56.08 \$48.27	\$52.00 \$48.38	\$53.59 \$48.71	\$54.16 \$50.50	\$52.16 \$49.00	\$51.35	\$53.44	21.19	2.44
ENB.TO	Enbridge Inc.	high low	\$41.48 \$38.21	\$38.54 \$36.76	\$39.00 \$36.50	\$37.90 \$36.48	\$38.35 \$36.09	\$38.24 \$35.21	\$38.74 \$35.68	\$37.97 \$33.62	\$37.00 \$34.90	\$40.97 \$36.25	\$40.96 \$35.75	\$40.20 \$37.16	\$38.55	\$37.58	22.97	1.77
EOG	EOG Resources	high low	\$69.75 \$59.21	\$69.95 \$64.40	\$73.09 \$64.00	\$77.71 \$71.15	\$79.21 \$73.80	\$81.49 \$71.33	\$76.92 \$68.30	\$75.83 \$66.29	\$75.25 \$66.86	\$89.71 \$72.20	\$90.73 \$80.79	\$91.63 \$81.57	\$84.44	\$74.59	23.44	3.90
EP	El Paso Energy Partners LP	high low	\$15.63 \$14.26	\$15.66 \$14.23	\$14.89 \$13.71	\$15.83 \$14.41	\$17.25 \$14.80	\$17.43 \$16.25	\$18.56 \$16.05	\$17.51 \$15.00	\$17.58 \$15.49	\$17.79 \$16.45	\$18.37 \$15.29	\$17.72 \$15.83	\$16.91	\$16.08	16.24	1.06
EPD	Enterprise Products	high low	\$29.99 \$28.06	\$30.64 \$29.48	\$32.75 \$30.15	\$33.35 \$31.65	\$33.35 \$30.22	\$32.10 \$30.24	\$33.70 \$30.00	\$31.69 \$26.14	\$32.19 \$29.45	\$32.32 \$30.14	\$32.45 \$30.72	\$31.88 \$29.92	\$31.24	\$30.94	35.23	0.91
EQT	Equitable Resources	high low	\$43.69 \$39.26	\$44.55 \$42.00	\$50.50 \$41.19	\$53.39 \$47.96	\$52.77 \$49.75	\$53.70 \$48.11	\$53.37 \$46.31	\$54.42 \$44.57	\$52.46 \$48.42	\$56.71 \$52.12	\$56.75 \$51.54	\$55.58 \$51.55	\$54.04	\$49.61	24.69	2.19
KMP	Kinder Morgan Egy Ptnrs L.P.	high low	\$50.78 \$47.28	\$51.71 \$49.79	\$53.50 \$50.31	\$57.00 \$52.68	\$57.35 \$53.17	\$55.87 \$52.11	\$56.70 \$52.55	\$53.29 \$46.61	\$51.35 \$49.40	\$54.00 \$48.51	\$52.47 \$49.24	\$54.71 \$50.02	\$51.49	\$52.10	NA	(0.12)

MONTANA DEPARTMENT OF REVENUE

**Historical Stock Price Analysis From YAHOO Finance
Industry: Gas Pipelines
2008 Assessment Year**

		Historical Stock Price Analysis From YAHOO Finance												Yahoo				
		Industry: Gas Pipelines												EPS 1st 12				
		2008 Assessment Year												mo				
Ticker	Company													4th Qtr	Annual	Yahoo		
		Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Average	Average	P-E		
NFG	Natl Fuel Gas	high low	\$40.94 \$36.94	\$43.79 \$40.60	\$43.60 \$40.46	\$47.87 \$43.28	\$47.65 \$44.91	\$46.94 \$42.75	\$46.72 \$43.19	\$46.02 \$40.95	\$47.00 \$43.20	\$49.29 \$45.20	\$49.06 \$45.63	\$50.29 \$46.56	\$47.67	\$44.70	11.77	3.96
NFX	Newfield Exploration Co	high low	\$45.36 \$39.30	\$44.59 \$39.83	\$43.29 \$39.37	\$46.31 \$41.15	\$51.60 \$43.03	\$54.28 \$44.75	\$51.38 \$45.52	\$49.92 \$41.82	\$49.47 \$43.20	\$55.00 \$47.52	\$54.04 \$46.98	\$54.73 \$49.42	\$51.28	\$46.74	31.18	1.69
NGT	Eastern AmerNatlGasTr'SP	high low	\$28.65 \$27.03	\$29.40 \$26.54	\$27.70 \$23.58	\$27.36 \$25.15	\$26.75 \$25.36	\$26.41 \$24.85	\$27.91 \$25.01	\$27.34 \$25.16	\$27.00 \$25.28	\$27.50 \$26.27	\$27.60 \$26.05	\$27.43 \$25.35	\$26.70	\$26.53	13.36	1.99
OKE	ONEOK Inc.	high low	\$43.65 \$41.00	\$43.85 \$41.00	\$46.33 \$39.26	\$49.15 \$44.21	\$54.90 \$47.93	\$54.82 \$47.91	\$55.27 \$50.45	\$52.09 \$41.85	\$47.80 \$45.60	\$50.20 \$46.91	\$52.16 \$45.96	\$48.11 \$43.71	\$47.84	\$47.26	17.98	2.49
OKS	ONEOK Partners LP	high low	\$64.36 \$61.25	\$67.25 \$63.16	\$69.28 \$63.39	\$73.00 \$67.00	\$73.00 \$65.10	\$70.95 \$66.15	\$71.47 \$65.99	\$68.99 \$56.00	\$65.00 \$59.33	\$65.44 \$58.72	\$65.91 \$59.41	\$62.78 \$58.30	\$61.76	\$65.05	16.46	3.77
PAA	Plains All American	high low	\$55.04 \$49.56	\$55.75 \$53.58	\$59.33 \$54.90	\$59.74 \$56.32	\$62.42 \$57.24	\$64.82 \$60.70	\$65.24 \$60.45	\$61.81 \$52.01	\$57.75 \$52.76	\$57.09 \$52.70	\$55.64 \$46.25	\$52.84 \$48.80	\$52.22	\$56.36	20.05	2.57
PBR	Petroleo Brasileiro ADR Stock Split 2:1 07/07	high low	\$51.91 \$45.18	\$50.27 \$44.50	\$50.97 \$41.38	\$53.85 \$49.35	\$55.44 \$49.26	\$62.37 \$53.03	\$71.65 \$61.13	\$65.57 \$48.75	\$77.12 \$62.37	\$97.28 \$72.85	\$119.16 \$87.85	\$118.40 \$94.16	\$98.28	\$65.99	20.90	5.66
PETD	Petroleum Development	high low	\$51.96 \$40.53	\$55.20 \$50.72	\$54.19 \$48.12	\$55.24 \$51.91	\$53.28 \$48.06	\$52.75 \$44.59	\$51.13 \$39.64	\$49.84 \$35.73	\$45.97 \$37.29	\$49.75 \$43.00	\$53.94 \$41.65	\$61.91 \$49.87	\$50.02	\$48.59	27.09	2.22
PVA	Penn Virginia	high low	\$73.75 \$63.90	\$74.31 \$69.23	\$74.05 \$66.25	\$83.27 \$73.01	\$83.64 \$76.70	\$85.66 \$38.32	\$43.17 \$35.68	\$42.79 \$37.32	\$44.50 \$37.77	\$48.60 \$42.40	\$49.56 \$40.94	\$45.82 \$40.94	\$44.71	\$57.15	29.67	1.48
REP	Repsol-YPF ADR	high low	\$35.07 \$31.70	\$33.48 \$31.56	\$34.07 \$30.33	\$35.74 \$32.85	\$36.95 \$32.65	\$39.22 \$34.93	\$41.33 \$36.36	\$39.73 \$34.36	\$36.43 \$33.45	\$39.65 \$35.15	\$40.06 \$35.47	\$37.73 \$34.36	\$37.07	\$35.53	10.55	3.49
STR	Questar Corp Stock Split 2:1 07/07	high low	\$41.41 \$37.98	\$43.16 \$39.67	\$45.58 \$40.83	\$50.00 \$44.61	\$54.32 \$48.16	\$55.84 \$51.49	\$58.75 \$49.50	\$52.54 \$44.42	\$53.27 \$48.52	\$57.36 \$50.67	\$57.16 \$51.46	\$56.59 \$53.02	\$54.38	\$49.43	19.45	2.84
SWN	Southwestern Energy	high low	\$38.68 \$31.14	\$40.93 \$37.01	\$41.64 \$35.55	\$45.11 \$40.75	\$48.23 \$40.84	\$50.52 \$43.75	\$46.45 \$38.03	\$43.50 \$35.67	\$44.44 \$36.92	\$51.74 \$41.70	\$56.42 \$47.70	\$57.00 \$49.22	\$50.63	\$43.46	55.05	1.06
TPP	Teppco Partners	high low	\$41.92 \$39.88	\$43.60 \$41.24	\$44.53 \$42.00	\$46.20 \$43.59	\$46.20 \$42.15	\$45.00 \$42.54	\$46.01 \$42.69	\$43.54 \$37.04	\$40.49 \$38.01	\$40.81 \$37.41	\$40.53 \$38.82	\$39.89 \$37.17	\$39.11	\$41.72	14.50	2.72
TRP	TransCanada P.L.	high low	\$35.30 \$32.47	\$33.37 \$31.75	\$34.35 \$31.33	\$36.00 \$32.91	\$37.22 \$35.29	\$37.10 \$33.50	\$38.07 \$34.05	\$36.47 \$32.92	\$36.87 \$34.08	\$42.54 \$36.65	\$43.94 \$38.20	\$41.44 \$38.48	\$40.21	\$36.01	18.19	2.10
VLO	Valero Energy Corp.	high low	\$54.46 \$47.66	\$59.67 \$54.62	\$66.02 \$54.75	\$73.10 \$63.53	\$77.24 \$70.00	\$77.89 \$71.85	\$78.68 \$66.02	\$69.93 \$60.00	\$72.30 \$66.38	\$75.75 \$65.97	\$73.00 \$60.80	\$71.25 \$63.57	\$68.39	\$66.44	7.02	9.55
WMB	Williams Cos	high low	\$27.23 \$25.17	\$28.71 \$26.46	\$29.05 \$25.90	\$30.23 \$27.61	\$32.45 \$28.18	\$32.62 \$29.58	\$35.84 \$30.60	\$34.25 \$29.16	\$36.25 \$31.00	\$36.94 \$33.10	\$37.74 \$33.07	\$36.64 \$34.00	\$35.25	\$31.32	24.21	1.49
XTO	XTO Energy Inc. Stock Split 5:4 12/07	high low	\$50.80 \$43.86	\$53.79 \$49.16	\$55.83 \$49.25	\$57.70 \$54.26	\$59.18 \$54.11	\$63.99 \$58.10	\$62.00 \$53.57	\$59.91 \$50.50	\$64.28 \$54.15	\$67.17 \$60.98	\$67.49 \$59.52	\$53.20 \$40.46	\$58.14	\$55.97	15.03	3.51

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Gas Pipelines
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR
Cascado Natural Gas Corp.	5.25	147339AJ4	Nts	2/1/2035	AAA	5.94	5.85	5.86	5.89	5.98	6.08	5.93	5.97	5.95	5.79	5.58	5.94	5.90%	5.77%
Delta Natural Gas Co., Inc.	5.75	247748AG1	InsurOffty Nts	4/1/2021	AAA	5.81	5.67	5.64	5.69	5.85	6.02	5.78	5.83	5.83	5.58	5.20	5.52	5.70%	5.43%
Michigan Consol Gas	5.5	594457BU6	Sr Nts'E'	10/1/2019	AAA	5.80	5.65	5.39	5.44	5.61	5.88	5.78	5.78	5.68	5.41	5.24	5.43	5.59%	5.36%
ONEOK, Inc.	6.5	682680AA1	Sr InsurNts	9/30/2028	AAA	6.68	6.63	6.63	6.64	6.69	6.74	6.65	6.62	6.59	6.52	6.49	6.49	6.61%	6.50%
ONEOK, Inc.	6.4	682680AD5	Sr InsurNts	2/1/2019	AAA	6.50	6.47	6.45	6.46	6.51	6.56	6.47	6.44	6.41	6.38	6.39	6.45%	6.39%	
Amoco	6.5	031905AA0	GtdNts	8/1/2007	AA+	5.57	5.53	5.52	5.56	5.51	5.63	5.42	5.41	5.39	5.32	5.20	5.34	5.55%	
Atlantic Richfield	9.125	048825AV5	Deb	3/1/2011	AA+	5.27	5.12	4.99	5.05	5.24	5.36	5.10	4.91	4.71	4.36	3.85	4.55	4.88%	4.25%
Atlantic Richfield	9.0	048825AW3	Deb	4/1/2021	AA+	5.52	5.38	5.35	5.40	5.56	5.73	5.59	5.42	5.42	5.19	4.95	5.03	5.38%	5.06%
Atlantic Richfield	9.0	048825AY9	Deb	5/1/2031	AA+	5.70	5.57	5.64	5.67	5.79	5.90	5.83	5.77	5.75	5.55	5.40	5.48	5.67%	5.48%
Atlantic Richfield	9.125	048825AZ6	Deb	8/1/2031	AA+	5.70	5.57	5.64	5.67	5.79	5.90	5.83	5.77	5.75	5.55	5.40	5.48	5.67%	5.48%
Atlantic Richfield	8.25	048825BA0	Deb	2/1/2022	AA+	5.52	5.38	5.35	5.57	5.73	5.90	5.76	5.59	5.59	5.36	4.97	5.05	5.48%	5.13%
Atlantic Richfield	8.75	048825BB8	Deb	3/1/2032	AA+	5.70	5.57	5.64	5.67	5.79	5.90	5.83	5.77	5.75	5.55	5.40	5.48	5.67%	5.48%
Atlantic Richfield	8.5	048825BC6	Deb	4/1/2012	AA+	5.35	5.19	5.07	5.13	5.32	5.46	5.24	5.05	4.92	4.66	4.23	5.00%	4.41%	
Vastar Resources	6.5	922380A02	Nts	4/1/2003	AA+	5.38	5.27	5.02	5.05	5.24	5.26	5.09	4.78	4.77	4.58	4.10	4.26	4.89%	4.31%
Vastar Resources	6.35	92238PAC9	M-T Nts 'A'	1/19/2008	AA+	5.85	5.75	5.90	5.99	5.99	6.04	5.76	5.59	5.59	5.36	4.97	5.05	5.48%	
ChevronTexaco Capital	3.5	186760AA6	GtdNts	9/17/2007	AA	5.23	5.22	5.13	5.13	5.18	5.04	5.16	5.16	5.12	5.02	4.49	5.15%	5.16%	
ChevronTexaco Capital	3.375	166760AA4	GtdNts	2/15/2008	AA	5.33	5.33	5.16	5.22	5.29	5.26	5.27	5.37	5.12	4.91	5.02	4.49	5.15%	4.81%
Northern IllinoisGas	6.58	665228B04	1st	2/15/2028	AA	5.88	5.75	5.82	5.85	5.97	6.08	5.91	5.87	5.85	5.88	5.64	5.81	5.86%	5.78%
Northern IllinoisGas	6.62	665228BU5	1st	2/1/2011	AA	5.57	5.27	5.13	5.17	5.37	5.58	5.21	5.02	4.81	4.98	4.20	4.31	5.05%	4.50%
Northern IllinoisGas	7.2	665228BV3	1st	5/15/2016	AA	5.57	5.43	5.40	5.45	5.61	5.78	5.53	5.37	5.37	5.48	5.10	5.27	5.45%	5.28%
Texaco Capital	9.75	881685AN1	GtdDeb	3/15/2020	AA	5.66	5.52	5.49	5.53	5.69	5.86	5.61	5.45	5.47	5.23	5.20	4.79	5.46%	5.07%
Texaco Capital	8.625	881685AP6	GtdDeb	6/30/2010	AA	4.98	4.80	4.61	4.64	4.80	4.87	4.46	4.23	4.04	3.68	4.28	3.77	4.43%	3.91%
Texaco Capital	8.875	881685AV3	GtdDeb	9/1/2021	AA	5.73	5.59	5.55	5.60	5.76	5.92	5.68	5.52	5.54	5.30	4.92	4.93	5.50%	5.05%
Texaco Capital	8.625	881685AX9	GtdDeb	11/15/2031	AA	5.82	5.69	5.76	5.79	5.87	5.99	5.82	5.77	5.78	5.57	5.32	5.34	5.71%	5.41%
Texaco Capital	8.625	881685AY7	GtdDeb	4/1/2032	AA	5.82	5.69	5.76	5.78	5.90	6.02	5.85	5.80	5.81	5.59	5.35	5.37	5.73%	5.44%
Texaco Capital	8.8	881685B66	GtdDeb	8/1/2032	AA	5.83	5.69	5.76	5.79	5.91	6.03	5.86	5.80	5.81	5.60	5.35	5.38	5.74%	5.45%
Texaco Capital	7.5	881685BD2	GtdDeb	3/1/2043	AA	6.75	6.68	6.68	6.71	6.80	6.89	6.76	6.68	6.68	6.52	6.32	6.24	6.65%	6.39%
Texaco Capital	7.09	881685BF7	Gtd Nts	2/1/2007	AA	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61%	
Texaco Capital	5.5	881685BJ9	GtdNts	1/15/2009	AA	5.17	5.11	4.93	5.09	5.29	5.31	5.15	5.03	4.98	4.97	4.82	4.98	5.07%	4.92%
Northwest Natural Gas	6.5	66765RMA9	See M-T Nts E	7/30/2008	AA-	5.93	5.12	5.36	5.50	5.66	5.63	5.71	5.29	5.17	5.17	5.53	5.46%	5.29%	
Northwest Natural Gas	8.25	66765RA73	See M-T Nts E	9/21/2014	AA-	5.32	5.59	5.50	5.59	5.59	5.70	5.45	5.13	5.72	5.65	5.65	5.43	5.57%	5.58%
Northwest Natural Gas	7.65	66765RAV2	See M-T Nts E	8/1/2017	AA-	5.84	5.49	5.68	5.77	5.77	5.91	5.65	5.42	5.79	5.67	5.54	5.58%	5.63%	
Burlington Resources Inc.	7.45	667214AC7	Deb	6/15/2010	AA-	5.65	5.38	5.54	5.91	5.85	5.47	5.12	4.75	4.94	4.91	4.40	5.24%	4.74%	
Burlington Resources Inc.	9.88	122014AC7	Deb	10/15/2010	A	5.41	5.23	5.12	5.18	5.35	5.47	5.33	5.28	5.10	4.65	4.49	4.58	5.10%	4.57%
Burlington Resources Inc.	9.125	122014AE3	Deb	10/1/2021	A	5.91	5.77	5.76	5.81	5.97	6.15	6.11	5.91	5.95	5.62	5.34	5.40	5.81%	5.45%
Burlington Resources Inc.	8.2	122014AH6	Deb	3/15/2025	A	5.99	5.86	5.99	6.02	6.14	6.26	6.29	6.20	6.22	6.02	6.00	6.06	6.09%	6.03%
Burlington Resources Inc.	6.875	122014AJ2	Deb	2/15/2026	A	5.91	5.73	5.99	6.02	6.14	6.26	6.30	6.21	6.23	5.93	5.99	5.91	6.06%	5.94%
Burlington Resources Inc.	7.375	122014AL7	Deb	3/1/2029	A	6.04	5.91	6.02	6.04	6.16	6.28	6.34	6.25	6.25	5.98	5.77	5.83	6.07%	5.85%
Conoco Inc	6.95	208251AE8	Nts	4/15/2029	A	5.93	5.77	5.86	5.87	5.99	6.18	6.22	6.17	6.20	5.76	5.71	5.78	5.95%	5.75%
Conoco Inc	6.35	208251AU6	Nts	10/15/2011	A	5.34	5.18	5.09	5.14	5.32	5.52	5.41	5.25	5.29	4.82	4.36	4.54	5.11%	4.57%
ConocoPhillips	4.75	20825CAE4	Nts	10/15/2012	A	5.32	5.12	5.01	5.07	5.28	5.43	5.39	5.33	5.34	4.92	4.49	4.55	5.10%	4.85%
ConocoPhillips	5.9	20825CAF1	Nts	10/15/2032	A	5.89	5.73	5.81	5.82	5.92	6.10	6.23	6.08	6.11	5.70	5.72	5.89%	5.68%	
KeySpan Gas East	7.88	49337EA8	Nts	2/1/2010	A	5.52	5.33	5.16	5.23	5.38	5.52	5.45	5.46	4.91	4.31	4.73	5.19%	4.65%	
KeySpan Gas East	6.9	49337EA86	M-T Nts 'A'	1/16/2008	A	5.68	5.50	5.80	5.87	6.02	6.12	6.03	5.88	5.88	5.88	5.82	5.82%		
Louisiana Land/Exp	7.825	546268AF0	Nts	4/15/2013	A	5.70	5.55	5.44	5.49	5.69	5.82	5.73	5.56	5.50	5.15	4.71	4.73	5.42%	4.85%
Louisiana Land/Exp	7.65	546268AG8	Deb	12/1/2023	A	5.89	5.76	5.91	5.94	6.06	6.18	6.21	6.12	6.28	5.98	5.91	6.01%	5.93%	
Northwest Natural Gas	9.05	6675RRA44	See M-T Nts A	8/13/2021	A	5.95	5.69	5.72	6.03	6.03	6.18	5.93	5.69	5.96	5.86	5.74	5.89%	5.82%	
Northwest Natural Gas	7.65	6675RBF2	See M-T Nts E	12/9/2019	A	5.82	5.55	5.74	5.91	5.91	5.96	5.70	5.46	5.84	5.74	5.74	5.75%	5.69%	
Phillips Petroleum	9.375	718507AR7	Nts	2/15/2011	A	5.39	5.08	5.27	5.49	5.59	5.72	5.75	4.53	4.45	4.45	4.32	4.38	5.02%	4.34%
Phillips Petroleum	7.125	718507AZ9	Deb	3/15/2028	A	6.20	6.85	6.83	6.81	6.95	6.80	6.87	7.03	6.87	6.98	6.85	6.89%	6.94%	
Phillips Petroleum	6.65	718507BH6	Deb	7/15/2018	A	5.69	5.68	5.57	5.69	5.69	5.86	6.06	5.77	5.80	5.59	5.59	5.35	5.70%	5.51%
Phillips Petroleum	6.375	718507TJ4	Nts	3/30/2009	A	5.19	4.92	4.85	5.37	5.37	5.23	5.23	5.14	4.22	4.22	4.07	4.92%	4.17%	
Phillips Petroleum	7	718507BK1	Deb	3/30/2029	A	6.02	5.82	6.08	6.13	6.13	6.26	6.30	6.21	6.30	6.09	5.84	6.11%	6.01%	
Piedmont Natural Gas	8.75	718507BQ8	M-T Nts C'	9/25/2009	A	5.33	5.12	4.93	5.06	5.24	5.40	5.19	5.18	4.74	4.11	4.50	5.00%	4.45%	
Piedmont Natural Gas	7.35	72018AAG8	M-T Nts C'	9/14/2029	A	5.66	5.82	5.93	6.14	6.14	6.25	6.04	6.16	6.33	6.25	6.25	6.16%	6.35%	
Piedmont Natural Gas	7.8	72018AH4	M-T Nts C'	9/29/2010	A	5.74	5.48	4.89	4.94	5.49	5.56	5.23	5.16	5.15	5.15	4.99	5.29%	5.10%	
Piedmont Natural Gas	6.55	72018AOJ0	M-T Nts C'	9/26/2011	A	5.78	5.50	5.20	5.59	5.59	5.73	5.40	5.32	5.38	5.30	5.30	4.99	5.42%	5.20%
Piedmont Natural Gas Co., Inc.	5	72018AD7	Nts'E'	12/19/2013	A	5.75	5.61	5.53	5.57	5.76	5.89	5.60	5.65	5.79	5.51	5.13	5.61	5.62%	5.42%
Piedmont Natural Gas Co., Inc.	6	72018AE5	Nts'E'	12/19/2033	A	6.03	5.90	5.97	6										

MONTANA DEPARTMENT OF REVENUE

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STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR	
Apache Corp.	7.38	037411AM7	Deb	8/15/2047	A-	6.24	6.12	6.27	6.28	6.41	6.65	6.69	6.61	6.55	6.23	6.23	6.23	6.38%	6.23%	
Apache Corp.	7	037411AN5	Sr Nts	2/1/2018	A-	5.90	5.76	5.81	5.84	5.91	6.01	6.22	6.18	5.98	5.95	5.65	5.49	5.50	5.86%	5.55%
Apache Corp.	7.62	037411AP0	Sr Nts	7/1/2019	A-	6.02	5.88	5.93	5.96	6.11	6.32	6.28	6.08	6.03	5.76	5.60	5.61	5.97%	5.66%	
Apache Corp.	6.25	037411AQ8	Nts	4/15/2012	A-	5.45	5.26	5.20	5.27	5.47	5.64	5.52	5.28	5.29	5.05	4.60	4.65	5.22%	4.77%	
Apache Corp.	7.625		Deb	11/1/2096	A-	6.50	6.28	6.55	6.65	6.65	6.93	6.82	6.76	6.70	6.68	6.68	6.57	6.65%	6.64%	
Consolidated Nat Gas	6.62	209615BN2	Deb	12/1/2013	A-	5.64	5.33	5.61	5.59	5.59	5.39	5.73	5.65	5.70	5.65	5.35	5.53	5.56%	5.51%	
Consolidated Nat Gas	6.88	209615BC5	Deb	10/15/2026	A-	6.08	5.89	6.18	6.01	6.01	6.08	6.47	6.43	6.38	6.16	5.98	6.31	6.17%	6.15%	
Consolidated Nat Gas	6.62	209615BR3	Nts	12/1/2008	A-	5.74	6.31	5.50	5.95	5.87	4.70	5.09	5.32	5.16	5.12	5.07	5.22	5.42%	5.14%	
Consolidated Nat Gas	6.8	209615BS1	Deb	12/15/2027	A-	6.08	5.89	6.18	5.98	5.98	6.08	6.47	6.43	6.38	6.16	5.98	6.31	6.16%	6.15%	
Consolidated Nat Gas	6	209615BT9	Deb	10/15/2010	A-	5.82	5.65	5.56	5.50	5.50	5.53	5.46	5.33	5.12	5.07	4.51	4.73	5.30%	4.77%	
Consolidated Nat Gas	6.85	209615BV4	Sr Nts 'A'	4/15/2011	A-	5.55	5.32	5.27	5.33	5.46	5.36	5.55	5.57	5.60	5.23	4.75	5.05	5.34%	5.01%	
Consolidated Nat Gas	6.25	209615BX0	Sr Nts 'C'	11/1/2011	A-	5.54	5.32	5.27	5.32	5.49	5.68	5.55	5.57	5.60	5.23	4.80	5.10	5.37%	5.04%	
Enron Oil & Gas	6.5	293562AC8	Nts	12/1/2007	A-	5.50	5.44	5.31	5.34	5.32	5.32	5.20	5.55	6.04	5.51	5.45	5.45%	5.51%		
Enron Oil & Gas	6.65	293562AD6	Nbs	4/1/2028	A-	6.43	6.30	6.37	6.39	6.51	6.62	6.45	6.50	6.50	6.16	6.03	6.28	6.38%	6.15%	
Equitable Resources, Inc.	7.75	294549AE0	Deb	7/15/2026	A-	6.10	5.98	6.10	6.08	6.20	6.31	6.28	6.25	6.04	5.78	5.96	6.11%	5.93%		
KeySpan Corp.	7.62	49337WB6	Nbs	11/15/2010	A-	5.52	5.32	5.19	5.29	5.45	5.57	5.27	5.50	5.51	4.96	4.36	4.68	5.22%	4.67%	
KeySpan Corp.	8.45	49337WAC4	Nbs	11/15/2030	A-	6.25	6.13	6.30	6.32	6.37	6.48	6.40	6.45	6.65	6.19	6.13	6.41	6.34%	6.24%	
KeySpan Corp.	5.88	49337WAG5	Nbs	4/1/2013	A-	5.69	5.50	5.49	5.49	5.64	5.71	5.44	5.73	5.80	5.49	5.26	5.33	5.55%	5.38%	
KeySpan Corp.	6.25	49337WAH3	Nbs	4/1/2033	A-	6.18	6.06	6.23	6.18	6.30	6.41	6.30	6.40	6.60	6.19	6.13	6.46	6.28%	6.26%	
Northern Border Pipeline	6.25	644787AF5	Sr Nts 'B'	5/1/2007	A-	5.50	5.34	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.47%		
Occidental Petro	8.75	67461FFED5	Sr Nts	1/15/2023	A-	5.91	5.77	5.81	5.82	5.94	6.06	5.89	5.76	5.73	5.47	5.09	5.05	5.89%	5.21%	
Occidental Petro	4	67461FFR3	Sr Nts	11/30/2007	A-	5.29	5.29	5.19	5.26	5.34	5.25	5.40	5.61	5.52	5.52	5.36%				
Occidental Petro	4.25	67461FFS1	M-T Sr Nts	3/15/2010	A-	5.38	5.04	5.11	5.31	5.31	5.28	5.00	4.66	4.49	4.50	4.50	4.55	4.93%	4.52%	
Occidental Petroleum Corp.	9.25	674599BE4	Sr Deb	8/1/2019	A-	5.86	5.43	5.62	5.82	5.82	5.98	5.77	5.57	5.62	5.52	5.52	5.13	5.64%	5.39%	
Occidental Petroleum Corp.	10.125	674599BF1	Sr Deb	9/15/2009	A-	5.94	5.44	5.80	5.47	6.08	5.38	5.85	5.03	4.50	5.43	4.06	5.00	5.30%	4.83%	
Occidental Petroleum Corp.	11.125	674599BH7	Sr Nts	8/1/2010	A-	6.17	5.99	5.85	5.90	6.08	6.18	5.83	5.62	5.42	5.10	4.36	4.43	5.58%	4.63%	
Occidental Petroleum Corp.	7.2	674599BM6	Sr Deb	4/1/2022	A-	5.79	5.64	5.73	5.76	5.91	6.04	5.89	5.83	5.80	5.25	5.27	5.70%	5.35%		
Occidental Petroleum Corp.	8.45	674599BT1	Sr Nts	2/15/2029	A-	5.88	5.75	6.02	6.05	6.17	6.28	6.16	6.10	6.08	5.88	5.63	5.66	5.97%	5.72%	
Energen Corp.	5.29265NAQ1	Nts	10/1/2013	BBB+		6.12	5.97	5.67	5.71	5.90	6.02	5.82	5.83	5.74	5.45	4.97	5.10	5.69%	5.17%	
ENSCO International Inc.	6.75	28574QAAB8	Nbs	11/15/2007	BBB+	5.43	5.26	5.11	5.19	5.36	5.50	5.23	4.98	4.77	5.23	5.20				
ENSCO International Inc.	7.2	28574QAB6	Deb	11/15/2027	BBB+	6.17	6.05	6.12	6.15	6.27	6.38	6.35	6.30	6.09	5.83	5.86	6.16%	5.93%		
Marathon Oil Corp.	6.125	565849AA4	Nbs	3/15/2012	BBB+	5.58	5.34	5.29	5.35	5.54	5.68	5.46	5.47	5.54	5.08	4.47	4.52	5.28%	4.69%	
Marathon Oil Corp.	5.38	565849AB2	Nbs	3/15/2032	BBB+	6.03	5.88	5.97	6.01	6.17	6.25	6.26	6.35	6.43	6.17	6.08	6.11	6.14%	6.12%	
Michigan Consol Gas	8.25	594457BD4	1st	5/1/2014	BBB+	5.72	5.52	5.47	5.52	5.68	5.87	5.93	5.92	5.88	5.54	5.37	5.41%			
Michigan Consol Gas	6.12	594457BC5	Sr Sec Nts	9/1/2008	BBB+	5.58	5.48	5.30	5.37	5.53	5.54	5.36	5.59	5.30	5.11	4.92	4.93	5.33%	4.99%	
Michigan Consol Gas	5.7	594457BT9	Sr Nts	3/15/2033	BBB+	6.00	5.85	5.94	5.95	6.07	6.24	6.21	6.23	6.35	6.16	6.14	6.11%	6.15%		
National Fuel Gas Co.	6.5	636180BD2	Nts	9/15/2022	BBB+	6.76	6.71	6.69	6.49	6.53	6.60	6.50	6.50	6.50	6.50	6.50	6.56%	6.50%		
National Fuel Gas Co.	5.25	636180BE0	Nts	3/1/2013	BBB+	5.80	5.58	5.42	5.47	5.70	5.82	5.53	5.35	5.23	5.16	4.59	5.43	5.42%	5.06%	
Occidental Petro	4.101	67461FFC5	Sr M-T Nts 'C'	11/30/2007	BBB+	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10%	4.10%		
Peoples Energy Corp.	6.5	711030AC0	Nts	1/15/2011	BBB+	5.62	5.47	5.39	5.45	5.64	5.78	5.50	5.42	5.50	5.23	4.60	4.85	5.37%	4.89%	
USX Corp.	9.375	902905AK4	Deb	2/15/2012	BBB+	5.53	5.38	5.25	5.40	5.59	5.74	5.48	5.69	5.56	5.30	4.67	4.72	5.36%	4.90%	
USX Corp.	9.375	902905AL2	Deb	5/15/2022	BBB+	5.99	5.84	5.81	5.84	5.99	6.16	6.09	5.93	5.72	5.34	5.89	5.88%	5.65%		
USX Corp.	9.125	902905AM0	Deb	1/15/2013	BBB+	5.51	5.36	5.25	5.30	5.50	5.63	5.46	5.45	5.34	5.49	4.89	4.90	5.34%	5.09%	
USX Corp.	8.5	902905AN8	Deb	3/1/2019	BBB+	6.16	6.03	6.08	6.09	6.20	6.31	6.24	6.12	6.09	5.86	5.49	6.08	6.08%	5.81%	
USX Corp.	8.125	902905AQ1	Deb	7/15/2023	BBB+	6.10	6.07	6.01	6.04	6.20	6.31	6.27	6.19	6.15	6.12	5.81	6.26	6.13%	6.08%	
Varco International, Inc.	6.85	922122AB2	Sr Nts	5/1/2011	BBB+	5.71	5.56	5.38	5.44	5.63	5.76	5.41	5.61	5.54	5.20	4.53	4.46	5.39%	4.73%	
Atmos Energy Corp.	6.75	949560AA3	Deb	7/15/2028	BBB+	6.52	6.27	6.55	6.57	6.57	6.68	6.62	6.69	6.68	6.60	6.60	6.60	6.60%	6.67%	
Atmos Energy Corp.	7.38	949560AB1	Sr Nts	5/15/2011	BBB+	5.67	5.52	5.42	5.45	5.64	5.78	5.70	5.57	5.60	5.28	4.75	4.95	5.44%	4.99%	
Atmos Energy Corp.	5.12	949560AC9	Sr Nts	1/15/2013	BBB+	5.97	5.77	5.68	5.73	5.89	6.02	5.85	5.68	5.74	5.51	5.58	5.78%	5.61%		
Atmos Energy Corp.	4	949560AE5	Sr Nts	10/15/2009	BBB+	5.52	5.45	5.26	5.37	5.55	5.77	5.41	5.20	5.05	4.82	4.86	5.25%	4.88%		
Atmos Energy Corp.	4.95	949560AF2	Sr Nts	10/15/2014	BBB+	5.99	5.82	5.77	5.79	5.96	6.13	6.03	5.98	5.93	5.79	5.56	5.78	5.88%	5.71%	
Atmos Energy Corp.	5.95	949560AG0	Sr Nts	10/15/2034	BBB+	6.52	6.35	6.52	6.53	6.49	6.63	6.60	6.70	6.60	6.49	6.33	6.76	6.54%	6.53%	
Devon Fin Corp.	7.95	251799AA0	Sr Deb	4/15/2032	BBB	6.31	6.13	6.35	6.26	6.39	6.58	6.66	6.48	6.44	6.10	6.13	6.16	6.33%	6.13%	
Enbridge Energy Partners, L.P.	4.75	29250RA020	Sr Nts 'B'	6/1/2013	BBB	5.94	5.74	5.56	5.61	5.78	5.98	5.88	5.88	5.57	5.33	5.35	5.72%	5.42%		
Enbridge Energy Partners, L.P.	5.95	29250RAD8	Sr Nts 'B'	6/1/2033	BBB	6.59	6.40	6.47	6.50	6.62	6.71	6.78	6.68	6.65	6.63	6.38	6.80%	6.52%		
Kinder Morgan Energy Partner	7.5	494550AG1	Sr Nts	11/1/2010	BBB	5.58	5.38	5.29	5.31	5.48	5.61	5.53	5.42	5.39	5.01	4.61	4.84	5.29%	4.82%	
Kinder Morgan Energy Partner	6.75	494550AH9	Nts	3/15/2011	BBB	5.60	5.39	5.31	5.32	5.51	5.69	5.65	5.67	5.62	5.17	5.38	5.06	5.45%	5.20%	
Kinder Morgan Energy Partner	7.4	494550AJ5	Nts	3/15/2031	BBB	6.63	6.46	6.65	6.63	6.80	6.93	7.02	6.82	6.92	6.62	6.55	6.74	6.73%	6.64%	
Kinder Morgan Energy Partner	7.125	494550AK2	Nts	3/15/2022	BB															

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Gas Pipelines
2006 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR
Michigan Consol Gas	7.06	594457BHS	Sec M-T Nts E	5/1/2012	BBB	5.63	5.35	5.40	5.30	5.67	5.86	5.75	5.54	5.45	5.42	5.42	4.78	5.46%	5.21%
Murphy Oil Corp.	7.05	626717AA0	Nts	5/12/2009	BBB	6.73	6.62	6.61	6.67	6.82	7.16	6.99	6.86	6.94	6.88	6.83	6.83	6.81%	6.78%
Murphy Oil Corp.	6.38	626717AB8	Nts	5/12/2012	BBB	5.94	5.76	5.51	5.57	5.91	6.05	5.73	5.54	5.41	5.28	4.65	4.70	5.50%	4.88%
Ocean Energy	7.26	67481EAA4	Sr Nts	10/1/2011	BBB	5.74	5.47	5.40	5.46	5.65	5.93	5.67	5.43	5.45	5.15	4.93	4.89	5.39%	4.84%
Ocean Energy	4.375	67481EAB2	Sr Nts	10/1/2007	BBB	5.50	5.46	5.47	5.49	5.53	5.47	5.66	5.32					5.57%	
OceanEnergy	8.25	67481EAK3	Sr Nts 'B'	7/1/2013	BBB	6.15	6.00	6.11	6.27	6.48	6.40	6.08	6.09	5.81	5.61	5.67	6.06%	5.70%	
ONEOK, Inc.	6.88	682680AB5	Deb	9/30/2028	BBB	6.62	6.45	6.65	6.60	6.74	6.86	6.90	6.85	6.80	6.49	6.43	6.81	6.88%	6.58%
ONEOK, Inc.	6	682680AC7	Deb	2/1/2009	BBB	5.68	5.53	5.42	5.48	5.60	5.66	5.46	5.64	5.40	5.11	5.02	5.02	5.42%	5.05%
ONEOK, Inc.	7.12	682680AL7	Sr Nts	4/15/2011	BBB	5.72	5.52	5.39	5.45	5.69	5.82	5.64	5.77	5.60	5.28	5.15	5.15	5.52%	5.19%
ONEOK, Inc.	5.21	682680AM5	Nts	6/15/2015	BBB	6.07	5.84	5.94	5.84	5.98	6.23	6.11	6.13	6.08	5.74	5.66	5.83	5.95%	5.74%
ONEOK, Inc.	6	682680AN3	Nts	6/15/2035	BBB	6.54	6.36	6.60	6.55	6.69	6.92	6.85	6.80	6.75	6.44	6.38	6.81	6.65%	6.54%
ONEOK, Inc.	5.51	682680AP8	Sr Nts	2/16/2008	BBB	5.62	5.43	5.31	5.37	5.49	5.50	5.41	5.79	5.77	5.45	5.50	5.95	5.55%	5.63%
Pennzoil	10.125	705903B3	Deb	11/15/2009	BBB	5.88	5.73	5.65	5.73	5.94	5.81	5.80	5.38	5.21	4.90	4.38	4.65	5.41%	4.64%
Sun Co	9	866762AK3	Deb	11/1/2024	BBB	6.15	6.30	6.37	6.40	6.52	6.63	6.46	6.40	6.38	6.18	6.35	6.38	6.35%	6.30%
Sunoco, Inc.	7.75	86764PAAT	Nts	9/1/2009	BBB	5.58	5.45	5.26	5.33	5.77	5.82	5.48	5.21	4.96	4.70	4.01	4.46	5.17%	4.39%
Sunoco, Inc.	6.75	86764PAB5	Nts	4/1/2011	BBB	5.77	5.62	5.49	5.54	5.74	5.98	5.63	5.66	5.46	5.12	4.43	4.83	5.44%	4.79%
Valero Energy	6.71	919138AD9	Sr Nts	1/15/2013	BBB	5.93	5.65	5.60	5.55	5.72	5.79	6.02	5.78	5.53	5.54	5.10	5.11	5.61%	5.25%
Valero Energy Corp. (New)	8.75	91913YAB6	Nts	6/15/2030	BBB	6.60	6.42	6.47	6.60	6.62	6.73	6.83	6.74	6.64	6.74	6.75	6.85	6.87%	6.78%
Valero Energy Corp. (New)	6.125	91913YAC4	Nts	4/15/2007	BBB	5.78	5.98											5.88%	
Valero Energy Corp. (New)	8.675	91913YAD2	Nts	4/15/2012	BBB	5.61	5.43	5.38	5.40	5.53	5.73	5.80	5.49	5.56	5.30	4.86	5.11	5.44%	5.09%
Valero Energy Corp. (New)	7.5	91913YAE0	Nts	4/15/2032	BBB	6.42	6.18	6.40	6.32	6.41	6.73	6.81	6.74	6.41	6.40	6.57	6.52%	6.49%	
Valero Energy Corp. (New)	6.311	91913YAF7	Nts	11/30/2007	BBB	5.92	5.89	5.82	5.90	5.94	6.02	6.14	6.30	6.12				6.01%	
Valero Energy Corp. (New)	4.75	91913YAG5	Nts	5/15/2013	BBB	5.82	5.56	5.57	5.59	5.75	5.78	6.13	5.83	5.78	5.41	5.06	5.40	5.64%	5.29%
Valero Energy Corp. (New)	3.5	91913YAJ5	Sr Nts	4/1/2009	BBB	5.49	5.32	5.10	5.16	5.35	5.33	5.44	5.14	5.01	4.88	4.49	4.91	5.14%	4.76%
Valero Energy Corp. (New)	4.75	91913YAK6	Sr Nts	4/1/2014	BBB	5.89	5.74	5.68	5.71	5.83	5.96	6.16	5.91	5.68	5.54	5.28	5.44	5.74%	5.42%
XTO Energy Inc.	7.51	98385XA44	Sr Nts	4/15/2012	BBB	5.64	5.48	5.33	5.37	5.54	5.58	5.68	5.42	5.69	5.26	4.66	5.05	5.40%	4.89%
XTO Energy Inc.	6.25	98285XAC0	Sr Nts	4/15/2013	BBB	5.71	5.55	5.47	5.52	5.72	5.79	5.78	5.70	5.73	5.29	4.85	5.24	5.54%	5.16%
XTO Energy Inc.	4.9	98385XAD8	Sr Nts	2/1/2014	BBB	5.80	5.60	5.51	5.55	5.74	5.89	5.82	5.75	5.94	5.44	5.22	5.46	5.64%	5.37%
XTO Energy Inc.	5.3	98385XAG1	Sr Nts	6/30/2015	BBB	5.85	5.64	5.67	5.72	5.80	6.02	6.02	5.88	5.98	5.47	5.27	5.37	5.72%	5.37%
XTO Energy Inc.	5.65	98385XAH9	Sr Nts	4/1/2016	BBB	5.89	5.66	5.70	5.71	5.85	6.07	6.06	5.96	6.08	5.64	5.50	5.54	5.81%	5.56%
XTO Energy Inc.	6.1	98385XAJ5	Sr Nts	4/1/2036	BBB	6.37	6.12	6.34	6.27	6.39	6.57	6.66	6.56	6.49	6.09	6.09	6.27	6.35%	6.15%
Amerada Hess Corp.	7.375	023551AE4	Nts	10/1/2009	BBB	5.60	5.34	5.28	5.34	5.54	5.61	5.38	5.12	4.91	4.65	4.14	4.18	5.09%	4.32%
Amerada Hess Corp.	7.875	023551AF1	Nts	10/1/2029	BBB	6.48	6.33	6.56	6.47	6.81	6.76	6.73	6.68	6.71	6.30	6.20	6.31	6.51%	6.27%
Amerada Hess Corp.	6.65	023551AH7	Nts	8/15/2011	BBB	5.59	5.35	5.27	5.35	5.50	5.73	5.56	5.42	5.52	5.06	4.73	4.95	5.34%	4.91%
Amerada Hess Corp.	7.3	023551AJ3	Nts	8/15/2031	BBB	6.42	6.24	6.46	6.41	6.57	6.69	6.65	6.80	6.80	6.23	6.14	6.28	6.44%	6.22%
Anadarko Petroleum Corp.	7.25	032511AH0	Deb	3/15/2025	BBB	6.48	6.35	6.54	6.54	6.66	6.83	6.92	6.66	6.36	6.30	6.33	6.55%	6.33%	
Anadarko Petroleum Corp.	7	032511AL1	Deb	11/15/2027	BBB	6.53	6.50	6.69	6.69	6.81	6.98	7.06	6.88	6.92	6.66	6.56	6.59	6.74%	6.60%
Anadarko Petroleum Corp.	6.62	032511AM9	Deb	1/15/2028	BBB	6.50	6.42	6.61	6.60	6.72	6.89	6.99	6.79	6.73	6.52	6.43	6.44	6.64%	6.46%
Anadarko Petroleum Corp.	7.2	032511AN7	Deb	3/15/2029	BBB	6.70	6.57	6.75	6.67	6.79	6.96	7.04	6.86	6.81	6.60	6.49	6.52	6.73%	6.54%
Anadarko Petroleum Corp.	6.12	032511AT4	Deb	3/15/2012	BBB	5.81	5.55	5.45	5.51	5.70	5.87	5.73	5.62	5.47	5.35	4.91	4.96	5.49%	5.07%
Anadarko Petroleum Corp.	5	032511AU1	Nts	10/1/2012	BBB	5.80	5.65	5.55	5.61	5.80	5.97	5.82	5.65	5.50	5.29	4.86	4.91	5.53%	5.02%
Anadarko Petroleum Corp.	3.25	032511AV9	Nts	5/1/2008	BBB	5.68	5.50	5.39	5.53	5.64	5.63	5.67	5.76	5.54	5.29	5.54	5.25	5.54%	5.36%
Anadarko Petroleum Corp.	7.73	032511AW6	Deb	9/15/2096	BBB	6.75	6.57	6.82	6.90	6.90	7.04	7.00	6.93	7.00	6.87	6.87	6.77	6.87%	6.84%
Anadarko Petroleum Corp.	7.25	032512026	Deb	11/15/2096	BBB	6.73	6.55	6.80	6.89	6.89	7.06	7.02	6.95	6.97	6.86	6.86	6.77	6.86%	6.83%
Enterprise Products Oper.	7.5	293791AB5	Sr Nts	2/1/2011	BBB	5.67	5.45	5.38	5.39	5.62	5.76	5.68	5.57	5.29	5.29	5.20	5.27	5.50%	5.25%
Enterprise Products Oper.	6.375	293791AD1	Sr Nts 'B'	2/1/2013	BBB	5.84	5.58	5.53	5.56	5.76	5.80	5.72	5.72	5.89	5.57	5.33	5.44	5.65%	5.45%
Enterprise Products Oper.	4	293791AL3	Sr Nts 'B'	10/15/2007	BBB	5.66	5.62	5.37	5.40	5.45	5.58	5.62	5.34	5.34	5.20	5.20		5.54%	
Enterprise Products Oper.	4.62	293791AM1	Sr Nts 'B'	10/15/2009	BBB	5.53	5.30	5.17	5.24	5.42	5.58	5.42	5.38	5.15	4.91	4.57	4.71	5.20%	4.73%
Enterprise Products Oper.	5.6	293791AN9	Sr Nts 'B'	10/15/2014	BBB	5.85	5.62	5.63	5.61	5.82	6.07	6.11	5.94	6.02	5.88	5.45	5.63	5.79%	5.59%
Enterprise Products Oper.	6.65	293791AP4	Sr Nts 'B'	10/15/2024	BBB	6.49	6.29	6.45	6.45	6.55	6.71	6.84	6.83	6.79	6.48	6.43	6.51	6.57%	6.47%
Enterprise Products Oper.	5	293791AR0	Sr Nts 'B'	3/1/2015	BBB	5.91	5.66	5.72	5.67	5.67	6.09	6.20	6.04	6.09	5.75	5.52	5.77	5.86%	5.68%
Enterprise Products Oper.	5.75	293791AT6	Sr Nts 'B'	3/1/2035	BBB	6.40	6.17	6.34	6.32	6.48	6.62	6.79	6.71	6.74	6.37	6.33	6.45	6.48%	6.38%
Enterprise Products Oper.	4.95	293791AU3	Sr Nts	6/1/2010	BBB	5.51	5.30	5.24	5.28	5.47	5.62	5.48	5.39	5.23	5.01	4.81	5.25%	4.84%	
Kern-McGee Corp.	6.625	492386AJ6	Nts	10/15/2007	BBB	5.82	5.79	5.34	5.40	5.38	5.43	5.49	5.64	5.64			5.54%		
Kern-McGee Corp.	7.125	492386AK3	Deb	10/15/2027	BBB	6.58	6.44	6.64	6.50	6.62	6.79	6.87	6.88	6.68	6.56	6.40	6.43	6.60%	6.48%
Kern-McGee Corp.	6.875	492386AS6	Nts	9/15/2011	BBB	5.62	5.45	5.36	5.40	5.58	5.80	5.68	5.62	5.39	5.21	4.75	4.95	5.40%	4.97%
Kern-McGee Corp.	7.375	492386AT4	Nts	9/15/2031	BBB	6.41	6.30	6.53	6.34	6.46	6.58	6.78	6.63	6.58	6.26	6.24	6.30	6.45%	6.27%
Kern-McGee Corp.	6.95	492386AU1	Nts	7/1/2024	BBB	6.44	6.30	6.43	6.38	6.44	6.58	6.65	6.55	6.65	6.25				

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Gas Pipelines
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR
Southwest Gas Corp.	8.34 844895AL6	Deb	8/1/2026	BBB-	6.65	6.51	6.58	6.61	6.73	6.84	6.67	6.81	6.79	6.52	6.28	6.45	6.62%	6.42%	
Southwest Gas Corp.	8.38 844895AP3	Nts	2/15/2011	BBB-	6.03	5.87	5.74	5.70	5.90	6.01	5.65	5.89	5.48	5.40	4.68	4.78	5.58%	4.95%	
TEPPCO Partners, L.P.	6.125 872384ABS	St Nts	2/1/2013	BBB-	6.05	5.83	5.72	5.77	5.88	6.00	5.90	5.71	6.03	5.76	5.17	5.18	5.75%	5.37%	
Transcont'l Gas Pipeline	7.08 893570BL4	Deb	7/15/2026	BBB-	6.77	6.53	6.59	6.62	6.63	6.92	7.31	7.17	7.17	6.95	6.67	6.81	6.85%	6.81%	
Transcont'l Gas PipeLine	7.25 893570BM2	Deb	12/1/2026	BBB-	6.78	6.43	6.49	6.53	6.51	6.81	7.23	6.84	6.84	6.66	6.43	6.68	6.68%	6.58%	
Transcont'l Gas PipeLine	6.25 893570BP5	Nts	1/15/2008	BBB-	5.70	5.94	5.90	5.69	5.82	6.00	6.23	6.20	6.17	6.13	6.10	5.99	5.99%	6.12%	
Transcont'l Gas PipeLine	8.88 893570BT7	Sr Nts' B'	7/15/2012	BBB-	6.09	5.88	5.81	5.93	5.86	6.07	6.48	5.99	6.24	5.41	5.58	5.93%	5.60%		
Union Pacific Resources Grou	7.5 907834AB1	Deb	10/15/2026	BBB-	6.66	6.58	6.77	6.89	7.06	7.15	6.95	6.94	6.70	6.72	6.75	6.83%	6.72%		
Union Pacific Resources Grou	6.75 907834AE5	Nts	5/15/2008	BBB-	5.71	5.70	5.65	5.80	5.91	5.97	5.94	6.00	5.77	5.55	5.77	5.58	5.78%	5.63%	
Union Pacific Resources Grou	7.05 907834AF2	Deb	5/15/2018	BBB-	6.20	6.13	6.19	6.24	6.40	6.62	6.63	6.32	6.30	6.09	5.80	5.83	6.23%	5.91%	
Union Pacific Resources Grou	7.15 907834AG0	Deb	5/15/2028	BBB-	6.70	6.57	6.75	6.74	6.87	6.89	7.05	6.85	6.82	6.63	6.53	6.66	6.76%	6.57%	
Union Pacific Resources Grou	7.3 907834AH8	Nts	4/15/2009	BBB-	5.90	5.79	5.62	5.70	5.88	5.91	5.75	5.46	5.27	5.16	4.84	5.00	5.52%	5.00%	
Union Pacific Resources Grou	7.5																		
Ashland Inc	6.62 044204AC9	Sr Nts	2/15/2007	BB+	6.08	6.07	5.87	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00%	6.00%	
Ashland Inc	6.86 04420QBD7	Mt Nts 'H'	5/1/2009	BB+	6.06	5.77	5.78	5.79	5.79	5.79	5.79	5.79	5.79	5.79	5.79	5.79	5.79	5.79%	5.79%
Evergreen Resources	8.8 044540AH5	St SubNts	11/15/2012	BB+	5.57	5.42	5.22	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40%	5.40%	
MAPCO Inc	5.75 565097AF9	Deb	3/1/2027	BB+	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70%	7.70%	
Newfield Exploration Co.	7.25 651290AC2	Sr Nts' B'	10/15/2007	BB+	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82%	5.82%	
Parker & Parsley Petrol	9.25 701018AB9	Nts	8/15/2007	BB+	6.11	6.10	6.07	6.04	5.70	5.66	5.66						5.95%	5.95%	
Pioneer Natural Resources Co	6.5 723787AA5	Nts	1/15/2003	BB+	6.26	6.27	6.20	6.21	6.11	6.02	6.05	5.35	5.14	5.29	5.59		5.87%	5.44%	
Pioneer Natural Resources Co	7.2 723787AB3	Nts	1/15/2028	BB+	7.67	7.48	7.67	7.85	7.76	7.95	8.46	8.65	8.30	8.04	8.03	8.21	8.01%	8.09%	
Pioneer Natural Resources Co	6.88 723787AF4	Sr Nts	5/1/2018	BB+	7.22	6.92	7.09	7.19	7.28	7.58	8.19	8.03	7.78	7.64	7.41	7.33	7.47%	7.46%	
Williams Companies, Inc. (Th)	10.25 969457AH3	Deb	7/15/2020	BB+	8.08	8.08	8.08	8.08	8.08	8.08	8.08	8.08	8.08	8.08	8.08	8.08%	8.08%		
Williams Companies, Inc. (Th)	9.375 969457AK6	Deb	11/15/2021	BB+	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12	8.12%	8.12%		
Williams Companies, Inc. (Th)	8.875 989457AM2	Deb	9/15/2012	BB+	7.43	7.45	7.43	7.43	7.43	7.43	7.43	7.43	7.43	7.43	7.43	7.43%	7.43%		
Williams Companies, Inc. (Th)	7.625 989457AW0	Nts	7/15/2019	BB+	6.81	6.59	6.57	6.55	6.42	6.94	7.46	6.95	6.85	6.57	6.27	6.57	6.71%	6.47%	
Williams Companies, Inc. (Th)	7.5 969457BB5	Deb	1/15/2031	BB+	7.14	7.00	6.97	6.98	7.18	7.59	7.27	7.25	6.99	6.82	6.84	7.07%	6.88%		
Williams Companies, Inc. (Th)	7.75 969457BD1	Nts	6/15/2021	BB+	7.30	7.15	7.13	7.14	6.91	7.23	7.62	7.43	7.38	7.13	6.88	6.92	7.19%	6.98%	
Williams Companies, Inc. (Th)	7.125 969457BF6	Nts	9/1/2011	BB+	6.17	5.97	5.88	5.83	5.77	6.42	7.15	6.26	6.24	5.94	5.69	5.40	6.06%	5.68%	
Williams Companies, Inc. (Th)	7.875 969457BG4	Nts	9/1/2021	BB+	7.04	6.81	6.77	6.70	6.56	7.02	7.38	7.07	6.95	6.72	6.49	6.64	6.85%	6.62%	
Williams Companies, Inc. (Th)	8.125 969457BK5	Nts	3/15/2012	BB+	6.35	6.08	6.05	6.05	5.96	6.58	7.15	6.32	6.30	6.01	5.82	5.71	6.20%	5.85%	
Williams Companies, Inc. (Th)	8.75 969457BM1	Nts	3/15/2032	BB+	7.52	7.42	7.40	7.32	7.09	7.35	7.76	7.53	7.47	7.29	6.98	6.85	7.33%	7.04%	
Williams Holdings of DE	6.5 368905AD1	Nts	12/1/2008	BB+	5.43	6.03	6.25	6.24	6.41	6.30	6.68	6.59	6.71	6.73	6.49	6.20	6.34%	6.47%	
Chesapeake Energy Corp.	7.75 165167BA4	Sr Nts	1/15/2015	BB	7.32	7.04	7.07	7.04	7.04	7.45	7.56	7.49	7.21	7.28	7.28	7.37	7.26%	7.31%	
Chesapeake Energy Corp.	7.5 165167BC0	Sr Nts	9/15/2013	BB	7.04	6.72	6.62	6.62	7.13	7.36	7.13	6.92	6.92	7.13	6.93%	6.99%			
Chesapeake Energy Corp.	6.88 165167BE6	Sr Nts	1/15/2016	BB	7.03	6.68	6.65	6.65	7.22	7.70	7.26	6.87	6.96	6.96	7.04	6.97%	6.99%		
Chesapeake Energy Corp.	7.5 165167BG1	Sr Nts	6/15/2014	BB	6.97	6.63	6.65	6.65	7.26	7.45	7.28	7.04	7.04	7.13	6.99%	7.07%			
Chesapeake Energy Corp.	7 165167BJ5	Sr Nts	8/15/2014	BB	6.92	6.55	6.50	6.45	7.14	7.31	7.09	6.88	6.90	6.90	6.90	6.93%	6.90%		
Chesapeake Energy Corp.	6.38 165167BL0	Sr Nts	6/15/2015	BB	6.87	6.50	6.43	6.37	7.16	7.41	7.11	6.68	6.87	6.87	6.78%	6.87%			
Chesapeake Energy Corp.	6.62 165167BN6	Sr Nts	1/15/2016	BB	7.04	6.55	6.55	6.65	7.21	7.70	7.17	6.87	6.96	6.96	7.00	6.94%	6.97%		
Chesapeake Energy Corp.	6.25 165167BQ9	Sr Nts	1/15/2018	BB	7.04	6.45	6.42	6.35	7.14	7.68	7.16	6.75	6.75	6.75	6.82	6.81%	6.77%		
Chesapeake Energy Corp.	6.5 165167BS5	Sr Nts	8/15/2017	BB	7.11	6.70	6.71	6.64	7.26	7.63	7.19	6.89	7.00	7.00	7.00	6.97%	7.00%		
Colorado Interstate Gas	6.85 196522AE6	St Deb	6/15/2037	BB	6.72	6.23	6.47	6.60	6.60	6.83	6.82	6.99	6.94	6.90	7.02	6.75%	6.94%		
Colorado Interstate Gas	5.95 196522AH9	Sr Nts	3/15/2015	BB	6.22	5.92	5.85	5.86	6.01	6.38	6.49	6.38	6.33	6.11	5.83	6.13	6.13%	6.02%	
EI Paso Natural Gas	8.62 233695AZ7	Deb	1/15/2022	BB	6.67	6.33	6.37	6.30	6.46	6.76	7.06	6.90	6.90	6.74	6.90	6.90	6.90	6.73%	
EI Paso Natural Gas	7.5 233695BE3	Deb	11/15/2026	BB	6.62	6.20	6.45	6.35	6.55	6.78	7.16	6.90	7.00	6.84	6.63	7.01	6.72%	6.83%	
EI Paso Natural Gas	8.38 233695BK9	Sr Sub Nts	6/15/2032	BB	6.71	6.43	6.49	6.44	6.62	6.91	7.06	7.00	6.95	6.89	6.73	6.91	6.79%	6.84%	
EI Paso Natural Gas	7.62 233695BM5	Sr B' Nts	8/1/2010	BB	6.33	6.14	6.15	6.20	6.20	6.20	6.17	6.17	6.39	6.35	6.18	6.68	6.26%	6.40%	
Offshore Logistics, Inc.	6.12 676255AL6	Sr Nts	6/15/2013	BB	7.26	7.12	7.08	6.83	7.33	7.96	7.19	6.57	6.49	7.23	7.01	7.09%	6.91%		
Southern Natural Gas	6.7 843452AW6	Nts	10/1/2007	BB	5.72	5.62	5.54	5.66	5.49	6.45	6.55	5.00				5.77%			
Southern Natural Gas	6.12 843452AX1	Nts	9/15/2008	BB	5.80	5.52	5.38	5.48	5.63	5.76	5.82	5.84	5.81	5.66	5.17	5.57%	5.26%		
Southern Natural Gas	7.35 843452AY9	Nts	2/15/2031	BB	6.67	6.36	6.47	6.40	6.58	6.83	7.01	6.95	7.00	6.84	6.68	6.73%	6.83%		
Southern Natural Gas	8 843452AZ6	Nts	3/1/2032	BB	6.68	6.41	6.47	6.42	6.60	6.86	7.06	7.00	6.95	6.84	7.01	6.75%	6.84%		
Southern Natural Gas	8.88 843452BB8	Sr Nts	3/15/2010	BB	7.14	7.14	7.19	7.19	7.19	7.19	7.19	7.19	7.19	7.19	7.19	7.18%	7.19%		
Tennessee Gas Pipeline	6 880451AJ8	Deb	12/15/2011	BB	6.54	6.36	6.18	6.02	6.03	6.32	6.53	6.81	6.68	6.48	6.28	6.39%	6.42%		
Tennessee Gas Pipeline	7 880451AS8	Deb	3/15/2027	BB	6.60	6.30	6.39	6.37	6.54	6.73	7.01	6.90	6.95	6.74	6.68	6.67%	6.75%		
Tennessee Gas Pipeline	7.62 880451AT6	Deb	4/1/2017	BB	6.32	5.99	5.95	5.94	6.16	6.43	6.59	6.47	6.43	6.19	5.95	6.18	6.22%	6.11%	
Tennessee Gas Pipeline	7.62 880451AU3	Deb	4/1/2037	BB	6.74	6.40	6.49	6.42	6.62	6.85	6.83	7.10	7.00	6.84	6.68	7.01	6.75%	6.84%	
Tennessee Gas Pipeline	7 880451AV1	Deb	10/15/2028	BB	6.67	6.31	6.39	6.37	6.54	6.73	7.01	6.90	6.85	6.74	6.68	6.91	6.68%	6.78%	
Tennessee Gas Pipeline	8.38 880451AW9	Nts	6/15/2032	BB	6.75	6.42	6.49	6.44	6.62	6.91	7.06	7.00	6.95	6.89	6.73	7.01	6.77%	6.88%	
EI Paso Corp.	7 283361AB5	Sr Nts	5/15/2011	BB	6.32	5.84	5												

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Gas Pipelines
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR
KN Energy	6.67	482620AS0	Deb	11/1/2027	BB-	7.42	7.18	7.42	7.08	7.22	7.73	8.27	8.14	8.05	7.84	7.93	7.96	7.69%	7.91%
KN Energy	7.25	482620AW1	Sr Deb	3/1/2028	BB-	7.32	7.13	7.30	6.99	7.14	7.63	8.09	8.10	8.20	7.74	7.93	7.86	7.62%	7.84%
KN Energy	7.45		Sr Deb	3/1/2028	BB-	7.37	7.63	7.80	7.73	7.73	8.14	8.54	8.65	8.39	8.31	8.31	8.72	8.16%	8.45%
Newfield Exploration Co.	6.62	651280AH1	Sr Sub Nts	9/1/2014	BB-	6.92	6.66	6.62	6.49	6.36	7.25	7.73	7.22	6.89	6.99	7.19	6.81	6.93%	7.00%
Newfield Exploration Co.	6.62	651280AJ7	Sr Sub Nts	4/15/2016	BB-	6.92	6.66	6.62	6.54	6.43	7.20	7.70	7.21	6.93	7.02	7.18	6.94	6.95%	7.05%
Swift Energy Co.	7.62	670738AE1	Sr Nts	7/15/2011	BB-	7.15	7.08	6.93	6.99	6.77	7.26	8.37	7.92	7.85	7.30	7.78	7.45	7.40%	7.51%
Ferrellgas, L.P./Finance	6.75	715292AD1	Sr Nts	5/1/2014	B+	7.42	7.01	7.11	6.88	6.88	7.75	8.52	7.62	7.33	7.09	7.64	7.12	7.36%	7.28%
Plains Explor & Prod	8.75	726507AC0	Sr Sub Nts'B	7/1/2012	B+	7.61	7.61	7.61	7.81	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61	7.61%	7.61%
Pogo Producing Co.	6.62	730448AR8	Sr Sub Nts	3/15/2015	B+	7.62	7.07	7.03	6.99	6.95	6.79	6.62	6.53	6.58	6.45	6.44	6.45	6.79%	6.45%
Pogo Producing Co.	6.88	730448AT4	Sr Sub Nts	10/1/2017	B+	7.67	7.25	7.21	7.18	7.11	6.97	6.87	6.80	6.83	6.73	6.73	6.73	7.01%	6.73%
Range Resources Corp.	7.38	75281AA5	Sr Sub Nts	7/15/2013	B+	7.08	6.88	6.94	6.67	6.71	7.16	7.85	7.10	6.89	6.99	7.26	7.04	7.05%	7.10%
Ehco Acquisition Co.	7.25	72355WAH3	Sr Sub Nts	12/1/2017	B	7.34	7.69	7.95	7.70	7.68	8.41	9.01	8.35	8.12	7.92	8.09	7.94	8.07%	7.98%
KCS Energy, Inc.	7.125	482434AF2	Sr Nts	4/1/2012	B	8.20	7.60	7.35	7.30	7.12	7.43	8.16	8.18	8.06	7.94	8.30	8.18	7.82%	8.14%
Quicksilver Resources Inc.	7.12	74837RAC8	Sr Sub Nts	4/1/2016	B	7.54	7.35	7.35	7.20	7.20	7.67	8.35	7.77	7.44	7.86	7.40	7.55%	7.57%	
Whiting Petroleum Corp.	7.25	966387AB2	Sr Sub Nts	5/1/2012	B	7.42	7.24	7.66	7.81	7.71	8.52	9.16	7.89	8.04	7.64	8.06	7.55	7.88%	7.78%
Whiting Petroleum Corp.	7.25	966387AC6	Sr Sub Nts	5/12/2013	B	7.39	7.24	7.61	7.81	7.64	8.34	9.36	8.02	7.86	7.54	8.05	7.59	7.86%	7.76%
Whiting Petroleum Corp.	7	966387AE2	Sr Sub Nts	2/1/2014	B	7.27	7.13	7.47	7.47	7.52	8.19	8.68	7.89	7.96	7.55	7.82	7.20	7.66%	7.62%
Energy Partners, Ltd.	8.75	29270UAC9	Sr Nts	8/12/2010	B-	8.24	7.81	7.03	6.55	6.85	6.85	6.85	6.85	6.85	6.85	6.85	6.85	7.07%	6.85%
EXCO Resources, Inc.	7.25	29279AB1	Sr(Secl)Nts	1/15/2011	B	6.20	6.80	7.16	7.16	7.00	7.41	8.78	7.07	7.33	7.78	8.35	8.67	7.53%	8.27%
Ferrellgas Partners L.P.	8.75	315293MAA5	Sr Nts	6/15/2012	B-	8.39	7.75	8.35	7.78	7.83	8.00	8.93	8.23	8.03	7.95	8.47	8.00	8.10%	8.14%
Stone Energy Corp.	8.25	661642AE2	Sr Sub Nts	12/15/2011	B-	8.82	8.30	8.34	8.17	7.58	8.24	8.94	8.52	8.45	8.46	9.15	8.24	8.43%	8.62%
Stone Energy Corp.	6.75	661642AG1	Sr Sub Nts	12/15/2014	B-	8.14	7.83	7.88	7.85	7.72	8.20	8.70	8.42	8.31	8.15	8.47	8.13	8.15%	8.25%
Delta Petroleum Corp.	7	247907AC2	Sr Nts	4/1/2015	CCC+	8.55	8.37	8.76	8.58	8.69	9.44	10.25	10.66	10.03	9.52	10.81	9.84	9.46%	10.06%
Ashland Inc	6.396	04420QBK1	M-T Nts 'K'	8/12/2012	NR	6.18	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82%
Cascade Natural Gas Corp.	7.5	147339AH8	Nts	11/15/2031	NR	7.58	7.49											7.54%	
Energy Corp of Amer	9.5	292650AC1	Sub Nts'A	5/16/2007	NR	9.50	9.50	9.50										9.50%	
Giant Industries, Inc.	8	374508AG4	SrSub Nts	5/15/2014	NR	6.70	6.62	6.57	7.17	6.98	6.49							6.76%	
Houston Exploration Co. (The)	7	442120AE1	Sr Sub Nts	6/15/2013	NR	6.85	6.89	6.99	6.89	6.79	6.94	8.47	7.98	7.82	7.89	8.19	7.79	7.46%	7.96%
Kern-McGeer Corp.	7	492386AD9	Deb	11/1/2011	NR	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99%	6.99%
KN Energy	6.8	482620AV3	Sr Nts	3/1/2008	NR	5.64	5.53	5.63	5.18	5.14	5.14	5.14	5.14	5.14	5.14	5.14	5.14	5.26%	5.14%
Northwest Pipeline	9	667748AE7	Deb	8/1/2022	NR	8.59	8.59	8.59	8.59	8.59	8.59	8.59	8.59					8.59%	
Northwest Pipeline	8.12	667748AK3	Sr Nts	3/1/2010	NR	6.75	6.72	6.56										6.68%	
Occidental Petroleum Corp.	7.375	674599BC7	Sr Nts	11/15/2008	NR	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51%	
Pogo Producing Co.	8.25	730448AP2	Sr Sub Nts	4/15/2011	NR	7.67	7.53	7.73	7.85	7.85	7.62	7.77	7.44	7.43	7.43	7.43	7.43	7.53%	7.43%
SEMCO Energy, Inc.	6.45	482620DAG4	Sr Nts	10/1/2009	NR	7.65	7.21	7.03	7.10	7.23	7.39	7.05	6.83	6.55	6.26	5.61	5.65	6.80%	5.84%
SEMCO Energy, Inc.	7.12	784120AJ3	Sr Nts	5/15/2008	NR	6.92	6.48	6.38	6.26	6.27	6.64	6.96	6.66	6.56	4.71	3.92	5.88	6.14%	4.83%
SEMCO Energy, Inc.	7.75	784120DAL3	Sr Nts	5/15/2013	NR	7.42	7.17	7.25	7.09	7.12	7.41	7.62	7.60	7.82	6.56	6.51	6.62	7.18%	6.56%
Tesoro Petroleum Corp.	9.625	381609AL5	Sr Sub Nts	4/1/2012	NR	8.40	8.39	8.42										8.40%	
Vintage Petroleum, Inc.	8.25	927460AK1	Sr Nts	5/1/2012	NR	7.23	7.23	7.23	7.28									7.24%	
Williams Companies, Inc. (Th)	8.625	669457BC2	Sr Nts	6/1/2010	NR	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00%	

Counts of data 312 312 310 308 304 302 302 296 293 289 285 284 280 312 285

NOTES:

Data downloaded from the S&P website and supplemented from month end Bond Guides when available.

means the data was not available in S&P Guide

means issuance matured or called

Annual	4th Qtr	Annual	4th Qtr		
AAA's	6.05%	5.89%	NR's	7.09%	6.23%
AA's	5.49%	5.08%	Investment Grade (BBB & above)		
A's	5.73%	5.48%	ALL	6.17%	5.97%
BBB's	5.92%	5.70%	BBB+ thru	5.66%	5.38%
BB's	6.76%	6.80%	BB thru AA	5.97%	5.77%
B's	7.62%	7.63%			
CCC's	9.48%	10.06%			

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Summary

Industry: Liquid Pipelines

2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

ALL	Median
9.76%	9.41% Yahoo
9.00%	9.39% Value Line
9.38%	9.40% Average of E/Ps

Inverse of P/E Ratios:

9.67%	8.97% Yahoo
9.19%	9.22% Value Line
9.43%	9.09% Average of Inverse of the P/E
9.05%	10.00% Inverse of median P/E, Value Line
9.41%	9.25% Average of all above except median P/E
Mean =	9.33% 9.40%
Median =	9.19% 9.39%

Equity Measure NUOI = 9.30%

Debt Measure Calculated:

Annual	4th Qtr
6.17%	5.99% All
5.62%	5.32% BBB & Above
5.90%	5.66% BBB's
Mean =	5.90% 5.66%
Median =	5.90% 5.66%

Debt Measure = 5.60%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate					
Equity	94.00%	x	9.30%	=	8.74%
Debt	6.00%	x	5.60%	=	0.34%
	100%				9.08%
Direct Cap Rate NUOI					= 9.25%

Gross Cash Flow / Price:

All Median

12.93% 12.80% Value Line

Equity Measure Gross = 13.00%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)					
Equity	94.00%	x	13.00%	=	12.22%
Debt	6.00%	x	5.60%	=	0.34%
	100%				12.56%
Direct Cap Rate GCF					= 12.75%

MONTANA DEPARTMENT OF REVENUE

Yield Capitalization Rate Summary

Industry: Liquid Pipelines

2008 Assessment Year

Dividend Growth Model	All
	12.50%

Capital Asset Pricing Model	11.00%
	Mean = 11.75%
	Median = 11.75%

Equity Measure FCF =	11.00%
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Debt Measure Calculated:	5.60%
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Yield Cap Rate Free Cash Flow - Liquid Pipelines

Equity	94.00%	x	11.00%	=	10.34%
Debt	6.00%	x	5.60%	=	0.34%
	100%				10.68%

Weighted Average Cost of Capital (WACC)=	10.75%
--	--------

Where Assumed Growth Rate = Inflation
see appendix for calculation

Growth = 2.44%

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
 Industry: Liquid Pipelines
 2008 Assessment Year

COMPANY Company	TICKER SYMBOL Ticker	(VL) FIN STR	(VL) SHARES (000)	(YAHOO) AVG PRICE COMMON	(VL) BOOK VALUE PER SHARE	MKT VALUE COMMON (000) CxD	(VL) BOOK VALUE COMMON (000)	(VL) BOOK VALUE PREFERRED (000)	(VL) BOOK VALUE DEBT (000)	MKT/BOOK ratio for DEBT
BP p.l.c. ADS	BP	A++	3,251,700	74.00	26.60	240,625,800	86,496,000	21,000	11,086,000	1.00
ChevronTexaco Corp	CVX	A++	2,442,700	89.43	28.22	218,454,732	68,935,000	0	7,679,000	1.00
Exxon Mobil	XOM	A++	5,729,000	90.35	19.87	517,586,505	113,844,000	0	6,645,000	1.00
Total SA	TOT	A++	2,264,600	80.17	41.90	181,552,982	94,887,000	0	18,786,000	1.00
Royal Dutch SHELL-A	RDS/A	A++	3,149,400	82.88	33.57	261,006,525	105,726,000	0	9,713,000	1.00
ConocoPhillips Inc	COP	A+	1,646,100	82.94	50.21	136,519,304	82,646,000	0	23,091,000	1.00
Occidental Petroleum	OXY	A+	839,900	70.34	22.84	59,079,966	19,184,000	0	2,619,000	1.00
Sunoco Inc	SUN	A+	121,300	70.19	17.11	8,513,845	2,075,000	0	1,705,000	1.00
USX-Marathon Group	MRO	A+	695,500	58.47	21.00	40,662,408	14,607,000	0	3,061,000	1.00
Anadarko Petroleum	APC	A	467,500	58.72	31.90	27,451,600	14,913,000	0	11,520,000	1.00
Frontier Oil Corp.	FTO	A	110,300	43.95	7.03	4,848,053	775,900	0	150,000	1.00
Hess Corp	HES	A	315,000	75.45	25.75	23,766,750	8,111,000	0	3,745,000	1.00
Murphy Oil	MUR	A	187,700	74.92	21.59	14,062,484	4,052,700	0	840,300	1.00
Valero Energy Corp.	VLO	A	603,800	68.39	30.81	41,293,882	18,605,000	0	4,657,000	1.00
Petroleo Brasileiro ADR	PBR	B++	2,193,500	98.28	26.59	215,584,492	58,329,000	0	15,526,000	1.00
Holly Corp	HOC	B++	55,300	55.91	8.43	3,091,731	466,100	0	0	1.00
Tesoro Corp.	TSO	B++	139,800	52.37	17.90	7,320,860	2,502,000	0	1,029,000	1.00
Repsol-YPF ADR	REP	B+	1,220,900	37.07	19.51	45,258,763	23,815,400	0	9,290,200	1.00

SUMS & AVERAGES

MEDIAN

* All Negative values left out of calculations

2,046,680,680 719,970,100 21,000 131,142,500

INDUSTRY MARKET STRUCTURE		
EQUITY	94.00%	2,046,680,680
DEBT	6.00%	131,184,500
TOTAL		2,177,865,180

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Liquid Pipelines
2007 Assessment Year

COMPANY Company	TICKER Ticker	MKT VALUE PREFERRED & DEBT	EPS (YAHOO) last 12mo	E/P (YAHOO)	EPS (VL)	E/P (VL)	CF/S (VL)	CF/P (VL)	P/E (YAHOO)	Inverse of P/E (YAHOO)	P/E (VL)	Inverse of P/E (VL)	Median P/E (VL)	Inverse of Med. P/E (VL)	VL Beta	S&P Beta
				M/E	O/E			Q/D		1/S	1/U					
BP p.l.c. ADS	BP	11,107,000	5.98	8.08%	5.90	7.97%	9.20	12.43%	11.15	8.97%	10.48	9.54%	15.00	6.67%	0.90	0.7694
ChevronTexaco Corp	CVX	7,679,000	8.19	9.15%	8.35	9.34%	12.35	13.81%	11.54	8.67%	12.01	8.33%	16.00	6.25%	0.90	0.9301
Exxon Mobil	XOM	6,645,000	6.92	7.66%	7.00	7.75%	9.50	10.52%	13.65	7.33%	12.36	8.09%	17.00	5.88%	0.90	0.8646
Total SA	TOT	18,786,000	7.55	9.42%	7.15	8.92%	10.50	13.10%	11.29	8.86%	11.24	8.90%	15.00	6.67%	1.10	0.9274
Royal Dutch SHELL-A	RDS/A	9,713,000			9.48	11.44%	10.50	12.67%			8.61	11.61%	16.00	6.25%	1.00	1.376
ConocoPhillips Inc	COP	23,091,000	6.45	7.78%	8.95	10.79%	12.25	14.77%	13.70	7.30%	8.88	11.26%	9.50	10.53%	0.90	0.6421
Occidental Petroleum	OXY	2,619,000	5.77	8.20%	4.75	6.75%	7.75	11.02%	13.96	7.16%	13.33	7.50%	9.00	11.11%	1.05	0.6852
Sunoco Inc	SUN	1,705,000	8.44	12.02%	8.05	11.47%	12.45	17.74%	8.31	12.03%	8.37	11.95%	9.50	10.53%	1.05	1.0628
USX-Marathon Group	MRO	3,061,000	6.30	10.78%	6.10	10.43%	8.20	14.03%	10.01	9.99%	8.96	11.16%	9.50	10.53%	1.05	1.2837
Anadarko Petroleum	APC	11,520,000	12.12	20.64%	3.90	6.64%	7.25	12.35%	4.92	20.33%	12.39	8.07%	12.00	8.33%	0.95	0.8551
Frontier Oil Corp.	FTO	150,000	4.65	10.58%	4.90	11.15%	5.50	12.51%	8.26	12.11%	9.84	10.16%	11.00	9.09%	1.05	0.5576
Hess Corp	HES	3,745,000	5.27	6.98%	5.75	7.62%	9.75	12.92%	18.65	5.36%	15.42	6.49%	9.50	10.53%	0.95	0.4579
Murphy Oil	MUR	840,300	3.37	4.50%	4.05	5.41%	6.35	8.48%	25.13	3.98%	16.12	6.20%	17.00	5.88%	0.90	0.5305
Valero Energy Corp.	VLO	4,657,000	9.55	13.97%	7.90	11.55%	10.90	15.94%	7.02	14.25%	8.17	12.24%	9.00	11.11%	1.00	0.533
Petroleo Brasileiro ADR	PBR	15,526,000	5.66	5.76%	5.00	5.09%	6.50	6.61%	20.90	4.78%	19.98	5.01%			1.45	1.5558
Holly Corp	HOC	0	5.90	10.55%	5.80	10.37%	6.85	12.25%	8.38	11.93%	10.21	9.79%	9.00	11.11%	1.00	0.5419
Tesoro Corp.	TSO	1,029,000	5.49	10.48%	5.14	9.82%	7.25	13.84%	8.39	11.92%	11.62	8.61%	7.50	13.33%	1.10	1.3407
Repsol-YPF ADR	REP	9,290,200	3.49	9.41%	3.50	9.44%	6.60	17.80%	10.55	9.48%	9.55	10.47%	10.00	10.00%	1.00	0.9793

SUMS & AVERAGES

131,163,500

Mean

9.76%

9.00%

12.93%

9.67%
9.19%

9.05%

1.01

0.88

MEDIAN

Median

9.41%

9.39%

12.80%

8.97%

9.22%

10.00%

1.00

* All Negative values left out of calculations

Industry Beta Conclusion

1.00

MONTANA DEPARTMENT OF REVENUE

Capital Asset Pricing Model
Industry: Liquid Pipelines
 2008 Assessment Year

$$K_E = R_F + \beta (R_M - R_F)$$

Liquids

K_E = Cost of Equity	11.00%
R_F = Risk Free Rate	4.50%
β = Beta	1.00
R_M = Market Rate of Return	11.00%
R_p = Equity Risk Premium ($R_M - R_F$)	6.50%

R_m = Investor's Market Rate of Return

Ibbotson, SBBI, Large Company, Average Annual Return, *Arithmetic Average, Ex Post
 Ibbotson, SBBI, Large Company, Average Annual Return, *Geometric Average, Ex Post
 3 Stage Dividend Growth Model, S & P 500, Ex Ante

$R_M = 12.30\%$
$R_M = 10.40\%$
$R_M = 10.00\%$

Mean = 10.90%
 Median = 10.40%

$R_M = 11.00\%$

R_f = Risk Free Rate

Internal Revenue Service, Rev Rule 2007-70 Table 2 December 2007

Rev Rule 2007-70 Table 2, 2007

Annual Rates	Short Term - AFR	$R_f = 3.40\%$
	Mid Term - AFR	$R_f = 3.67\%$
	Long Term - AFR	$R_f = 4.34\%$

The ValueLine Investment Survey

U.S. Treasury Securities December 28 2007

3 Month	$R_f = 2.89\%$
6 Month	$R_f = 3.31\%$
1 Year	$R_f = 3.31\%$

Federal Reserve Statistical Release

Treasury constant Maturities, 2007

Market yield on U.S. Treasury securities, Annual Averages

3-month constant maturity, quoted on investment basis	$R_f = 4.48\%$
6-month constant maturity, quoted on investment basis	$R_f = 4.62\%$
1-year constant maturity, quoted on investment basis	$R_f = 4.53\%$

U.S. Treasury Securities Long-Term December 31, 2007

30 year constant maturity	$R_f = 4.45\%$	Mean = 3.84%
20 year constant maturity	$R_f = 4.50\%$	Median = 3.67%

Weighted Mean = 3.92%

$R_f = 4.50\%$

MONTANA DEPARTMENT OF REVENUE

Dividend Growth Model
Industry: Liquid Pipelines
 2008 Assessment Year

$$K_E = D_1 / P_0 + G_A$$

KE= Cost of Equity

D1= Expected Dividends

Po= Current Price Per Share

G= Sustainable Growth

Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/Po)	Dividend Growth (G ₁)	Ke 1 Year
Anadarko Petroleum	APC	58.720	0.40	0.68%	8.50%	9.18%
BP p.l.c. ADS	BP	74.000	2.62	3.54%	6.00%	9.54%
ChevronTexaco Corp	CVX	89.432	2.32	2.59%	6.00%	8.59%
ConocoPhillips Inc	COP	82.935	1.68	2.03%	7.00%	9.03%
Exxon Mobil	XOM	90.345	1.43	1.58%	7.00%	8.58%
Frontier Oil Corp.	FTO	43.953	0.20	0.46%	25.00%	25.46%
Hess Corp	HES	75.450	0.40	0.53%	nil	
Holly Corp	HOC	55.908	0.48	0.86%	19.00%	19.86%
Murphy Oil	MUR	74.920	0.74	0.99%	9.50%	10.49%
Occidental Petroleum	OXY	70.342	1.03	1.46%	14.00%	15.46%
Petroleo Brasileiro ADR	PBR	98.283	0.37	0.38%	nmf	
Royal Dutch SHELL-A	RDS/A	82.875	2.95	3.56%	4.50%	8.06%
Repsol-YPF ADR	REP	37.070	1.00	2.70%	9.00%	11.70%
Sunoco Inc	SUN	70.188	1.14	1.62%	8.00%	9.62%
Tesoro Corp.	TSO	52.367	0.4	0.76%	nmf	
Total SA	TOT	80.170	2.9	3.62%	8.50%	12.12%
USX-Marathon Group	MRO	58.465	0.96	1.64%	11.50%	13.14%
Valero Energy Corp.	VLO	68.390	0.52	0.76%	20.50%	21.26%

Weighted Mean	12.64%
Mean	12.81%
Median	10.49%

$$K_E = 12.50\%$$

MONTANA DEPARTMENT OF REVENUE

Historical Stock Price Analysis From YAHOO Finance
Industry: Liquid Pipelines
2008 Assessment Year

														4th Qtr Average	Annual Average	Yahoo P-E	Yahoo EPS 1st 12 mo
Ticker	Company	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07				
APC	Anadarko Petroleum	high \$44.17	\$44.87	\$43.58	\$48.16	\$49.99	\$55.82	\$54.97	\$52.46	\$54.27	\$60.49	\$61.22	\$68.00	\$58.72	\$49.89	4.92	12.12
		low \$40.16	\$39.55	\$38.40	\$43.00	\$44.56	\$48.55	\$48.30	\$45.47	\$48.70	\$53.15	\$53.10	\$56.36				
BP	BP p.l.c. ADS	high \$67.27	\$64.40	\$65.86	\$69.75	\$69.96	\$72.49	\$75.25	\$70.33	\$72.11	\$78.58	\$79.77	\$76.50	\$74.00	\$66.54	11.15	5.98
		low \$61.29	\$60.97	\$58.62	\$64.42	\$65.69	\$65.93	\$68.79	\$61.10	\$66.76	\$67.24	\$69.81	\$72.10				
CHK	Chesapeake Energy	high \$30.11	\$31.83	\$31.49	\$34.40	\$36.22	\$37.75	\$37.55	\$36.64	\$36.18	\$39.74	\$41.19	\$39.75	\$38.21	\$34.24	12.61	3.17
		low \$27.27	\$28.86	\$29.05	\$30.68	\$33.51	\$34.25	\$33.12	\$31.38	\$32.05	\$34.90	\$36.61	\$37.04				
CVX	ChevronTexaco Corp	high \$73.44	\$74.96	\$74.98	\$79.07	\$83.56	\$85.19	\$95.00	\$89.50	\$95.50	\$94.53	\$91.48	\$95.20	\$89.43	\$81.98	11.54	8.19
		low \$68.48	\$68.02	\$64.99	\$74.05	\$77.42	\$79.12	\$83.60	\$78.25	\$85.91	\$86.72	\$81.92	\$86.74				
COP	ConocoPhillips Inc	high \$71.50	\$68.44	\$70.49	\$71.66	\$77.93	\$81.40	\$90.84	\$82.81	\$89.74	\$88.82	\$85.49	\$89.89	\$82.94	\$76.45	13.70	6.45
		low \$61.59	\$64.01	\$63.83	\$66.24	\$68.70	\$74.54	\$78.88	\$73.75	\$80.93	\$80.50	\$74.18	\$78.73				
FTO	Frontier Oil Corp.	high \$28.68	\$30.96	\$33.75	\$36.33	\$40.54	\$45.75	\$49.10	\$41.45	\$47.82	\$47.01	\$49.13	\$45.45	\$43.95	\$37.97	8.26	4.65
		low \$25.47	\$28.03	\$27.32	\$31.95	\$34.17	\$38.67	\$36.54	\$31.61	\$39.39	\$39.54	\$42.26	\$40.33				
HES	Hess Corp	high \$54.86	\$56.60	\$58.00	\$59.27	\$61.48	\$61.24	\$67.22	\$62.09	\$69.87	\$72.70	\$74.95	\$105.85	\$75.45	\$61.95	18.65	5.27
		low \$45.96	\$52.03	\$49.05	\$54.98	\$56.08	\$54.55	\$58.34	\$53.12	\$59.27	\$63.58	\$64.29	\$71.33				
HOC	Holly Corp	high \$54.55	\$57.16	\$61.80	\$65.35	\$71.25	\$77.53	\$80.55	\$68.30	\$69.00	\$67.39	\$65.45	\$52.84	\$55.91	\$60.67	8.38	5.90
		low \$48.28	\$52.11	\$52.00	\$57.83	\$62.39	\$66.34	\$65.03	\$51.61	\$59.56	\$58.77	\$45.00	\$46.00				
MRO	USX-Marathon Group 2:1 Stock Split June	high \$45.75	\$47.07	\$51.74	\$52.25	\$62.38	\$67.04	\$65.21	\$55.75	\$59.55	\$62.08	\$62.75	\$63.07	\$58.47	\$54.04	10.01	6.30
		low \$41.50	\$44.34	\$43.78	\$49.00	\$50.24	\$58.04	\$53.58	\$46.97	\$52.00	\$55.37	\$51.99	\$55.53				
MUR	Murphy Oil	high \$50.91	\$53.00	\$64.92	\$58.70	\$61.44	\$60.50	\$65.62	\$65.62	\$70.67	\$79.73	\$76.46	\$85.94	\$74.92	\$61.41	25.13	3.37
		low \$45.45	\$48.86	\$50.01	\$52.87	\$54.64	\$56.13	\$59.60	\$56.37	\$59.11	\$69.95	\$66.57	\$70.87				
OXY	Occidental Petroleum	high \$48.86	\$48.75	\$50.46	\$52.81	\$55.66	\$59.73	\$64.28	\$58.22	\$65.86	\$71.49	\$74.33	\$79.25	\$70.34	\$57.34	13.96	5.77
		low \$42.06	\$45.60	\$44.85	\$49.07	\$50.25	\$54.47	\$55.88	\$50.66	\$58.60	\$63.29	\$65.31	\$68.38				
RDS/A	Royal Dutch SHELL-A	high \$70.91	\$69.60	\$67.60	\$70.69	\$75.69	\$81.62	\$85.48	\$78.16	\$84.45	\$88.31	\$86.30	\$84.99	\$82.88	\$75.35	NA	NA
		low \$65.89	\$64.85	\$62.71	\$65.15	\$69.14	\$74.80	\$76.51	\$69.56	\$78.37	\$78.96	\$79.04	\$79.65				
SUN	Sunoco Inc	high \$63.38	\$67.46	\$71.88	\$79.24	\$79.95	\$86.40	\$85.00	\$74.19	\$78.20	\$78.80	\$75.36	\$72.62	\$70.19	\$70.82	8.31	8.44
		low \$56.68	\$59.77	\$61.80	\$70.03	\$71.87	\$76.09	\$65.56	\$60.69	\$70.26	\$69.30	\$62.80	\$62.25				
TOT	Total SA	high \$72.65	\$70.97	\$70.44	\$74.68	\$76.85	\$81.55	\$87.34	\$79.37	\$82.38	\$81.41	\$84.46	\$83.88	\$80.17	\$75.34	11.29	7.55
		low \$66.13	\$66.99	\$63.89	\$69.57	\$72.20	\$73.34	\$76.50	\$68.01	\$74.38	\$76.66	\$77.14	\$77.47				
TSO	Tesoro Corp. 2:1 Stock Split May	high \$41.27	\$46.46	\$51.40	\$62.94	\$62.20	\$64.65	\$62.00	\$51.41	\$52.95	\$65.98	\$60.44	\$50.37	\$52.37	\$51.04	8.39	5.49
		low \$31.47	\$40.70	\$44.37	\$50.06	\$59.20	\$54.09	\$47.47	\$42.64	\$45.45	\$45.40	\$47.48	\$44.53				
XOM	Exxon Mobil	high \$76.27	\$76.10	\$76.35	\$80.88	\$84.32	\$86.58	\$93.62	\$87.90	\$93.66	\$95.27	\$90.95	\$95.10	\$90.35	\$82.94	13.65	6.92
		low \$70.64	\$71.18	\$69.02	\$75.28	\$79.05	\$80.85	\$84.12	\$78.76	\$83.88	\$89.67	\$83.37	\$87.71				
PBR	Petroleo Brasileiro ADR 2:1 Stock Split July	high \$51.91	\$50.27	\$50.97	\$53.85	\$55.44	\$62.37	\$71.65	\$65.57	\$77.12	\$97.28	\$119.16	\$118.40	\$98.28	\$65.99	20.90	5.66
		low \$45.18	\$44.50	\$41.38	\$49.35	\$49.26	\$53.03	\$61.13	\$48.75	\$62.37	\$72.85	\$87.85	\$94.16				
REP	Repsol-YPF ADR	high \$35.07	\$33.48	\$34.07	\$35.74	\$36.95	\$39.22	\$41.33	\$39.73	\$36.43	\$39.65	\$40.06	\$37.73	\$37.07	\$35.53	10.55	3.49
		low \$31.70	\$31.56	\$30.33	\$32.85	\$32.65	\$34.93	\$36.36	\$34.36	\$33.45	\$35.15	\$35.47	\$34.36				
VLO	Valero Energy Corp.	high \$54.46	\$59.67	\$66.02	\$73.10	\$77.24	\$77.89	\$78.68	\$69.93	\$72.30	\$75.75	\$73.00	\$71.25	\$68.39	\$66.44	7.02	9.55
		low \$47.66	\$54.62	\$54.75	\$63.53	\$70.00	\$71.85	\$66.02	\$60.00	\$66.38	\$65.97	\$60.80	\$63.57				
WMB	Williams Cos	high \$27.23	\$28.71	\$29.05	\$30.23	\$32.45	\$32.62	\$35.84	\$34.25	\$36.25	\$36.94	\$37.74	\$36.64	\$35.25	\$31.32	24.21	1.49
		low \$25.17	\$26.46	\$25.90	\$27.61	\$28.18	\$29.58	\$30.60	\$29.16	\$31.00	\$33.10	\$33.07	\$34.00				

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Liquid Pipelines
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	Rating	S&P Bond												Avg Full Year	Avg 4th QTR
						Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
Amoco	6.5	031905AA0	GtdNts	8/1/2007	AA+	5.57	5.53	5.52	5.56	5.51	5.63							5.55%	4.25%
Atlantic Richfield	9.125	048825AV5	Deb	3/1/2011	AA+	5.27	5.12	4.99	5.05	5.24	5.36	5.10	4.91	4.71	4.38	3.85	4.55	4.88%	4.25%
Atlantic Richfield	9	048825AW3	Deb	4/1/2021	AA+	5.52	5.38	5.35	5.40	5.56	5.73	5.59	5.42	5.42	5.19	4.95	5.03	5.38%	5.06%
Atlantic Richfield	9	048825AY9	Deb	5/1/2031	AA+	5.70	5.57	5.64	5.67	5.79	5.90	5.83	5.77	5.75	5.65	5.40	5.48	5.67%	5.48%
Atlantic Richfield	9.125	048825AZB	Deb	8/1/2031	AA+	5.70	5.57	5.64	5.67	5.79	5.90	5.83	5.77	5.75	5.55	5.40	5.48	5.67%	5.48%
Atlantic Richfield	8.25	048825BA0	Deb	2/1/2022	AA+	5.52	5.38	5.35	5.57	5.73	5.90	5.76	5.59	5.59	5.36	4.97	5.05	5.48%	5.13%
Atlantic Richfield	8.75	048825BB3	Deb	3/1/2032	AA+	5.70	5.57	5.64	5.67	5.79	5.90	5.83	5.77	5.75	5.55	5.40	5.48	5.67%	5.48%
Atlantic Richfield	8.5	048825BC6	Deb	4/1/2012	AA+	5.35	5.19	5.07	5.13	5.32	5.46	5.24	5.05	4.92	4.66	4.23	4.33	5.00%	4.41%
Atlantic Richfield	5.9	048825BJ1	Nts	4/15/2009	AA+	5.31	5.21	5.02	5.05	5.24	5.26	5.08	4.79	4.77	4.58	4.10	4.26	4.89%	4.31%
Vastar Resources	6.39	92238PAC9	M-T Nts 'A'	1/15/2008	AA+	5.85	5.75	5.90	5.99	5.99	6.04						4.35	5.70%	4.35%
Vastar Resources	6.5	92238PA02	Nts	4/1/2009	AA+	5.38	5.27	5.02	5.11	5.29	5.31	5.14	4.83	4.77	4.65	4.20	4.35	4.94%	4.40%
ChevronTexaco Capital	3.5	166760A06	GtdNts	9/17/2007	AA	5.23	5.22	5.13	5.18	5.04	5.16							5.16%	
ChevronTexaco Capital	3.375	166760A04	GtdNts	2/15/2008	AA	5.33	5.33	5.16	5.22	5.28	5.26	5.27	5.37	5.12	4.91	5.02	4.49	5.15%	4.81%
Texaco Capital	9.75	881685AN1	GtdDeb	3/15/2020	AA	5.66	5.52	5.49	5.53	5.69	5.86	5.61	5.45	5.47	5.23	5.20	4.79	5.46%	5.07%
Texaco Capital	8.625	881685AP6	GtdDeb	6/30/2010	AA	4.99	4.80	4.61	4.64	4.80	4.87	4.46	4.23	4.04	3.68	4.28	3.77	4.43%	3.91%
Texaco Capital	8.875	881685AV3	GtdDeb	9/1/2021	AA	5.73	5.59	5.55	5.60	5.76	5.92	5.68	5.52	5.54	5.30	4.92	4.93	5.50%	5.05%
Texaco Capital	8.625	881685AX9	GtdDeb	11/15/2031	AA	5.82	5.69	5.76	5.79	5.87	5.99	5.82	5.77	5.78	5.57	5.32	5.34	5.71%	5.41%
Texaco Capital	8.625	881685AY7	GtdDeb	4/1/2032	AA	5.82	5.69	5.76	5.78	5.90	6.02	5.85	5.80	5.81	5.69	5.35	5.37	5.73%	5.44%
Texaco Capital	8	881685BB6	GtdDeb	8/1/2032	AA	5.83	5.69	5.76	5.79	5.91	6.03	5.86	5.80	5.81	5.60	5.36	5.38	5.74%	5.45%
Texaco Capital	7.5	881685BD2	GtdDeb	3/1/2043	AA	6.75	6.68	6.68	6.71	6.80	6.89	6.76	6.69	6.68	6.52	6.32	6.34	6.65%	6.39%
Texaco Capital	5.5	881685PJ2	GtdNts	1/15/2009	AA	5.17	5.11	4.98	5.09	5.29	5.31	5.15	5.03	4.98	4.97	4.82	4.98	5.07%	4.92%
Burlington Resources Inc.	9.88	122014AC7	Deb	6/15/2010	A	5.41	5.23	5.12	5.18	5.35	5.47	5.33	5.28	5.10	4.65	4.49	4.58	5.10%	4.57%
Burlington Resources Inc.	9.125	122014AE3	Deb	10/1/2021	A	5.91	5.77	5.76	5.81	5.97	6.15	6.11	5.91	5.95	5.62	5.34	5.40	5.81%	5.45%
Burlington Resources Inc.	8.2	122014AH6	Deb	3/15/2025	A	5.99	5.86	5.99	6.02	6.14	6.26	6.29	6.20	6.02	6.00	6.06	6.09%	6.03%	
Burlington Resources Inc.	6.875	122014AJ2	Deb	2/15/2026	A	5.91	5.78	5.99	6.02	6.14	6.26	6.30	6.21	6.23	5.99	5.91	6.06%	5.94%	
Burlington Resources Inc.	7.375	122014AL7	Deb	3/1/2029	A	6.04	5.91	6.02	6.04	6.16	6.28	6.34	6.25	5.94	5.77	5.83	6.07%	5.85%	
Conoco Inc	6.35	20825UAB0	Nts	10/15/2011	A	5.34	5.18	5.09	5.14	5.32	5.52	5.41	5.25	5.29	4.82	4.36	4.54	5.11%	4.57%
Conoco Inc	6.95	20825UAE8	Nts	4/15/2029	A	5.93	5.77	5.86	5.87	5.99	6.18	6.22	6.17	6.20	5.76	5.71	5.78	5.95%	5.75%
ConocoPhillips	4.75	20825CAE4	Nts	10/15/2012	A	5.32	5.12	5.01	5.07	5.28	5.43	5.39	5.33	5.34	4.92	4.49	4.55	5.10%	4.65%
ConocoPhillips	5.9	20825CAF1	Nts	10/15/2032	A	5.89	5.73	5.81	5.82	5.92	6.10	6.23	6.08	6.11	5.70	5.61	5.72	5.89%	5.68%
KeySpan Gas East	7.88	49337EA8	Nts	2/1/2010	A	5.52	5.33	5.16	5.23	5.38	5.52	5.22	5.45	5.46	4.91	4.31	4.73	5.19%	4.65%
Louisiana Land/Exp	7.625	546268AF0	Deb	4/15/2013	A	5.70	5.55	5.44	5.49	5.69	5.82	5.73	5.56	5.50	5.15	4.71	4.73	5.42%	4.86%
Louisiana Land/Exp	7.65	546268AG8	Deb	12/1/2023	A	5.89	5.76	5.91	5.94	6.06	6.18	6.21	6.12	6.28	5.98	5.89	5.91	6.01%	5.93%
Phillips Petroleum	7.125	718507A29	Deb	3/15/2028	A	6.80	6.65	6.63	6.81	6.95	6.80	6.87	7.03	6.87	6.58	6.65	7.00	6.89%	6.94%
Phillips Petroleum	6.65	718507H8	Deb	7/15/2018	A	5.69	5.68	5.57	5.69	5.86	6.06	5.77	5.80	5.59	5.59	5.35	5.70%	5.51%	
Phillips Petroleum	7	718507BK7	Deb	3/30/2029	A	6.02	5.82	6.08	6.13	6.13	6.26	6.30	6.21	6.30	6.09	6.09	5.84	6.11%	6.01%
Phillips Petroleum	9.375	718507AR7	Nts	2/15/2011	A	5.39	5.08	5.27	5.49	5.59	5.72	5.75	5.43	4.45	4.32	4.32	4.38	5.02%	4.34%
Phillips Petroleum	6.375	718507BJ4	Nts	3/30/2009	A	5.19	4.92	4.65	5.37	5.37	5.37	5.23	5.23	5.14	4.22	4.22	4.22	4.93%	4.22%
Phillips Petroleum	8.75	718507BQ8	Nts	5/25/2010	A	5.33	5.12	4.93	5.06	5.24	5.40	5.19	5.19	5.18	4.74	4.11	4.50	5.00%	4.45%
ANR Pipeline	7.38	001814AQ5	Deb	2/15/2024	A	6.16	5.79	6.02	6.00	6.12	6.23	6.30	6.25	6.25	6.04	5.78	6.06	6.08%	5.96%
ANR Pipeline	9.62	001814AR3	Deb	11/1/2021	A	6.18	5.84	6.09	6.00	6.16	6.33	6.28	6.12	6.13	5.74	5.36	6.03	6.02%	5.71%
ANR Pipeline	7	001814AS1	Deb	6/1/2025	A	6.27	5.88	6.11	6.10	6.22	6.33	6.30	6.25	6.25	6.04	5.78	6.06	6.13%	5.96%
Apache Corp.	7.38	037411AM7	Deb	8/15/2047	A	6.24	6.12	6.27	6.28	6.41	6.65	6.69	6.61	6.55	6.23	6.23	6.23	6.38%	6.23%
Apache Corp.	7.625	Deb	11/1/2096	A	6.50	6.28	6.55	6.65	6.65	6.93	6.82	6.76	6.70	6.68	6.68	6.57	6.65%	6.64%	
Apache Corp.	7.7	037411AJ4	Nts	3/19/2026	A	6.11	5.98	6.13	6.14	6.25	6.40	6.43	6.34	6.27	6.03	6.01	6.02	6.18%	6.02%
Apache Corp.	7.95	037411AK1	Nts	4/15/2026	A	6.12	5.99	6.14	6.15	6.26	6.41	6.44	6.35	6.28	6.11	6.09	6.10	6.20%	6.10%
Apache Corp.	6.25	037411AQ8	Nts	4/15/2012	A	5.45	5.26	5.20	5.27	5.47	5.64	5.52	5.28	5.29	5.05	4.60	4.65	5.22%	4.77%
Apache Corp.	7	037411AN5	Sr Nts	2/1/2018	A	5.90	5.76	5.81	5.84	6.01	6.22	6.18	5.98	5.95	5.65	5.49	5.50	5.86%	5.55%
Apache Corp.	7.62	037411AP0	Sr Nts	7/1/2019	A	6.02	5.88	5.93	5.96	6.11	6.32	6.28	6.08	6.03	5.76	5.60	5.61	5.97%	5.66%
Diamond Offshore Drilling, Inc.	5.15	25271CAG7	Sr Nts	9/1/2014	A	5.90	5.76	5.59	5.63	5.80	5.94	5.69	5.70	5.65	5.66	5.24	5.67	5.69%	5.52%
Diamond Offshore Drilling, Inc.	4.88	25271CAG1	Sr Nts	7/1/2015	A	5.90	5.76	5.67	5.72	5.88	6.05	5.83	5.86	5.87	5.67	5.26	5.22	5.38%	
Enron Oil & Gas	6.5	293562AC8	Nts	12/1/2007	A	5.50	5.44	5.31	5.34	5.32	5.52	5.20	5.55	6.04	5.51	5.45%			
Enron Oil & Gas	6.65	293562AD6	Nts	4/1/2028	A	6.43	6.30	6.37	6.39	6.51	6.62	6.45	6.50	6.50	6.16	6.03	6.26	6.38%	6.15%
Occidental Petro	4.25	67461FFR3	M-T Sr Nts	3/15/2010	A	5.38	5.04	5.11	5.31	5.31	5.31	5.28	5.00	4.66	4.49	4.50	4.50	4.92%	4.50%
Occidental Petro	8.75	67461FED5	Sr Nts	1/15/2023	A	5.91	5.77	5.81	5.82	5.94	6.06	5.89	5.76	5.73	5.47	5.09	5.06	5.69%	5.21%
Occidental Petro	4	67461FFR3	Sr Nts	11/30/2007	A	5.29	5.29	5.19	5.26	5.34	5.35	5.40	5.61	5.52				5.36%	
Occidental Petroleum Corp.	9.25	674599BE4	Sr Deb	8/1/2019	A	5.86	5.43	5.62	5.82	5.98	5.77	5.57	5.57	5.62	5.52	5.52	5.64%	5.39%	
Occidental Petroleum Corp.	10.125	674599BF1	Sr Deb	9/15/2009	A	5.94</td													

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Liquid Pipelines
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	Rating	S&P Bond												Avg Full Year	Avg 4th QTR
						Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
Marathon Oil Corp.	6.8	565849AB2	Nts	3/15/2032	BBB+	6.03	5.88	5.97	6.01	6.17	6.25	6.26	6.35	6.43	6.17	6.08	6.11	6.14%	6.12%
Marathon Oil Corp.	5.38	565849AC0	Nts	6/1/2007	BBB+	5.43	5.43	5.40	5.37									5.41%	
National Fuel Gas Co.	6.5	636180BD2	Nts	9/15/2022	BBB+	6.76	6.71	6.69	6.49	6.53	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.56%	6.50%
National Fuel Gas Co.	5.25	638180BE0	Nts	3/1/2013	BBB+	5.80	5.58	5.42	5.47	5.70	5.82	5.53	5.35	5.23	5.16	4.59	5.43	5.42%	5.06%
Occidental Petro	4.101	67461FFQ5	Sr M-T Nts 'C'	11/30/2007	BBB+	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10		4.10%	
USX Corp.	9.375	902905AK4	Deb	2/15/2012	BBB+	5.53	5.38	5.25	5.40	5.59	5.74	5.48	5.69	5.56	5.30	4.67	4.72	5.36%	4.30%
USX Corp.	9.375	902905AL2	Deb	5/15/2022	BBB+	5.99	5.84	5.81	5.84	5.99	6.16	6.09	5.93	5.93	5.72	5.34	5.89	5.88%	5.65%
USX Corp.	9.125	902905AM0	Deb	1/15/2013	BBB+	5.51	5.36	5.25	5.30	5.50	5.63	5.46	5.45	5.34	5.49	4.89	4.90	5.34%	5.09%
USX Corp.	8.5	902905AN8	Deb	3/1/2023	BBB+	6.16	6.03	6.08	6.09	6.20	6.31	6.24	6.12	6.09	5.86	5.49	6.08	6.06%	5.81%
USX Corp.	8.125	902905AC1	Deb	7/15/2023	BBB+	6.10	6.07	6.01	6.04	6.20	6.31	6.27	6.19	6.15	6.12	5.81	6.26	6.13%	6.06%
Varco International, Inc.	7.25	922122AB2	Sr Nts	3/1/2008	BBB+	5.65	5.65	5.47	5.48	5.51	5.45	5.52	5.24	5.08	5.13	4.87	5.38%	5.03%	
Devon Fin Corp	7.95	251799AA0	Sr Deb	4/15/2032	BBB	6.31	6.13	6.35	6.26	6.39	6.56	6.66	6.48	6.44	6.10	6.13	6.16	6.33%	6.13%
Diamond Shamrock	8.75	252747AD2	Deb	6/15/2015	BBB	6.17	6.01	5.98	6.03	6.18	6.34	6.36	6.13	5.96	5.75	5.46	5.41	5.98%	5.54%
Diamond Shamrock	7.25	252747AE0	Deb	6/15/2010	BBB	6.70	6.52	6.35	6.39	6.57	6.65	6.45	6.24	5.94	5.62	4.96	4.98	6.11%	5.19%
Diamond Shamrock	7.65	252747AF7	Deb	7/1/2026	BBB	6.63	6.49	6.52	6.55	6.67	6.78	6.88	6.77	6.67	6.56	6.43	6.46	6.62%	6.48%
Enbridge Energy Partners, L.P.	4.75	29250RAC0	Sr Nts 'B'	6/1/2013	BBB	5.94	5.74	5.56	5.61	5.78	5.98	5.98	5.88	5.88	5.57	5.33	5.35	5.72%	5.42%
Enbridge Energy Partners, L.P.	5.95	29250RAD8	Sr Nts 'B'	6/1/2033	BBB	6.59	6.40	6.47	6.50	6.62	6.71	6.78	6.66	6.85	6.65	6.53	6.38	6.60%	6.52%
Kinder Morgan Energy Partners	6.75	494550AL2	Nts	3/15/2011	BBB	5.60	5.39	5.31	5.32	5.51	5.69	5.65	5.67	5.62	5.17	5.38	5.06	5.45%	5.20%
Kinder Morgan Energy Partners	7.4	494550AJ2	Nts	3/15/2031	BBB	6.63	6.46	6.65	6.63	6.80	6.93	7.02	6.82	6.92	6.62	6.55	6.74	6.73%	6.64%
Kinder Morgan Energy Partners	7.125	494550AK2	Nts	3/15/2012	BBB	5.67	5.48	5.43	5.41	5.62	5.84	5.82	5.82	5.88	5.48	5.10	5.27	5.57%	5.28%
Kinder Morgan Energy Partners	7.75	494550AL0	Nts	3/15/2032	BBB	6.63	6.50	6.67	6.68	6.82	6.95	7.04	6.84	7.00	6.70	6.58	6.76%	6.68%	
Kinder Morgan Energy Partners	7.5	494550AG1	Sr Nts	11/1/2010	BBB	5.58	5.38	5.29	5.31	5.48	5.61	5.53	5.42	5.39	5.01	4.61	4.84	5.29%	4.82%
Kinder Morgan Energy Partners	7.3	494550AQ9	Sr Nts	8/15/2033	BBB	5.56	5.55	5.52	5.54	5.54	5.51							5.54%	
Kinder Morgan Energy Partners	5	494550AR7	Sr Nts	12/15/2013	BBB	5.77	5.59	5.58	5.57	5.79	6.01	6.02	6.01	6.05	5.61	5.39	5.59	5.75%	5.53%
Murphy Oil Corp.	7.05	626717AA0	Nts	5/1/2028	BBB	6.73	6.62	6.61	6.67	6.82	7.16	6.99	6.86	6.94	6.68	6.83	6.31%	6.78%	
Murphy Oil Corp.	6.38	626717AB8	Nts	5/1/2012	BBB	5.94	5.76	5.51	5.57	5.91	6.05	5.73	5.54	5.41	5.28	4.65	4.70	5.50%	4.88%
Ocean Energy	7.25	67481EA4	Sr Nts	10/1/2011	BBB	5.74	5.47	5.40	5.46	5.65	5.83	5.67	5.43	5.45	5.15	4.69	5.39%	4.84%	
OceanEnergy	4.375	67481EA8	Sr Nts	10/1/2007	BBB	5.50	5.48	5.47	5.49	5.53	5.47	5.66	5.92					5.57%	
Pennzoil	10.125	709903BB3	Deb	11/15/2009	BBB	5.88	6.00	6.06	6.11	6.48	6.40	6.08	6.09	5.81	5.61	5.67	5.70%	5.70%	
Sun Co	9	866762AK3	Deb	11/1/2024	BBB	6.15	6.30	6.37	6.40	6.52	6.63	6.46	6.40	6.38	6.18	6.35	6.38%	6.30%	
Sunoco, Inc.	7.75	86764PAAT7	Nts	9/1/2009	BBB	5.58	5.45	5.26	5.33	5.77	5.82	5.48	5.21	4.96	4.70	4.01	4.46	5.17%	4.39%
Sunoco, Inc.	6.75	86764PAB55	Nts	4/1/2011	BBB	5.77	5.62	5.49	5.54	5.74	5.98	5.66	5.46	5.12	4.43	4.83	5.44%	4.79%	
Valero Energy Corp. (New)	6.7	919138AD9	Sr Nts	1/15/2013	BBB	5.93	5.65	5.60	5.55	5.72	5.79	6.02	5.78	5.53	5.54	5.10	5.11	5.61%	5.25%
Valero Energy Corp. (New)	6.125	91913YAC4	Nts	4/15/2007	BBB	5.78	5.98										5.88%		
Valero Energy Corp. (New)	6.675	91913YAD2	Nts	4/15/2012	BBB	5.61	5.43	5.38	5.40	5.58	5.73	5.80	5.49	5.56	5.30	4.86	5.11	5.44%	5.09%
Valero Energy Corp. (New)	7.5	91913YAE0	Nts	4/15/2032	BBB	6.42	6.18	6.40	6.32	6.41	6.73	6.81	6.74	6.74	6.41	6.40	6.67	6.52%	6.49%
Valero Energy Corp. (New)	6.311	91913YAF7	Nts	11/30/2007	BBB	5.92	5.89	5.82	5.90	5.94	6.02	6.14	6.30	6.12			6.01%		
Valero Energy Corp. (New)	4.75	91913YAG5	Nts	6/15/2013	BBB	5.82	5.56	5.57	5.59	5.75	5.78	6.13	5.83	5.78	5.41	5.06	5.40	5.64%	5.29%
Valero Energy Corp. (New)	3.5	91913YAJ9	Sr Nts	4/1/2005	BBB	5.49	5.32	5.10	5.16	5.35	5.33	5.44	5.14	5.01	4.88	4.49	4.91	5.14%	4.76%
Valero Energy Corp. (New)	4.75	91913YAK6	Sr Nts	4/1/2014	BBB	5.89	5.74	5.68	5.71	5.83	5.95	6.16	5.91	5.68	5.54	5.28	5.44	5.74%	5.42%
XTO Energy Inc.	7.5	98385XAAA	Sr Nts	4/15/2012	BBB	5.64	5.48	5.33	5.37	5.54	5.68	5.68	5.42	5.69	5.26	4.66	5.05	5.40%	4.99%
XTO Energy Inc.	6.25	98385XA0	Sr Nts	4/15/2013	BBB	5.71	5.55	5.47	5.52	5.72	5.79	5.78	5.70	5.73	5.29	4.95	5.24	5.54%	5.16%
XTO Energy Inc.	4.9	98385XA08	Sr Nts	2/1/2014	BBB	5.80	5.60	5.51	5.55	5.74	5.89	5.82	5.75	5.94	5.44	5.22	5.46	5.64%	5.37%
XTO Energy Inc.	5.3	98385XAG1	Sr Nts	6/30/2015	BBB	5.85	5.64	5.67	5.72	5.80	6.02	6.02	5.98	5.98	5.47	5.27	5.37	5.72%	5.37%
XTO Energy Inc.	5.65	98385XAH9	Sr Nts	4/1/2016	BBB	5.89	5.68	5.70	5.71	5.85	6.07	6.06	5.96	6.08	5.84	5.50	5.54	5.81%	5.56%
XTO Energy Inc.	6.1	98385XAJ4	Sr Nts	4/1/2036	BBB	6.37	6.12	6.34	6.27	6.39	6.57	6.66	6.56	6.49	6.09	6.27	6.35%	6.15%	
Amerada Hess Corp.	7.375	023551AJ4	Nts	10/1/2009	BBB-	5.80	5.34	5.28	5.34	5.54	5.61	5.38	5.12	4.91	4.65	4.14	4.18	5.09%	4.32%
Amerada Hess Corp.	7.875	023551AF1	Nts	10/1/2009	BBB-	6.48	6.33	6.56	6.47	6.61	6.76	6.73	6.68	6.71	6.30	6.20	6.31	6.51%	6.27%
Amerada Hess Corp.	6.65	023551AH7	Nts	8/15/2011	BBB-	5.59	5.35	5.27	5.35	5.50	5.73	5.56	5.42	5.52	5.06	4.73	4.95	5.34%	4.91%
Amerada Hess Corp.	7.3	023551AJ3	Nts	8/15/2031	BBB-	6.42	6.24	6.46	6.41	6.57	6.69	6.65	6.60	6.60	6.23	6.14	6.29	6.44%	6.22%
Anadarko Petroleum Corp.	7.25	032511AH0	Deb	3/1/2025	BBB-	6.48	6.35	6.54	6.54	6.66	6.83	6.92	6.67	6.66	6.36	6.30	6.33	6.55%	6.33%
Anadarko Petroleum Corp.	7	032511AL1	Deb	11/15/2027	BBB-	6.53	6.50	6.69	6.69	6.81	6.98	7.06	6.88	6.92	6.66	6.56	6.58	6.74%	6.60%
Anadarko Petroleum Corp.	6.62	032511AM9	Deb	1/15/2028	BBB-	6.50	6.42	6.61	6.60	6.72	6.89	6.99	6.79	6.73	6.52	6.43	6.44	6.64%	6.46%
Anadarko Petroleum Corp.	7.2	032511AN7	Deb	3/15/2029	BBB-	6.70	6.57	6.75	6.67	6.79	6.96	7.04	6.86	6.81	6.60	6.49	6.52	6.73%	6.54%
Anadarko Petroleum Corp.	7.73	Deb	9/15/2095	BBB-	6.75	6.57	6.82	6.90	6.90	7.04	7.00	6.93	7.00	6.87	6.87	6.77	6.87%	6.84%	
Anadarko Petroleum Corp.	7.25	Deb	11/15/2096	BBB-	6.73	6.55	6.80	6.89	6.89	7.06	7.02	6.95	6.97	6.88	6.86	6.77	6.86%	6.83%	
Anadarko Petroleum Corp.	6.12	032511AT4	Nts	3/15/2012	BBB-	5.81	5.55	5.45	5.51	5.70	5.87	5.73	5.62	5.47	5.35	4.91	4.96	5.49%	5.07%
Anadarko Petroleum Corp.	5	032511AU1																	

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Liquid Pipelines
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond												Avg Full Year	Avg 4th QTR	
					Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
Enterprise Products Oper	6.375	293791AD1	Sr Nts 'B'	2/1/2013	BBB-	5.84	5.58	5.53	5.56	5.76	5.80	5.72	5.72	5.89	5.57	5.33	5.44	5.65%	5.45%
Enterprise Products Oper	4	293791AL3	Sr Nts 'B'	10/15/2007	BBB-	5.65	5.62	5.37	5.40	5.45	5.38	5.62	5.34					5.54%	
Enterprise Products Oper	4.62	293791AM1	Sr Nts 'B'	10/15/2009	BBB-	5.53	5.30	5.17	5.24	5.42	5.38	5.42	5.38	5.15	4.91	4.57	4.71	5.20%	4.73%
Enterprise Products Oper	5.6	293791AN9	Sr Nts 'B'	10/15/2014	BBB-	5.85	5.62	5.63	5.61	5.82	6.07	6.11	5.94	6.02	5.68	5.45	5.63	5.79%	5.58%
Enterprise Products Oper	6.65	293791AP4	Sr Nts 'B'	10/15/2034	BBB-	6.49	6.29	6.45	6.45	6.55	6.71	6.84	6.83	6.79	6.48	6.43	6.51	6.57%	6.47%
Enterprise Products Oper	5	293791AR0	Sr Nts 'B'	3/1/2015	BBB-	5.91	5.66	5.72	5.67	5.87	6.09	6.20	6.04	6.09	5.75	5.52	5.77	5.86%	5.86%
Enterprise Products Oper	5.75	293791AT6	Sr Nts 'B'	3/1/2035	BBB-	6.40	6.17	6.34	6.32	6.46	6.62	6.79	6.71	6.74	6.37	6.33	6.45	6.48%	6.38%
Ken-McGee Corp.	7.125	492386AK3	Deb	10/15/2027	BBB-	6.58	6.44	6.64	6.50	6.62	6.79	6.87	6.68	6.68	6.56	6.40	6.43	6.60%	6.46%
Ken-McGee Corp.	6.625	492386AJ6	Nts	10/15/2007	BBB-	5.82	5.79	5.34	5.40	5.38	5.43	5.49	5.64					5.54%	
Ken-McGee Corp.	6.875	492386AS6	Nts	9/15/2011	BBB-	5.62	5.45	5.36	5.40	5.58	5.80	5.68	5.62	5.39	5.21	4.75	4.95	5.40%	4.97%
Ken-McGee Corp.	7.875	492386AT4	Nts	9/15/2031	BBB-	6.41	6.30	6.53	6.34	6.46	6.58	6.78	6.63	6.58	6.26	6.24	6.30	6.45%	6.27%
Ken-McGee Corp.	6.95	492386AU1	Nts	7/1/2024	BBB-	6.44	6.30	6.43	6.38	6.44	6.58	6.65	6.55	6.65	6.25	6.17	6.28	6.43%	6.23%
Plains All Amer/PAA Fin	4.75	72650RAD4	Sr Nts	8/15/2009	BBB-	5.74	5.48	5.33	5.39	5.60	5.63	5.56	5.30	5.07	5.01	4.42	4.43	5.25%	4.62%
Plains All Amer/PAA Fin	5.88	72650RAF9	Sr Nts	8/15/2016	BBB-	6.01	5.88	5.92	5.92	6.08	6.25	6.31	6.18	5.79	5.71	6.00	6.02%	5.83%	
Plains All Amer/PAA Fin	5.25	72650RAJ1	Sr Nts	6/15/2015	BBB-	5.95	5.79	5.79	5.84	6.00	6.17	6.22	6.20	6.10	5.77	5.52	5.86	5.93%	5.72%
Plains All American Pipeline, L.J.	7.75	726503AD7	Sr Nts	10/15/2012	BBB-	5.77	5.57	5.49	5.55	5.74	5.87	5.81	5.62	5.74	5.36	4.89	5.55	5.58%	5.27%
TEPPCO Partners, L.P.	6.125	872384AB8	Sr Nts	2/1/2013	BBB-	6.05	5.83	5.72	5.77	5.88	6.00	5.90	5.71	6.03	5.76	5.17	5.18	5.75%	5.37%
Union Pacific Resources Group	7.5	907834AB1	Deb	10/15/2026	BBB-	6.66	6.58	6.77	6.77	6.89	7.06	7.15	6.96	6.94	6.70	6.72	6.75	6.83%	6.72%
Union Pacific Resources Group	7.05	907834AF2	Deb	5/15/2018	BBB-	6.20	6.13	6.19	6.24	6.40	6.62	6.63	6.32	6.30	6.09	5.80	5.83	6.23%	5.91%
Union Pacific Resources Group	7.15	907834AG0	Deb	5/15/2028	BBB-	6.70	6.57	6.75	6.74	6.87	6.99	7.05	6.85	6.82	6.63	6.53	6.56	6.76%	6.57%
Union Pacific Resources Group	7.5		Deb	11/01/2096	BBB-	6.83	6.65	6.90	6.99	7.16	7.11	7.04	6.85	6.96	6.96	6.87	6.94%	6.93%	
Union Pacific Resources Group	6.75	907834AE5	Nts	5/15/2008	BBB-	5.71	5.70	5.65	5.80	5.91	5.97	5.94	6.00	5.77	5.55	5.77	5.58	5.73%	5.63%
Union Pacific Resources Group	7.3	907834AH8	Nts	4/15/2009	BBB-	5.90	5.79	5.62	5.70	5.88	5.91	5.75	5.46	5.27	5.16	4.84	5.00	5.52%	5.00%
Ashland Inc	6.86	04420QBD7	M-T Nts 'H'	5/1/2009	BB+	6.06	5.77	5.79	5.79	5.79	5.79	5.79	5.79	5.79	5.79	5.79	5.81%	5.79%	
Ashland Inc	6.396	04420CBK1	M-T Nts 'K'	8/1/2012	BB+	6.18	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.85%	5.82%
Ashland Oil Inc	6.62	04420AC9	Sr Nts	2/15/2008	BB+	6.08	6.07	5.87	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00%	6.00%
MAPCO Inc	7.7	565097AF9	Deb	3/1/2027	BB+	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70	7.70%	7.70%
MAPCO Inc	7.25	565097AG7	Nts	3/1/2009	BB+	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82	5.82%	5.82%
Newfield Exploration Co.	7.45	651290AC2	Sr Nts 'B'	10/15/2007	BB+	6.14	6.00	6.01	6.05	6.70	6.91	8.48	8.23					6.82%	
Parker & Parsley Petrol	8.25	701018A89	Sr Nts	8/15/2007	BB+	6.11	6.10	6.07	6.04	5.70	5.66						5.95%		
Pioneer Natural Resources Co.	6.5	723787AA5	Sr Nts	1/15/2008	BB+	6.26	6.27	6.20	6.26	6.11	6.02	6.05	5.35	5.14	5.29	5.59	5.87%	5.44%	
Pioneer Natural Resources Co.	7.2	723787AB3	Sr Nts	1/15/2028	BB+	7.67	7.48	7.67	7.85	7.76	7.95	8.46	8.65	8.30	8.04	8.03	8.21	8.01%	8.09%
Pioneer Natural Resources Co.	6.88	723787AF4	Sr Nts	5/1/2018	BB+	7.22	6.92	7.09	7.19	7.28	7.58	8.19	8.03	7.78	7.64	7.41	7.33	7.47%	7.46%
Pride International, Inc.	7.38	74153QAF9	Sr Nts	7/15/2014	BB+	7.11	7.02	6.92	6.90	6.92	7.32	7.60	7.23	6.83	6.85	7.13	6.84	7.08%	6.94%
Chesapeake Energy Corp.	7.75	165167BA4	Sr Nts	1/15/2015	BB	7.32	7.04	7.07	7.04	7.04	7.45	7.56	7.49	7.21	7.28	7.28	7.37	7.26%	7.31%
Chesapeake Energy Corp.	7.5	165167BC0	Sr Nts	9/15/2013	BB	7.04	6.72	6.62	6.62	6.62	7.13	7.36	7.13	6.92	6.92	7.13	6.93%	6.99%	
Chesapeake Energy Corp.	6.88	165167BE6	Sr Nts	1/15/2016	BB	7.03	6.68	6.65	6.65	6.65	7.22	7.70	7.26	6.87	6.96	6.96	7.04	6.97%	6.99%
Chesapeake Energy Corp.	7.5	165167BG1	Sr Nts	6/15/2014	BB	6.97	6.63	6.70	6.65	6.65	7.26	7.45	7.26	7.04	7.04	7.13	6.99%	7.07%	
Chesapeake Energy Corp.	7	165167BJ5	Sr Nts	8/15/2014	BB	6.92	6.55	6.50	6.45	6.45	7.14	7.31	7.09	6.88	6.90	6.90	6.90	6.83%	6.90
Chesapeake Energy Corp.	6.38	165167BL0	Sr Nts	6/15/2015	BB	6.87	6.50	6.43	6.35	6.37	7.16	7.41	7.11	6.68	6.87	6.87	6.78%	6.87%	
Chesapeake Energy Corp.	6.62	165167BN6	Sr Nts	1/15/2016	BB	7.04	6.55	6.55	6.65	6.65	7.21	7.70	7.17	6.87	6.96	6.96	7.00	6.94%	6.97%
Chesapeake Energy Corp.	6.25	165167BQ9	Sr Nts	1/15/2018	BB	7.04	6.45	6.42	6.35	6.35	7.14	7.68	7.16	6.75	6.75	6.75	6.82	6.81%	6.77%
Chesapeake Energy Corp.	6.5	165167BSS	Sr Nts	8/15/2017	BB	7.11	6.70	6.71	6.64	6.46	7.26	7.63	7.19	6.89	7.00	7.00	7.00	6.97%	7.00%
Offshore Logistics, Inc.	6.12	072625AL6	Sr Nts	6/15/2013	BB	7.26	7.12	7.08	6.83	6.73	7.33	7.96	7.19	6.87	6.49	7.23	7.01	7.05%	6.91%
El Paso Corp.	7.88	28336LAE9	Nts	6/15/2012	BB	6.58	6.08	5.89	5.81	6.34	6.78	7.01	7.04	6.50	7.03	6.40	6.85	6.53%	6.76%
El Paso Corp.	7	28336LAB5	Sr Nts	5/15/2011	BB	6.32	5.84	5.62	5.49	6.04	6.41	6.66	6.93	6.49	6.49	6.03	6.37	6.22%	6.30%
Kinder Morgan Inc	6.5	49455AB6	Sr Nts	9/1/2012	BB	6.24	6.08	6.06	5.92	6.16	6.47	7.79	7.04	6.82	6.58	6.65	6.64	6.54%	6.62%
Kinder Morgan Inc	5.15	49455AC4	Sr Nts	3/1/2015	BB	6.59	6.37	6.50	6.24	6.45	6.63	7.53	7.20	7.08	6.99	7.36	7.33	6.86%	7.23%
KN Energy	6.5	482620AN1	Deb	9/1/2013	BB	6.47	6.37	6.31	6.38	6.52	6.58	6.37	6.25	6.16	5.97	5.98	5.99	6.28%	5.98%
KN Energy	7.35	482620AP6	Deb	8/1/2026	BB	7.42	7.18	7.42	7.08	7.22	7.73	8.21	8.10	7.90	7.89	7.89	7.89	7.66%	7.89%
KN Energy	6.67	482620AS0	Deb	11/1/2027	BB	7.42	7.18	7.42	7.08	7.22	7.73	8.27	8.14	8.05	7.84	7.93	7.96	7.91%	
KN Energy	7.25	482620AW1	Sr Deb	3/1/2028	BB	7.32	7.13	7.30	6.99	7.14	7.63	8.09	8.10	8.20	7.74	7.93	7.86	7.62%	7.84%
KN Energy	7.45		Sr Deb	3/1/2098	BB	7.97	7.63	7.80	7.73	7.73	8.14	8.54	8.65	8.39	8.31	8.72	8.16%	8.45%	
Newfield Exploration Co.	6.62	651290AH1	Sr Sub Nts	9/1/2014	BB	6.92	6.66	6.62	6.49	6.36	7.25	7.73	7.22	6.89	6.99	7.19	6.81	6.93%	7.00%
Newfield Exploration Co.	6.62	651290AJ7	Sr Sub Nts	4/15/2016	BB	6.92	6.66	6.62	6.54	6.43	7.20	7.70	7.21	6.93	7.02	7.18	6.94	6.95%	7.05%
Swift Energy Co.	7.62	870738AE1	SrNts	7/15/2011	BB	7.15	7.08	6.93	6.99	6.77	7.26	8.37	7.92	7.85	7.30	7.78	7.45	7.40%	7.51%
Ferrellgas,L.P./Finance	6.75	315292AD4	SrNts	5/1/2014	B+	7.42	7.01	7.11	6.88	6.86	7.75	8.52	7.62	7.33	7.09				

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Liquid Pipelines
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	Rating	S&P Bond												Avg Full Year	Avg 4th QTR	
						Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07			
Pogo Producing Co.	6.88	730448AT4	Sr Sub Nts	10/1/2017	B+	7.67	7.25	7.21	7.18	7.11	6.97	6.87	6.80	6.83	6.73	6.73	6.73	7.01%	6.73%	
Range Resources Corp.	7.38	75281AABS	Sr Sub Nts	7/15/2013	B+	7.08	6.88	6.94	6.67	6.71	7.16	7.85	7.10	6.89	6.99	7.26	7.04	7.05%	7.10%	
Encore Acquisition Co.	7.25	29255WH3	Sr Sub Nts	12/1/2017	B	7.94	7.69	7.95	7.70	7.68	8.41	9.01	8.35	8.12	7.92	8.09	7.94	8.07%	7.98%	
KCS Energy, Inc.	7.125	482434AF4	Sr Nts	4/1/2012	B	8.20	7.60	7.36	7.30	7.12	7.43	8.16	8.18	8.06	7.94	8.30	8.18	7.82%	8.14%	
Quicksilver Resources Inc.	7.12	74837RAC3	Sr Sub Nts	4/1/2016	B	7.54	7.35	7.35	7.20	7.20	7.67	8.35	7.77	7.44	7.44	7.86	7.40	7.55%	7.57%	
Whiting Petroleum Corp.	7.25	966387AB8	Sr Sub Nts	5/1/2012	B	7.42	7.24	7.66	7.61	7.71	8.52	9.16	7.89	8.04	7.64	8.06	7.65	7.88%	7.73%	
Whiting Petroleum Corp.	7.25	966387AC6	Sr Sub Nts	5/1/2013	B	7.39	7.24	7.51	7.61	7.64	8.34	9.36	8.02	7.86	7.64	8.05	7.59	7.86%	7.76%	
Whiting Petroleum Corp.	7	966387AE2	Sr Sub Nts	2/1/2014	B	7.27	7.13	7.47	7.47	7.52	8.19	8.68	7.69	7.96	7.55	7.82	7.20	7.66%	7.52%	
Energy Partners, Ltd.	8.75	29270UAC9	Sr Nts	8/1/2010	B-	8.24	7.81	7.03	6.95	6.85	6.85	6.85	6.85	6.85	6.85	6.85	6.85	6.85	7.07%	6.85%
EXCO Resources, Inc.	7.25	269279AB1	Sr(Sec)Nts	1/15/2011	B-	6.80	6.80	7.16	7.16	7.00	7.41	8.78	7.07	7.33	7.78	8.35	8.67	7.53%	8.27%	
Femilegas Partners L.P.	8.75	31529MAA6	Sr Nts	6/15/2012	B-	8.39	7.75	7.85	7.78	7.83	8.00	8.93	8.23	8.03	7.95	8.47	8.00	8.10%	8.14%	
Stone Energy Corp.	8.25	361642AE6	Sr Sub Nts	12/15/2011	B-	8.62	8.30	8.34	8.17	7.58	8.24	8.94	6.52	8.45	8.46	9.15	8.24	8.43%	8.62%	
Stone Energy Corp.	6.75	361642AG1	Sr Sub Nts	12/15/2014	B-	8.14	7.83	7.88	7.85	7.72	8.20	8.70	8.42	8.31	8.15	8.47	8.13	8.15%	8.25%	
Delta Petroleum Corp.	7	247907AC2	Sr Nts	4/1/2015	CCC+	8.55	8.37	8.76	8.58	8.69	9.44	10.25	10.66	10.03	9.52	10.81	9.84	9.48%	10.06%	
ANR Pipeline	8.88	001814AV4	Nts	3/15/2010	NR	7.15	7.14	7.18										7.16%		
Giant Industries, Inc.	8	374508AG4	SrSub Nts	5/15/2014	NR	6.70	6.62	6.57	7.17	6.98	6.49							6.76%		
Houston Exploration Co. (The)	7	442120AE1	Sr Sub Nts	6/15/2013	NR	6.85	6.89	6.99	6.89	6.79	6.94	8.47	7.98	7.82	7.89	8.19	7.79	7.46%	7.96%	
Kern-McGee Corp.	7	492386AD9	Deb	11/1/2011	NR	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99	6.99%	6.99%	
KN Energy	6.8	482620AV3	Sr Nts	3/1/2008	NR	5.64	5.53	5.63	5.18	5.14	5.14	5.14	5.14	5.14	5.14	5.14	5.14	5.26%	5.14%	
Occidental Petroleum Corp.	7.375	674599BQ7	Sr Nts	11/15/2008	NR	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51	5.51%	5.51%	
Pogo Producing Co.	8.25	730448AP2	Sr Sub Nts	4/15/2011	NR	7.67	7.53	7.73	7.65	7.86	7.62	7.77	7.44	7.43	7.43	7.43	7.43	7.58%	7.43%	
Vintage Petroleum, Inc.	8.25	927460AK1	Sr Nts	5/1/2012	NR	7.23	7.23	7.28										7.24%		

Counts of data

217 217 217 216 215 213 213 208 207 203 199 198 197 217 200

NOTES:

January data hand entered from S&P Bond Guide remainder data downloaded from the S&P website and supplemented from month end Bond Guides when available.

means the data was not available in S&P Guide

means issuance matured or called

	Annual	4th Qtr
AAA's		
AA's	5.40%	4.99%
A's	5.74%	5.44%
BBB's	5.90%	5.66%
BB's	6.83%	6.90%
B's	7.54%	7.54%
CCC's	9.46%	10.06%
NR's	6.74%	6.61%
Investment Grade (BBB & above)		
ALL	6.17%	5.99%
BBB+ thru AA	5.62%	5.32%
BBBs	5.90%	5.66%

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study

Industry: Railroads

2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

ALL	Median
6.19%	6.27% Yahoo
6.09%	6.21% Value Line
6.14%	6.24% Average of E/Ps
Mean =	6.40%
Median =	6.32%

Inverse of P/E Ratios:

6.32%	6.34% Yahoo
6.90%	6.88% Value Line
6.61%	6.61% Average of Inverse of the P/E
6.52%	6.26% Inverse of median P/E, Value Line
6.37%	6.42% Average of all above except median P/E

Debt Measure Calculated:

Annual 4th Qtr

5.92%	5.74% All
5.81%	5.62% BBB & Above
5.83%	5.65% BBB's
Mean =	5.85% 5.67%
Median =	5.83% 5.65%

Debt Measure = 5.60%

Equity Measure NUOI = 6.35%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate				
Equity	81.00%	x	6.35%	= 5.14%
Debt	19.00%	x	5.60%	= 1.06%
	100%			6.21%
Direct Cap Rate NUOI				= 6.25%

Gross Cash Flow / Price:

Mean	Median
11.05%	11.05% Value Line

Equity Measure Gross = 11.00%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)				
Equity	81.00%	x	11.00%	= 8.91%
Debt	19.00%	x	5.60%	= 1.06%
	100%			9.97%
Direct Cap Rate GCF				= 10.00%

MONTANA DEPARTMENT OF REVENUE

**Yield Capitalization Rate Study
Industry: Railroads
2008 Assessment Year**

Dividend Growth Model

All
18.00%

Capital Asset Pricing Model

Mean = 11.00%
Median = 14.50%

Equity Measure FCF =

11.00%

Debt Measure Calculated =

5.60%

Yield Cap Rate Free Cash Flow

Equity	81.00%	x	11.00%	=	8.91%
Debt	19.00%	x	5.60%	=	1.06%
	100%				9.97%

Weighted Average Cost of Capital (WACC) = **10.00%**

Assumed Growth Rate = Inflation
see addendum for calculation

Growth = 2.44%

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Railroads
2008 Assessment Year

COMPANY	TICKER SYMBOL	(VL) FIN STR	(VL) SHARES (000)	(YAHOO) AVG PRICE COMMON 4th Quarter	(VL) BOOK VALUE PER SHARE H/D	(VL) MKT VALUE COMMON (000) DxE	(VL) BOOK VALUE COMMON (000)	(VL) BOOK VALUE PREFERRED (000)	(VL) MKT VALUE PREFERRED (000) IxL	(VL) BOOK VALUE DEBT (000)
Burlington Northern	BNI	A	357,900	84.650	29.047	30,296,235	10,396,000	0	0	6,912,000
Can. National Railway	CNI	B++	512,400	54.428	16.488	27,889,078	8,448,600	0	0	4,632,000
Can. Pacific Railway	CP	B+	155,500	67.148	26.859	10,441,566	4,176,600	0	0	2,419,600
CSX Corp.	CSX	B++	437,800	34.977	20.425	15,312,785	8,942,000	0	0	5,362,000
Genesee & Wyoming	GWR	B+	41,600	27.348	12.505	1,137,691	520,200	0	0	241,300
Kansas City South'n	KSU	B	75,900	35.402	20.760	2,686,987	1,575,700	6,700	6,700	1,631,800
Norfolk Southern	NSC	B+	397,400	51.207	24.195	20,349,529	9,615,000	0	0	6,109,000
Union Pacific	UNP	A	276,000	124.813	55.478	34,448,480	15,312,000	0	0	6,000,000

SUMS & AVERAGES - ALL
MEDIAN VALUE

142,562,350 58,986,100 6,700 6,700 33,307,700

* All Negative values left out of calculations

INDUSTRY MARKET STRUCTURE

ALL

COMMON	81.00%	142,562,350
DEBT	19.00%	33,314,400
TOTAL	100.00%	175,876,750

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Railroads
2007 Assessment Year

COMPANY	TICKER SYMBOL	MKT/BOOK ratio for DEBT	MKT VALUE DEBT (000) KxL	EPS (YAHOO) 1st 12mo	E/P (YAHOO)	EPS (VL)	E/P (VL)	CF/S (VL)	CF/P (VL)	P/E (YAHOO)	Inverse of P/E (YAHOO)	P/E (VL)	Inverse of P/E (VL)	Median P/E (VL)	Inverse of Median P/E (VL)	ValueLine Beta	S&P Beta
				N/E			P/E		R/E		1/T		1/V		1/X		
Burlington Northern	BNI	1	6,912,000	5.06	5.98%	5.22	6.17%	8.95	10.57%	16.57	6.04%	14.06	7.11%	14.00	7.14%	1.05	1.1884
Can. National Railway	CNI	1	4,632,000	3.57	6.56%	3.40	6.25%	4.90	9.00%	13.04	7.67%	12.92	7.74%	13.00	7.69%	1.05	1.7329
Can. Pacific Railway	CP	1	2,419,600	4.84	7.20%	4.35	6.48%	7.65	11.39%	13.38	7.47%	13.56	7.37%			1.05	1.3559
CSX Corp.	CSX	1	5,362,000	2.89	8.26%	2.55	7.29%	4.95	14.15%	15.07	6.64%	15.64	6.39%	17.00	5.88%	1.15	1.1364
Genesee & Wyoming	GWR	1	241,300	1.37	5.01%	1.50	5.48%	3.00	10.97%	17.22	5.81%	15.06	6.64%	15.06	6.64%	1.35	2.33
Kansas City South'n	KSU	1	1,631,800	1.41	3.97%	1.50	4.24%	4.05	11.44%	23.86	4.19%	18.72	5.34%			1.25	1.4313
Norfolk Southern	NSC	1	6,109,000	3.61	7.05%	3.65	7.13%	5.70	11.13%	13.69	7.30%	11.98	8.35%	17.00	5.88%	1.10	1.4158
Union Pacific	UNP	1	6,000,000	6.83	5.47%	7.05	5.65%	12.20	9.77%	18.48	5.41%	16.09	6.22%	17.00	5.88%	1.00	1.2784
SUMS & AVERAGES - ALL			33,307,700		6.19%		6.09%		11.05%		6.32%		6.90%		6.52%	1.13	1.4836
MEDIAN VALUE					6.27%		6.21%		11.05%		6.34%		6.88%		6.26%	1.08	1.3859

* All Negative values left out of calculations

Industry Beta

1.00

MONTANA DEPARTMENT OF REVENUE

Capital Asset Pricing Model
Industry: Railroads
2008 Assessment Year

$$K_E = R_F + \beta (R_M - R_F)$$

Railroads

K_E = Cost of Equity	11.00%
R_F = Risk Free Rate	4.50%
β = Beta	1.00
R_M = Market Rate of Return	11.00%
R_P = Equity Risk Premium ($R_M - R_F$)	6.50%

R_m = Investor's Market Rate of Return

Ibbotson, SBBI, Large Company, Average Annual Return, *Arithmetic Average, Ex Post
Ibbotson, SBBI, Large Company, Average Annual Return, *Geometric Average, Ex Post
3 Stage Dividend Growth Model, S & P 500, Ex Ante

$R_M = 12.30\%$
$R_M = 10.40\%$
$R_M = 10.00\%$

Mean = 10.90%
Median = 10.40%

$R_m = 11.00\%$

R_f = Risk Free Rate

Internal Revenue Service, Rev Rule 2007-70 Table 2 December 2007
Rev Rule 2007-70 Table 2007

Annual Rates	Short Term - AFR	$R_f = 3.40\%$
	Mid Term - AFR	$R_f = 3.67\%$
	Long Term - AFR	$R_f = 4.34\%$

The ValueLine Investment Survey

U.S. Treasury Securities December 28 2007

3 Month	$R_f = 2.89\%$
6 Month	$R_f = 3.31\%$
1 Year	$R_f = 3.31\%$

Federal Reserve Statistical Release

Treasury constant Maturities, 2007

Market yield on U.S. Treasury securities, Annual Averages

3-month constant maturity, quoted on investment basis	$R_f = 4.48\%$
6-month constant maturity, quoted on investment basis	$R_f = 4.62\%$
1-year constant maturity, quoted on investment basis	$R_f = 4.53\%$

U.S. Treasury Securities Long-Term December 31, 2007

30 year constant maturity	$R_f = 4.45\%$	Mean = 3.84%
20 year constant maturity	$R_f = 4.50\%$	Median = 3.67% Weighted Mean = 3.92%

$R_f = 4.50\%$

MONTANA DEPARTMENT OF REVENUE

Dividend Growth Model

Industry: Railroads

2008 Assessment Year

$$K_E = D_1 / P_0 + G_A$$

K_E= Cost of Equity

D₁= Expected Dividends

P₀= Current Price Per Share

G= Sustainable Growth

Company Name	Ticker	Stock Price (P ₀)	Expected Dividend (D ₁)	Dividend Yield (D ₁ /P ₀)	Dividend Growth (G ₁)	Ke 1 Year
Burlington Northern	BNI	84.65	1.40	1.65%	16.00%	17.65%
Can. National Railway	CNI	54.43	0.90	1.65%	23.50%	25.15%
Can. Pacific Railway	CP	67.15	0.90	1.34%	17.50%	18.84%
CSX Corp.	CSX	34.98	0.60	1.72%	22.50%	24.22%
Genesee & Wyoming	GWR	27.35	nil		nil	
Kansas City South'n	KSU	35.40	nil		nil	
Norfolk Southern	NSC	51.21	0.90	1.76%	15.00%	16.76%
Union Pacific	UNP	124.81	1.76	1.41%	4.50%	5.91%

Weighted Mean= 18.29%

Median= 18.25%

Mean= 18.09%

$$K_E = 18.00\%$$

MONTANA DEPARTMENT OF REVENUE

Historical Stock Price Analysis From YAHOO Finance
Industry: Railroads
2008 Assessment Year

														Yahoo			
Ticker	Company	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	4th Qtr Average	Annual Average	Yahoo P-E	EPS 1st 12 mo
BNI	Burlington Northern	high \$81.56 low \$71.51	\$85.90	\$84.36	\$95.47	\$95.42	\$94.90	\$94.20	\$85.67	\$84.07	\$88.65	\$87.89	\$89.16	\$84.65	\$84.14	16.57	5.06
CNI	Can. National Railway	high \$42.96 low \$45.90	\$45.60	\$43.21	\$44.34	\$50.44	\$54.84	\$51.38	\$51.75	\$52.75	\$56.88	\$55.45	\$49.00	\$54.43	\$51.56	13.04	3.57
CP	Can. Pacific Railway	high \$55.11 low \$51.21	\$56.29	\$56.62	\$65.70	\$72.52	\$73.95	\$90.15	\$75.74	\$71.05	\$74.38	\$70.49	\$68.69	\$67.15	\$64.89	13.38	4.84
CSX	CSX Corp.	high \$37.00 low \$33.50	\$42.53	\$42.10	\$46.23	\$47.38	\$46.63	\$51.88	\$49.85	\$43.09	\$46.49	\$44.88	\$21.47	\$34.98	\$40.42	15.07	2.89
GBX	Greenbrier Cos Inc.	high \$29.97 low \$26.20	\$31.55	\$28.50	\$26.90	\$32.15	\$32.50	\$38.99	\$33.60	\$30.39	\$30.65	\$26.40	\$24.69	\$24.90	\$27.78	15.96	1.37
GWR	Genesee & Wyoming	high \$28.37 low \$25.31	\$28.60	\$26.90	\$29.50	\$32.78	\$33.40	\$31.57	\$27.91	\$29.52	\$29.95	\$29.49	\$28.80	\$27.35	\$27.74	17.22	1.37
KSU	Kansas City South'n	high \$30.69 low \$28.15	\$35.19	\$36.64	\$39.50	\$41.45	\$43.00	\$41.95	\$37.62	\$33.33	\$39.52	\$38.82	\$37.50	\$35.40	\$35.01	23.86	1.41
NSC	Norfolk Southern	high \$53.84 low \$47.05	\$52.68	\$52.30	\$56.68	\$58.81	\$59.19	\$59.77	\$54.57	\$52.90	\$54.58	\$51.78	\$53.99	\$51.21	\$51.90	13.69	3.61
PRPX	Portec Rail Products Inc	high \$10.10 low \$9.50	\$10.67	\$10.65	\$12.25	\$12.42	\$13.13	\$14.05	\$12.90	\$12.25	\$12.98	\$12.46	\$11.60	\$11.28	\$11.23	17.06	0.61
PWX	Providence & Worcester R F	high \$19.50 low \$18.61	\$19.20	\$18.16	\$21.61	\$20.60	\$20.25	\$19.55	\$18.80	\$18.25	\$19.90	\$20.74	\$21.47	\$18.52	\$18.50	NA	(0.11)
RAIL	Freightcar America Inc.	high \$58.75 low \$52.40	\$59.70	\$50.80	\$52.12	\$52.25	\$52.78	\$55.21	\$47.47	\$46.27	\$44.20	\$42.74	\$49.00	\$42.94	\$47.68	5.63	6.19
UNP	Union Pacific	high \$101.23 low \$89.58	\$105.84	\$105.70	\$119.22	\$121.14	\$122.79	\$129.36	\$120.70	\$117.31	\$130.00	\$128.89	\$137.56	\$124.81	\$113.23	18.48	6.83

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Railroads
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Avg Full Year	Avg 4th QTR	
Northern Pac.Ry	3 665585JP1	GenLn Mtg		1/1/2047	A-			3.82	3.82	4.19	4.32	4.60	4.60	4.60	4.60	4.60	4.60	4.38%	4.60%	
Northern Pac.Ry	3 665585KH7	Gen LnMtg-Stpd		1/1/2047	A-			5.25	5.60	6.31	6.81	6.43	6.95	6.95	6.95	6.96	6.83	6.50%	6.91%	
Norfolk Southern Corp.	7.7 655844AE8	Nts		5/15/2017	BBB+	5.77	5.63	6.16	5.93	6.18	6.30	6.34	6.16	6.22	5.68	5.45	5.84	5.97%	5.66%	
Norfolk Southern Corp.	7.7 655844AE8	Nts		5/15/2017	BBB+	5.77	5.63	6.16	5.93	6.18	6.30	6.34	6.16	6.22	5.68	5.45	5.84	5.97%	5.66%	
Norfolk Southern Corp.	7.05 655844AF5	Nts		5/1/2037	BBB+	6.08	5.96	6.42	6.37	6.49	6.61	6.75	6.45	6.68	6.19	5.93	6.41	6.36%	6.18%	
Norfolk Southern Corp.	7.35 655844AH1	Nts		5/15/2007	BBB+	5.45	5.51	5.52										5.49%		
Norfolk Southern Corp.	7.8 655844AJ7	Nts		5/15/2027	BBB+	6.11	5.98	6.31	6.32	6.46	6.57	6.67	6.55	6.60	6.26	5.97	6.09	6.32%	6.11%	
Norfolk Southern Corp.	6.2 655844AL2	Sr Nts		4/14/2009	BBB+	5.41	5.29	5.32	5.39	5.50	5.52	5.50	5.41	5.22	4.99	4.49	4.48	5.21%	4.65%	
Norfolk Southern Corp.	8.62 655844AN8	Sr Nts		5/15/2010	BBB+	5.46	5.31	5.36	5.31	5.48	5.63	5.53	5.19	5.48	5.01	4.39	4.27	5.21%	4.58%	
Norfolk Southern Corp.	6.75 655844AP3	Sr Nts		2/15/2011	BBB+	5.44	5.28	5.35	5.38	5.52	5.61	5.49	5.24	5.54				5.21%	4.56%	
Norfolk Southern Corp.	7.25 655844AQ1	Sr Nts		2/15/2031	BBB+	6.06	5.94	6.37	6.32	6.46	6.57	6.67	6.43	6.55	6.18	6.19	6.36	6.34%	6.24%	
Norfolk Southern Corp.	5.59 655844AW8	Nts		5/17/2025	BBB+	6.04	5.91	6.21	6.19	6.35	6.44	6.54	6.41	6.52	6.10	5.97	6.28	6.25%	6.12%	
Norfolk Southern Corp.	5.64 655844AX6	Nts		5/17/2029	BBB+	6.05	6.00	6.33	6.24	6.39	6.46	6.57	6.40	6.55	6.17	5.99	6.34	6.29%	6.17%	
Burlington Northern	8.75 121897WQ1	Deb		2/25/2022	BBB	6.06	5.94	6.16	6.19	6.35	6.52	6.63	6.42	6.40	6.12	5.84	6.06	6.22%	6.01%	
Burlington Northern Santa Fe C	7 121897AA2	Deb		12/15/2025	BBB	6.09	5.96	6.37	6.28	6.36	6.48	6.66	6.55	6.43	6.18	6.07	6.29	6.31%	6.18%	
Burlington Northern Santa Fe C	6.88 121897AB0	Deb		2/15/2016	BBB	5.74	5.60	5.85	5.93	6.09	6.16	5.97	5.87	5.97	5.72	5.44	5.68	5.84%	5.61%	
Burlington Northern Santa Fe C	7.29 121897AD6	Deb		6/1/2036	BBB	6.20	6.05	6.40	6.34	6.44	6.55	6.81	6.57	6.56	6.31	6.23	6.39	6.40%	6.31%	
Burlington Northern Santa Fe C	6.68 121897AG9	Deb		12/1/2027	BBB	6.20	6.05	6.37	6.32	6.43	6.55	6.73	6.55	6.58	6.33	6.23	6.44	6.40%	6.33%	
Burlington Northern Santa Fe C	6.7 121897AJ3	Deb		8/1/2028	BBB	6.11	6.05	6.37	6.27	6.39	6.49	6.67	6.50	6.46	6.20	6.13	6.34	6.33%	6.22%	
Burlington Northern Santa Fe C	7.08 121897AK0	Deb		5/13/2029	BBB	6.18	6.05	6.38	6.32	6.42	6.53	6.71	6.54	6.50	6.24	6.14	6.36	6.36%	6.25%	
Burlington Northern Santa Fe C	6.12 121897AM6	Nts		3/15/2009	BBB	5.50	5.40	5.34	5.27	5.44	5.46	5.20	5.34	5.10	5.08	4.79	4.97	5.24%	4.95%	
Burlington Northern Santa Fe C	6.75 121897AN4	Deb		3/15/2029	BBB	6.09	5.95	6.28	6.29	6.40	6.52	6.69	6.52	6.48	6.23	6.12	6.34	6.33%	6.23%	
Burlington Northern Santa Fe C	7.88 121897AP9	Nts		4/15/2007	BBB	5.62	5.53											5.58%		
Burlington Northern Santa Fe C	8.12 121897AQ7	Deb		4/15/2020	BBB	6.10	5.96	6.06	6.09	6.25	6.42	6.56	6.36	6.47	6.19	5.91	6.16	6.21%	6.09%	
Burlington Northern Santa Fe C	7.95 121897AR5	Deb		8/15/2030	BBB	6.23	6.05	6.43	6.33	6.43	6.54	6.75	6.55	6.69	6.43	6.28	6.40	6.43%	6.37%	
Burlington Northern Santa Fe C	6.75 121897AT1	Nts		7/15/2011	BBB	5.48	5.33	5.34	5.35	5.54	5.63	5.33	5.31	5.25	4.97	4.42	4.99	5.25%	4.79%	
Burlington Northern Santa Fe C	5.9 121897AU8	Nts		7/1/2012	BBB	5.54	5.36	5.37	5.42	5.62	5.76	5.44	5.39	5.36	5.14	4.62	5.05	5.34%	4.94%	
Burlington Northern Santa Fe C	4.3 121897AV6	Nts		7/1/2013	BBB	5.54	5.40	5.42	5.50	5.70	5.81	5.52	5.49	5.54	5.30	5.00	5.27	5.46%	5.19%	
Burlington Northern R.R.	3.8 121899CC0	Con Mtg L		1/1/2020	BBB	6.28	6.32	5.79	6.08	6.25	6.35	6.48	6.38	6.15	6.27	6.17	5.94	6.21%	6.13%	
Burlington Northern R.R.	6.55 121899CD8	Con Mtg K		1/1/2020	BBB	5.99	5.79	6.17	6.06	6.26	6.78	6.79	6.27	6.27	6.79	6.18	5.88	6.27%	6.28%	
Burlington Northern R.R.	6.55 121899CE6	Con Mtg O		1/1/2020	BBB	6.32	6.16	6.07	6.06	6.26	6.57	6.35	6.27	6.27	6.79	5.73	5.88	6.18%	6.13%	
Burlington Northern R.R.	8.15 121899CF3	Con Mtg N		1/1/2020	BBB	6.13	5.74	6.11	6.03	6.23	6.35	6.25	6.18	6.18	6.11	5.84	6.11%	6.02%		
Burlington Northern R.R.	8.15 121899CG1	Con Mtg P		1/1/2020	BBB	5.93	5.75	6.13	6.04	6.23	6.35	6.27	6.18	6.18	6.11	5.31	5.82	6.03%	5.75%	
Burlington Northern R.R.	3.2 121899CH9	Con Mtg M		1/1/2045	BBB	6.24	6.23	5.93	6.38	6.35	6.59	6.70	6.62	6.40	6.76	6.52	6.22	6.41%	6.50%	
Union Pacific Corp.	7 907818A21	Deb		2/1/2016	BBB	5.74	5.60	6.04	5.85	6.06	6.23	6.15	6.00	6.17	5.70	5.37	5.70	5.88%	5.59%	
Union Pacific Corp.	7.25 907818BA5	Nts		11/1/2008	BBB	5.49	5.38	5.27	5.33	5.50	5.58	5.54	5.46	5.29	5.21	5.11	4.99	5.35%	5.10%	
Union Pacific Corp.	6.62 907818BX5	Nts		2/1/2008	BBB	5.67	5.63	5.34	5.42	5.45	5.49	5.50	5.58	5.46	5.32	5.38		5.48%	5.35%	
Union Pacific Corp.	7.12 907818BY3	Deb		2/1/2028	BBB	6.11	5.98	6.12	6.34	6.46	6.58	6.61	6.56	6.54	6.40	6.16	6.33	6.35%	6.30%	
Union Pacific Corp.	6.62 907818CF3	Deb		2/1/2029	BBB	6.06	5.95	6.14	6.23	6.41	6.53	6.63	6.55	6.54	6.34	6.08	6.45	6.33%	6.29%	
Union Pacific Corp.	7.38 907818CG1	Nts		9/15/2009	BBB	5.30	5.11	4.94	5.00	5.20	5.25	5.28	5.02	5.04	4.77	4.08	4.03	4.92%	4.29%	
Union Pacific Corp.	6.65 907818CK2	Nts		1/15/2011	BBB	5.49	5.34	5.30	5.34	5.56	5.65	5.44	5.49	5.69	5.16	4.48	5.22	5.35%	4.95%	
Union Pacific Corp.	5.75 907818CM8	Nts		10/15/2007	BBB	5.48	5.46	5.44	5.49	5.49	5.50	5.57	5.73					5.52%		
Union Pacific Corp.	6.12 907818CN6	Nts		1/15/2012	BBB	5.52	5.37	5.41	5.40	5.65	5.79	5.62	5.67	5.54	5.34	4.76	4.95	5.42%	5.02%	
Union Pacific Corp.	6.5 907818CP1	Nts		4/15/2012	BBB	5.51	5.42	5.39	5.45	5.64	5.78	5.63	5.78	5.65	5.22	4.83	5.00	5.44%	5.02%	
Union Pacific Corp.	3.88 907818CQ9	Nts		2/15/2009	BBB	5.42	5.33	5.17	5.23	5.39	5.35	5.30	5.00	5.50	5.03	4.77	4.65	5.18%	4.82%	
Union Pacific Corp.	5.38 907818CT3	Nts		5/1/2014	BBB	5.60	5.49	5.49	5.53	5.71	5.99	5.98	5.90	5.80	5.45	5.36	5.69	5.67%	5.50%	
Union Pacific Corp.	6.25 907818CU0	Deb		5/1/2034	BBB	6.06	5.93	6.36	6.26	6.38	6.45	6.64	6.52	6.63	6.29	6.20	6.41	6.34%	6.30%	
CSX Corp.	8.62 126408AM5	Deb		5/15/2022	BBB-	5.85	5.71	5.87	5.93	6.08	6.25	6.39	6.22	6.24	6.07	5.84	6.18	6.05%	6.03%	
CSX Corp.	6.75 126408AP8	Nts		3/15/2011	BBB-	5.52	5.42	5.48	5.39	5.61	5.73	5.67	5.62	5.67	5.21	4.74	5.05	5.43%	5.00%	
CSX Corp.	8.1 126408AC6	Deb		9/15/2022	BBB-	5.90	5.75	5.95	6.00	6.13	6.27	6.41	6.24	6.24	6.07	5.84	6.18	6.08%	6.03%	
CSX Corp.	6.25 126408BR3	Nts		10/15/2008	BBB	5.42	5.34	5.41	5.35	5.49	5.58	5.75	5.42	5.25	5.13	5.09	5.08	5.36%	5.10%	
CSX Corp.	6.3 126408GB3	Nts		3/15/2012	BBB	5.58	5.42	5.49	5.57	5.68	5.82	5.85	5.72	5.79	5.52	5.10	5.65	5.60%	5.42%	
CSX Corp.	4.88 126408GC1	Nts		11/1/2009	BBB	5.42	5.25	5.30	5.35	5.57	5.61	5.56	5.43	5.19	4.96	4.36	4.71	5.23%	4.68%	
CSX Corp.	5.3 126408GF4	Nts		2/15/2014	BBB-	5.63	5.49	5.62	5.68	5.87	5.94	6.01	5.95	5.87	5.66	5.42	5.62	5.73%	5.57%	
Kansas City Sc'n Ryw	7.5 485188AF3	SrNts		6/15/2009	BB	6.85	6.42	6.38	6.34	6.30	7.91	7.78	7.48	6.86	6.66	7.06	7.40	6.95%	7.04%	
Consolidated Rail	9.75 209864AT4	Deb		6/15/2020	NR	6.94	6.82	6.99	7.02	7.14	7.25	7.17	7.12	7.12	6.91	6.65	6.33	6.96%	6.63%	
Consolidated Rail	7.88 209864AU1	Deb		5/15/2043	NR	6.37	6.37	6.37	6.37	6.37	6.37	6.37	6.37	6.37	6.37	6.37	6.37	6.37%	6.37%	
Kansas City Southern	7 485170AF1	Deb		12/15/2025	NR	7.46	7.33	7.40	7.43	7.55	7.66	7.49	7.46	7.60	7.58	7.36	7.13	7.15	7.43%	7.21%
Norfolk Southern Corp.	9 65584																			

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Railroads
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

NOTES:

January data hand entered from S&P Bond Guide remainder data downloaded from the S&P website and supplemented from month end Bond Guides when available.

[REDACTED] means the data was not available in S&P Guide

[REDACTED] means issuance matured or called

	Annual	4th Qtr
A-	5.44%	5.76%
BBB+	5.88%	5.59%
BBB	5.84%	5.66%
NR	6.75%	6.59%
Investment Grade (BBB & above)		
ALL	5.92%	5.74%
BBB+ thru A-	5.81%	5.62%
BBB thru A-	5.83%	5.65%
NR	6.75%	6.59%

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study

Industry: Telecommunications, Telephone Exchange Carriers

2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

ALL B and Above

6.50%	5.29% Yahoo
5.63%	5.61% Value Line
6.07%	5.45% Average of E/Ps

Inverse of P/E Ratios:

7.05%	5.61% Yahoo
7.09%	6.97% Value Line
7.07%	6.29% Average of Inverse of the P/E
5.31%	5.31% Inverse of median P/E, Value Line
6.57%	5.87% Average of all above except median P/E

Mean = 6.32% 5.76%

Median = 6.50% 5.61%

Equity Measure NUOI = 6.60%

Debt Measure Calculated:

Annual 4th Qtr

6.77%	6.80% ALL
5.90%	5.65% BBB & ABOVE
6.25%	6.17% BBB's

Mean = 6.31% 6.21%

Median = 6.25% 6.17%

Debt Measure = 6.30%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate

Equity	73.00%	x	6.60%	=	4.82%
Debt	27.00%	x	6.30%	=	1.70%
	100%				6.52%

Direct Cap Rate NUOI = 6.75%

Gross Cash Flow / Price:

Mean	18.44%	Median	17.96%	Value Line
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Equity Measure Gross = 18.00%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)

Equity	73.00%	x	18.00%	=	13.14%
Debt	27.00%	x	6.30%	=	1.70%
	100%				14.84%

Direct Cap Rate GCF = 15.00%

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study
Industry: Telecommunications - Wireless
2008 Assessment Year

Equity Measures Calculated:

E/P estimates:

ALL	Median
3.44%	4.19% Yahoo
3.94%	3.79% Value Line
3.69%	3.99% Average of E/Ps

Inverse of P/E Ratios:

3.57%	4.36% Yahoo
4.79%	3.92% Value Line
4.18%	4.14% Average of Inverse of the P/E
4.10%	3.23% Inverse of median P/E, Value Line
3.94%	4.07% Average of all above except median P/E
Mean =	3.97% 3.90%
Median =	3.94% 3.92%

Equity Measure NUOI = 6.00%

Debt Measure Calculated:

Annual	4th Qtr
6.77%	6.80% ALL
5.90%	5.65% BBB & ABOVE
6.25%	6.17% BBB's
Mean =	6.31% 6.21%
Median =	6.25% 6.17%

Debt Measure = 6.30%

Industry Market Capital Structure NUOI Rate

Equity	80.00%	x	6.00%	=	4.80%
Debt	20.00%	x	6.30%	=	1.26%
	100%				6.06%
Direct Cap Rate NUOI = 6.25%					

Gross Cash Flow / Price:

Mean	Median
15.21%	14.38% Value Line

Equity Measure Gross = 15.00%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)

Equity	80.00%	x	15.00%	=	12.00%
Debt	20.00%	x	6.30%	=	1.26%
	100%				13.26%
Direct Cap Rate GCF = 13.50%					

MONTANA DEPARTMENT OF REVENUE

Yield Capitalization Rate Study
Industry: Telecommunications
2008 Assessment Year

	Exchange Carriers	Wireless			
Dividend Growth Model	13.00%	7.70%			
Capital Asset Pricing Model	11.00%	11.00%			
Mean =	12.00%	9.35%			
Median =	12.00%	9.35%			
Equity Measure FCF =	12.00%	9.50%			
Debt Measure =	6.30%	6.30%			
Yield Cap Rate Free Cash Flow - Telecommunications, Exchange Carriers					
Equity	73.00%	x	12.00%	=	8.76%
Debt	27.00%	x	6.30%	=	1.70%
	100%				10.46%
Weighted Average Cost of Capital (WACC) =	10.50%				
Yield Cap Rate Free Cash Flow - Telecommunications, Wireless Carriers					
Equity	80.00%	x	9.50%	=	7.60%
Debt	20.00%	x	6.30%	=	1.26%
	100%				8.86%
Weighted Average Cost of Capital (WACC) =	9.00%				
Where Assumed Growth Rate = Inflation <i>see appendix for calculation</i>	Growth = 2.44%				

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
 Industry: Telecommunications, Exchange Carriers
 2008 Assessment Year

	TICKER SYMBOL	(VL) FINANCIAL STRENGTH	VL SHARES (000)	(YAHOO) AVG PRICE COMMON	(VL) BOOK VALUE PER SHARE	MKT VALUE COMMON (000) DxE	(VL) BOOK VALUE COMMON (000) FxD	(VL) BOOK VALUE PREFERRED (000)	(VL) BOOK VALUE DEBT (000)	MKT/BOOK ratio for DEBT	MKT VALUE PREFERRED & DEBT
AT&T Corp	T	A+	3,882,000	40.28	29.76	156,360,490	115,528,320	0	50,063,000	1.00	50,063,000
Verizon Communications	VZ	A+	2,909,900	44.15	16.68	128,467,235	48,537,132	0	28,646,000	1.00	28,646,000
CenturyTel Inc	CTL	B++	113,300	43.32	28.11	4,908,345	3,184,863	7,400	2,412,900	1.00	2,420,300
Sprint Nextel Corp	S	B+	2,897,000	16.17	18.34	46,834,833	53,130,980	0	21,011,000	1.00	21,011,000
Citizens Communications	CZN	B	322,300	13.01	3.28	4,193,123	1,057,144	0	4,460,800	1.00	4,460,800
Embarq Corp	EQ	B	149,700	52.10	(3.13)	7,798,871	(468,561)	0	6,421,000	1.00	6,421,000
D&E Communications	DECC	B	14,400	14.68	12.89	211,440	185,616	0	199,900	1.00	199,900
Hickory Tech Corp	HTCO	B	13,200	9.30	2.28	122,738	30,096	0	141,500	1.00	141,500
Windstream Corporation	WIN	B	476,800	13.48	0.99	6,424,880	472,032	0	5,456,200	1.00	5,456,200
Alaska Communic Sys Grp	ALSK	C++	42,300	15.21	(0.58)	643,383	(24,554)	0	437,200	1.00	437,200
Cincinnati Bell	CBB	C+	247,500	5.03	(3.72)	1,244,925	(920,700)	129,400	2,065,900	1.00	2,195,300
Qwest Communications Intl	Q	C+	1,889,900	7.31	(0.76)	13,818,319	(1,436,324)	0	13,206,000	1.00	13,206,000

SUMS & AVERAGES - Companies with positive price per share, book value per share, and cash flow per share

* All Negative values left out of calculations

Local Carrier consist of CTL,ALSK,CZN,_EQ, DECC,HTCO,CBB,Q

ALL	371,028,582	222,101,649	136,800	134,521,400	134,558,200
B and Above	355,321,955	221,069,039	7,400	118,812,300	118,819,700
Local Carriers	39,366,024	4,929,751	136,800	34,801,400	34,938,200

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
 Industry: Telecommunications, Exchange Carriers
 2008 Assessment Year

	TICKER SYMBOL	EPS (YAHOO)	E/P (YAHOO)	EPS (VL)	E/P (VL)	CF/S (VL)	CF/P (VL)	P/E (YAHOO)	inverse of P/E (YAHOO)	P/E (VL)	Inverse of P/E (VL)	Median P/E (VL)	Inverse of Median P/E (VL)	ValueLine Beta	S&P Beta
		M/E	O/E		O/E		O/E		1/S	1/U					
AT&T Corp	T	1.91	4.74%	2.80	6.95%	5.75	14.28%	21.37	4.68%	12.67	7.89%	17.00	5.88%	1.00	1.1549
Verizon Communications	VZ	1.88	4.26%	2.37	5.37%	8.20	18.57%	23.01	4.35%	16.54	6.05%	15.00	6.67%	0.95	0.9815
CenturyTel Inc	CTL	3.29	7.59%	3.06	7.06%	8.10	18.70%	12.20	8.20%	11.73	8.53%	16.00	6.25%	0.85	0.8498
Sprint Nextel Corp	S	0.05	0.31%	0.05	0.31%	3.25	20.10%	279.57	0.36%	38.53	2.60%	46.00	2.17%	1.10	1.3225
Citizens Communications	CZN	0.66	5.10%	0.57	4.38%	2.20	16.91%	18.16	5.51%	17.18	5.82%			0.90	0.9167
Embarq Corp	EQ	4.49	8.62%	4.30	8.25%	11.25	21.59%	10.64	9.40%	10.50	9.52%				
D&E Communications	DECC	0.84	5.72%	0.78	5.31%			16.40	6.10%						
Hickory Tech Corp	HTCO	0.39	4.19%	0.54	5.81%			23.55	4.25%					0.70	0.7364
Windstream Corporation	WIN	0.95	7.05%	0.95	7.05%	2.10	15.58%	12.99	7.70%	11.91	8.40%	18.00	5.56%	0.90	0.6257
Alaska Communic Sys Grp	ALSK	0.71	4.67%	0.72	4.73%	2.20	14.46%	20.38	4.91%	18.51	5.40%			0.85	0.6631
Cincinnati Bell	CBB	0.33	6.56%	0.32	6.36%	0.95	18.89%	12.99	7.70%	13.13	7.62%			1.40	1.5491
Qwest Communications Int'l	Q	1.40	19.19%	0.44	6.02%	1.85	25.30%	4.65	21.51%	11.04	9.06%			1.30	1.8228

SUMS & AVERAGES - Companies with positive price per share:

* All Negative values left out of calculations

Local Carrier consist of CTL,ALSK,CZN,EQ, DECC,HTCO,CBE

INDUSTRY MARKET STRUCTURES

ALL COMPANIES POSITIVE SUBSET			B & ABOVE POSITIVE SUBSET		
COMMON	73.00%	\$371,028,582		75.00%	\$355,321,955
DEBT	27.00%	134,658,200		25.00%	118,819,700
TOTAL		\$505,686,782	TOTAL		\$474,141,655

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
 Industry: Telecommunications, Wireless
 2007 Assessment Year

	TICKER SYMBOL	(VL) FINANCIAL STRENGTH	(VL) SHARES (000)	(YAHOO) AVG PRICE COMMON	(VL) BOOK VALUE PER SHARE	MKT VALUE COMMON (000) DxE	(VL) BOOK VALUE COMMON (000) FxD	(VL) BOOK VALUE PREFERRED (000)	(VL) BOOK VALUE DEBT (000)	MKT/BOOK ratio for DEBT	MKT VALUE PREFERRED & DEBT
AT&T Corp	T	A+	3,882,000	40.28	29.76	156,360,490	115,528,320	0	50,063,000	1.00	50,063,000
Verizon Communications	VZ	A+	2,909,900	44.15	16.68	128,467,235	48,537,132	0	28,646,000	1.00	28,646,000
Sprint Nextel Corp	S	B+	2,897,000	16.17	18.34	46,834,833	53,130,980	0	21,011,000	1.00	21,011,000
U.S. Cellular	USM	B+	87,900	89.56	34.06	7,872,178	2,993,874	0	1,001,800	1.00	1,001,800
Telephone & Data Sys	TDS	B	116,800	65.93	30.57	7,700,040	3,570,576	600	2,620,600	1.00	2,621,200
Vodafone Grp	VOD	B	5,283,500	37.76	25.07	199,504,960	132,457,345	0	35,035,000	1.00	35,035,000

SUMS & AVERAGES - Companies with positive price per share, book value per share, and cash flow per share

546,739,736 356,218,227 600 138,377,400 138,378,000

INDUSTRY MARKET STRUCTURE

* All Negative values left out of calculations

POSITIVE SUBSET

COMMON	80.00%	\$546,739,736
DEBT	20.00%	138,378,000

TOTAL

\$685,117,736

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
 Industry: Telecommunications, Wireless
 2008 Assessment Year

	TICKER SYMBOL	EPS (YAHOO)	E/P (YAHOO)	EPS (VL)	E/P (VL)	CF/S (VL)	CF/P (VL)	P/E (YAHOO)	Inverse of P/E (YAHOO)	P/E (VL)	Inverse of P/E (VL)	Median P/E (VL)	Inverse of Median P/E (VL)	ValueLine Beta
		M/E	O/E		Q/E			1/S		1/U			1/X	
AT&T Corp	T	1.91	4.74%	2.80	6.95%	5.75	14.28%	21.37	4.68%	12.67	7.89%	17.00	5.88%	1.00
Verizon Communications	VZ	1.88	4.26%	2.37	5.37%	8.20	18.57%	23.01	4.35%	16.54	6.05%	15.00	6.67%	0.95
Sprint Nextel Corp	S	0.05	0.31%	0.05	0.31%	3.25	20.10%	279.57	0.36%	38.53	2.60%	46.00	2.17%	1.10
U.S. Cellular	USM	3.84	4.29%	2.95	3.29%	9.85	11.00%	21.51	4.65%	25.49	3.92%	31.00	3.23%	0.90
Telephone & Data Sys	TDS	2.72	4.13%	2.50	3.79%	9.55	14.49%	22.87	4.37%	28.57	3.50%	39.00	2.56%	1.05
Vodafone Grp	VOD	1.11	2.94%	(0.98)	-2.60%	4.85	12.84%	33.27	3.01%					1.05

SUMS & AVERAGES - Companies with positive price per share, book value per share, and cash flow per share

mean	3.44%	3.94%	15.21%	3.57%	4.79%	4.10%	1.01
median	4.19%	3.79%	14.38%	4.36%	3.92%	3.23%	1.03

Beta of Wireless Industry

* All Negative values left out of calculations

	TICKER SYMBOL	S&P Beta
AT&T Corp	T	1.1549
Verizon Communications	VZ	0.9815
Sprint Nextel Corp	S	0.8498
U.S. Cellular	USM	0.8866
Telephone & Data Sys	TDS	0.5408
Vodafone Grp	VOD	1.0205

SUMS & AVERAGES - Companies with positive price per share, book value per share, and cash flow per share

0.91
0.93
1.00

* All Negative values left out of calculations

MONTANA DEPARTMENT OF REVENUE

Capital Asset Pricing Model
Industry: Telecommunications
2008 Assessment Year

$$K_E = R_F + \beta (R_M - R_F)$$

K_E = Cost of Equity

R_F = Risk Free Rate

β = Beta

R_M = Market Rate of Return

R_P = Equity Risk Premium ($R_M - R_F$)

Exchange Carriers	Wireless
11.00%	11.00%
4.50%	4.50%
1.00	1.00
11.00%	11.00%
6.50%	6.50%

R_m = Investor's Market Rate of Return

Ibbotson, SBBI, Large Company, Average Annual Return, Arithmetic Average, Ex Post

$R_M =$	12.30%
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Ibbotson, SBBI, Large Company, Average Annual Return, Geometric Average, Ex Post

$R_M =$	10.40%
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3 Stage Dividend Growth Model, S & P 500, Ex Ante

$R_M =$	10.00%
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Mean =	10.90%
Median =	10.40%

$R_M =$	11.00%
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R_f = Risk Free Rate

Internal Revenue Service, Rev Rule 2007-70 Table 2 December 2007

Rev Rule 2007-70 Table . 2007

<u>Annual Rates</u>	<u>Short Term - AFR</u>	$R_f =$	3.40%
	<u>Mid Term - AFR</u>	$R_f =$	3.67%
	<u>Long Term - AFR</u>	$R_f =$	4.34%

The ValueLine Investment Survey

U.S. Treasury Securities December 28, 2007

<u>3 Month</u>	$R_f =$	2.89%
<u>6 Month</u>	$R_f =$	3.31%
<u>1 Year</u>	$R_f =$	3.31%

Federal Reserve Statistical Release

Treasury constant Maturities, 2007

Market yield on U.S. Treasury securities, Annual Averages

<u>3-month constant maturity, quoted on investment basis</u>	$R_f =$	4.48%
<u>6-month constant maturity, quoted on investment basis</u>	$R_f =$	4.62%
<u>1-year constant maturity, quoted on investment basis</u>	$R_f =$	4.53%

U.S. Treasury Securities Long-Term December 31, 2007

<u>30 year constant maturity</u>	$R_f = 4.45\%$	<u>Mean =</u>	3.84%
<u>20 year constant maturity</u>	$R_f = 4.50\%$	<u>Median =</u>	3.67%
		<u>Weighted Mean =</u>	3.92%

$R_f =$	4.50%
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MONTANA DEPARTMENT OF REVENUE

Dividend Growth Model
Industry: Telecommunications
 2008 Assessment Year

$$K_E = D_1 / P_0 + G_A$$

KE= Cost of Equity
D1= Expected Dividends
P0= Current Price Per Share
G= Sustainable Growth

Major Exchange Carriers:

Company Name	Ticker	Stock Price (P0)	Expected Dividend (D1)	Dividend Yield (D1/P0)	Dividend Growth (G _t)	Ke
AT&T Corp	T	40.28	1.60	3.97%	5.50%	9.47%
Verizon Communications	VZ	44.15	1.72	3.90%	1.50%	5.40%
CenturyTel Inc	CTL	43.32	0.27	0.62%	6.50%	
Sprint Nextel Corp	S	16.17	0.10	0.62%	nil	7.12%
Alaska Communic Sys Grp	ALSK	15.21	0.92	6.05%	12.00%	18.05%
Citizens Communications	CZN	13.01	1.00	7.69%	nmf	
Embarq Corp	EQ	52.10	2.60	4.99%	20.00%	24.99%
D&E Communications	DECC	14.68	na		2.50%	
Hickory Tech Corp	HTCO	9.30	na		1.00%	
Windstream Corporation	WIN	13.48	1.00	7.42%	nmf	
Cincinnati Bell	CBB	5.03	nil		nmf	
Qwest Communications Intl	Q	7.31	nil		nil	

Mean = 13.01%
 Median = 9.47%

Estimated Cost of Equity = 13.00%

Wireless Sector:

Company Name	Ticker	Stock Price (P0)	Expected Dividend (D1)	Dividend Yield (D1/P0)	Dividend Growth (G _t)	Ke
AT&T Corp	T	40.28	1.60	3.97%	5.50%	9.47%
Vodafone Grp	VOD	37.76	1.35	3.58%	9.50%	13.08%
Verizon Communications	VZ	44.15	1.72	3.90%	1.50%	5.40%
Sprint Nextel Corp	S	16.17	0.10	0.62%	nil	
Telephone & Data Sys	TDS	65.93	0.39	0.59%	2.50%	3.09%
U.S. Cellular	USM	89.56	nil		nil	

Mean = 6.21%
 Median = 7.43%

Estimated Cost of Equity = 7.70%

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Telecommunications
2008 Assessment Year

Ticker	Company	Support for Industry Capital Structure												4th Qtr Average	Annual Average	Yahoo P/E	Yahoo EPS 1st 12 mo
		Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07				
ALSK	Alaska Communic Sys Grp	high \$16.28 low \$14.89	\$16.85 \$14.11	\$15.50 \$13.40	\$17.15 \$14.75	\$16.82 \$15.20	\$16.21 \$15.15	\$15.92 \$14.19	\$14.90 \$12.60	\$15.18 \$13.11	\$16.48 \$14.29	\$16.08 \$14.26	\$16.03 \$14.12	\$15.21	\$15.14	20.38	0.71
AMT	American Tower Corp	high \$40.46 low \$36.63	\$41.31 \$38.12	\$40.07 \$36.80	\$39.95 \$37.83	\$43.60 \$37.64	\$43.84 \$40.25	\$45.45 \$40.68	\$42.49 \$36.34	\$44.18 \$37.28	\$48.53 \$41.35	\$46.20 \$41.50	\$45.62 \$40.08	\$43.55	\$41.01	210.48	0.19
AT	ALLTEL Corp	high \$0.00 low \$0.00	\$25.00 \$24.75	\$25.90 \$24.75	\$25.41 \$24.90	\$25.13 \$24.59	\$25.00 \$23.77	\$24.79 \$23.00	\$25.00 \$21.90	\$24.35 \$23.61	\$24.50 \$23.75	\$24.75 \$22.00	\$25.18 \$23.22	\$23.90	\$22.30	NA	NA
CBB	Cincinnati Bell	high \$4.90 low \$4.38	\$5.10 \$4.18	\$4.77 \$4.25	\$5.33 \$4.60	\$5.98 \$5.00	\$6.25 \$5.57	\$6.00 \$4.54	\$5.30 \$4.20	\$5.25 \$4.51	\$5.62 \$4.85	\$5.50 \$4.74	\$5.23 \$4.24	\$5.03	\$5.01	12.99	0.33
CTL	CenturyTel Inc	high \$44.99 low \$42.66	\$46.80 \$44.30	\$45.57 \$42.79	\$46.73 \$45.14	\$49.74 \$45.16	\$49.94 \$47.80	\$49.91 \$45.41	\$48.56 \$41.10	\$48.50 \$44.43	\$46.90 \$43.74	\$45.71 \$40.65	\$43.02 \$39.91	\$43.32	\$45.39	12.2	3.29
CZN	Citizens Communications	high \$14.69 low \$13.92	\$15.21 \$14.01	\$15.58 \$14.22	\$16.00 \$14.87	\$16.05 \$15.26	\$15.94 \$14.80	\$15.62 \$14.28	\$14.61 \$12.50	\$14.84 \$13.41	\$14.54 \$12.84	\$13.20 \$12.42	\$13.03 \$12.03	\$13.01	\$14.33	18.16	0.66
DECC	D&E Communications	high \$13.00 low \$12.01	\$13.15 \$12.71	\$13.70 \$12.58	\$15.50 \$13.32	\$16.50 \$16.38	\$19.99 \$13.98	\$18.77 \$13.98	\$16.64 \$12.53	\$14.45 \$13.57	\$16.94 \$13.92	\$16.19 \$13.57	\$14.95 \$12.53	\$14.68	\$14.60	16.4	0.84
DY	Dycom Industries	high \$22.81 low \$21.10	\$25.60 \$21.86	\$26.94 \$23.84	\$27.88 \$25.84	\$30.00 \$25.33	\$31.00 \$28.78	\$32.18 \$27.17	\$30.43 \$23.05	\$32.00 \$27.79	\$34.13 \$27.85	\$29.35 \$24.53	\$29.60 \$25.34	\$28.47	\$27.27	22.31	1.16
EQ	Embarq Corp	high \$57.00 low \$51.62	\$57.56 \$51.94	\$56.97 \$50.95	\$61.77 \$55.47	\$65.50 \$59.43	\$64.52 \$61.23	\$64.54 \$58.99	\$63.74 \$55.23	\$63.23 \$54.87	\$58.41 \$52.48	\$54.90 \$47.60	\$52.25 \$46.94	\$52.10	\$56.96	10.64	4.49
HTCO	Hickory Tech Corp	high \$7.20 low \$6.96	\$7.49 \$6.54	\$7.16 \$6.70	\$7.38 \$6.88	\$8.26 \$7.18	\$9.30 \$8.16	\$9.58 \$8.50	\$10.00 \$8.01	\$9.89 \$9.02	\$9.88 \$8.78	\$9.98 \$8.96	\$9.41 \$8.78	\$9.30	\$8.33	23.55	0.39
IDT	IDT Corp	high \$13.79 low \$12.75	\$13.87 \$13.00	\$13.63 \$11.05	\$11.52 \$11.01	\$12.50 \$10.92	\$13.08 \$10.15	\$10.62 \$9.69	\$12.58 \$8.73	\$9.87 \$7.73	\$9.03 \$7.73	\$8.52 \$7.46	\$9.54 \$7.63	\$8.31	\$10.68	NA	(1.84)
LVLT	Level 3 Communications	high \$6.80 low \$5.54	\$6.78 \$6.02	\$6.48 \$5.94	\$6.30 \$5.53	\$6.22 \$5.20	\$6.01 \$5.30	\$6.42 \$4.76	\$5.61 \$4.55	\$5.38 \$4.28	\$5.10 \$2.90	\$3.53 \$2.66	\$3.57 \$2.95	\$3.45	\$5.16	NA	(0.88)
PGI	Premiere Global Services	high \$9.84 low \$8.50	\$10.85 \$9.01	\$11.25 \$9.99	\$12.45 \$11.05	\$12.80 \$12.00	\$13.40 \$11.85	\$13.46 \$11.02	\$13.23 \$10.50	\$13.50 \$11.96	\$16.69 \$12.15	\$16.58 \$13.04	\$15.14 \$12.99	\$14.43	\$12.22	31.06	0.44
Q	Qwest Communications Int'l	high \$8.63 low \$8.06	\$8.90 \$7.87	\$9.16 \$8.33	\$9.18 \$8.68	\$10.45 \$8.91	\$10.43 \$9.10	\$9.96 \$8.53	\$9.16 \$8.05	\$9.52 \$8.73	\$9.58 \$8.68	\$7.26 \$6.88	\$7.41 \$6.51	\$7.31	\$8.56	4.65	1.40
S	Sprint Nextel Corp	high \$19.78 low \$16.93	\$19.81 \$17.57	\$20.42 \$18.48	\$21.00 \$18.89	\$23.02 \$19.76	\$23.42 \$20.55	\$22.64 \$20.24	\$21.05 \$17.55	\$19.21 \$17.24	\$19.70 \$16.74	\$17.46 \$14.22	\$15.92 \$12.96	\$16.17	\$18.94	279.57	0.05
T	AT&T Corp	high \$37.88 low \$31.94	\$38.18 \$35.19	\$39.86 \$35.28	\$40.14 \$38.38	\$41.50 \$38.44	\$41.54 \$38.70	\$41.93 \$38.83	\$40.88 \$36.53	\$42.97 \$38.52	\$42.72 \$40.34	\$41.86 \$36.25	\$42.79 \$37.71	\$40.28	\$39.10	21.37	1.91
TDS	Telephone & Data Sys	high \$57.44 low \$53.02	\$58.77 \$54.87	\$59.94 \$54.37	\$61.56 \$56.75	\$61.90 \$55.18	\$65.75 \$60.66	\$73.67 \$62.88	\$66.85 \$53.10	\$68.98 \$52.85	\$72.31 \$49.95	\$70.49 \$58.57	\$67.94 \$61.29	\$65.93	\$61.85	22.87	2.72
USM	U.S. Cellular	high \$74.00 low \$69.55	\$75.25 \$69.83	\$74.01 \$67.70	\$76.60 \$72.40	\$80.00 \$71.01	\$91.19 \$79.62	\$104.67 \$91.00	\$99.50 \$76.17	\$104.74 \$94.37	\$103.51 \$92.09	\$96.35 \$74.62	\$89.63 \$81.15	\$89.56	\$83.71	21.51	3.84
VZ	Verizon Communications	high \$38.68 low \$36.48	\$38.77 \$35.83	\$38.53 \$35.60	\$38.49 \$36.75	\$43.99 \$40.55	\$43.71 \$40.03	\$44.10 \$39.27	\$43.78 \$40.95	\$44.75 \$43.51	\$46.24 \$40.77	\$45.96 \$42.70	\$45.71 \$42.70	\$44.15	\$40.98	23.01	1.88
VOD	Vodafone Grp	high \$29.85 low \$28.03	\$29.85 \$27.40	\$28.63 \$25.94	\$28.97 \$26.88	\$32.03 \$28.10	\$33.87 \$31.03	\$33.87 \$30.12	\$33.44 \$29.13	\$36.52 \$32.02	\$40.39 \$34.32	\$40.87 \$36.62	\$38.36 \$36.00	\$37.76	\$32.18	33.27	1.11
WIN	Windstream Corporation	high \$15.20 low \$13.75	\$15.63 \$14.50	\$15.03 \$14.03	\$15.10 \$14.47	\$15.30 \$14.50	\$15.25 \$14.57	\$14.95 \$13.66	\$15.10 \$12.46	\$14.57 \$13.82	\$14.40 \$13.21	\$14.08 \$12.38	\$14.10 \$12.68	\$13.48	\$14.28	\$12.99	0.95

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Telecommunications
2008 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	S&P Bond Yield to Maturity												Avg Full Year	Avg 4th QTR
						Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
GTE Southwest	8.5	362338AQ8	1st	11/15/2031	AA-	6.85	6.75	6.84	6.80	6.92	7.03	6.95	6.90	6.80	6.74	6.68	6.66	6.83%	6.69%
AT&T Corp.	7.3	001957BC2	Sr Nts	1/10/1900	A	5.36	5.22	5.19	5.22	5.40	5.61	5.50	5.50	5.44	4.96	4.70	4.90	5.25%	4.85%
AT&T Corp.	6	001957AV1	Nts	3/15/2009	A	5.45	5.32	5.20	5.29	5.46	5.54	5.31	5.92	5.15	4.81	4.57	4.77	5.23%	4.72%
AT&T Corp.	6.5	001957BJ7	Nts	3/15/2013	A	5.67	5.52	5.60	5.60	5.76	5.96	5.86	5.82	5.78	5.57	5.41	5.28	5.65%	5.42%
AT&T Corp.	6.5	001957AW9	Nts	3/15/2029	A	6.52	6.40	6.64	6.60	6.67	6.83	6.65	6.55	6.60	6.17	6.43	6.66	6.55%	6.42%
AT&T Corp.	8	001957BD0	Sr Nts	11/15/2031	A	6.10	5.95	6.13	6.08	6.19	6.45	6.55	6.45	6.30	6.04	6.16	6.16	6.21%	6.12%
AT&T Wireless Services	7.5	00209AAH9	Sr Nts	5/1/2007	A	5.64	5.41	5.57										5.54%	
AT&T Wireless Services	7.88	00209AAE6	Sr Nts	3/1/2011	A	5.47	5.23	5.18	5.16	5.37	5.57	5.47	5.52	5.44	5.03	4.85	5.00	5.27%	4.96%
AT&T Wireless Services	8.12	00209AAG1	Sr Nts	5/1/2012	A	5.47	5.27	5.27	5.33	5.49	5.73	5.60	5.67	5.55	5.15	4.80	5.20	5.38%	5.05%
AT&T Wireless Services	8.75	00209AAF3	Sr Nts	3/1/2031	A	6.35	6.14	6.37	6.31	6.41	6.66	6.75	6.70	6.61	6.29	6.33	6.30	6.44%	6.31%
Bell Tel. of Penna	7.38	078167BB8	Deb	7/15/2007	A	5.70	5.52	5.52	5.62	5.49								5.57%	
Bell Tel. of Penna	8.85	078167AZ6	Deb	12/15/2030	A	6.82	6.65	6.74	6.80	6.92	7.03	6.95	6.90	6.80	6.74	6.68	6.66	6.81%	6.69%
Bell Tel. of Penna	8.75	078167BA0	Deb	8/15/2031	A	6.87	6.70	6.74	6.70	6.82	6.93	6.85	6.80	6.70	6.69	6.63	6.66	6.76%	6.66%
BellSouth Corp.	4.2	079860AF9	Nts	9/15/2009	A	5.37	5.23	5.11	5.18	5.38	5.46	5.36	5.40	5.20	4.81	4.57	4.56	5.14%	4.65%
BellSouth Corp.	6	079860AB8	Nts	10/15/2011	A	5.42	5.28	5.21	5.26	5.44	5.66	5.55	5.57	5.50	5.03	4.71	4.95	5.30%	4.90%
BellSouth Corp.	4.75	079860AJ1	Nts	11/15/2012	A	5.46	5.33	5.27	5.32	5.51	5.71	5.61	5.63	5.50	5.03	4.78	4.99	5.35%	4.93%
BellSouth Corp.	5.2	079860AG7	Nts	9/15/2014	A	5.64	5.44	5.47	5.47	5.60	5.89	5.98	5.78	5.81	5.34	5.24	5.23	5.57%	5.27%
BellSouth Corp.	6.875	079860AD4	Nts	10/15/2031	A	6.43	6.26	6.38	6.33	6.45	6.63	6.70	6.61	6.60	6.14	6.30	6.33	6.43%	6.26%
BellSouth Corp.	6.55	079860AE2	Nts	6/15/2034	A	6.39	6.18	6.33	6.25	6.38	6.56	6.63	6.54	6.50	6.15	6.28	6.28	6.37%	6.24%
BellSouth Corp.	6	079860AK8	Nts	11/15/2034	A	6.34	6.10	6.28	6.20	6.32	6.50	6.58	6.40	6.41	6.09	6.18	6.21	6.30%	6.16%
BellSouth Telecommunications	5.875	079867AH0	Deb	1/15/2009	A	5.36	5.33	5.19	5.25	5.41	5.49	5.31	5.49	5.20	4.81	4.57	4.92	5.19%	4.77%
BellSouth Telecommunications	6.3	079867AQ0	AmortizingDeb	12/15/2015	A	5.96	5.80	5.91	5.84	6.04	6.12	5.99	5.82	5.78	5.69	5.69	5.54	5.85%	5.64%
BellSouth Telecommunications	7	079867AM9	Deb	10/1/2025	A	6.42	6.20	6.32	6.30	6.42	6.58	6.61	6.50	6.40	6.04	6.18	6.21	6.35%	6.14%
BellSouth Telecommunications	6.375	079867AW7	Deb	6/1/2028	A	6.46	6.15	6.33	6.29	6.41	6.55	6.60	6.44	6.41	6.07	6.18	6.26	6.35%	6.17%
BellSouth Telecommunications	5.85	079867AN7	Deb	11/15/2045	A	6.62	6.50	6.62	6.55	6.69	6.86	6.85	6.75	6.70	6.36	6.43	6.61	6.63%	6.47%
BellSouth Telecommunications	7	079867AP5	Deb	12/15/2095	A	6.92	6.70	6.87	6.73	6.92	7.09	7.27	6.99	6.88	6.95	6.72	6.92%	6.87%	
GTE California	7.65	362311AK8	Deb 'H'	3/15/2007	A	5.75											5.75%		
GTE California	7	362311AE2	Deb 'D'	5/1/2008	A	5.61	5.43	5.36	5.40	5.51	5.57	5.38	5.54	5.44	4.97	5.16	5.25	5.39%	5.13%
GTE California	5.5	362311AJ1	Deb 'G'	1/15/2009	A	5.62	5.43	5.24	5.38	5.45	5.49	5.32	5.29	5.35	4.86	4.67	5.01	5.26%	4.85%
GTE California	6.7	362311AF9	Deb 'E'	9/1/2009	A	5.63	5.48	5.35	5.42	5.50	5.55	5.46	5.49	5.35	4.86	4.67	4.87	5.30%	4.80%
GTE California	6.75	362311AG7	Deb 'F'	5/15/2027	A	6.67	6.50	6.59	6.60	6.72	6.83	6.75	6.75	6.65	6.39	6.43	6.61	6.62%	6.48%
GTE Corp	6.46	362320AY9	Deb	4/15/2008	A	5.68	5.43	5.30	5.37	5.45	5.52	5.42	5.54	5.45	4.97	5.16	5.15	5.37%	5.09%
GTE Corp	7.51	362320AV5	Deb	4/1/2009	A	5.53	5.38	5.25	5.37	5.50	5.55	5.42	5.54	5.50	4.86	4.67	5.08	5.29%	4.87%
GTE Corp	6.84	362320AZ6	Deb	4/15/2018	A	6.12	5.97	5.82	5.85	6.01	6.18	6.18	6.07	6.03	5.76	5.61	5.73	5.94%	5.70%
GTE Corp	8.75	362320AT0	Deb	11/15/2021	A	6.40	6.27	6.25	6.40	6.56	6.70	6.58	6.37	6.28	5.96	5.81	6.28	6.32%	6.02%
GTE Corp	6.94	362320BA0	Deb	4/15/2028	A	6.52	6.35	6.46	6.40	6.52	6.68	6.60	6.70	6.70	6.39	6.46	6.31	6.50%	6.39%
GTE Florida	7.25	362333AF3	Deb 'C'	10/15/2025	A	6.95	6.95	6.95	6.95	6.95	6.85	6.95	6.95	6.95	6.95	6.95	6.95	6.95%	6.95%
GTE Florida	6.86	362333AH9	Deb 'E'	2/1/2028	A	6.67	6.50	6.59	6.60	6.72	6.83	6.75	6.75	6.65	6.49	6.53	6.51	6.63%	6.51%
GTE North Inc	6.9	362337AG2	Deb 'D'	11/1/2008	A	5.58	5.43	5.35	5.39	5.50	5.56	5.42	5.39	5.45	4.97	5.07	5.28	5.37%	5.11%
GTE North Inc	5.65	362337AM9	Deb 'H'	11/15/2008	A	5.57	5.43	5.35	5.38	5.50	5.55	5.41	5.49	5.45	4.96	5.02	5.26	5.36%	5.08%
GTE North Inc	6.375	362337AJ6	Deb 'F'	2/15/2010	A	5.71	5.46	5.26	5.34	5.58	5.68	5.36	5.40	5.31	4.88	4.36	4.58	5.24%	4.61%
GTE North Inc	6.73	362337AK3	Deb 'G'	2/15/2028	A	6.67	6.50	6.59	6.60	6.72	6.83	6.75	6.75	6.65	6.49	6.53	6.51	6.63%	6.51%
GTE Northwest	5.55	362337RAG8	Deb 'D'	10/15/2008	A	5.57	5.43	5.34	5.38	5.50	5.54	5.41	5.54	5.45	4.96	5.02	5.26	5.37%	5.08%
GTE Northwest	6.3	36233RAF0	Deb 'C'	6/1/2010	A	5.71	5.46	5.31	5.40	5.60	5.70	5.38	5.40	5.31	4.88	4.36	4.58	5.26%	4.61%
GTE South Inc	6.125	36233TAH2	Deb 'E'	6/15/2007	A	5.64	5.48	5.48	5.56								5.54%		
GTE South Inc	6	36233TAE9	Deb 'C'	2/15/2008	A	5.68	5.43	5.35	5.39	5.50	5.55	5.38	5.79	5.55	4.97	5.27	5.35	5.43%	5.20%
Indiana Bell Telephone	7.3	454611AK4	Deb	8/15/2026	A	6.72	6.50	6.57	6.55	6.67	6.83	6.75	6.70	6.65	6.34	6.36	6.51	6.60%	6.40%
Michigan Bell Telephone	7.85	594185AQ3	Deb	1/15/2022	A	6.72	6.37	6.35	6.40	6.56	6.76	6.61	6.45	6.41	6.09	5.97	6.08	6.40%	6.05%
New York Telephone Co	6	650094CH6	Deb	4/15/2008	A	5.55	5.45	5.40	5.47	5.55	5.80	5.46	5.59	5.55	5.07	5.37	5.43	5.45%	5.29%
New York Telephone Co	6.12	650094CD5	Deb	1/15/2010	A	5.96	5.56	5.46	5.45	5.58	5.59	5.39	5.55	5.41	4.86	4.41	5.01	5.35%	4.76%
New York Telephone Co	8.62	650094BL8	Deb	11/15/2010	A	6.07	5.77	5.72	5.75	5.95	6.05	5.72	5.66	5.09	5.06	5.16	5.09	5.67%	5.44%
New York Telephone Co	7	650094BT1	Deb	5/1/2013	A	6.27	6.12	6.13	6.18	6.16	6.33	6.13	6.42	6.23	5.81	5.81	5.78	6.10%	5.73%
New York Telephone Co	7	650094BV6	Deb	6/15/2013	A	6.27	6.12	6.12	6.17	6.16	6.34	6.14	6.42	6.23	5.81	5.81	5.78	6.10%	5.73%
New York Telephone Co	6.7	650094CA1	Deb	11/1/2023	A	6.76	6.58	6.61	6.64	6.75	6.84	6.54	6.79	6.76	6.59	6.53	6.56	6.66%	6.56%
New York Telephone Co	6.5	650094CJ2	Deb	4/15/2028	A	6.77	6.60	6.69	6.65	6.82	6.93	6.85	6.80	6.80	6.64	6.63	6.61	6.73%	6.63%
New York Telephone Co	7	650094CB9	Deb	12/1/2033	A	6.89	6.80	6.81	6.84	6.94	7.03	6.82	6.85	6.94	6.84	6.78	6.94	6.87%	6.85%
Pacific Bell	6.125	694032BE2	Nts	2/15/2008	A	5.55	5.45	5.42	5.49	5.60	5.70	5.56	5.64	5.60	5.17	5.16	5.31	5.47%	5.21%
Pacific Bell	6.625	694032BC6	Nts	11/1/2009	A	5.85	5.55	5.52											

MONTANA DEPARTMENT OF REVENUE

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STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	S&P Bond Yield to Maturity												Avg Full Year	Avg 4th QTR	
						Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07			
Pacific Bell	7.375	694032AV5	Deb	7/15/2043	A	7.09	6.99	7.06	7.08	7.19	7.18	7.08	7.20	7.22	7.07	6.91	7.01	7.09%	7.00%	
SBC Communications Capital	7	73387QAB7	M-T Nts 'E'	10/1/2012	A	6.67	6.62	6.67	6.60	6.67	6.67	6.67	6.71	6.64	6.62	6.62	6.67	6.62	6.65%	6.64%
SBC Communications Inc.	6.25	73387GAD5	Global Nts	3/15/2011	A	5.41	5.25	5.17	5.26	5.42	5.59	5.50	5.57	5.50	5.03	4.66	4.85	5.27%	4.85%	
SBC Communications Inc.	5.875	73387GAH6	Global Nts	2/1/2012	A	5.46	5.29	5.25	5.29	5.48	5.66	5.59	5.62	5.50	4.95	4.73	5.00	5.32%	4.89%	
SBC Communications Inc.	5.88	73387GAK9	Global Nts	8/15/2012	A	5.46	5.30	5.29	5.30	5.51	5.70	5.61	5.64	5.50	4.98	4.80	5.00	5.34%	4.93%	
SBC Communications	5.3	73387GAS2	Global Nts	11/15/2010	A	5.38	5.23	5.15	5.21	5.41	5.45	5.42	5.35	5.23	4.70	4.36	4.62	5.13%	4.56%	
Southwestn Bell Tel	6.625	845335BV9	Nts	7/15/2007	A	5.67	5.49	5.55	5.64	5.67									5.60%	
Southwestn Bell Tel	6.375	845335BY3	Nts	11/15/2007	A	5.65	5.48	5.38	5.45	5.56	5.64	5.47	5.73	5.38					5.53%	
Southwestn Bell Tel	6.55	84534EEE4	M-T Nts 'C'	10/7/2008	A	5.84	5.65	5.77	5.03	5.44	5.50	5.37	5.46	5.22	5.07	5.07	5.60	5.42%	5.25%	
Southwestn Bell Tel	7.21	84534EDB1	M-T Nts 'C'	5/17/2010	A	5.89	5.59	5.74	5.64	6.02	6.07	5.77	5.45	5.38	5.36	5.36	4.34	5.55%	5.02%	
Southwestn Bell Tel	7.18	84534EDD7	M-T Nts 'C'	5/17/2010	A	5.89	5.59	5.74	5.64	6.02	6.07	5.77	5.45	5.37	5.36	5.36	4.35	5.55%	5.02%	
Southwestn Bell Tel	7.25	84534EDE5	M-T Nts 'C'	5/17/2010	A	5.89	5.58	5.74	5.64	6.02	6.07	5.77	5.46	5.38	5.37	5.37	4.33	5.55%	5.02%	
Southwestn Bell Tel	7.22	84534EDF2	M-T Nts 'C'	5/17/2010	A	5.89	5.59	5.74	5.64	6.02	6.07	5.77	5.46	5.38	5.36	5.36	4.34	5.55%	5.02%	
Southwestn Bell Tel	7	845335BQ0	Deb	7/1/2015	A	5.95	5.72	5.75	5.80	5.96	6.20	6.08	5.82	5.90	5.49	5.51	5.63	5.82%	5.54%	
Southwestn Bell Tel	7.2	845335BW7	Deb	10/15/2026	A	6.97	6.95	6.94	6.95	6.98	7.02	6.93	6.93	6.92	6.94	6.92	6.91	6.95%	6.92%	
Southwestn Bell Tel	3.75	845335BX5	Deb	7/15/2027	A	7.13	7.10	7.09	7.10	7.15	7.11	7.06	7.05	7.04	7.03	7.03	7.03	7.08%	7.03%	
Southwestn Bell Tel	7	845335BZ0	Deb	11/15/2027	A	6.84	6.80	6.79	6.80	6.85	6.89	6.88	6.83	6.81	6.83	6.77	6.76	6.82%	6.79%	
Verizon Communications Inc.	5.35	92343VAB0	Nts	2/15/2011	A	5.40	5.25	5.17	5.19	5.35	5.52	5.55	5.47	5.27	4.85	4.55	4.50	5.17%	4.63%	
Verizon Communications Inc.	5.55	92343VAC8	Nts	2/15/2016	A	5.71	5.48	5.54	5.57	5.72	5.93	5.93	5.78	5.80	5.42	5.41	5.38	5.64%	5.40%	
Verizon Global Fndg	6.125	92344GAR7	Nts	6/15/2007	A	5.38	5.29	5.53	5.53									5.43%		
Verizon Global Fndg	4	92344GAU0	Nts	1/15/2008	A	5.39	5.29	5.32	5.35	5.49	5.39	5.36	5.66	5.31	4.85	5.10		5.32%		
Verizon Global Fndg	7.25	92344GAL0	Nts	12/1/2010	A	5.40	5.25	5.18	5.20	5.32	5.49	5.45	5.40	5.19	4.75	4.56	4.58	5.15%	4.63%	
Verizon Global Fndg	6.875	92344GAQ9	Nts	6/15/2012	A	5.47	5.30	5.24	5.29	5.46	5.63	5.54	5.53	5.41	5.01	4.65	4.80	5.28%	4.82%	
Verizon Global Fndg	7.375	92344GAT3	Nts	9/12/2012	A	5.49	5.31	5.25	5.30	5.47	5.63	5.55	5.55	5.41	5.05	4.85	4.85	5.29%	4.85%	
Verizon Global Fndg	4.375	92344GAV8	Nts	6/1/2013	A	5.52	5.30	5.34	5.39	5.56	5.76	5.56	5.63	5.63	5.23	5.11	5.08	5.43%	5.14%	
Verizon Global Fndg	4.9	92344GAW6	Nts	9/15/2015	A	5.67	5.45	5.51	5.55	5.70	5.89	5.75	5.75	5.75	5.36	5.26	5.33	5.58%	5.32%	
Verizon Global Fndg	7.75	92344GASS	Nts	6/15/2032	A	6.44	6.26	6.45	6.44	6.54	6.75	6.75	6.75	6.60	6.24	6.28	6.36	6.49%	6.29%	
Verizon Global Fndg	5.85	92344GAX4	Nts	9/15/2035	A	6.26	6.03	6.26	6.20	6.31	6.49	6.55	6.33	6.27	5.93	5.95	6.01	6.22%	5.96%	
Verizon Maryland	5.125	92344WAB7	Deb'B'	6/15/2033	A	6.59	6.30	6.44	6.45	6.52	6.68	6.60	6.55	6.65	6.44	6.53	6.21	6.50%	6.39%	
Verizon New England	6.5	92344RAA0	Deb'A'	9/15/2011	A	5.66	5.50	5.41	5.46	5.62	5.78	5.60	5.72	5.65	5.20	4.85	5.00	5.45%	5.02%	
Verizon NJ	5.875	92344UA3A	Deb'A'	1/17/2012	A	5.61	5.45	5.35	5.44	5.63	5.77	5.60	5.60	5.55	5.10	4.95	5.05	5.43%	5.03%	
Verizon Pennsylvania	5.65	92344TAA6	Deb'A'	11/15/2011	A	5.60	5.40	5.33	5.39	5.57	5.70	5.50	5.57	5.50	5.05	4.65	4.90	5.35%	4.87%	
Verizon Virginia	4.625	92345NAAB	Deb'A'	3/15/2013	A	5.77	5.58	5.60	5.65	5.79	5.92	5.60	5.68	5.50	5.41	5.36	5.38	5.60%	5.38%	
VerizonNY	6.875	92344XA7	Deb'A'	4/1/2012	A	5.96	5.67	5.59	5.59	5.79	5.83	5.65	5.67	5.65	5.20	4.95	5.25	5.57%	5.13%	
VerizonNY	7.375	92344XAB5	Deb'B'	4/1/2032	A	7.07	6.80	6.89	6.87	6.97	6.93	6.95	6.90	6.94	6.69	6.68	6.56	6.85%	6.64%	
Wisconsin Bell Inc	6.35	976585AG4	Deb	12/1/2026	A	6.62	6.50	6.67	6.70	6.82	6.93	6.85	6.65	6.65	6.34	6.29	6.46	6.62%	6.36%	
Engex Inc.	4.66	020039DF7	SrNts	5/17/2007	A-	5.68	5.60	5.42										5.57%		
America Movil, S.A.B. de C.V.	6.38	02364VAJ4	SrNotes	3/12/2035	BBB+	6.68	6.36	6.49	6.34	6.36	6.51	6.89	6.68	6.63	6.17	6.41	6.52	6.50%	6.37%	
AT&T Broadband	8.38	00209TA3A	Nts	3/15/2013	BBB+	5.57	5.29	5.54	5.55	5.71	6.01	6.01	5.96	5.93	5.38	5.57	5.88	5.70%	5.61%	
AT&T Broadband	9.46	00209TAB1	Nts	11/15/2022	BBB+	6.43	6.23	6.37	6.40	6.38	6.80	6.75	6.61	6.69	6.72	6.43	7.04	6.57%	6.73%	
TCI Communications	8.75	872287AC1	Sr Deb	8/1/2015	BBB+	6.00	5.82	5.95	5.74	5.92	6.25	6.39	6.09	6.20	5.84	5.87	6.03	6.01%	5.91%	
TCI Communications	7.875	872287AF4	Sr Deb	2/15/2026	BBB+	6.48	6.32	6.50	6.50	6.62	6.78	6.99	6.85	6.93	6.49	6.69	6.63	6.65%	6.60%	
TCI Communications	7.125	872287AL1	Sr Nts	2/15/2028	BBB+	6.48	6.32	6.58	6.53	6.62	6.85	7.05	6.92	6.89	6.48	6.68	6.76	6.68%	6.64%	
Tele-Communications(Old)	9.8	879240AN9	Sr Deb	2/1/2012	BBB+	5.70	5.45	5.42	5.40	5.61	5.91	5.95	5.93	5.72	5.42	5.23	5.50	5.60%	5.38%	
Tele-Communications(Old)	7.88	879240AX7	Sr Deb	8/1/2013	BBB+	5.81	5.53	5.60	5.61	5.82	5.97	6.05	6.17	6.00	5.67	5.65	5.83	5.81%	5.72%	
Tele-Communications(Old)	10.125	879240AQ2	Sr Deb	4/15/2022	BBB+	6.60	6.43	6.59	6.41	6.53	6.86	7.00	6.84	6.57	6.19	6.25	6.57	6.55%	6.34%	
Tele-Communications(Old)	9.88	879240AR0	Sr Deb	6/15/2022	BBB+	6.58	6.40	6.58	6.41	6.50	6.82	6.96	6.86	6.59	6.17	6.23	6.13	6.50%	6.18%	
United Tel Co(Florida)	6.875	913026AS9	1st FF	7/15/2013	BBB+	6.44	6.34	6.22	6.26	6.45	6.66	6.66	6.22	6.20	5.92	5.86	5.99	6.27%	5.92%	
United Tel Co(Florida)	7.125	913026AU4	1st GG	7/15/2023	BBB+	7.10	6.79	6.86	6.89	7.00	7.21	7.33	7.26	7.39	7.14	7.28	7.34	7.13%	7.25%	
United Tel Co(Florida)	8.375	913026AT7	1st HH	1/15/2025	BBB+	7.31	7.06	7.14	7.20	7.34	7.58	7.74	7.41	7.49	7.31	7.55	7.52	7.39%	7.46%	
Aliant Communications	6.75	016090AA0	Nts	4/1/2028	BBB	7.67	7.50	7.72	7.65	7.87	8.13	8.20	8.15	7.80	7.59	7.43	7.56	7.77%	7.53%	
Century Tel Enterpr	6.3	156686AL1	Sr Nts 'F'	1/15/2008	BBB	5.68	5.53	5.38	5.69	5.70	5.65	5.52	5.79	5.57	5.57	5.20		5.59%	5.39%	
Century Tel Enterpr	7.2	156686AJ6	Sr Nts 'D'	12/1/2025	BBB	7.37	7.15	7.22	7.15	7.17	7.28	7.20	7.25	7.15	6.94	6.93	6.96	7.15%	6.94%	
Century Tel Enterpr	6.875	156686AM9	Deb 'G'	1/15/2028	BBB	7.17	6.95	7.07	7.00	7.02	7.13	7.05	7.15	7.05	6.84	6.83	6.91	7.01%	6.86%	
CenturyTel, Inc.	4.63	156700AD8	SrNts'J'	5/15/2007	BBB	5.63	5.50	5.28										5.47%		
CenturyTel, Inc.	8.375	156700AA4	Sr Nts 'H'	10/15/2010	BBB	5.82	5.62	5.44	5.40	5.59	5.68	5.52	5.35	5.36	5.16	4.56	4.93	5.37%	4.88%	
CenturyTel, Inc.	7.875	156700AG1	Sr Nts 'L'	8/15/2012	BBB	6.08	5.79	5.74	5.75	5.94	6.08	5.94	5.87							

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Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	S&P Bond Yield to Maturity												Avg Full Year	Avg 4th QTR
						Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07		
GTE South Inc	7.5	36233TAF6	Deb 'D'	3/15/2026	NR	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20%	7.20%
LCI International	7.25	501813A7	Sr Nts	6/15/2007	NR	6.50	6.30	5.91	7.06	5.88	5.91	5.91	5.88	5.88	5.88	5.88	5.88	6.44%	6.44%
Mountain States Tel&Tel	6	624284AJ4	Deb	8/1/2007	NR	7.03	6.57	5.94	5.91	5.88	5.88	5.88	5.88	5.88	5.88	5.88	5.88	6.27%	6.27%
Nextel Partners, Inc.	8.12	65333FAR8	Sr Nts	7/1/2011	NR	7.01	6.94	6.89	6.90	6.92	6.87	6.87	6.87	6.87	6.87	6.87	6.87	6.92%	6.92%
Pac-West Telecomm, Inc.	13.5	69371YAB7	Sr Nts	2/1/2009	NR	49.99	49.99	49.99	49.99	49.99	49.99	49.99	49.99	49.99	49.99	49.99	49.99	49.99%	49.99%
Primus Telecommunications Group, Inc.	12.75	741929AJ2	Sr Nts	10/15/2009	NR	24.57	24.85	17.26	16.30	15.85	15.11	15.47	14.12	14.48	13.94	15.25	16.03	16.94%	15.07%
Rural Cellular Corp.	9.75	781904AF4	Sr Sub Nts	1/15/2010	NR	8.67	8.54	8.50	8.48	8.33	8.30	8.48	8.48	8.48	8.48	8.48	8.48	8.47%	8.47%
U S WEST Communications	8.875	912920AA3	Deb	6/1/2031	NR	8.48	8.45	8.45	8.43	8.45	8.43	8.43	8.43	8.43	8.43	8.43	8.43	8.46%	8.48%
NEXTEL Communications, Inc.	7.38	65332VBD4	Sr Nts	8/1/2015	BBB	7.00	6.80	6.78	6.80	7.02	7.39	7.89	7.26	7.10	7.21	7.21	7.64	7.18%	7.35%

Counts of data

197

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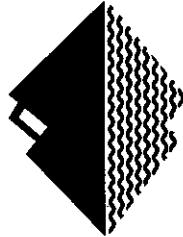
NOTES:

[REDACTED] means the data was not available in S&P Guide

[REDACTED] means issuance matured or called

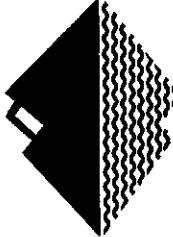
	Annual	4th Qtr
AAA's		
AA's	6.83%	6.69%
A's	5.89%	5.64%
BBB's	6.64%	6.64%
BB's	7.83%	8.58%
B's	7.88%	8.68%
CCC's	8.20%	8.40%
NR's	9.18%	9.80%
Investment Grade (BBB & above)		
ALL	6.77%	6.80%
BBB+ thru AAA	5.90%	5.65%
BB thru AAA	6.25%	6.17%

MONTANA DEPARTMENT OF REVENUE

Montana Department of
REVENUE**Direct Capitalization Rate Study****Industry: Cooperatives**
2008 Assessment Year

Direct Cap Rate Net Operating Income			
Electric Coops			
Industry Market Capital Structure		Net Operating Income Rate	
Equity	46.47% x	6.30%	=
Debt	53.53% x	5.35%	=
	<hr/> 100%	<hr/> 5.79%	
		Direct Cap Rate	6.00%
Direct Cap Rate Net Operating Income			
Telephone Coops			
Industry Market Capital Structure		Net Operating Income Rate	
Equity	68.87% x	6.60%	=
Debt	31.13% x	5.64%	=
	<hr/> 100%	<hr/> 6.30%	
		Direct Cap Rate	6.50%
Direct Cap Rate Net Operating Income			
ALL Coops			
Industry Market Capital Structure		Net Operating Income Rate	
Equity	52.68% x	6.41%	=
Debt	47.32% x	5.40%	=
	<hr/> 100%	<hr/> 5.93%	
		Direct Cap Rate	6.00%

MONTANA DEPARTMENT OF REVENUE



Montana Department of
REVENUE

Direct Capitalization Rate Study

Industry: Cooperatives
2008 Assessment Year

Direct Cap Rate Gross Cash Flow

Electric Coops

Industry Market Capital Structure		Cash Flow Rate		
Equity	46.47%	x	14.50%	= 6.74%
Debt	53.53%	x	5.35%	= 2.87%
	100%			9.60%

Direct Cap Rate 9.75%

Direct Cap Rate Gross Cash Flow

Telephone Coops

Industry Market Capital Structure		Cash Flow Rate		
Equity	68.87%	x	18.00%	= 12.40%
Debt	31.13%	x	5.64%	= 1.75%
	100%			14.15%

Direct Cap Rate 14.25%

Direct Cap Rate Gross Cash Flow

ALL Coops

Industry Market Capital Structure		Cash Flow Rate		
Equity	52.68%	x	15.77%	= 8.31%
Debt	47.32%	x	5.40%	= 2.56%
	100%			10.86%

Direct Cap Rate 11.00%

Support for Capital Structure and Rate Data For 2008

COOP	Number	Capital Structure				Debt Rate
		Total Margins & Equity <i>Rus Form Line 35</i>	Total Long-Term Debt <i>Rus Form Line 42</i>	Interest on Long-Term Debt <i>Rus Form Line 16</i>	Capital Structure	
ELECTRIC COOPS		Balance Sheet	Balance Sheet	Stmt of Operations		
700 Beartooth	4,892,103	9,531,059	542,939	33,92%	66,08%	5.70%
701 Big Horn County	7,331,307	6,406,877	339,781	53,36%	46,64%	5.30%
702 Big Horn Rural	11,899,461	7,214,550	399,253	62,26%	37,74%	5.53%
703 Big Flat	5,741,179	1,999,535	69,583	74,17%	26,83%	3.48%
706 Fall River Rural	24,934,068	49,349,768	2,441,549	33,57%	66,43%	4.95%
709 Fergus	13,995,216	14,311,890	560,377	49,44%	50,56%	3.92%
712 Flathead	45,678,233	133,811,111	8,638,580	25,45%	74,55%	6.46%
715 Glacier	14,606,651	17,386,117	903,096	45,66%	54,34%	5.19%
718 Golden West	1,720,769	3,551,675	185,611	32,64%	67,36%	5.23%
721 Grand	14,403,978	15,968,083	903,096	47,43%	52,57%	5.66%
724 Hill County	12,276,476	8,555,719	366,019	58,93%	41,07%	4.28%
727 Lincoln	6,579,758	10,318,239	556,742	40,54%	59,46%	4.39%
730 Lower Yellowstone	14,267,553	10,681,826	523,520	34,25%	65,75%	5.40%
733 Marias River	5,957,915	2,961,510	162,976			
736 McCona	7,225,354	12,255,197	527,258	37,09%	62,91%	4.30%
737 McKenzie	42,416,717	703,418	382,958	98,37%	1,63%	54.44%
739 Mid-Yellowstone	2,813,239	4,126,634	180,980	40,54%	59,46%	4.39%
742 Missoula	15,875,995	30,472,646	1,646,996	34,25%	65,75%	5.40%
745 Northern	4,318,428	6,173,290	288,005	41,16%	58,84%	4.67%
748 Northern Lights	28,761,561	38,203,032	1,984,753	42,95%	57,05%	5.20%
751 Park	13,394,924	6,493,701	464,172	67,35%	32,65%	7.15%
754 Sheridan	12,930,177	6,442,637	350,579	66,74%	33,26%	5.44%
757 Southeast	3,993,370	1,940,779	94,835	67,29%	32,71%	4.89%
760 Sun River	12,830,912	11,670,573	700,008	52,37%	47,63%	6.00%
763 Tongue River	6,932,059	12,997,337	531,683			
765 Powder River Energy Corp. (*)	124,341,131	99,912,033	4,254,282	55,45%	44,55%	4.26%
766 Valley	2,839,434	5,013,062	257,696	36,16%	63,84%	5.14%
769 Vigilante	12,360,977	10,842,024	638,458	53,27%	46,73%	5.89%
772 Yellowstone Valley	14,994,086	35,782,846	1,700,225	29,53%	70,47%	4.75%
775 Ravalli County Electric Coop	11,084,842	12,737,721	712,658	46,53%	53,47%	5.59%
778 Upper Missouri G & T	15,687,138	7,935,521	576,527	66,41%	33,59%	7.27%
(*) Coop largely operates mostly out of state						
TELEPHONE COOPS		B.S. LINE 58	B.S. LINE 46	I.S. LINE 22		
500 Blackfoot	39,369,374	28,632,841	1,671,786	57,89%	42,11%	5.84%
503 InterBel	10,735,942	5,660,792	298,312	65,48%	34,52%	5.27%
505 Mid Rivers	56,681,046	36,344,325	2,221,680	60,93%	39,07%	6.11%
510 Nemont (Auditor's report)	71,865,024	3,750,099	483,706	95,04%	4,96%	12.90%
515 Northern N/A(NO DEBT)						
520 Range	45,624,719	6,945,720	264,243	86,79%	13,21%	3.80%
522 Reservation (Need Rus Form)	19,241,090	13,836,119	654,039			
525 Three Rivers	49,315,424	24,074,014	1,343,160	67,20%	32,80%	5.58%
530 Triangle						
540 West River	1,065,052	13,582,398	548,589	7,27%	92,73%	4.04%
Electric Coop Totals						
Electric Coop Avg.(simple)	517,085,000	595,750,410	31,885,195	49,21%	50,79%	6.91%
Electric Coop Avg.(weighted)				46,47%	53,53%	5.35%
Telephone Coop Totals						
Telephone Coop Avg.(simple)	293,897,661	132,826,308	7,485,515	62,94%	37,06%	6.03%
Telephone Coop Avg.(weighted)				68,87%	31,13%	5.64%
Combined Totals						
Combined Avg.(simple)	810,982,661	728,576,718	39,370,710	51,88%	48,12%	6.72%
Combined Avg.(weighted)				52,68%	47,32%	5.40%

Table Showing The Implied Risk Premium Using Macroeconomic Data

This type of calculation can also be found in Chapter 9 of Ibbotson's SBBI, Supply Side Model

3 Stage Dividend Growth Model

Assumptions:

Stages	Years	Growth	Model 1
1st Stage	1-5 years	Constant @:	14.10%
2nd Stage	6-15 years	Linear from:	12.10% to 6.55%
3rd Stage	15 years -perpetuity	GDP Growth: Real / Inflation	3.00% to 4.00%
		GDP Growth* Real + Inflation	6.55%

Model 2
12.60%
OR
10.00% to 5.32%
+ 2.32% to 2.55%
to 5.32%

S & P GICS Composite 1500 Valuations as of 11/30/06, 12/2006

Monthly Investment Review.

Linear from 1st Stage to 3rd Stage

Inflation Range = Federal Reserve, Treasuries Inflation - Indexed

*GDP Growth = Real growth + Inflation

50 year United States Historical: Real = 3.5% Inflation = 3.0%,

GDP Growth = 6.5%

Model 1

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Starting Industry	Start Price	Expected Dividends	1st Stage Growth Rates						2nd Stage Growth Rates									
S & P 500	\$ (1,468.36)	\$ 31.55	\$ 36.00	\$ 41.07	\$ 46.86	\$ 53.47	\$ 61.01	\$ 69.20	\$ 78.00	\$ 87.39	\$ 97.32	\$ 107.70	\$ 118.45	\$ 129.46	\$ 140.61	\$ 151.75	\$ 162.74	\$ 173.40
			28															

Implied Market Return = 10.33%

Model 2

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Starting Industry	Start Price	Expected Dividends	1st Stage Growth Rates						2nd Stage Growth Rates									
S & P 500	\$ (1,468.36)	\$ 31.13	\$ 35.06	\$ 39.47	\$ 44.45	\$ 50.05	\$ 56.35	\$ 63.08	\$ 70.20	\$ 77.65	\$ 85.37	\$ 93.31	\$ 101.36	\$ 109.44	\$ 117.43	\$ 125.23	\$ 132.73	\$ 139.79

Implied Market Return = 8.99%

Conclusions:

Implied Market Rate Range =	8.99%	to	10.33%
Mean	9.66%		
Median	9.66%		
Market Rate Used	10.00%		

2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
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6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%
\$184.76	\$196.86	\$209.76	\$223.50	\$238.15	\$253.75	\$270.37	\$288.09	\$306.96	\$327.07	\$348.50	\$371.33	\$395.66	\$421.58	\$449.20	\$478.63	\$509.98	\$543.40	\$579.00	\$616.93	\$657.35	\$700.41

2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
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5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%
\$147.23	\$155.06	\$163.31	\$172.00	\$181.15	\$190.79	\$200.94	\$211.64	\$222.90	\$234.76	\$247.25	\$260.41	\$274.26	\$288.86	\$304.23	\$320.41	\$337.46	\$355.42	\$374.33	\$394.25	\$415.23	\$437.32

2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066
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6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	
\$746.30	\$795.20	\$847.29	\$902.80	\$961.95	\$1,024.97	\$1,092.12	\$1,163.67	\$1,239.91	\$1,321.14	\$1,407.70	\$1,499.92	\$1,598.19	\$1,702.90	\$1,814.46	\$1,933.34	\$2,060.00	\$2,194.96	\$2,338.76

2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066
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5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	
\$460.59	\$485.10	\$510.91	\$538.10	\$566.73	\$596.88	\$628.64	\$662.09	\$697.32	\$734.43	\$773.51	\$814.67	\$858.01	\$903.67	\$951.75	\$1,002.40	\$1,055.73	\$1,111.91	\$1,171.07

2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085
3rd Stage Growth Rates																		
6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	
\$2,491.99	\$2,655.25	\$2,829.21	\$3,014.57	\$3,212.06	\$3,422.50	\$3,646.73	\$3,885.64	\$4,140.21	\$4,411.46	\$4,700.47	\$5,008.43	\$5,336.55	\$5,686.18	\$6,058.71	\$6,455.64	\$6,878.59	\$7,329.24	\$7,809.41

2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085
3rd Stage Growth Rates																		
5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	
\$1,233.39	\$1,299.02	\$1,368.14	\$1,440.93	\$1,517.61	\$1,598.36	\$1,683.41	\$1,772.98	\$1,867.32	\$1,966.68	\$2,071.33	\$2,181.54	\$2,297.62	\$2,419.88	\$2,548.64	\$2,684.26	\$2,827.09	\$2,977.51	\$3,135.95

2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102
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6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%
\$8,321.04	\$8,866.20	\$9,447.07	\$10,065.99	\$10,725.46	\$11,428.14	\$12,176.86	\$12,974.62	\$13,824.66	\$14,730.38	\$15,695.44	\$16,723.73	\$17,819.38	\$18,986.82	\$20,230.74	\$21,556.16	\$22,968.41

2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102
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5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%
\$3,302.81	\$3,478.55	\$3,663.65	\$3,858.59	\$4,063.91	\$4,280.15	\$4,507.89	\$4,747.76	\$5,000.39	\$5,266.46	\$5,546.69	\$5,841.82	\$6,152.67	\$6,480.05	\$6,824.86	\$7,188.01	\$7,570.48

2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119
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6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%	6.552%
\$24,473.18	\$26,076.54	\$27,784.95	\$29,605.28	\$31,544.87	\$33,611.53	\$35,813.59	\$38,159.92	\$40,659.97	\$43,323.80	\$46,162.16	\$49,186.48	\$52,408.93	\$55,842.50	\$59,501.02	\$63,399.23	\$67,552.83

2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119
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5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%	5.321%
\$ 7,973.31	\$ 8,397.56	\$ 8,844.40	\$ 9,315.01	\$ 9,810.66	\$ 10,332.69	\$ 10,882.49	\$ 11,461.55	\$ 12,071.41	\$ 12,713.73	\$ 13,390.23	\$ 14,102.73	\$ 14,853.13	\$ 15,643.47	\$ 16,475.86	\$ 17,352.54	\$ 18,275.87

2120	2121	2122	2123	2124	2125
6.552%	6.552%	6.552%	6.552%	6.552%	6.552%
\$71,978.55	\$76,694.23	\$81,718.85	\$87,072.66	\$92,777.23	\$98,855.53

2120	2121	2122	2123	2124	2125
5.321%	5.321%	5.321%	5.321%	5.321%	5.321%
\$19,248.32	\$20,272.53	\$21,351.23	\$22,487.33	\$23,683.88	\$24,944.10

<i>Industry Name</i>	<i>Number of Firms</i>	<i>Beta</i>	<i>Cost of Equity</i>	<i>E/(D+E)</i>	<i>Std Dev in Stock</i>	<i>Cost of Debt</i>	<i>Tax Rate</i>	<i>After-tax Cost of Debt</i>	<i>D/(D+E)</i>	<i>Pre Tax Cost of Capital</i>	<i>After Tax Cost of Capital</i>
Advertising	40	1.6	11.69%	71.03%	93.79%	6.02%	14.93%	3.61%	28.97%	12.63%	9.35%
Aerospace/Defense	69	1.19	9.74%	86.07%	42.67%	5.27%	21.13%	3.16%	13.93%	11.33%	8.82%
Air Transport	49	1.4	10.70%	67.50%	41.21%	5.27%	17.38%	3.16%	32.50%	12.87%	8.25%
Apparel	57	0.87	8.19%	83.44%	66.77%	6.02%	25.25%	3.61%	16.56%	11.02%	7.44%
Auto & Truck	28	1.54	11.42%	50.46%	28.35%	4.77%	22.92%	2.86%	49.54%	17.12%	7.18%
Auto Parts	56	1.45	10.96%	68.15%	53.41%	5.52%	17.75%	3.31%	31.85%	13.12%	8.53%
Bank	504	0.63	7.04%	70.34%	24.47%	4.52%	27.88%	2.71%	29.66%	13.22%	5.75%
Bank (Canadian)	8	0.67	7.24%	94.42%	14.51%	4.27%	19.07%	2.56%	5.58%	7.90%	6.98%
Bank (Midwest)	38	0.85	8.11%	71.53%	18.18%	4.27%	27.80%	2.56%	28.47%	13.72%	6.53%
Beverage	44	0.89	8.26%	89.70%	52.03%	5.52%	16.73%	3.31%	10.30%	9.13%	7.75%
Biotechnology	103	1.51	11.23%	91.66%	72.36%	6.02%	4.11%	3.61%	8.34%	10.64%	10.59%
Building Materials	49	1.07	9.14%	77.23%	56.45%	5.52%	23.79%	3.31%	22.77%	12.48%	7.81%
Cable TV	23	1.56	11.50%	62.56%	46.29%	5.27%	20.04%	3.16%	37.44%	14.70%	8.38%
Canadian Energy	13	0.8	7.85%	85.71%	27.90%	4.77%	27.13%	2.86%	14.29%	10.61%	7.14%
Chemical (Basic)	19	1.52	11.32%	86.51%	64.99%	6.02%	16.97%	3.61%	13.49%	12.08%	10.28%
Chemical (Diversified)	37	1.16	9.56%	87.88%	33.99%	5.02%	26.20%	3.01%	12.12%	11.58%	8.77%
Chemical (Specialty)	90	1.06	9.12%	84.80%	52.19%	5.52%	19.01%	3.31%	15.20%	10.62%	8.24%
Coal	18	1.71	12.23%	87.63%	41.81%	5.27%	10.36%	3.16%	12.37%	12.00%	11.11%
Computer Software/Svcs	376	1.56	11.49%	96.68%	96.12%	6.02%	10.75%	3.61%	3.32%	11.47%	11.23%
Computers/Peripherals	144	1.86	12.94%	94.55%	82.49%	6.02%	8.41%	3.61%	5.45%	12.69%	12.43%
Diversified Co.	107	1.03	8.97%	86.24%	43.83%	5.27%	19.54%	3.16%	13.76%	10.42%	8.17%
Drug	368	1.78	12.56%	92.77%	85.41%	6.02%	5.95%	3.61%	7.23%	12.08%	11.91%
E-Commerce	56	2.08	13.98%	96.74%	76.02%	6.02%	15.82%	3.61%	3.26%	14.04%	13.64%
Educational Services	39	1.27	10.11%	98.66%	50.83%	5.52%	20.74%	3.31%	1.34%	10.25%	10.02%
Electric Util. (Central)	25	0.93	8.49%	57.90%	18.40%	4.27%	26.66%	2.56%	42.10%	16.14%	5.99%
Electric Utility (East)	27	0.84	8.05%	68.35%	19.07%	4.27%	29.51%	2.56%	31.65%	14.84%	6.32%
Electric Utility (West)	17	0.88	8.22%	62.38%	15.80%	4.27%	31.69%	2.56%	37.62%	17.05%	6.09%
Electrical Equipment	86	1.35	10.49%	55.29%	59.10%	5.52%	14.92%	3.31%	44.71%	12.47%	7.28%
Electronics	179	1.32	10.32%	87.59%	80.61%	6.02%	13.25%	3.61%	12.41%	10.68%	9.49%
Entertainment	93	1.53	11.37%	72.90%	98.22%	6.02%	15.50%	3.61%	27.10%	12.49%	9.27%
Entertainment Tech	38	2.06	13.88%	97.29%	52.14%	5.52%	9.03%	3.31%	2.71%	13.75%	13.59%
Environmental	89	1	8.80%	68.81%	90.86%	6.02%	11.44%	3.61%	31.19%	9.62%	7.18%
Financial Svcs. (Div.)	294	1.14	9.48%	34.07%	48.82%	5.27%	17.36%	3.16%	65.93%	14.68%	5.32%
Food Processing	123	0.77	7.70%	84.72%	38.83%	5.02%	19.34%	3.01%	15.28%	9.48%	6.99%
Food Wholesalers	19	0.79	7.81%	67.43%	47.08%	5.27%	31.85%	3.16%	32.57%	15.64%	6.30%
Foreign Electronics	10	1.08	9.21%	82.70%	20.69%	4.52%	33.95%	2.71%	17.30%	13.49%	8.09%
Furn/Home Furnishings	39	1.1	9.29%	76.08%	41.33%	5.27%	23.96%	3.16%	23.92%	12.80%	7.82%
Grocery	15	0.99	8.76%	76.80%	28.91%	4.77%	28.20%	2.86%	23.20%	13.27%	7.39%
Healthcare Information	38	0.91	8.37%	88.73%	47.09%	5.27%	14.55%	3.16%	11.27%	9.07%	7.78%
Heavy Construction	12	1.25	9.99%	96.53%	43.26%	5.27%	29.84%	3.16%	3.47%	10.68%	9.75%
Home Appliance	11	0.95	8.59%	82.20%	28.66%	4.77%	15.98%	2.86%	17.80%	9.91%	7.57%
Homebuilding	36	1.64	11.90%	43.70%	40.57%	5.27%	23.61%	3.16%	56.30%	18.49%	6.98%
Hotel/Gaming	75	1.25	10.03%	73.79%	66.57%	6.02%	12.97%	3.61%	26.21%	10.80%	8.35%
Household Products	28	0.89	8.30%	85.38%	43.77%	5.27%	29.49%	3.16%	14.62%	11.40%	7.55%

Industry Name	Number of Firms	Beta	Cost of Equity	E/(D+E)	Std Dev in Stock	Cost of Debt	Tax Rate	After-tax Cost of Debt	D/(D+E)	Pre Tax Cost of Capital	After Tax Cost of Capital
Human Resources	35	1.38	10.61%	93.01%	53.99%	5.52%	23.43%	3.31%	6.99%	11.51%	10.10%
Industrial Services	196	1.22	9.86%	80.78%	71.93%	6.02%	16.12%	3.61%	19.22%	11.06%	8.66%
Information Services	38	1.05	9.04%	90.86%	33.76%	5.02%	19.94%	3.01%	9.14%	10.04%	8.49%
Insurance (Life)	40	0.94	8.54%	92.27%	42.35%	5.27%	27.97%	3.16%	7.73%	10.04%	8.13%
Insurance (Prop/Cas.)	87	0.89	8.29%	98.80%	26.89%	4.77%	19.80%	2.86%	1.20%	8.43%	8.22%
Internet	266	1.97	13.47%	98.20%	92.64%	6.02%	6.76%	3.61%	1.80%	13.35%	13.29%
Investment Co.	18	0.71	7.42%	99.46%	13.96%	4.27%	0.00%	2.56%	0.54%	7.38%	7.39%
Investment Co.(Foreign)	15	1.31	10.28%	100.00%	23.12%	4.52%	2.20%	2.71%	0.00%	10.28%	10.28%
Machinery	126	1.19	9.72%	80.82%	45.67%	5.27%	22.70%	3.16%	19.18%	12.21%	8.46%
Manuf. Housing/RV	18	1.92	13.21%	87.53%	43.47%	5.27%	16.88%	3.16%	12.47%	13.67%	11.95%
Maritime	52	0.87	8.21%	66.36%	26.20%	4.77%	5.49%	2.86%	33.64%	7.29%	6.41%
Medical Services	178	1.1	9.28%	83.91%	65.30%	6.02%	16.18%	3.61%	16.09%	10.39%	8.36%
Medical Supplies	274	1.43	10.89%	92.56%	71.34%	6.02%	11.47%	3.61%	7.44%	10.93%	10.34%
Metal Fabricating	37	1.19	9.72%	90.77%	53.39%	5.52%	18.27%	3.31%	9.23%	10.51%	9.13%
Metals & Mining (Div.)	78	1.05	9.07%	93.84%	87.77%	6.02%	7.73%	3.61%	6.16%	8.99%	8.73%
Natural Gas (Div.)	31	0.93	8.46%	76.90%	29.43%	4.77%	22.37%	2.86%	23.10%	11.67%	7.17%
Natural Gas Utility	26	0.78	7.74%	60.12%	31.45%	5.02%	25.92%	3.01%	39.88%	14.99%	5.85%
Newspaper	18	1.21	9.83%	66.65%	27.94%	4.77%	22.27%	2.86%	33.35%	13.98%	7.51%
Office Equip/Supplies	25	1.13	9.44%	75.64%	38.54%	5.02%	27.71%	3.01%	24.36%	13.89%	7.87%
Oil/Gas Distribution	15	0.72	7.45%	71.71%	17.26%	4.27%	5.20%	2.56%	28.29%	6.81%	6.07%
Oilfield Svcs/Equip.	113	1.1	9.29%	89.88%	44.27%	5.27%	20.11%	3.16%	10.12%	10.38%	8.67%
Packaging & Container	35	1.12	9.40%	65.58%	43.46%	5.27%	21.03%	3.16%	34.42%	13.40%	7.25%
Paper/Forest Products	39	0.93	8.47%	71.00%	36.74%	5.02%	14.27%	3.01%	29.00%	10.15%	6.89%
Petroleum (Integrated)	26	1.02	8.91%	92.62%	35.52%	5.02%	32.20%	3.01%	7.36%	10.63%	8.47%
Petroleum (Producing)	186	1	8.81%	83.97%	64.45%	6.02%	14.95%	3.61%	16.03%	9.79%	7.97%
Pharmacy Services	19	1.07	9.13%	91.08%	34.38%	5.02%	21.25%	3.01%	8.92%	10.21%	8.58%
Power	58	1.87	12.99%	89.32%	94.92%	6.02%	8.06%	3.61%	10.68%	12.46%	11.99%
Precious Metals	84	1.11	9.34%	93.29%	65.41%	6.02%	4.90%	3.61%	6.71%	9.04%	8.96%
Precision Instrument	103	1.66	11.97%	90.58%	99.31%	6.02%	16.50%	3.61%	9.42%	12.40%	11.18%
Property Management	12	0.91	8.36%	53.43%	22.35%	4.52%	15.99%	2.71%	46.57%	11.91%	5.73%
Publishing	40	1.35	10.50%	74.49%	42.89%	5.27%	15.56%	3.16%	25.51%	11.79%	8.63%
R.E.I.T.	147	0.9	8.34%	71.18%	27.38%	4.77%	1.16%	2.86%	28.82%	6.27%	6.76%
Railroad	16	1.23	9.91%	79.33%	31.95%	5.02%	32.19%	3.01%	20.67%	14.52%	8.48%
Recreation	73	1.54	11.38%	78.00%	48.17%	5.27%	18.25%	3.16%	22.00%	12.89%	9.58%
Reinsurance	11	1.01	8.88%	93.94%	20.75%	4.52%	10.70%	2.71%	6.06%	8.99%	8.50%
Restaurant	75	0.93	8.47%	87.46%	47.71%	5.27%	20.74%	3.16%	12.54%	10.01%	7.80%
Retail (Special Lines)	164	1.26	10.04%	88.98%	46.60%	5.27%	22.68%	3.16%	11.02%	11.43%	9.28%
Retail Automotive	16	1.58	11.58%	70.35%	27.92%	4.77%	36.04%	2.86%	29.65%	18.83%	8.99%
Retail Building Supply	9	1.23	9.92%	83.76%	25.89%	4.77%	37.24%	2.86%	16.24%	14.36%	8.77%
Retail Store	42	1.11	9.34%	85.26%	44.82%	5.27%	24.46%	3.16%	14.74%	11.57%	8.43%
Securities Brokerage	31	1.66	11.97%	44.81%	42.27%	5.27%	22.95%	3.16%	55.19%	18.03%	7.11%
Semiconductor	138	2.59	16.44%	95.67%	63.57%	6.02%	11.65%	3.61%	4.33%	16.23%	15.88%
Semiconductor Equip	16	2.51	16.04%	91.82%	37.16%	5.02%	25.66%	3.01%	8.18%	16.83%	14.97%
Shoe	20	1.47	11.05%	97.44%	37.82%	5.02%	32.17%	3.01%	2.56%	11.59%	10.84%
Steel (General)	26	1.71	12.21%	90.08%	37.43%	5.02%	30.16%	3.01%	9.92%	13.99%	11.30%

Industry Name	Number of Firms	Beta	Cost of Equity	E/(D+E)	Std Dev in Stock	Cost of Debt	Tax Rate	After-tax Cost of Debt	D/(D+E)	Pre Tax Cost of Capital	After Tax Cost of Capital
Steel (Integrated)	14	1.97	13.48%	84.10%	64.44%	6.02%	23.94%	3.61%	15.90%	15.14%	11.91%
Telecom. Equipment	124	1.98	13.49%	94.78%	75.79%	6.02%	12.78%	3.61%	5.22%	13.45%	12.97%
Telecom. Services	152	1.34	10.42%	74.79%	73.68%	6.02%	12.42%	3.61%	25.21%	10.92%	8.71%
Thrift	234	0.59	6.83%	79.24%	23.92%	4.52%	20.69%	2.71%	20.76%	9.71%	5.97%
Tobacco	11	0.7	7.37%	92.99%	74.35%	6.02%	27.57%	3.61%	7.01%	8.79%	7.11%
Toiletries/Cosmetics	21	0.85	8.11%	86.04%	37.37%	5.02%	18.34%	3.01%	13.96%	9.54%	7.39%
Trucking	32	1.04	9.01%	67.21%	35.04%	5.02%	31.50%	3.01%	32.79%	16.38%	7.04%
Utility (Foreign)	6	1.01	8.87%	97.00%	22.63%	4.52%	0.00%	2.71%	3.00%	8.60%	8.68%
Water Utility	16	0.78	7.75%	66.25%	33.61%	5.02%	33.23%	3.01%	33.75%	16.35%	6.15%
Wireless Networking	74	2.2	14.58%	87.65%	67.14%	6.02%	11.52%	3.61%	12.35%	14.20%	13.22%
Market	7364	1.24	9.97%	79.93%	57.01%	5.52%	16.25%	3.31%	20.07%	11.23%	8.64%

Last Updated in January 2006

By Aswath Damodaran

Montana Department of Revenue 2008 Capitalization Rate Study
Inflation Rate for 2008

Downloaded from H.15 Selected Interest Rates for Feb 26, 2008

<http://federalreserve.gov>

Series Description	Market yield on U.S. Treasury securities at 1-year constant maturity, quoted on investment basis	Market yield on U.S. Treasury securities at 5-year constant maturity, quoted on investment basis, inflation-indexed	Market yield on U.S. Treasury securities at 10-year constant maturity, quoted on investment basis, inflation-indexed	Market yield on U.S. Treasury securities at 20-year constant maturity, quoted on investment basis, inflation-indexed	Market yield on U.S. Treasury securities at 20-year constant maturity, quoted on investment basis, inflation-indexed						
Unit:	Percent:_Per_Year	Percent:_Per_Year	Percent:_Per_Year	Percent:_Per_Year	Percent:_Per_Year						
Multiplier:	1	1	1	1	1						
Currency:	NA	NA	NA	NA	NA						
Unique Identifier:	H15/H15/RIFLGFCYH15/H15/RIFLGFCYH15/H15/RIFLGFCY05 H15/H15/RIFLGFCY1H15/H15/RIFLGFCY1 H15/H15/RIFLGFCY2H15/H15/RIFLGFCY: Inflation on 10 year	Average	Inflation on 20 year	Average							
Date:	RIFLGFCY01	RIFLGFCY05	RIFLGFCY10	RIFLGFCY20	NMF	RIFLGFCY20_NMF					
2007-10-02	4.24	4.38	2.2	4.67	2.34	4.95	2.37	2.33	2.32	2.58	2.5515
2007-10-03	4.14	4.23	2.02	4.57	2.23	4.88	2.31	2.34	2.34	2.57	
2007-10-04	3.97	4.04	1.84	4.39	2.08	4.72	2.17	2.31	2.31	2.55	
2007-10-05	3.93	4.04	1.77	4.39	2.03	4.71	2.14	2.36	2.36	2.57	
2007-10-09	3.72	3.89	1.52	4.32	1.9	4.68	2.07	2.42	2.42	2.61	
2007-10-16	3.58	3.77	1.43	4.22	1.84	4.61	2.05	2.38	2.38	2.56	
2007-10-23	3.3	3.48	1.18	4.04	1.66	4.49	1.95	2.38	2.38	2.54	
2007-10-30	3.25	3.39	1.13	3.94	1.6	4.4	1.87	2.34	2.34	2.53	
2007-11-06	3.17	3.35	1.19	3.97	1.69	4.46	2.01	2.28	2.28	2.45	Average of 10 & 20 year
2007-11-13	3.2	3.49	1.32	4.12	1.83	4.61	2.13	2.29	2.29	2.48	2.43575
2007-11-20	3.28	3.52	1.27	4.12	1.79	4.58	2.06	2.33	2.33	2.52	
2007-11-27	3.42	3.63	1.34	4.21	1.87	4.66	2.13	2.34	2.34	2.53	
2008-01-03	3.18	3.29	1.02	3.94	1.62	4.43	1.91	2.32	2.32	2.52	
2008-01-10	3.04	3.13	0.96	3.85	1.59	4.4	1.89	2.26	2.26	2.51	
2008-01-17	2.83	2.97	0.86	3.72	1.47	4.32	1.8	2.25	2.25	2.52	
2008-01-24	2.31	2.74	0.75	3.58	1.34	4.28	1.73	2.24	2.24	2.55	
2008-02-07	2.23	2.84	0.74	3.67	1.36	4.35	1.74	2.31	2.31	2.61	
2008-02-14	2.08	2.72	0.72	3.66	1.38	4.39	1.77	2.28	2.28	2.62	
2008-02-21	2.04	2.73	0.68	3.72	1.43	4.49	1.89	2.29	2.29	2.6	
2008-02-28	2.1	2.89	0.71	3.85	1.5	4.58	1.97	2.35	2.35	2.61	