

NEVADA DEPARTMENT OF TAXATION - DOAS 2014-2015 CAPITALIZATION RATE COMPARISON

	INDUSTRY	FIRMS	MODEL	STRUCTURE C.E. / P.E. / D	EQUITY COST	EQUITY + FLOTATION	PREF. COST	PREF. + FLOTATION	DEBT COST	DEBT + FLOTATION	2014-2015 WACC - DIR CAP	REF. 2013-2014	REF. 2012-2013	REF. 2011-2012
1	AIRLINE ALL COMPANIES	12	DIRECT CAP	63.5%/0.0%/36.5%	7.8552%	8.0981%	0.0000%	0.0000%	5.5837%	5.6118%	7.1915%	6.4537%	7.2512%	6.6301%
2	AIRLINE ALL FREIGHT	2	DIRECT CAP	90.8%/0.0%/9.2%	6.3459%	6.5422%	0.0000%	0.0000%	2.9502%	2.9650%	6.2146%	5.8234%	5.2254%	4.8443%
3	ELECTRIC - ALL	12	DIRECT CAP	59.7%/0.0%/39.0%	7.0817%	7.3007%	5.8294%	6.0221%	5.1922%	5.2183%	6.3917%	6.8744%	6.9621%	7.8367%
4	ELECTRIC - LARGE	4	DIRECT CAP	60.1%/0.5%/37.7%	7.1237%	7.3440%	5.8294%	6.0221%	4.9658%	4.9908%	6.3285%	6.8744%	6.9621%	7.8367%
5	ELECTRIC - SMALL	9	DIRECT CAP	59.6%/0.0%/40.4%	6.9636%	7.1790%	0.0000%	0.0000%	5.7609%	5.7899%	6.6171%	6.3994%	6.9738%	7.4427%
6	GAS/PIPE DISTRIBUTION	10	DIRECT CAP	67.7%/0.0%/32.3%	5.9738%	6.1586%	0.0000%	0.0000%	5.9857%	6.0158%	6.1124%	6.2932%	6.6966%	7.1780%
7	GAS/PIPE DIVERSIFIED	9	DIRECT CAP	71.8%/0.0%/28.0%	3.6575%	3.7707%	0.0000%	0.0000%	4.6683%	4.6918%	4.0206%	5.3522%	6.4260%	6.2831%
8	RAILROAD	5	DIRECT CAP	81.9%/0.0%/18.1%	6.9682%	7.1837%	0.0000%	0.0000%	5.8005%	5.8296%	6.9389%	6.4747%	7.2533%	6.9550%
9	TELECOM (ALL)	7	DIRECT CAP	74.3%/0.0%/25.7%	4.4838%	4.6225%	0.0000%	0.0000%	4.7288%	4.7525%	4.6559%	6.1536%	7.1291%	6.6690%
10	ALTERNATIVE ENERGY CO.	12	DIRECT CAP	58.0%/0.0%/42.0%	5.7286%	5.9058%	0.0000%	0.0000%	5.1584%	5.1843%	5.6031%	12.1011%		

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OTHER 2014-2015 STUDIES

	REFERENCE ONLY INDUSTRY	SOURCE	STRUCTURE	EQUITY COST	EQUITY + FLOTATION	PREF. COST	PREF. + FLOTATION	DEBT COST	DEBT + FLOTATION	2014-2015 WACC	REF. 2013-2014	REF. 2012-2013	REF. 2011-2012
1	AIRLINE *	NEW YORK U.	62.9% / 0.0%/37.1%	7.7300%	NO DATA	NO DATA	NO DATA	2.5600%	NO DATA	5.8100%	7.9300%	7.5200%	7.6400%
2	ELECTRIC (West) *	NEW YORK U.	55.1%/0.0%/44.9%	5.1400%	NO DATA	NO DATA	NO DATA	1.6000%	NO DATA	3.5500%	4.2100%	5.1700%	5.4600%
3	GAS/PIPELINE DIV *	NEW YORK U.	70.9%/0.0%/29.1%	9.1600%	NO DATA	NO DATA	NO DATA	2.1500%	NO DATA	7.1200%	7.8100%	8.1400%	8.0700%
4	GAS/PIPELINE UTILITY *	NEW YORK U.	60.2%/0.0%/39.8%	4.4000%	NO DATA	NO DATA	NO DATA	1.9700%	NO DATA	3.4300%	4.1600%	5.2700%	5.5500%
5	RAILROAD *	NEW YORK U.	81.0%/0.0%/19.0%	9.4000%	NO DATA	NO DATA	NO DATA	1.9700%	NO DATA	7.9900%	8.8800%	8.3100%	8.2700%
6	TELECOM (Utility)) *	NEW YORK U.	48.0%/0.0%/52.0%	7.0800%	NO DATA	NO DATA	NO DATA	2.0200%	NO DATA	4.4500%	4.8200%	6.2400%	7.9400%
7	AIRLINE PASSENGER *	COLO. ST. BD.	43.0%/0.0%/57.0%	13.6200%	NO DATA	NO DATA	NO DATA	9.9600%	NO DATA	11.5300%	10.5000%	13.5000%	13.5000%
8	AIRLINE CARGO *	COLO. ST. BD.	75.0%/0.0%/25.0%	13.4300%	NO DATA	NO DATA	NO DATA	4.7490%	NO DATA	11.2700%	10.4300%	12.2800%	12.2800%
9	ELECTRIC *	COLO. ST. BD.	59.0%/0.0%/41.0%	10.0600%	NO DATA	NO DATA	NO DATA	4.8300%	NO DATA	7.9200%	8.2700%	8.6700%	8.8000%
10	GAS/PIPELINE DISTRI *	COLO. ST. BD.	73.0%/0.0%/27.0%	9.2300%	NO DATA	NO DATA	NO DATA	4.7700%	NO DATA	8.0300%	8.2900%	8.5900%	8.7900%
11	GAS/PIPELINE TRANSM *	COLO. ST. BD.	65.0%/0.0%/35.0%	13.3200%	NO DATA	NO DATA	NO DATA	5.2300%	NO DATA	10.4900%	10.3200%	10.0100%	10.2200%
12	RAILROAD *	COLO. ST. BD.	79.0%/0.0%/21.0%	13.4300%	NO DATA	NO DATA	NO DATA	4.4200%	NO DATA	11.5400%	11.7300%	11.8600%	11.6200%
13	TELECOM CLECS/LD TELCO	COLO. ST. BD.	65.0%/0.0%/35.0%	12.1500%	NO DATA	NO DATA	NO DATA	7.3000%	NO DATA	10.4500%	10.5800%	10.2800%	10.4700%
14	TELECOM LD *	COLO. ST. BD.	45.0%/0.0%/55.0%	11.5000%	NO DATA	NO DATA	NO DATA	8.8300%	NO DATA	10.0300%	0.0000%	12.9200%	13.5100%
15	TELECOM -WIRELESS AUS/SPRINT last yrs										9.3800%	9.3800%	10.8600%
16	TELECOM-LEC'sNonRateReg AUS /AT&T last yrs										9.3100%	9.3100%	10.6600%
17	ELECTRIC ID. PWR.										8.5000%	9.2000%	10.3000%
18	RAILROAD * UNION PACIFIC		80%/0%/20%	13.6000%	14.0200%	NO DATA	NO DATA	4.9400%	4.9600%	12.2100%	12.4800%	12.2400%	12.3300%
19	RAILROAD TAX REPTS										12.4500%	0.0000%	0.0000%
20	ELECTRIC SCE										0.0000%	0.0000%	0.0000%
21	AIRLINE SOUTHWEST										NO DATA	NO DATA	NO DATA
22	AIRLINE-MAJOR LAST YRS ATA-THOMSON										14.2300%	14.2300%	15.0100%
23	AIRLINE-NON MAJOR lastyrs ATA-THOMSON										14.1600%	14.1600%	17.3300%
24	AIRLINE MAJOR DUFF&PHELPS										12.7200%	NO DATA	NO DATA
25	AIRLINE NON-MAJOR DUFF&PHELPS										12.8800%	NO DATA	NO DATA

NOTE: NEW YORK UNIVERSITY COST OF DEBT SHOWN ABOVE IS AFTER-TAX

CAL. ST. BD. DATA IS NOT USED BECAUSE IT IS ONLY COMPANY SPECIFIC, NOT INDUSTRY TOTALS.