

**Exhibit CCW-2**

**Valuation Metrics**

**Witness: Christopher C. Walters**

## Louisville Gas and Electric Company

### Electric Utilities (Valuation Metrics)

Line	Company	Price to Earnings (P/E) Ratio <sup>1</sup>															
		15-Year															
		Average (1)	2016 <sup>2</sup> (2)	2015 (3)	2014 (4)	2013 (5)	2012 (6)	2011 (7)	2010 (8)	2009 (9)	2008 (10)	2007 (11)	2006 (12)	2005 (13)	2004 (14)	2003 (15)	2002 (16)
1	ALLETE	17.17	21.40	15.06	17.23	18.59	15.88	14.66	15.98	16.08	13.95	14.78	16.55	17.91	25.21	N/A	N/A
2	Alliant Energy	15.46	22.10	18.07	16.60	15.28	14.50	14.45	12.47	13.86	13.43	15.08	16.82	12.59	14.00	12.69	19.93
3	Ameren Corp.	15.08	17.90	17.55	16.71	16.52	13.35	11.93	9.66	9.26	14.21	17.45	19.39	16.72	16.28	13.51	15.78
4	American Electric Power	13.43	14.50	15.77	15.88	14.49	13.77	11.92	13.42	10.03	13.06	16.27	12.91	13.70	12.42	10.66	12.68
5	Avangrid, Inc.	29.12	17.30	40.94	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Avista Corp.	17.68	19.90	17.60	17.28	14.64	19.30	14.08	12.74	11.42	14.97	30.88	15.39	19.45	24.43	13.84	19.27
7	Black Hills	17.31	19.00	16.14	19.03	18.24	17.13	31.13	18.10	9.93	N/A	15.02	15.77	17.27	17.13	15.95	12.52
8	CenterPoint Energy	14.17	18.60	18.10	16.96	18.75	14.85	14.58	13.78	11.81	11.27	15.00	10.27	19.06	17.84	6.05	5.59
9	CMS Energy Corp.	16.22	19.40	18.29	17.30	16.32	15.07	13.62	12.46	13.56	10.87	26.84	22.18	12.60	12.39	N/A	N/A
10	Consol. Edison	14.90	18.50	15.59	15.90	14.72	15.39	15.08	13.30	12.55	12.29	13.78	15.49	15.13	18.21	14.30	13.28
11	Dominion Resources	17.63	19.20	22.14	22.97	19.25	18.91	17.27	14.35	12.74	13.78	20.63	15.98	24.89	15.07	15.24	12.05
12	DTE Energy	15.04	18.20	18.11	14.91	17.92	14.89	13.51	12.27	10.41	14.81	18.27	17.43	13.80	16.04	13.69	11.28
13	Duke Energy	16.21	17.90	18.22	17.91	17.45	17.46	13.76	12.69	13.32	17.28	16.13	N/A	N/A	N/A	N/A	N/A
14	Edison Int'l	13.73	18.50	14.77	13.05	12.70	9.71	11.81	10.32	9.72	12.36	16.03	12.99	11.74	37.59	6.97	7.78
15	El Paso Electric	16.74	17.90	18.33	16.38	15.88	14.47	12.60	10.72	10.79	11.89	15.26	16.92	26.72	22.03	18.26	22.99
16	Empire District Electric	18.17	23.80	18.71	16.21	15.00	15.76	15.76	16.75	14.34	17.26	21.70	15.92	24.50	24.81	15.83	16.18
17	Entergy Corp.	13.66	15.70	12.53	12.89	13.21	11.22	9.06	11.57	11.98	16.56	19.30	14.28	16.28	15.09	13.77	11.53
18	Eversource Energy	17.37	17.50	18.11	17.92	16.94	19.86	15.35	13.42	11.96	13.66	18.75	27.07	19.76	20.77	13.35	16.07
19	Exelon Corp.	14.08	13.00	12.58	16.02	13.43	19.08	11.30	10.97	11.49	17.97	18.22	16.53	15.37	12.99	11.77	10.46
20	FirstEnergy Corp.	17.80	17.80	17.02	39.79	13.06	21.10	22.39	11.75	13.02	15.64	15.59	14.23	16.07	14.13	22.47	12.95
21	Fortis Inc.	19.30	20.20	18.00	24.29	19.97	20.12	18.79	18.22	16.36	17.48	21.14	17.68	N/A	N/A	N/A	N/A
22	Great Plains Energy	15.67	20.20	19.37	16.47	14.19	15.53	16.11	12.10	16.03	20.55	16.35	18.30	13.96	12.59	12.23	11.09
23	Hawaiian Elec.	17.88	14.70	20.40	15.88	16.21	15.81	17.09	18.59	19.79	23.16	21.57	20.33	18.27	19.18	13.76	13.47
24	IDACORP, Inc.	15.73	20.90	16.22	14.67	13.45	12.41	11.54	11.83	10.20	13.93	18.19	15.07	16.70	15.49	26.51	18.88
25	MGE Energy	17.52	26.20	20.28	17.19	17.01	17.23	15.82	14.98	15.14	14.22	15.01	15.88	22.40	17.98	17.55	15.96
26	NextEra Energy, Inc.	15.50	21.50	16.89	17.25	16.57	14.43	11.54	10.83	13.42	14.48	18.90	13.65	17.88	13.65	17.88	13.60
27	NorthWestern Corp	16.61	16.50	18.36	16.24	16.86	15.72	12.62	12.90	11.54	13.87	21.74	25.95	17.09	N/A	N/A	N/A
28	OGE Energy	14.57	16.30	17.69	18.27	17.69	15.16	14.37	13.31	10.83	12.41	13.75	13.68	14.95	14.13	11.84	14.12
29	Otter Tail Corp.	24.75	24.60	18.20	18.84	21.12	21.75	47.48	55.10	31.16	30.06	19.02	17.35	15.40	17.34	17.77	16.01
30	PG&E Corp.	16.33	16.20	26.40	15.00	23.67	20.70	15.46	15.80	13.01	12.08	16.85	14.84	15.37	13.81	9.50	N/A
31	Pinnacle West Capital	15.28	18.70	16.04	15.89	15.27	14.35	14.60	12.57	13.74	16.07	14.93	13.69	19.24	15.80	13.96	14.43
32	PNM Resources	17.62	19.90	16.85	18.68	16.13	14.97	14.53	14.05	18.09	N/A	35.65	15.57	17.38	15.02	14.73	15.08
33	Portland General	15.84	20.00	17.71	15.32	16.88	13.98	12.37	12.00	14.40	16.30	11.94	23.35	N/A	N/A	N/A	N/A
34	PPL Corp.	14.18	14.60	13.92	14.08	12.84	10.88	10.52	11.93	25.69	17.64	17.26	14.10	15.12	12.51	10.59	11.06
35	Public Serv. Enterprise	13.05	14.00	12.41	12.61	13.50	12.79	10.40	10.37	10.04	13.65	16.54	17.81	16.74	14.26	10.58	10.00
36	SCANA Corp.	13.97	17.50	14.67	13.68	14.43	14.80	13.67	12.93	11.63	12.67	14.96	15.42	14.44	13.57	13.05	12.17
37	Sempra Energy	13.71	20.20	19.73	21.87	19.68	14.89	11.77	12.60	10.09	11.80	14.01	11.50	11.79	8.65	8.96	8.19
38	Southern Co.	15.73	18.30	15.85	16.04	16.19	16.97	15.85	14.90	13.52	16.13	15.95	16.19	15.92	14.68	14.83	14.63
39	Vectren Corp.	16.62	19.30	17.92	19.98	20.66	15.02	15.83	15.10	12.89	16.79	15.33	18.92	15.11	17.57	14.80	14.16
40	WEC Energy Group	15.55	18.20	21.33	17.71	16.50	15.76	14.25	14.01	13.35	14.77	16.47	15.97	14.46	17.51	12.43	10.46
41	Westar Energy	15.14	22.90	18.45	15.36	14.04	13.43	14.78	12.96	14.95	16.96	14.10	12.18	14.79	17.44	10.78	14.02
42	Xcel Energy Inc.	16.50	18.10	16.54	15.44	15.04	14.82	14.24	14.13	12.66	13.69	16.65	14.80	15.36	13.65	11.62	40.80
43	Average	16.04	18.74	18.02	17.36	16.35	15.69	15.31	14.34	13.58	15.23	17.84	16.46	16.73	16.79	13.76	14.37
44	Median	15.30	18.50	17.82	16.47	16.21	15.07	14.37	12.93	12.89	14.22	16.47	15.90	15.99	15.49	13.69	13.54

Sources:

1 The Value Line Investment Survey Investment Analyzer Software, downloaded on December 14, 2016.

2 The Value Line Investment Survey, November 18, and December 16, 2016 and January 27, 2017.

## Louisville Gas and Electric Company

### Electric Utilities (Valuation Metrics)

Line	Company	Market Price to Cash Flow (MP/CF) Ratio <sup>1</sup>															
		15-Year															
		Average (1)	2016 <sup>2/a</sup> (2)	2015 (3)	2014 (4)	2013 (5)	2012 (6)	2011 (7)	2010 (8)	2009 (9)	2008 (10)	2007 (11)	2006 (12)	2005 (13)	2004 (14)	2003 (15)	2002 (16)
1	ALLETE	9.27	8.75	7.49	8.80	9.15	8.18	7.91	8.04	8.51	9.29	10.30	11.06	11.54	11.46	N/A	N/A
2	Alliant Energy	7.11	10.35	8.86	8.40	7.52	7.50	7.21	6.59	6.23	7.49	7.92	8.00	5.09	5.52	4.76	5.20
3	Ameren Corp.	6.71	7.13	6.87	6.95	6.61	5.48	5.02	4.23	4.25	6.35	7.69	8.57	8.57	8.24	6.74	7.96
4	American Electric Power	5.96	7.63	7.09	7.00	6.57	5.93	5.46	5.54	4.71	5.71	6.84	5.54	6.07	5.50	4.69	5.19
5	Avangrid, Inc.	10.15	8.99	11.30	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Avista Corp.	6.33	8.11	6.76	7.30	6.21	6.88	6.40	5.80	4.06	5.12	7.58	5.30	6.58	7.58	5.36	5.90
7	Black Hills	7.35	8.22	8.06	8.81	8.03	6.04	7.85	6.16	4.25	11.26	7.62	6.92	7.57	6.89	6.89	5.92
8	CenterPoint Energy	4.69	5.96	5.75	6.25	6.56	5.15	5.39	4.70	4.05	4.29	5.17	3.94	4.70	4.26	2.08	2.16
9	CMS Energy Corp.	5.20	8.38	7.53	7.13	6.68	6.03	5.41	4.48	3.64	3.45	5.57	4.40	4.04	3.20	2.88	NMF
10	Consol. Edison	8.05	9.32	7.96	7.89	7.77	8.31	8.15	7.39	6.72	6.89	8.31	8.65	8.59	9.31	7.90	7.64
11	Dominion Resources	9.13	11.01	11.84	12.27	10.88	9.92	9.45	8.12	6.98	8.27	8.65	7.81	10.09	7.68	7.51	6.53
12	DTE Energy	5.85	8.62	8.52	6.42	6.65	5.91	5.18	4.69	3.59	4.90	5.73	5.21	5.54	6.00	5.62	5.20
13	Duke Energy	7.48	8.23	7.95	8.12	8.11	9.53	6.56	6.01	5.96	7.13	7.16	N/A	N/A	N/A	N/A	N/A
14	Edison Int'l	5.15	6.57	5.92	5.68	5.46	4.59	4.22	4.11	3.95	5.63	7.01	5.87	5.61	6.84	2.82	2.96
15	El Paso Electric	5.51	7.23	6.47	6.33	6.19	5.78	5.16	4.31	3.98	4.95	6.44	6.25	6.67	4.65	3.90	4.39
16	Empire District Electric	7.69	8.43	7.27	7.29	7.07	6.97	6.43	6.88	6.23	6.94	8.78	8.17	9.20	9.60	8.22	7.93
17	Entergy Corp.	5.84	4.11	4.11	4.21	4.03	4.23	3.90	4.66	5.68	7.96	9.21	7.16	8.76	7.12	6.84	5.57
18	Eversource Energy	6.30	11.04	10.12	10.14	8.08	9.30	6.99	4.97	4.61	4.12	6.18	6.02	3.55	3.78	2.85	2.75
19	Exelon Corp.	6.29	4.30	4.70	5.09	4.61	5.54	5.86	5.10	5.98	9.65	9.89	8.62	7.97	6.29	5.71	4.97
20	FirstEnergy Corp.	6.32	5.48	5.38	7.43	6.15	7.42	7.33	4.49	4.91	7.58	7.89	7.53	6.04	5.15	6.90	5.10
21	Fortis Inc.	8.22	10.67	7.29	9.25	7.93	8.09	8.38	7.40	6.76	7.58	9.18	7.89	N/A	N/A	N/A	N/A
22	Great Plains Energy	6.44	9.59	6.66	6.45	5.73	6.09	5.74	4.49	5.06	7.71	7.13	7.68	6.70	6.52	5.92	5.14
23	Hawaiian Elec.	7.84	7.42	9.25	7.64	8.15	8.05	7.73	7.81	6.95	9.10	7.95	8.47	8.29	8.44	6.12	6.20
24	IDACORP, Inc.	7.64	10.83	9.37	8.59	7.78	7.05	6.64	6.52	5.31	7.10	8.23	7.73	7.55	7.15	7.27	7.53
25	MGE Energy	10.41	15.27	12.53	11.42	11.20	10.77	9.48	9.05	8.40	8.42	9.23	9.30	11.73	11.04	10.20	8.09
26	NextEra Energy, Inc.	7.13	10.36	7.93	7.98	7.60	7.58	5.98	5.33	6.09	7.34	9.02	6.51	6.71	6.71	5.97	5.77
27	NorthWestern Corp	7.45	8.79	8.99	9.01	7.61	6.85	5.89	5.79	5.05	5.57	8.45	9.39	7.31	8.13	N/A	N/A
28	OGE Energy	7.42	8.43	9.25	10.65	9.93	7.35	7.48	6.61	5.37	6.43	7.58	7.50	7.04	6.73	5.62	5.39
29	Otter Tail Corp.	8.98	9.65	9.04	9.45	9.58	8.43	9.04	8.07	8.01	11.65	9.53	8.66	8.18	9.01	8.13	8.33
30	PG&E Corp.	6.17	6.79	7.24	5.65	6.84	5.86	5.32	5.42	4.71	4.61	5.84	5.28	5.07	5.13	4.05	14.69
31	Pinnacle West Capital	5.81	7.85	6.91	7.03	6.85	6.34	5.80	5.65	3.84	4.19	4.76	4.48	7.48	5.88	4.80	5.21
32	PNM Resources	6.68	8.49	6.95	7.48	6.47	5.80	4.94	4.58	4.53	7.10	10.67	7.50	7.62	6.84	5.55	5.72
33	Portland General	5.45	7.06	6.73	5.49	6.06	5.08	4.86	4.13	4.63	4.81	5.34	5.74	N/A	N/A	N/A	N/A
34	PPL Corp.	7.32	8.67	8.73	7.32	6.59	5.87	5.98	7.46	8.82	9.17	8.90	7.58	7.57	6.49	5.41	5.30
35	Public Serv. Enterprise	7.13	7.28	6.66	6.48	6.40	6.40	6.03	6.04	6.20	8.46	9.83	8.41	8.59	7.17	6.79	6.24
36	SCANA Corp.	7.04	9.99	8.33	7.50	7.49	7.40	6.75	6.52	5.88	6.38	7.15	7.03	5.40	6.86	6.59	6.36
37	Sempra Energy	7.39	10.89	9.99	10.77	9.37	7.26	6.13	6.53	6.07	7.07	8.61	7.22	6.96	5.16	4.85	4.00
38	Southern Co.	8.29	9.49	8.23	8.42	8.30	8.75	8.22	7.79	7.08	8.18	8.62	8.47	8.41	8.28	8.28	7.83
39	Vectren Corp.	6.85	8.35	7.82	7.57	6.82	5.79	5.81	5.58	5.24	6.90	6.53	7.37	7.06	7.63	7.27	6.92
40	WEC Energy Group	8.04	10.69	12.90	10.27	9.58	9.24	8.43	8.15	6.87	7.57	7.84	7.27	6.40	6.27	4.91	4.27
41	Westar Energy	6.62	10.34	9.05	7.93	7.23	6.71	6.67	5.51	5.32	7.09	6.88	5.81	7.00	6.54	4.24	2.94
42	Xcel Energy Inc.	6.22	7.98	7.62	7.31	7.00	6.85	6.47	6.28	5.43	5.71	6.51	5.54	5.62	5.31	4.27	5.46
43	Average	6.97	8.64	8.03	7.83	7.39	6.98	6.53	6.02	5.61	6.95	7.75	7.15	7.18	6.85	5.77	5.91
44	Median	6.85	8.46	7.87	7.50	7.07	6.85	6.40	5.80	5.37	7.09	7.84	7.44	7.05	6.72	5.66	5.57

Sources:

<sup>1</sup> The Value Line Investment Survey Investment Analyzer Software, downloaded on December 14, 2016.

<sup>2</sup> The Value Line Investment Survey, November 18, and December 16, 2016 and January 27, 2017.

Note:

<sup>a</sup> Based on the average of the high and low price for 2016 and the projected 2016 cash flow per share, published in The Value Line Investment Survey, October 28, November 18, and December 16, 2016.

## Louisville Gas and Electric Company

### Electric Utilities (Valuation Metrics)

		Market Price to Book Value (MP/BV) Ratio <sup>1</sup>												
Line	Company	12-Year												
		Average (1)	2016 <sup>2/a</sup> (2)	2015 (3)	2014 (4)	2013 (5)	2012 (6)	2011 (7)	2010 (8)	2009 (9)	2008 (10)	2007 (11)	2006 (12)	2005 (13)
1	ALLETE	1.56	1.50	1.37	1.42	1.51	1.34	1.35	1.28	1.15	1.55	1.89	2.09	2.22
2	Alliant Energy	1.55	1.98	1.86	1.86	1.70	1.57	1.46	1.31	1.04	1.33	1.67	1.52	1.33
3	Ameren Corp.	1.30	1.61	1.46	1.45	1.29	1.18	0.90	0.83	0.78	1.25	1.60	1.62	1.68
4	American Electric Power	1.47	1.82	1.55	1.54	1.40	1.31	1.23	1.23	1.08	1.48	1.85	1.56	1.57
5	Avangrid, Inc.	0.78	0.84	0.72	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	Avista Corp.	1.23	1.56	1.36	1.33	1.25	1.21	1.19	1.07	0.94	1.11	1.29	1.30	1.13
7	Black Hills	1.41	1.82	1.59	1.79	1.62	1.21	1.14	1.07	0.83	1.22	1.57	1.47	1.63
8	CenterPoint Energy	2.38	2.55	2.43	2.27	2.30	1.99	1.87	1.96	1.77	2.49	3.13	2.75	3.06
9	CMS Energy Corp.	1.78	2.70	2.43	2.26	2.09	1.91	1.66	1.48	1.10	1.23	1.82	1.42	1.32
10	Consol. Edison	1.37	1.55	1.42	1.34	1.38	1.47	1.38	1.22	1.08	1.17	1.47	1.47	1.52
11	Dominion Resources	2.63	3.00	3.34	3.55	2.97	2.84	2.37	2.01	1.80	2.42	2.69	2.07	2.50
12	DTE Energy	1.35	1.76	1.65	1.62	1.51	1.35	1.20	1.16	0.89	1.10	1.35	1.29	1.39
13	Duke Energy	1.15	1.37	1.29	1.28	1.19	1.12	1.11	1.00	0.91	1.06	1.15	N/A	N/A
14	Edison Int'l	1.59	1.86	1.76	1.68	1.57	1.53	1.24	1.07	1.04	1.56	2.05	1.80	1.93
15	El Paso Electric	1.50	1.64	1.48	1.52	1.49	1.59	1.64	1.17	0.98	1.33	1.69	1.71	1.76
16	Empire District Electric	1.34	1.64	1.32	1.39	1.27	1.23	1.25	1.24	1.07	1.30	1.47	1.45	1.49
17	Entergy Corp.	1.69	1.37	1.40	1.33	1.21	1.31	1.35	1.62	1.66	2.44	2.65	1.89	2.01
18	Eversource Energy	1.37	1.63	1.53	1.47	1.38	1.28	1.50	1.31	1.12	1.31	1.60	1.22	1.05
19	Exelon Corp.	2.45	1.14	1.14	1.28	1.17	1.46	1.95	2.07	2.57	4.39	4.79	3.89	3.60
20	FirstEnergy Corp.	1.57	1.24	1.16	1.15	1.28	1.44	1.33	1.36	1.54	2.52	2.23	1.92	1.64
21	Fortis Inc.	1.52	1.50	1.33	1.35	1.45	1.59	1.59	1.56	1.33	1.48	1.63	1.96	N/A
22	Great Plains Energy	1.20	1.19	1.12	1.11	1.02	0.96	0.93	0.87	0.80	1.11	1.66	1.77	1.86
23	Hawaiian Elec.	1.59	1.63	1.71	1.49	1.54	1.62	1.54	1.44	1.16	1.61	1.57	2.01	1.78
24	IDACORP, Inc.	1.28	1.74	1.54	1.45	1.33	1.19	1.17	1.13	0.92	1.09	1.26	1.37	1.22
25	MGE Energy	1.92	2.60	2.10	2.10	2.06	1.92	1.75	1.65	1.54	1.62	1.75	1.83	2.09
26	NextEra Energy, Inc.	1.92	2.24	2.09	2.15	1.93	1.74	1.55	1.49	1.70	2.06	2.34	1.80	1.93
27	NorthWestern Corp	1.43	1.69	1.60	1.54	1.56	1.42	1.35	1.22	1.07	1.15	1.48	1.65	1.42
28	OGE Energy	1.83	1.64	1.79	2.22	2.24	1.94	1.90	1.70	1.37	1.52	1.98	1.91	1.80
29	Otter Tail Corp.	1.66	1.90	1.78	1.90	1.96	1.58	1.35	1.19	1.18	1.71	1.93	1.76	1.74
30	PG&E Corp.	1.58	1.65	1.57	1.39	1.38	1.41	1.46	1.56	1.41	1.50	1.94	1.83	1.84
31	Pinnacle West Capital	1.30	1.71	1.52	1.44	1.47	1.39	1.25	1.14	0.95	1.00	1.26	1.26	1.25
32	PNM Resources	1.05	1.44	1.33	1.21	1.09	0.98	0.80	0.69	0.56	0.66	1.23	1.21	1.45
33	Portland General	1.22	1.54	1.42	1.37	1.28	1.14	1.09	0.94	0.92	1.05	1.32	1.36	N/A
34	PPL Corp.	2.13	2.26	2.24	1.64	1.55	1.58	1.47	1.61	2.10	3.19	3.05	2.43	2.50
35	Public Serv. Enterprise	1.93	1.64	1.58	1.57	1.44	1.46	1.59	1.67	1.78	2.58	2.99	2.46	2.45
36	SCANA Corp.	1.49	1.71	1.47	1.48	1.48	1.48	1.36	1.33	1.20	1.45	1.62	1.64	1.72
37	Sempra Energy	1.72	2.04	2.17	2.20	1.84	1.53	1.28	1.35	1.32	1.60	1.87	1.70	1.73
38	Southern Co.	2.04	1.76	1.99	2.02	2.04	2.15	1.99	1.83	1.73	2.12	2.24	2.23	2.35
39	Vectren Corp.	1.75	2.15	2.11	2.08	1.82	1.57	1.53	1.41	1.34	1.64	1.74	1.77	1.82
40	WEC Energy Group	1.83	2.07	1.82	2.34	2.21	2.05	1.81	1.65	1.40	1.57	1.77	1.71	1.62
41	Westar Energy	1.31	1.86	1.49	1.44	1.33	1.26	1.20	1.10	0.93	1.10	1.36	1.30	1.41
42	Xcel Energy Inc.	1.47	1.86	1.66	1.55	1.50	1.51	1.41	1.32	1.19	1.30	1.53	1.40	1.38
43	Average	1.61	1.77	1.66	1.67	1.59	1.51	1.43	1.35	1.25	1.62	1.89	1.77	1.79
44	Median	1.51	1.70	1.56	1.52	1.49	1.46	1.36	1.31	1.15	1.48	1.69	1.71	1.73

Sources:

1 The Value Line Investment Survey Investment Analyzer Software, downloaded on December 14, 2016.

2 The Value Line Investment Survey, November 18, and December 16, 2016 and January 27, 2017.

Note:

<sup>a</sup> Based on the average of the high and low price for 2016 and the projected 2016 book value per share, published in The Value Line Investment Survey, October 28, November 18, and December 16, 2016.

## Louisville Gas and Electric Company

### Natural Gas Utilities (Valuation Metrics)

		Price to Earnings (P/E) Ratio <sup>1</sup>											
Line	Company	11-Year											
		Average (1)	2016 <sup>2</sup> (2)	2015 (3)	2014 (4)	2013 (5)	2012 (6)	2011 (7)	2010 (8)	2009 (9)	2008 (10)	2007 (11)	2006 (12)
1	Atmos Energy	15.39	20.80	17.50	16.09	15.87	15.93	14.36	13.21	12.54	13.59	15.87	13.52
2	Chesapeake Utilities	16.41	23.90	19.15	17.70	15.62	14.81	14.16	12.21	14.20	14.15	16.72	17.85
3	New Jersey Resources	16.14	19.70	16.61	11.73	15.98	16.83	16.76	14.98	14.93	12.27	21.61	16.13
4	NiSource Inc.	19.70	20.80	37.34	22.74	18.89	17.87	19.36	15.33	14.34	12.07	18.82	19.16
5	Northwest Nat. Gas	19.36	26.30	23.69	20.69	19.38	21.08	19.02	16.97	15.17	18.08	16.74	15.85
6	South Jersey Inds.	17.22	22.40	17.95	18.03	18.90	16.94	18.48	16.81	14.96	15.90	17.18	11.86
7	Southwest Gas	16.88	22.40	19.35	17.86	15.76	15.00	15.69	13.97	12.20	20.27	17.26	15.94
8	Spire Inc.	15.73	18.80	16.49	19.80	21.25	14.46	13.05	13.74	13.39	14.31	14.19	13.60
9	UGI Corp.	14.98	20.90	17.71	15.81	15.44	16.38	15.03	10.86	10.30	13.30	15.14	13.97
10	WGL Holdings Inc.	15.90	19.80	16.99	15.15	18.25	15.27	16.97	15.11	12.58	13.66	15.60	15.46
11	Average	16.77	21.58	20.28	17.56	17.53	16.46	16.29	14.32	13.46	14.76	16.91	15.33
12	Median	16.41	20.85	17.83	17.78	17.11	16.15	16.22	14.48	13.80	13.91	16.73	15.66

		Market Price to Cash Flow (MP/CF) Ratio <sup>1</sup>											
Line	Company	11-Year											
		Average (1)	2016 <sup>2/a</sup> (2)	2015 (3)	2014 (4)	2013 (5)	2012 (6)	2011 (7)	2010 (8)	2009 (9)	2008 (10)	2007 (11)	2006 (12)
1	Atmos Energy	7.58	11.45	9.30	8.79	7.72	7.02	6.87	6.15	5.76	6.48	7.44	6.36
2	Chesapeake Utilities	8.74	12.14	10.16	9.25	8.12	7.46	7.35	6.36	9.48	7.88	8.58	9.40
3	New Jersey Resources	11.61	14.16	11.71	8.95	11.29	12.29	12.71	11.32	11.34	9.15	13.76	11.01
4	NiSource Inc.	7.34	8.83	10.38	10.56	8.71	7.81	6.81	5.09	4.06	4.87	6.69	6.87
5	Northwest Nat. Gas	9.14	12.79	9.46	8.84	8.61	9.48	9.08	8.94	8.26	8.75	8.54	7.83
6	South Jersey Inds.	10.66	11.22	10.70	10.57	11.57	10.95	11.98	10.78	9.57	10.38	11.23	8.32
7	Southwest Gas	5.59	7.19	6.56	6.35	5.94	5.55	5.60	4.91	3.84	4.89	5.42	5.28
8	Spire Inc.	9.47	10.41	8.47	12.03	13.76	8.80	8.08	8.12	8.58	8.95	8.46	8.46
9	UGI Corp.	7.25	9.16	8.47	7.49	6.55	6.30	7.51	6.02	5.74	7.11	7.92	7.48
10	WGL Holdings Inc.	8.90	12.07	9.59	8.46	9.83	9.03	9.52	8.34	7.17	7.68	8.39	7.81
11	Average	8.63	10.94	9.48	9.13	9.21	8.47	8.55	7.60	7.38	7.62	8.64	7.88
12	Median	8.50	11.34	9.52	8.90	8.66	8.31	7.80	7.24	7.71	7.78	8.42	7.82

		Market Price to Book Value (MP/BV) Ratio <sup>1</sup>											
Line	Company	11-Year											
		Average (1)	2016 <sup>2/b</sup> (2)	2015 (3)	2014 (4)	2013 (5)	2012 (6)	2011 (7)	2010 (8)	2009 (9)	2008 (10)	2007 (11)	2006 (12)
1	Atmos Energy	1.41	2.13	1.72	1.55	1.39	1.28	1.30	1.18	1.05	1.20	1.40	1.34
2	Chesapeake Utilities	1.79	2.19	2.19	2.12	1.83	1.66	1.61	1.40	1.37	1.64	1.84	1.85
3	New Jersey Resources	2.18	2.51	2.28	2.13	2.05	2.33	2.31	2.09	2.16	1.92	2.17	2.01
4	NiSource Inc.	1.35	1.96	1.95	1.94	1.58	1.37	1.15	0.92	0.69	0.94	1.16	1.19
5	Northwest Nat. Gas	1.77	2.10	1.63	1.59	1.56	1.72	1.70	1.78	1.73	1.96	2.05	1.69
6	South Jersey Inds.	2.10	1.63	1.77	2.07	2.27	2.21	2.59	2.38	1.95	2.08	2.21	1.93
7	Southwest Gas	1.47	1.91	1.68	1.68	1.61	1.51	1.43	1.24	0.97	1.20	1.46	1.46
8	Spire Inc.	1.53	1.66	1.44	1.33	1.34	1.51	1.46	1.39	1.68	1.71	1.66	1.71
9	UGI Corp.	1.92	2.34	2.29	1.97	1.69	1.45	1.75	1.55	1.66	2.01	2.16	2.21
10	WGL Holdings Inc.	1.73	2.46	2.15	1.69	1.71	1.66	1.63	1.50	1.45	1.59	1.64	1.59
11	Average	1.73	2.09	1.91	1.81	1.70	1.67	1.69	1.54	1.47	1.62	1.78	1.70
12	Median	1.71	2.12	1.86	1.81	1.65	1.58	1.62	1.45	1.56	1.67	1.75	1.70

Sources:

1 The Value Line Investment Survey Investment Analyzer Software, downloaded on December 14, 2016.

2 The Value Line Investment Survey, December 2, 2016.

Note:

<sup>a</sup> Based on the average of the high and low price for 2016 and the projected 2016 cash flow per share, published in The Value Line Investment Survey, December 2, 2016.

<sup>b</sup> Based on the average of the high and low price for 2016 and the projected 2016 book value per share, published in The Value Line Investment Survey, December 2, 2016.