

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 160021-EI
FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES**

**IN RE: PETITION FOR RATE INCREASE BY
FLORIDA POWER & LIGHT COMPANY
AND SUBSIDIARIES**

DIRECT TESTIMONY & EXHIBITS OF:

ROBERT B. HEVERT

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FLORIDA POWER & LIGHT COMPANY
DIRECT TESTIMONY OF ROBERT B. HEVERT
DOCKET NO. 160021-EI
MARCH 15, 2016

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1 **I. WITNESS IDENTIFICATION AND QUALIFICATIONS**

2 **Q. Please state your name, affiliation and business address.**

3 A. My name is Robert B. Hevert. I am Managing Partner of Sussex Economic
4 Advisors, LLC (“Sussex”). My business address is 1900 West Park Drive,
5 Suite 250, Westborough, Massachusetts 01581.

6 **Q. On whose behalf are you submitting this testimony?**

7 A. I am submitting this direct testimony (“Direct Testimony”) to the Florida
8 Public Service Commission (“Commission”) on behalf of Florida Power and
9 Light Company (“FPL” or the “Company”), which is a wholly owned
10 subsidiary of NextEra Energy, Inc.

11 **Q. Please describe your educational background.**

12 A. I hold a Bachelor’s degree in Business and Economics from the University of
13 Delaware, and an MBA with a concentration in Finance from the University
14 of Massachusetts. I also hold the Chartered Financial Analyst designation.

15 **Q. Please describe your experience in the energy and utility industries.**

16 A. I have worked in regulated industries for over twenty-five years, having
17 served as an executive and manager with consulting firms, a financial officer
18 of a publicly-traded natural gas utility (at the time, Bay State Gas Company),
19 and an analyst at a telecommunications utility. In my role as a consultant, I
20 have advised numerous energy and utility clients on a wide range of financial
21 and economic issues including corporate and asset-based transactions, asset

1 and enterprise valuation, transaction due diligence, dividend policy, and
2 strategic matters. As an expert witness, I have provided testimony in
3 approximately 150 proceedings regarding various financial and regulatory
4 matters before numerous state utility regulatory agencies and the Federal
5 Energy Regulatory Commission. A summary of my professional and
6 educational background, including a list of my testimony in prior proceedings,
7 is included in Exhibit RBH-1.

8 **II. PURPOSE AND OVERVIEW OF TESTIMONY**

9 **Q. What is the purpose of your Direct Testimony?**

10 A. The purpose of my Direct Testimony is to present evidence and provide the
11 Commission with a recommendation regarding FPL's Return on Equity
12 ("ROE") and to provide an assessment of the capital structure to be used for
13 ratemaking purposes, as proposed in the Direct Testimony of FPL witness
14 Dewhurst.¹ The analyses and conclusions contained in my Direct Testimony
15 are supported by the data presented in Exhibit RBH-2 through Exhibit RBH-
16 10, which have been prepared by me or under my direction.

17 **Q. What are your conclusions regarding the appropriate Cost of Equity for**
18 **FPL?**

19 A. My analyses indicate that FPL's Cost of Equity currently is in the range of
20 10.50 percent to 11.50 percent. Based on the quantitative and qualitative

¹ Throughout my Direct Testimony, I interchangeably use the terms "ROE" and "Cost of Equity".

1 analyses discussed throughout my Direct Testimony and the Company's risk
2 profile, I conclude that an ROE of 11.00 percent is a reasonable estimate of
3 FPL's Cost of Equity.

4 **Q. Please provide a brief overview of the analyses that led to your ROE**
5 **recommendation.**

6 A. Because all financial models are subject to various assumptions and
7 constraints, equity analysts and investors tend to use multiple methods to
8 develop their return requirements. I therefore relied on three widely accepted
9 approaches: (1) the Capital Asset Pricing Model ("CAPM"); (2) the Bond
10 Yield Plus Risk Premium approach; and (3) the Discounted Cash Flow
11 ("DCF") model, including the Constant Growth, and Multi-Stage forms.

12

13 In addition to the methodologies noted above, my recommendation also takes
14 into consideration: (1) the Company's geographic risk, including its
15 vulnerability to severe weather conditions; (2) the Company's need to access
16 external capital; (3) the potential for new regulatory requirements associated
17 with nuclear generation; (4) the need to account for flotation costs; and (5) the
18 potential for an increase in the Cost of Equity over the Company's proposed
19 four year rate period.

20

21 I also have considered several market-related factors, including:

22

23

- Widespread expectations for increases in interest rates, as revealed in both market data and economists' consensus projections, which weigh

1 in the evaluation of the CAPM, Bond Yield Plus Risk Premium, and
2 DCF results;

- 3 • An increasing degree of equity market volatility as the Federal Reserve
4 has begun its process of monetary policy normalization, indicating a
5 level of market uncertainty that has not been observed on a sustained
6 basis for several years; and
- 7 • Widening credit spreads on utility bonds, indicating investors' views
8 that the risks associated with the utility sector have increased.

9

10 Although I did not make explicit adjustments to my ROE estimates for factors
11 other than flotation costs, I did take them into consideration in determining
12 where the Company's Cost of Equity falls within the range of analytical
13 results.

14 **Q. Please now summarize your ROE results and your ROE**
15 **recommendation.**

16 A. My analytical results range from 8.61 percent to 13.21 percent. In developing
17 my recommendation, I recognized that the low and high ends of the range of
18 results (set by the Constant Growth DCF analyses, and the CAPM analyses,
19 respectively) are not likely to be reasonable estimates of the Company's Cost
20 of Equity. For example, the DCF-based results fail to adequately reflect
21 increasing capital market risk and volatility and, as discussed in Section VII,
22 may be affected by Federal Reserve monetary policy. Because Risk
23 Premium-based methods specifically reflect measures of capital market risk,

1 they are more likely than other approaches (such as the Constant Growth DCF
2 method) to provide reliable estimates of the Cost of Equity during periods of
3 market instability. As noted above (and discussed in Section VII below),
4 measures such as equity market volatility and expanding utility credit spreads
5 suggest that currently is the case.

6
7 Looking at the entire range of results, and taking into consideration the issues
8 summarized above and discussed throughout my Direct Testimony, I believe
9 the Company's required ROE lies above the mean of the analytical results.
10 Giving somewhat more weight to the risk premium based approaches, I
11 recommend an ROE in the range of 10.50 percent to 11.50 percent. Within
12 that range, it is my view that an ROE of 11.00 percent is reasonable and
13 appropriate.

14 **Q. How is the remainder of your Direct Testimony organized?**

15 **A.** The remainder of my Direct Testimony is organized as follows:

- 16 • Section III – discusses the regulatory guidelines and financial
17 considerations pertinent to the development of the cost of capital;
- 18 • Section IV – explains my selection of the proxy companies used to
19 develop my analytical results;
- 20 • Section V – explains my analyses and the analytical bases for my ROE
21 recommendation;
- 22 • Section VI – provides a discussion of specific business risks and other
23 considerations that have a direct bearing on FPL's Cost of Equity;

1 equal to the return expected on alternative, comparable risk investment
2 opportunities.

3

4 Although both debt and equity have required costs, they differ in certain
5 fundamental ways. Most noticeably, from the perspective of the issuer, the
6 cost of debt is contractually defined and can be directly observed as the
7 interest rate or yield on debt securities.² The Cost of Equity, on the other
8 hand, is neither directly observable nor a contractual obligation. Rather,
9 equity investors have a claim on cash flows only after debt holders are paid;
10 the uncertainty (or risk) associated with those residual cash flows determines
11 the Cost of Equity. Because equity investors bear the “residual risk,” they
12 take greater risks and require higher returns than debt holders. In that basic
13 sense, equity and debt investors differ: they invest in different securities, face
14 different risks, and require different returns.

15

16 Whereas the cost of debt can be directly observed, the Cost of Equity must be
17 estimated or inferred based on market data and various financial models. As
18 discussed throughout my Direct Testimony, each of those models is subject to
19 certain assumptions, which may be more or less applicable under differing
20 market conditions. In addition, because the Cost of Equity is premised on
21 opportunity costs, the models typically are applied to a group of “comparable”

² The observed interest rate may be adjusted to reflect issuance or other directly observable costs.

1 or “proxy” companies. The choice of models (including their inputs), the
2 selection of proxy companies, and the interpretation of the model results all
3 require the application of informed and reasoned judgment. That judgment
4 should consider data and information that is not necessarily included in the
5 models themselves. In the end, the estimated Cost of Equity should reflect the
6 return that investors require in light of the subject company’s risks, and the
7 returns available on comparable investments.

8 **Q. Please provide a brief summary of the guidelines established by the**
9 **United States Supreme Court (“the Court”) for the purpose of**
10 **determining the Return on Equity.**

11 A. The Court established the guiding principles for establishing a fair return for
12 capital in two cases: (1) *Bluefield Water Works and Improvement Co. v.*
13 *Public Service Comm’n.* (“*Bluefield*”);³ and (2) *Federal Power Comm’n v.*
14 *Hope Natural Gas Co.* (“*Hope*”).⁴ In *Bluefield*, the Court stated:

15 A public utility is entitled to such rates as will permit it to earn
16 a return on the value of the property which it employs for the
17 convenience of the public equal to that generally being made at
18 the same time and in the same general part of the country on
19 investments in other business undertakings which are attended
20 by corresponding, risks and uncertainties; but it has no
21 constitutional right to profits such as are realized or anticipated
22 in highly profitable enterprises or speculative ventures. The
23 return should be reasonably sufficient to assure confidence in
24 the financial soundness of the utility and should be adequate,
25 under efficient and economical management, to maintain and
26 support its credit and enable it to raise the money necessary for

³ *Bluefield Waterworks & Improvement Co., v. Public Service Commission of West Virginia*,
262 U.S. 679, 692-93 (1923).

⁴ *Federal Power Commission v. Hope Natural Gas Co.*, 320 U.S. 591, 603 (1944).

1 the proper discharge of its public duties.⁵

2 The Court therefore recognized that: (1) a regulated company cannot remain
3 financially sound unless the return it is allowed to earn on its invested capital
4 is at least equal to the cost of capital (the principle relating to the demand for
5 capital); and (2) a regulated company will not be able to attract capital if it
6 does not offer investors an opportunity to earn a return on their investment
7 equal to the return they expect to earn on other investments of the same risk
8 (the principle relating to the supply of capital).

9
10 In *Hope*, the Court reiterated the financial integrity and capital attraction
11 principles of the *Bluefield* case:

12 From the investor or company point of view it is important that
13 there be enough revenue not only for operating expenses but
14 also for the capital costs of the business. These include service
15 on the debt and dividends on the stock... By that standard the
16 return to the equity owner should be commensurate with
17 returns on investments in other enterprises having
18 corresponding risks. That return, moreover, should be
19 sufficient to assure confidence in the financial integrity of the
20 enterprise, so as to maintain its credit and to attract capital.⁶

21
22 In summary, the Court clearly has recognized that the fair Rate of Return on
23 Equity should be: (1) comparable to returns investors expect to earn on other
24 investments of similar risk; (2) sufficient to assure confidence in the

⁵ Bluefield Waterworks & Improvement Co., v. Public Service Commission of West Virginia, 262 U.S. 679, 692-93 (1923).

⁶ Federal Power Commission v. Hope Natural Gas Co., 320 U.S. 591, 603 (1944).

1 company's financial integrity; and (3) adequate to maintain and support the
2 company's credit and to attract capital.

3 **Q. Does the Florida Commission provide similar guidance?**

4 A. Yes, the Commission applies the precedents of the *Hope* and *Bluefield* cases.
5 For example, in Tampa Electric's 2008 rate proceeding the Commission found
6 that the authorized ROE "satisfies the standards set forth in the *Hope* and
7 *Bluefield* decisions of the U.S. Supreme Court regarding a fair and reasonable
8 return for the provision of regulated service."⁷

9
10 Based on the guidance provided by the Court and the Commission, the ROE
11 authorized in this proceeding should provide FPL the opportunity to earn a
12 fair and reasonable return, and should enable efficient access to external
13 capital under a variety of market conditions.

14 **Q. Aside from the standards established by the Court and the Commission,**
15 **why is it important for a utility to be allowed the opportunity to earn a**
16 **return adequate to attract equity capital at reasonable terms?**

17 A. Having the opportunity to earn an adequate return on equity contributes to the
18 utility's financial integrity and thereby facilitates its ability to access both long
19 term and short-term capital markets on reasonable terms, even under difficult
20 market conditions. Maintaining such access to capital is essential for the
21 utility to be able to continue to provide safe, reliable electric service

⁷ Order No. PSC 09-0283-FOF-EI, Docket No. 080317-EI, at 48.

1 throughout economic cycles. While the “capital attraction” and “financial
2 integrity” standards are important principles in normal economic conditions,
3 the practical implications of those standards are even more pronounced when,
4 as with FPL, the utility has substantial capital investment plans. That is
5 particularly the case when, as discussed in more detail in Section VII, market
6 data and consensus projections for long-term Treasury yields suggest rates
7 likely will rise. The Company’s need for regular and cost-effective access to
8 both debt and equity capital, therefore, increase the importance of maintaining
9 a strong financial profile and favorable credit ratings.

10 **Q. How is the Cost of Equity estimated in regulatory proceedings?**

11 A. As noted earlier, and as discussed in more detail later in my Direct Testimony,
12 the Cost of Equity is estimated by the use of various financial models. By
13 their very nature, those models produce a range of results from which the Cost
14 of Equity is determined. That determination therefore must be based on a
15 comprehensive review of relevant data and information; it does not
16 necessarily lend itself to a strict mathematical or formulaic solution. The key
17 consideration in determining the Cost of Equity is to ensure that the overall
18 analysis reasonably reflects investors’ view of the financial markets in
19 general, and the subject company (in the context of the proxy companies) in
20 particular. Both practitioners and academics, however, recognize that
21 financial models simply are tools to be used in the Cost of Equity estimation
22 process, and that strict adherence to any single approach, or to the results of
23 any single approach, can lead to flawed or misleading conclusions. That

1 position is consistent with the *Hope* and *Bluefield* principle that it is the result,
2 as opposed to the analytical methodology employed that is controlling in
3 arriving at Cost of Equity determinations.⁸ Thus, a reasonable Cost of Equity
4 estimate appropriately considers alternative methodologies and the
5 reasonableness of their individual and collective results in the context of
6 observable, relevant market information.

7 **IV. PROXY GROUP SELECTION**

8 **Q. As a preliminary matter, why is it necessary to select a group of proxy**
9 **companies to determine the Cost of Equity for FPL?**

10 A. Because Cost of Equity is a market-based concept and FPL, which is a wholly
11 owned operating subsidiary of NextEra Energy, Inc., is not a publicly traded
12 entity, it is necessary to establish a group of comparable, publicly traded
13 companies to serve as its “proxy.” Even if FPL were a publicly traded entity,
14 short-term events could bias its market value during a given period of time. A
15 significant benefit of using a proxy group is that it moderates the effects of
16 anomalous, temporary events associated with any one company.

17 **Q. Does the selection of a proxy group suggest that analytical results will be**
18 **tightly clustered around average (i.e., mean) results?**

19 A. No. For example, the Constant Growth DCF approach defines the Cost of
20 Equity as the sum of the expected dividend yield and projected long-term

⁸ See, *Federal Power Commission v. Hope Natural Gas Co.*, 320 U.S. 591, 603 (1944).

1 growth. Despite the care taken to maximize risk comparability, market
2 expectations with respect to future risks and growth opportunities will vary
3 from company to company. Therefore, even within a group of similarly
4 situated companies, it is common for analytical results to reflect a seemingly
5 wide range. Consequently, at issue is how to estimate the Cost of Equity from
6 within that range. Such a determination necessarily must consider a wide
7 range of both quantitative and qualitative information.

8 **Q. Please provide a summary profile of FPL.**

9 A. FPL provides electric generation, transmission and distribution services to
10 approximately 4.8 million retail customers in Florida.⁹ FPL's long-term
11 issuer credit ratings from Standard & Poor's, Moody's, and Fitch Ratings
12 currently are A-, A1, and A, respectively.¹⁰

13 **Q. How did you select the companies included in your proxy group?**

14 A. I began with the universe of companies that Value Line classifies as Electric
15 Utilities, and excluded companies that:

- 16 • Do not consistently pay quarterly cash dividends;
- 17 • Were not covered by at least two utility industry equity analysts;
- 18 • Do not have investment grade senior unsecured bond and/or corporate
19 credit ratings from S&P;

⁹ See NextEra Energy Inc., SEC Form 10-K for the fiscal year ended December 31, 2015, at 5.
¹⁰ Source: SNL Financial.

- 1 • Are not vertically integrated, *i.e.* utilities that own and operate
2 regulated generation, transmission, and distribution assets;
- 3 • Have less than 60.00 percent of total net operating income derived
4 from regulated utility operations over the three most recently reported
5 fiscal years;
- 6 • Have regulated electric operating income over the three most recently
7 reported fiscal years representing less than 60.00 percent of total
8 regulated operating income; or
- 9 • Are currently known to be party to a merger or other significant
10 transaction.

11 **Q. Did you include NextEra Energy, Inc. in your analysis?**

12 A. No. In order to avoid the circular logic that otherwise would occur, it is my
13 practice to exclude the subject company, or its parent holding company, from
14 the proxy group. Additionally, NextEra Energy Inc. is currently party to a
15 merger, and would be excluded from my proxy group based on that
16 criterion.¹¹

17 **Q. What companies met those screening criteria?**

18 A. The criteria discussed above resulted in a proxy group of the following 19
19 companies:

¹¹ See, Press Release dated December 3, 2014, "NextEra Energy and Hawaiian Electric Industries to Combine."

1

Table 1: Proxy Group Screening Results

Company	Ticker
ALLETE, Inc.	ALE
Alliant Energy Corporation	LNT
Ameren Corporation	AEE
American Electric Power Company, Inc.	AEP
Avista Corporation	AVA
CMS Energy Corporation	CMS
Dominion Resources, Inc.	D
DTE Energy Company	DTE
Great Plains Energy Inc.	GXP
IDACORP, Inc.	IDA
NorthWestern Corporation	NWE
OGE Energy Corp.	OGE
Otter Tail Corporation	OTTR
Pinnacle West Capital Corporation	PNW
PNM Resources, Inc.	PNM
Portland General Electric Company	POR
SCANA Corporation	SCG
Westar Energy, Inc.	WR
Xcel Energy Inc.	XEL

2

3

V. COST OF EQUITY ESTIMATION

4

Q. Please briefly discuss the Cost of Equity in the context of the regulated rate of return.

5

6

A. Regulated utilities primarily use common stock and long-term debt to finance their permanent property, plant, and equipment. The overall cost of capital or cost rate of return (“ROR”) for a regulated utility is based on its weighted average cost of capital, in which the costs of the individual sources of capital are weighted by their respective book values. As noted above, the Cost of

7

8

9

10

1 Equity is market-based and, therefore, must be estimated based on observable
2 market information.

3 **Q. How is the required Cost of Equity determined?**

4 A. Because the Cost of Equity is not directly observable it must be estimated
5 based on both quantitative and qualitative information. Although a number of
6 empirical models have been developed for that purpose, all are subject to
7 limiting assumptions or other constraints. Consequently, many finance texts
8 recommend using multiple approaches to estimate the Cost of Equity.¹² When
9 faced with the task of estimating the Cost of Equity, analysts and investors are
10 inclined to gather and evaluate as much relevant data as reasonably can be
11 analyzed and, therefore, rely on multiple analytical approaches.

12
13 Because all models are based on underlying assumptions as market conditions
14 change the reliability of individual models will vary. Therefore, it is both
15 prudent and appropriate to use multiple methodologies in order to mitigate the
16 effects of assumptions and inputs associated with any single approach.
17 Accordingly, I have considered the results of the Capital Asset Pricing Model,
18 the Bond Yield Plus Risk Premium approach, and the Constant Growth and
19 Multi-Stage forms of the DCF model.

¹² See, e.g., Eugene Brigham, Louis Gapenski, Financial Management: Theory and Practice, 7th Ed., 1994, at 341, and Tom Copeland, Tim Koller and Jack Murrin, Valuation: Measuring and Managing the Value of Companies, 3rd ed., 2000, at 214.

1 **CAPM Analysis**

2 **Q. Please briefly describe the general form of the CAPM.**

3 A. The CAPM is a risk premium method that estimates the Cost of Equity for a
4 given security as a function of a risk-free return plus a risk premium (to
5 compensate investors for the non-diversifiable or “systematic” risk of that
6 security). As shown in Equation [1], the CAPM is defined by four
7 components, each of which theoretically must be a forward-looking estimate:

8
$$K_e = r_f + \beta(r_m - r_f) \text{ Equation [1]}$$

9 where:

10 K_e = the required market Cost of Equity;

11 β = Beta of an individual security;

12 r_f = the risk free rate of return; and

13 r_m = the required return on the market as a whole.

14

15 In Equation [1], the term $(r_m - r_f)$ represents the Market Risk Premium.¹³

16 According to the theory underlying the CAPM, since unsystematic risk can be
17 diversified away by adding securities to investment portfolios, investors
18 should be concerned only with systematic or non-diversifiable risk. Non-
19 diversifiable risk is measured by the Beta coefficient, which is defined as:

20
$$\beta_j = \frac{\sigma_j}{\sigma_m} \times \rho_{j,m} \text{ Equation [2]}$$

¹³ The Market Risk Premium is defined as the incremental return of the market portfolio over the risk-free rate.

1 where σ_j is the standard deviation of returns for company “j”; σ_m is the
2 standard deviation of returns for the broad market (as measured, for example,
3 by the S&P 500 Index), and $\rho_{j,m}$ is the correlation of returns between
4 company *j* and the broad market. The Beta coefficient therefore represents
5 both relative volatility (*i.e.*, the standard deviation) of returns, and the
6 correlation in returns between the subject company and the overall market.
7 Intuitively, higher Beta coefficients indicate that the subject company’s
8 returns have been relatively volatile, and have moved in tandem with the
9 overall market. Consequently, if a company has a Beta coefficient of 1.00, it
10 is as risky as the market and does not provide any diversification benefit.

11 **Q. What risk-free rate assumptions did you include in your CAPM analysis?**

12 A. First, because utility assets represent long-duration investments, I relied on
13 estimates of the 30-year Treasury yield as the risk-free rate component of the
14 CAPM analysis. Because FPL is proposing a four year rate proposal, I
15 considered the current the 30-day average yield on 30-year Treasury bonds
16 (*i.e.*, 2.96 percent), as well as the range of projected 30-year Treasury yields
17 reported by Blue Chip Financial Forecasts for the rate proposal period (*i.e.*,
18 4.00 percent in 2017 to 4.80 percent in 2020).

19 **Q. Why have you relied on the 30-year Treasury yield for your CAPM**
20 **analysis?**

21 A. In determining the security most relevant to the application of the CAPM, it is
22 important to select the term (or maturity) that best matches the life of the

1 underlying investment. Electric utilities typically are long-duration
2 investments; for example, FPL's average electric utility plant depreciation rate
3 ranged from approximately 3.30 percent to 3.40 percent from 2013 to 2015,
4 suggesting an average useful life of 29 to 30 years.¹⁴ On balance, therefore,
5 the 30-year Treasury yield is the appropriate measure of the risk-free rate for
6 the purpose of the CAPM.

7 **Q. Please describe your *ex-ante* (i.e., forward-looking) approach to**
8 **estimating the Market Risk Premium.**

9 A. The approach is based on the market-required return, less the current 30-year
10 Treasury yield. To estimate the market required return, I calculated the
11 market capitalization weighted average total return based on the Constant
12 Growth DCF model (which is discussed below). To do so, I relied on data
13 from two sources: (1) Bloomberg; and (2) Value Line.¹⁵ With respect to
14 Bloomberg-derived growth estimates, I calculated the expected dividend yield
15 (using the same one-half growth rate assumption described earlier), and
16 combined that amount with the projected earnings growth rate to arrive at the
17 market capitalization weighted average DCF result. I performed that
18 calculation for each of the S&P 500 companies for which Bloomberg
19 provided consensus growth rates (the companies with such projections
20 represent 99.61 percent of the index market capitalization). I then subtracted
21 the current 30-year Treasury yield from that amount to arrive at the market

¹⁴ See NextEra Energy Inc., SEC Form 10-K for the fiscal year ended December 31, 2015, at 85.
¹⁵ See Exhibit RBH-6.

1 DCF-derived *ex-ante* market risk premium estimate. In the case of Value
2 Line, I performed the same calculation, again using all companies for which
3 five-year earnings growth rates were available (the companies with such
4 projections represent 95.22 percent of the index market capitalization). The
5 results of those calculations are provided in Exhibit RBH-6.

6 **Q. How did you apply your expected Market Risk Premium and risk-free**
7 **rate estimates?**

8 A. I relied on the *ex-ante* Market Risk Premia discussed above, together with the
9 current and near-term projected 30-year Treasury yields as inputs to my
10 CAPM analyses.

11 **Q. What Beta coefficient did you use in your CAPM model?**

12 A. As shown in Exhibit RBH-7, I considered the Beta coefficients reported by
13 two sources: Bloomberg and Value Line. Although both of those services
14 adjust their calculated (or “raw”) Beta coefficients to reflect the tendency of
15 the Beta coefficient to regress to the market mean of 1.00, Value Line
16 calculates the Beta coefficient over a five-year period, whereas Bloomberg’s
17 calculation is based on two years of data.

18 **Q. What are the results of your CAPM analyses?**

19 A. As shown in Table 2 (below) the CAPM analyses suggest an ROE range of
20 9.08 percent to 13.21 percent (*see* also Exhibit RBH-2).¹⁶

¹⁶ Including flotation costs.

1

Table 2: Summary of CAPM Results Including Flotation Costs¹⁷

	Bloomberg Derived Market Risk Premium	Value Line Derived Market Risk Premium
<i>Average Bloomberg Beta Coefficient</i>		
Current 30-Year Treasury	9.57%	9.08%
Blue Chip 2017 Consensus 30-Year Treasury	10.61%	10.12%
Blue Chip 2020 Consensus 30-Year Treasury	11.41%	10.92%
<i>Average Value Line Beta Coefficient</i>		
Current 30-Year Treasury	11.36%	10.73%
Blue Chip 2017 Consensus 30-Year Treasury	12.41%	11.78%
Blue Chip 2020 Consensus 30-Year Treasury	13.21%	12.58%

2 ***Bond Yield Plus Risk Premium Analysis***3 **Q. Please describe the Bond Yield Plus Risk Premium approach.**

4 A. This approach is based on the basic financial tenet that equity investors bear
5 the residual risk associated with ownership and therefore require a premium
6 over the return they would have earned as a bondholder. That is, since returns
7 to equity holders are more risky than returns to bondholders, equity investors
8 must be compensated for bearing that additional risk. Risk premium
9 approaches, therefore, estimate the Cost of Equity as the sum of the equity
10 risk premium and the yield on a particular class of bonds. As noted in my
11 discussion of the CAPM, since the equity risk premium is not directly
12 observable, it typically is estimated using a variety of approaches, some of
13 which incorporate *ex-ante*, or forward-looking estimates of the Cost of Equity,

17

See Exhibit RBH-2.

1 and others that consider historical, or *ex-post*, estimates. An alternative
2 approach is to use actual authorized returns for electric utilities to estimate the
3 Equity Risk Premium.¹⁸

4 **Q. Please explain how you performed your Bond Yield Plus Risk Premium**
5 **analysis.**

6 A. As suggested above, I first defined the Risk Premium as the difference
7 between the authorized ROE and the then-prevailing level of long-term (*i.e.*,
8 30-year) Treasury yield. I then gathered data for 1,468 electric utility rate
9 proceedings between January 1980 and January 15, 2016. In addition to the
10 authorized ROE, I also calculated the average period between the filing of the
11 case and the date of the final order (the “lag period”). In order to reflect the
12 prevailing level of interest rates during the pendency of the proceedings, I
13 calculated the average 30-year Treasury yield over the average lag period
14 (approximately 200 days).

15
16 Because the data cover a number of economic cycles, the analysis also may be
17 used to assess the stability of the Equity Risk Premium. Prior research, for
18 example, has shown that the Equity Risk Premium is inversely related to the
19 level of interest rates.¹⁹ That analysis is particularly relevant given the
20 relatively low, but increasing level of current Treasury yields.

¹⁸ In my experience, U.S. regulatory commissions follow the *Hope* and *Bluefield* standards and therefore provide a reasonable measure of the required Return on Equity.

¹⁹ See, e.g., Robert S. Harris and Felicia C. Marston, *The Market Risk Premium: Expectational*

1 **Q. How did you analyze the relationship between interest rates and the**
2 **Equity Risk Premium?**

3 A. The basic method used was regression analysis, in which the observed Equity
4 Risk Premium is the dependent variable, and the average 30-year Treasury
5 yield is the independent variable. Relative to the long-term historical average,
6 the analytical period includes interest rates and authorized ROEs that are quite
7 high during one period (*i.e.*, the 1980s) and that are quite low during another
8 (*i.e.*, the post-Lehman bankruptcy period). To account for that variability, I
9 used the semi-log regression, in which the Equity Risk Premium is expressed
10 as a function of the natural log of the 30-year Treasury yield:

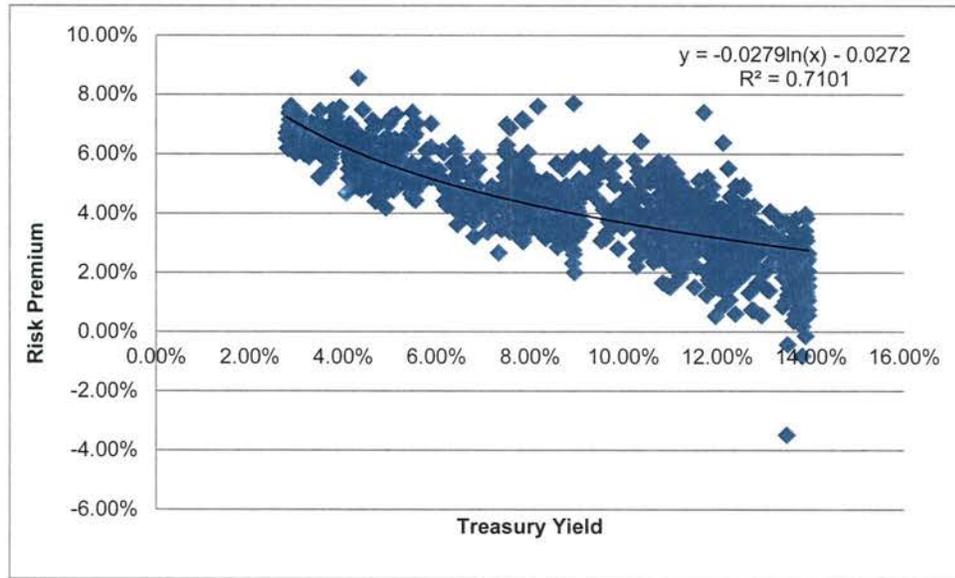
11
$$RP = \alpha + \beta(\text{LN}(T_{30})) \text{ Equation [3]}$$

12 As shown on Chart 1 (below), the semi-log form is useful when measuring an
13 absolute change in the dependent variable (in this case, the Risk Premium)
14 relative to a proportional change in the independent variable (the 30-year
15 Treasury yield).

Estimates Using Analysts' Forecasts, Journal of Applied Finance, Vol. 11, No. 1, 2001, at 11-12; Eugene F. Brigham, Dilip K. Shome, and Steve R. Vinson, *The Risk Premium Approach to Measuring a Utility's Cost of Equity*, Financial Management, Spring 1985, at 33-45; and Farris M. Maddox, Donna T. Pippert, and Rodney N. Sullivan, *An Empirical Study of Ex Ante Risk Premiums for the Electric Utility Industry*, Financial Management, Autumn 1995, at 89-95.

1

Chart 1: Equity Risk Premium²⁰



2

3 As Chart 1 illustrates, over the past 35 years there has been a statistically
 4 significant, negative relationship between the 30-year Treasury yield and the
 5 Equity Risk Premium. Consequently, simply applying the long-term average
 6 Equity Risk Premium of 4.50 percent would significantly understate the Cost
 7 of Equity and produce results well below any reasonable estimate. Based on
 8 the regression coefficients in Chart 1, however, the implied ROE is between
 9 10.04 percent and 10.53 percent (see Table 3 and Exhibit RBH-3).

10

Table 3: Summary of Bond Yield Plus Risk Premium Results

	Return on Equity
Current 30-Year Treasury (2.96%)	10.04%
Blue Chip 2017 Consensus 30-Year Treasury (4.00%)	10.24%
Blue Chip 2020 Consensus 30-Year Treasury (4.80%)	10.53%

11

²⁰ See Exhibit RBH-3.

1 **Constant Growth DCF Model**

2 **Q. Please describe the Constant Growth DCF approach.**

3 A. The Constant Growth DCF approach is based on the theory that a stock's
4 current price represents the present value of all expected future cash flows. In
5 its simplest form, the Constant Growth DCF model expresses the Cost of
6 Equity as the discount rate that sets the current price equal to expected cash
7 flows:

$$P_0 = \frac{D_1}{(1+k)} + \frac{D_2}{(1+k)^2} + \dots + \frac{D_\infty}{(1+k)^\infty} \text{ Equation [4]}$$

8
9 where P_0 represents the current stock price, $D_1 \dots D_\infty$ represent expected
10 future dividends, and k is the discount rate, or required ROE. Equation [4] is a
11 standard present value calculation that can be simplified and rearranged into
12 the familiar form:

$$k = \frac{D(1+g)}{P_0} + g \text{ Equation [5]}$$

13
14 Equation [5] is often referred to as the "Constant Growth DCF" model in
15 which the first term is the expected dividend yield and the second term is the
16 expected long-term growth rate.

17 **Q. What assumptions are required for the Constant Growth DCF model?**

18 A. The Constant Growth DCF model assumes: (1) earnings, book value, and
19 dividends all grow at the same, constant rate in perpetuity; (2) the dividend
20 payout ratio remains constant; (3) a Price to Earnings ("P/E") multiple

1 remains constant in perpetuity; and (4) the discount rate is greater than the
2 expected growth rate.

3 **Q. What market data did you use to calculate the dividend yield in your**
4 **DCF model?**

5 A. The dividend yield is based on the proxy companies' current annualized
6 dividend and average closing stock prices over the 30-, 90-, and 180-trading
7 day periods as of January 15, 2016.

8 **Q. Why did you use three averaging periods to calculate an average stock**
9 **price?**

10 A. I did so to ensure that the model's results are not skewed by anomalous events
11 that may affect stock prices on any given trading day. At the same time, the
12 averaging period should be reasonably representative of expected capital
13 market conditions over the long term. In my view, using 30-, 90-, and 180-
14 day averaging periods reasonably balances those concerns.

15 **Q. Did you make any adjustments to the dividend yield to account for**
16 **periodic growth in dividends?**

17 A. Yes, I did. Because utility companies tend to increase their quarterly
18 dividends at different times throughout the year, it is reasonable to assume
19 that dividend increases will be evenly distributed over calendar quarters.
20 Given that assumption, it is appropriate to calculate the expected dividend
21 yield by applying one-half of the long-term growth rate to the current dividend
22 yield. That adjustment ensures that the expected dividend yield is, on

1 average, representative of the coming twelve-month period, and does not
2 overstate the dividends to be paid during that time.

3 **Q. Is it important to select appropriate measures of long-term growth in**
4 **applying the DCF model?**

5 A. Yes. In its Constant Growth form, the DCF model (*i.e.*, as presented in
6 Equation [5] above) assumes a single growth estimate in perpetuity.
7 Accordingly, in order to reduce the long-term growth rate to a single measure,
8 one must assume a fixed payout ratio, and the same constant growth rate for
9 earnings per share (“EPS”), dividends per share, and book value per share.
10 Because dividend growth can only be sustained by earnings growth, the model
11 should incorporate a variety of measures of long-term earnings growth.
12 Because operating and capital allocation decisions may directly affect near-
13 term dividend payout ratios, estimates of earnings growth are more indicative
14 of long-term investor expectations than are dividend growth estimates. For
15 the purposes of the Constant Growth DCF model, therefore, growth in EPS
16 represents the appropriate measure of long-term growth.

17 **Q. Please summarize your inputs to the Constant Growth DCF model.**

18 A. I applied the DCF model to the proxy group of electric utility companies using
19 the following inputs for the price and dividend terms:

- 20 • The average daily closing prices for the 30-trading days, 90-trading
21 days, and 180-trading days ended January 15, 2016, for the term P_0 ;
22 and

1 • The annualized dividend per share as of January 15, 2016 for the term
2 D₀.

3 I then calculated the DCF results using each of the following growth terms:

- 4 • The Zack's consensus long-term earnings growth estimates;
- 5 • The First Call consensus long-term earnings growth estimates; and
- 6 • The Value Line earnings growth estimates.

7 **Q. How did you calculate the DCF results?**

8 A. For each proxy company, I calculated the mean, mean high, and mean low
9 results. For the mean result, I combined the average of the EPS growth rate
10 estimates reported by Value Line, Zacks, and First Call with the subject
11 company's dividend yield for each proxy company and then calculated the
12 average result for those estimates. I calculated the high DCF result by
13 combining the maximum EPS growth rate estimate as reported by Value Line,
14 Zacks, and First Call with the subject company's dividend yield. The mean
15 high result simply is the average of those estimates. I used the same approach
16 to calculate the low DCF result, using instead the minimum of the Value Line,
17 Zacks, and First Call estimate for each proxy company, and calculating the
18 average result for those estimates.

19 **Q. What are the results of your DCF analyses?**

20 A. My Constant Growth DCF results are summarized in Table 4 below (*see also*
21 Exhibit RBH-4).

1

Table 4: Mean DCF Results Including Flotation Costs

	Mean Low	Mean	Mean High
30-Day Average	8.61%	9.31%	10.09%
90-Day Average	8.64%	9.35%	10.12%
180-Day Average	8.72%	9.42%	10.20%

2

3 ***Multi-Stage DCF Model***

4 **Q. What other form of the DCF model have you used to estimate the**
5 **Company's Cost of Equity?**

6 A. To address certain limiting assumptions underlying the Constant Growth form
7 of the DCF model, I also considered the Multi-Stage (three-stage) DCF
8 Model. The Multi-Stage model, which is an extension of the Constant Growth
9 form, enables the analyst to specify growth rates over three distinct stages. As
10 with the Constant Growth form of the DCF model, the Multi-Stage form
11 defines the Cost of Equity as the discount rate that sets the current price equal
12 to the discounted value of future cash flows. Unlike the Constant Growth
13 form, however, the Multi-Stage model must be solved in an iterative fashion.

14 **Q. Please generally describe the structure of your Multi-Stage DCF model.**

15 A. The Multi-Stage DCF model sets the subject company's stock price equal to
16 the present value of future cash flows received over three "stages." In the first
17 two stages, "cash flows" are defined as projected dividends. In the third stage,
18 "cash flows" equal both dividends and the expected price at which the stock
19 will be sold at the end of the period (*i.e.*, the terminal price). I calculated the

1 terminal price based on the Gordon model,²¹ which defines the price as the
 2 expected dividend divided by the difference between the Cost of Equity (*i.e.*,
 3 the discount rate) and the long-term expected growth rate. In essence, the
 4 terminal price is defined by the present value of the remaining “cash flows” in
 5 perpetuity. In each of the three stages, the dividend is the product of the
 6 projected earnings per share and the expected dividend payout ratio. A
 7 summary description of the model is provided in Table 5 (below).

8 **Table 5: Multi-Stage DCF Structure**

Stage	0	1	2	3
Cash Flow Component	Initial Stock Price	Expected Dividend	Expected Dividend	Expected Dividend + Terminal Value
Inputs	Stock Price; Earnings Per Share (“EPS”); Dividends Per Share (“DPS”)	Expected EPS; Expected DPS	Expected EPS; Expected DPS	Expected EPS; Expected DPS; Terminal Value
Assumptions	30-, 90-, and 180-day average stock price	EPS Growth Rate; Payout Ratio	Growth Rate Change; Payout Ratio Change	Long-term Growth Rate; Long-term Payout Ratio

9
 10 **Q. What are the analytical benefits of the three-stage DCF model?**

11 A. The principal benefits relate to the flexibility provided by the model’s
 12 formulation. Because the model provides the ability to specify near,

²¹ See Morningstar, Inc., 2013 Ibbotson Stocks, Bonds, Bills and Inflation Valuation Yearbook, at 48-52.

1 intermediate and long-term growth rates, for example, it avoids the sometimes
2 limiting assumption that the subject company will grow at the same, constant
3 rate in perpetuity. In addition, by calculating the dividend as the product of
4 earnings per share and the dividend payout ratio, the model enables analysts to
5 reflect assumptions regarding the timing and extent of changes in the payout
6 ratio to reflect, for example, increases or decreases in expected capital
7 spending, or transition from current payout levels to long-term expected
8 levels. In that regard, because the model relies on multiple sources of
9 earnings growth rate assumptions, it is not limited to a single source, such as
10 Value Line, for all inputs, and mitigates the potential bias associated with
11 relying on a single source of growth estimates.²²

12
13 The model also enables analysts to assess the reasonableness of the inputs and
14 results by reference to certain market-based metrics. For example, the stock
15 price estimate can be divided by the expected EPS in the final year to
16 calculate an average P/E ratio. Similarly, the terminal P/E ratio can be
17 divided by the terminal growth rate to develop a Price to Earnings Growth
18 (“PEG”) ratio. To the extent that either the projected P/E or PEG ratios are
19 inconsistent with either historical or expected levels, it may indicate incorrect
20 or inconsistent assumptions within the balance of the model.

²² See Harris and Marston, Estimating Shareholder Risk Premia Using Analysts’ Growth Forecasts, *Financial Management* 21 (Summer 1992).

1 **Q. Please summarize your inputs to the Multi-Stage DCF model.**
 2 A. I applied the Multi-Stage DCF model to the proxy group described earlier in
 3 my Direct Testimony. My assumptions with respect to the various model
 4 inputs are described in Table 6 (below).

5 **Table 6: Multi-Stage DCF Model Assumptions**

Stage	Initial	First	Transition	Terminal
Stock Price	30-, 90-, and 180-day average stock price as of January 15, 2016			
Earnings Growth	2014 actual EPS escalated by Period 1 growth rate	EPS growth as average of (1) Value Line; (2) Zacks; and (3) First Call	Transition to Long-term GDP ²³ growth	Long-term GDP growth
Payout Ratio	Value Line company-specific	Value Line company-specific	Transition to long-term industry payout ratio	Long-term expected payout ratio
Terminal Value				Expected dividend in final year divided by solved Cost of Equity less long-term growth rate

6

²³ Gross Domestic Product.

1 **Q. How did you calculate the long-term Gross Domestic Product (“GDP”)**
2 **growth rate?**

3 A. The long-term growth rate of 5.35 percent is based on the real GDP growth
4 rate of 3.25 percent from 1929 through 2014, and an inflation rate of 2.04
5 percent. The GDP growth rate is calculated as the compound growth rate in
6 the chain-weighted GDP for the period from 1929 through 2014.²⁴ The rate of
7 inflation of 2.04 percent is an average of two components: (1) the compound
8 annual forward rate starting in ten years (*i.e.*, 2025, which is the beginning of
9 the terminal period) based on the 180-day average spread between yields on
10 long-term nominal Treasury Securities and long-term Treasury Inflation
11 Protected Securities, known as the “TIPS spread” of 1.87 percent,²⁵ and (2)
12 and the projected Blue Chip Financial Forecast of CPI for 2022 – 2026 of 2.20
13 percent.²⁶

14
15 I averaged those two measures of inflation because nominal Treasury yields
16 are related to inflation, which includes the effect of commodities such as oil,
17 which may cause the current TIPS spread to somewhat understate long-term
18 expected inflation. To account for that effect, I also considered the 2.20
19 percent long-term projected rate of inflation as provided by Blue Chip

²⁴ See Bureau of Economic Analysis, “Current-Dollar and ‘Real’ Gross Domestic Product,”
December 22, 2015 update.

²⁵ See Board of Governors of the Federal Reserve System, “Table H.15 Selected Interest Rates.”

²⁶ *Blue Chip Financial Forecasts*, December 1, 2015, at 14.

1 Financial Forecast.²⁷ My long-term inflation rate, therefore, is the average of
2 those two estimates, or 2.04 percent.

3 **Q. What were your specific assumptions with respect to the payout ratio?**

4 A. As noted in Table 6, for the first two periods, I relied on the first year and
5 long-term projected payout ratios reported by Value Line²⁸ for each of the
6 proxy companies. I then assumed that by the end of the second period (*i.e.*,
7 the end of year 10), the payout ratio will converge to the historical industry
8 average payout ratio of 67.30 percent.²⁹

9 **Q. What are the results of your Multi-Stage DCF analysis?**

10 A. Table 7 (*see* also Exhibit RBH-5) presents the Multi-Stage DCF analysis
11 results. Using the Gordon model to calculate the terminal stock price, the
12 Multi-Stage DCF analysis produces a range of results from 9.63 percent to
13 10.22 percent.³⁰

14 **Table 7: Multi-Stage DCF Model Results Including Flotation Costs**

	Mean Low	Mean	Mean High
30-Day Average	9.63%	9.84%	10.09%
90-Day Average	9.66%	9.88%	10.13%
180-Day Average	9.75%	9.96%	10.22%

²⁷ *Blue Chip Financial Forecasts*, December 1, 2015, at 14.

²⁸ As reported in the Value Line Investment Survey company reports as “All Div’ds to Net Prof.”

²⁹ Source: Bloomberg Professional

³⁰ Including flotation costs.

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VI. BUSINESS RISKS AND OTHER CONSIDERATIONS

Q. Do the mean CAPM, Risk Premium, and DCF results for the proxy group provide an appropriate estimate for the Cost of Equity for FPL?

A. No, the mean results do not necessarily provide an appropriate estimate of FPL's Cost of Equity. In my view, there are additional factors that must be taken into consideration when determining where FPL's Cost of Equity falls within the range of results, including: (1) the Company's geographic risk; (2) the Company's need to access external capital; (3) the potential for new regulatory requirements associated with nuclear generation; (4) the need to account for flotation costs; and (5) the potential for an increase in the Cost of Equity over the Company's proposed four year rate period. Those factors, which are discussed below, should be considered in terms of their overall effect on FPL's business risk and investor earnings and, therefore, on the Company's Cost of Equity.

Geographic Risk

Q. Please describe the risk associated with severe weather activity in FPL's service territory.

A. FPL faces the risk of sudden, unexpected damage from severe storms. The prevalence of hurricanes, such as Katrina, Rita, and Wilma in 2005, make FPL's operating area an especially high risk area for incurring weather-related infrastructure repair costs and service disruptions. For example, FPL incurred more than \$1.9 billion in storm recovery costs to restore electric transmission

1 and distribution services during 2004 and 2005, which was equivalent to 15
2 percent of the average rate base for FPL in 2005. In addition to the need to
3 fund repair costs, severe weather causes the Company to incur unplanned
4 expenses (such as labor costs that aren't recovered in existing rates) and
5 results in lower sales due to damage of transmission and distribution
6 infrastructure or the disruption of generating capacity. Together, these effects
7 can reduce FPL's revenue and put strain on the Company's operating cash
8 flow.

9
10 As of December 31, 2015, FPL had the capacity to absorb up to
11 approximately \$119 million in future prudently incurred storm restoration
12 costs without seeking recovery through a rate adjustment from the FPSC or
13 filing a petition with the FPSC.³¹ However, restoration costs, such as those
14 incurred during the 2004 and 2005 storm season, can be significantly higher
15 than this amount.

16 ***Capital Access***

17 **Q. Please summarize FPL's capital expenditure plans.**

18 A. FPL currently plans to invest approximately \$14 billion to \$16 billion of
19 additional capital over the period including 2015-2018.³² That amount
20 includes investments in FPL's distribution, transmission and generation

³¹ See NextEra Energy Inc., SEC Form 10-K for the fiscal year ended December 31, 2015, at 58.
³² NextEra Energy, Inc. Edison Electric Institute Conference Presentation, Slide 19, November 8-11, 2015.

1 system, including generation modernization and additional capacity. Thus,
2 the Company is continuing to make substantial investments in its utility
3 operations that will require it to access the capital markets during the period of
4 time that rates established in this proceeding will be in effect.

5 **Q. Why is it important for a utility to be allowed the opportunity to earn a**
6 **return that is adequate to attract capital at reasonable terms?**

7 A. The allowed ROE should enable the subject utility to finance capital
8 expenditures and working capital requirements at reasonable rates, and to
9 maintain its financial integrity in a variety of economic and capital market
10 conditions. As discussed throughout my Direct Testimony, a return that is
11 adequate to attract capital at reasonable terms enables the utility to provide
12 safe, reliable service while maintaining its financial soundness. To the extent
13 a utility is provided the opportunity to earn its market-based cost of capital,
14 neither customers nor shareholders should be disadvantaged.

15

16 Further, the financial community carefully monitors utility companies' current
17 and expected financial conditions, as well as the regulatory environment in
18 which those companies operate. In that respect, the regulatory environment is
19 one of the most important factors considered in both debt and equity
20 investors' assessments of risk. That is especially important during periods in
21 which the utility expects to make significant capital investments and,
22 therefore, may require access to capital markets.

1 **Q. Have you also considered the relationship between capital expenditures**
2 **and the earned return on common equity?**

3 A. Yes, I have. The “DuPont” formula decomposes the Return on Common
4 Equity into three components: (1) the Profit Margin (net income/revenues);
5 (2) Asset Turnover (revenues/net plant); and (3) the Equity Multiplier (net
6 plant/equity).³³ As Exhibit RBH-8 demonstrates, the proxy companies’ Asset
7 Turnover rate declined from 2003 through 2015 from 61.30 percent to 36.80
8 percent and is expected to remain at approximately the same level through
9 Value Line’s 2018 – 2020 projection period. Over that same period (*i.e.*, 2003
10 through 2018 – 2020), according to Value Line data, average Net Plant is
11 expected to experience a cumulative increase of approximately 201.67
12 percent. Because, as noted above, the utility industry is going through a
13 period of increased capital investment, the lag between the addition of net
14 plant and revenue generated by those investments dilutes the Asset Turnover
15 ratio, at least in the near term.

16
17 To gain an additional perspective on the relationship between plant additions
18 and Asset Turnover, I performed a regression analysis in which the annual
19 change in the Asset Turnover rate was the dependent variable, and the annual
20 change in Net Plant was the independent variable. As shown in Exhibit RBH-
21 8, that analysis indicates a statistically significant negative relationship

³³ The DuPont formula is commonly used by financial analysts to monitor specific operational and financial drivers of a company’s earned ROE. The formula expands the calculation of the ROE into the product of three financial metrics: Profit Margin, Asset Turnover and the Equity Multiplier. That is, $ROE = (\text{earnings} / \text{revenue}) \times (\text{revenue} / \text{assets}) \times (\text{assets} / \text{equity})$.

1 between the two variables, such that as annual net plant increases, the Asset
2 Turnover ratio decreases. This, in turn, suggests that an increase in capital
3 expenditures also negatively affects the Return on Common Equity, causing
4 greater financial stress to the utility because, under the assumptions of the
5 “DuPont” formula, the Asset Turnover ratio is a component of the Return on
6 Common Equity. Therefore, as capital expenditures (*i.e.*, net plant) increase,
7 the Asset Turnover ratio decreases, resulting in a decrease in the Return on
8 Common Equity. To the extent investors value a company based on earnings
9 and cash flow, this additional financial strain is a key concern.

10 **Q. What are your conclusions regarding the effect of FPL’s capital**
11 **investment plan on its risk profile and cost of capital?**

12 **A.** FPL’s capital expenditure program is significant, and will provide significant
13 benefits to customers as evidenced by FPL’s witnesses; however, it will place
14 additional pressure on its cash flows making regulatory support more
15 important in terms of FPL’s ability to finance these expenditures, deliver
16 benefits to customers, and earn a reasonable return on its planned investments.
17 The stability and continuity of the Company’s financial integrity is important
18 given the magnitude and duration of its capital expenditure program, which
19 enables the Company to maintain a superior level of service. Therefore, the
20 Commission’s decision in this proceeding should allow the Company to
21 continue to maintain a strong financial profile that will allow the Company to
22 raise capital at reasonable cost rates as it undertakes these significant
23 investments.

1 ***Nuclear Generation Regulatory Requirements***

2 **Q. Please explain the risk associated with the Company's nuclear generation.**

3 A. Nuclear generating resources are regulated by the U.S. Nuclear Regulatory
4 Commission ("NRC"). FPL is subject to NRC mandates to meet licensing
5 and safety related standards that may require increased capital spending and
6 incremental operating costs to ensure the continued operation of this very low-
7 cost and emission-free generating source. With respect to the potential for
8 new regulatory requirements, NextEra Energy's SEC Form 10-K specifically
9 noted:

10 NRC orders or new regulations related to increased security
11 measures and any future safety requirements promulgated by
12 the NRC could require NEE and FPL to incur substantial
13 operating and capital expenditures at their nuclear generation
14 facilities. The NRC has broad authority to impose licensing
15 and safety related requirements for the operation and
16 maintenance of nuclear generation facilities, the addition of
17 capacity at existing nuclear generation facilities and the
18 construction of nuclear generation facilities, and these
19 requirements are subject to change. In the event of
20 noncompliance, the NRC has the authority to impose fines or
21 shut down a nuclear generation facility, or to take both of
22 these actions, depending upon its assessment of the severity of
23 the situation, until compliance is achieved. Any of the

1 foregoing events could require NEE and FPL to incur
2 increased costs and capital expenditures, and could reduce
3 revenues. Any serious nuclear incident occurring at a NEE or
4 FPL plant could result in substantial remediation costs and
5 other expenses. A major incident at a nuclear facility
6 anywhere in the world could cause the NRC to limit or
7 prohibit the operation or licensing of any domestic nuclear
8 generation facility. An incident at a nuclear facility anywhere
9 in the world also could cause the NRC to impose additional
10 conditions or other requirements on the industry, or on certain
11 types of nuclear generation units, which could increase costs,
12 reduce revenues and result in additional capital
13 expenditures.³⁴

14 **Q. Does the Company's generation portfolio include nuclear generating**
15 **assets?**

16 **A. Yes.** FPL's generation portfolio includes approximately 3,453 MW of owned
17 operating nuclear generating capacity. Specifically, the Company owns 1,821
18 MW of existing operating capacity at the St. Lucie plant (which excludes
19 Orlando Utilities Commission's and the Florida Municipal Power Agency's
20 approximate 15 percent ownership interest in St. Lucie Unit No. 2) and 1,632

³⁴ NextEra Energy, Inc. SEC 10-K, for the fiscal year ended December 31, 2015, at 33-34.

1 MW of operating capacity at the Turkey Point plant.³⁵ In addition, FPL is
2 currently undertaking activities to obtain the permits, licenses and approvals
3 required to add 2,200 MW of additional operating capacity to the Turkey
4 Point plant, with an estimated in-service date of 2027 to 2028.³⁶

5 **Q. Are there examples of the increased risk of new regulatory requirements**
6 **that nuclear generation plant operators face?**

7 A. Yes. One example is the increased oversight and regulatory requirements put
8 in place following a March 11, 2011 earthquake and tsunami, which caused
9 significant damage to the Fukushima Daiichi nuclear complex and threatened
10 the public health. After the Fukushima accident, the NRC put together a task
11 force to assess current regulation and determine if new measures were
12 required to ensure safety. The task force issued a report in July 2011 that
13 included a set of recommendations for NRC consideration, and NRC staff
14 issued the first related regulatory requirements in March 2012.³⁷ Regarding
15 the evolving requirements from the NRC, NextEra Energy noted in its SEC
16 Form 10-K for the year ended 2014:

17 The lessons learned from the events in Japan and the results
18 of the NRC's actions have and will continue to, among
19 other things, result in new licensing and safety related

³⁵ FPL owns 3,453 MW of nuclear capacity out of a total owned capacity of 25,092 MW, or 13.76 percent of the total. *See*, NextEra Energy, Inc. SEC 10-K, for the fiscal year ended December 31, 2015, at 37.

³⁶ NextEra Energy, Inc. SEC 10-K, for the fiscal year ended December 31, 2015, at 9.

³⁷ *See*, <http://www.nrc.gov/reading-rm/doc-collections/fact-sheets/japan-events.html>.

1 requirements for U.S. nuclear facilities. Any new
2 requirements could, among other things, impact future
3 licensing and operations of U.S. nuclear facilities, including
4 FPL's existing nuclear facilities and NRC approval of two
5 additional nuclear units at FPL's Turkey Point site, and
6 could, among other things, result in increased cost and
7 capital expenditures associated with the operation and
8 maintenance of FPL's nuclear units.³⁸

9 The Fukushima accident clearly shows that additional regulatory oversight
10 and requirements, which affect the cost of operating FPL's nuclear plants, can
11 result from events wholly unrelated to FPL or its facilities.³⁹

12
13 Another example of nuclear risk is the ongoing and long-term uncertainty in
14 regard to nuclear waste disposal. On June 8, 2012, the Court of Appeals
15 vacated the NRC's rulemaking regarding storage and permanent disposal of
16 nuclear waste. The Court of Appeals found the NRC rulemaking was
17 deficient because: (1) it "did not calculate the environmental effects of failing
18 to secure permanent storage," and (2) "in determining that spent fuel can
19 safely be stored on site at nuclear plants for sixty years after the expiration of
20 a plant's license, the Commission failed to properly examine future dangers

³⁸ NextEra Energy, Inc. SEC 10-K, for the fiscal year ended December 31, 2014, at 11.

³⁹ FPL is currently recovering Fukushima-related costs through the Capacity Clause.

1 and key consequences.”⁴⁰ In August 2014, the NRC issued its Continued
2 Storage of Spent Nuclear Fuel Rule, however the rule has been challenged and
3 a Court of Appeals decision is pending.⁴¹ License application and all work
4 related to a permanent waste disposal facility has been suspended.⁴² As an
5 interim storage solution, the industry is continuing to pursue on-site dry
6 storage and considering development of interim, off-site dry storage
7 facilities.⁴³ Nuclear operators therefore face future capital expenditures
8 related to expansion of nuclear waste storage while a more permanent solution
9 is considered, and may face additional costs to meet safety standards if the
10 NRC’s latest ruling is modified subsequent to a Court of Appeal’s ruling.⁴⁴

11
12 To the extent further mandates are promulgated by the NRC, additional
13 spending may be required. Any increase to the Company’s capital investment
14 plans will place pressure on credit metrics, as discussed above.

40 U.S. Court of Appeals For the District of Columbia Circuit, *On Petitions for Review of Orders of the Nuclear Regulatory Commission*, Case No. 11-1045, Decided June 8, 2012, at 3.

41 United States Nuclear Regulatory Commission Press Release, “NRC Approves Final Rule on Spent Fuel Storage and Ends Suspension of Final Licensing Actions for Nuclear Plants and Renewals,” August 26, 2014. *See also*, U.S. Nuclear Regulatory Commission Memorandum and Order, CLI-14-08, August 26, 2014 and U.S. Court of Appeals For The District Of Columbia Circuit, *New York v. NRC*, Docket Nos. 14-1210, 14-1212, 14-1216, and 14-1217 (Consolidated), October 24, 2014

42 Holt, Mark, “Civilian Nuclear Waste Disposal” Congressional Research Service Report, August 5, 2015, at 1-2.

43 *Ibid.*, at 24-25.

44 As part of a settlement agreement to resolve lawsuits against the DOE, FPL is permitted to make annual filings to recover certain incurred spent fuel storage costs from the U.S. government. *See* NextEra Energy, Inc. SEC 10-K, for the fiscal year ended December 31, 2015, at 10.

1 ***Flotation Costs***

2 **Q. What are flotation costs?**

3 A. Flotation costs are the costs associated with the sale of new issues of common
4 stock. These costs include out-of-pocket expenditures for preparation and
5 filing, as well as underwriting fees and other issuance costs of common stock.

6 **Q. Why is it important to recognize flotation costs in the allowed ROE?**

7 A. Equity financing cannot occur without incurring flotation costs. Therefore, in
8 order to attract and retain new investors, a regulated utility must have the
9 opportunity to recover these costs. To the extent that a company is denied the
10 opportunity to recover prudently incurred flotation costs, actual returns will
11 fall short of expected (or required) returns, thereby diminishing its ability to
12 attract adequate capital on reasonable terms.

13 **Q. Are flotation costs part of the utility's invested costs or part of the
14 utility's expenses?**

15 A. Flotation costs are part of the invested costs of the utility, which are properly
16 reflected on the balance sheet under "paid in capital." They are not current
17 expenses, and therefore are not reflected on the income statement. Rather,
18 like investments in rate base or the issuance costs of long-term debt, flotation
19 costs are incurred over time. As a result, the great majority of a utility's
20 flotation cost is incurred prior to the test year, but remains part of the cost
21 structure that exists during the test year and beyond, and as such, should be
22 recognized for ratemaking purposes. Therefore, recovery of flotation costs is

1 appropriate even if no new issuances are planned in the near future because
2 failure to allow such cost recovery may deny FPL the opportunity to earn its
3 required rate of return in the future.

4 **Q. Is the need to consider flotation costs eliminated because FPL is a wholly-**
5 **owned subsidiary of NextEra Energy Inc.?**

6 A. No. Although FPL is a wholly owned subsidiary of NextEra Energy Inc., it is
7 appropriate to consider flotation costs because wholly owned subsidiaries
8 receive equity capital from their parents and provide returns on the capital that
9 roll up to the parent, which is designated to attract and raise capital based on
10 the returns of those subsidiaries. To deny recovery of issuance costs
11 associated with the capital that is invested in the subsidiaries would penalize
12 the investors that fund the utility operations and would inhibit the utility's
13 ability to obtain new equity capital at a reasonable cost. This is important for
14 companies such as FPL that are planning continued capital expenditures in the
15 near term, and for which access to capital (at reasonable cost rates) to fund
16 such required expenditures will be critical.

17 **Q. Do the CAPM and DCF models already incorporate investor expectations**
18 **of a return in order to compensate for flotation costs?**

19 A. No. The models used to estimate the appropriate ROE assume no "friction" or
20 transaction costs, as these costs are not reflected in the market price (in the
21 case of the DCF model) or risk premium (in the case of the CAPM and the
22 Bond Yield Plus Risk Premium model). Therefore, it is appropriate to

1 consider flotation costs when determining where within the range of
2 reasonable results FPL's Cost of Equity should fall.

3 **Q. Is the need to consider flotation costs recognized by the academic and**
4 **financial communities?**

5 A. Yes. The need to reimburse investors for equity issuance costs is recognized
6 by the academic and financial communities in the same spirit that investors
7 are reimbursed for the costs of issuing debt. This treatment is consistent with
8 the philosophy of a fair rate of return. As explained by Dr. Shannon Pratt:

9 Flotation costs occur when a company issues new stock. The
10 business usually incurs several kinds of flotation or transaction
11 costs, which reduce the actual proceeds received by the
12 business. Some of these are direct out-of-pocket outlays, such
13 as fees paid to underwriters, legal expenses, and prospectus
14 preparation costs. Because of this reduction in proceeds, the
15 business's required returns must be greater to compensate for
16 the additional costs. Flotation costs can be accounted for either
17 by amortizing the cost, thus reducing the net cash flow to
18 discount, or by incorporating the cost into the cost of equity
19 capital. Since flotation costs typically are not applied to
20 operating cash flow, they must be incorporated into the cost of
21 equity capital.⁴⁵

⁴⁵ Shannon P. Pratt, Roger J. Grabowski, *Cost of Capital: Applications and Examples*, 4th ed.

1 **Q. Have you calculated the effect of flotation costs on the return on equity?**

2 A. Yes, I have. I modified the DCF calculation to derive the dividend yield that
3 would reimburse investors for direct issuance costs. Based on the weighted
4 average issuance costs shown in Exhibit RBH-9, a reasonable estimate of
5 flotation costs is approximately 0.12 percent (12 basis points). This cost has
6 been added to the results of my CAPM and DCF analyses shown in Tables 2,
7 4 and 7.

8 ***Four Year Rate Proposal***

9 **Q. What are the implications for the Company's Cost of Equity of a multi-**
10 **year rate plan?**

11 A. A multi-year rate plan limits the ability of the utility company to request a
12 modification to rates in response to changes in benchmark interest rates or
13 other factors. This inability to seek recovery of higher costs of capital
14 increases the utility's risk and its Cost of Equity.

15

16 In light of the relatively low level of long-term Treasury rates compared to
17 their historical range, it is particularly important to consider the potential
18 effect that increases in the level of interest rates would have on the
19 Company's stock price and its Cost of Equity. As discussed earlier, electric
20 utility companies are long duration investments whose valuations are sensitive
21 to changes in the required rate of return. Consequently, the interest rate risk to

(John Wiley & Sons, Inc., 2010), page 586.

1 which equity holders are exposed relate to the long end of the yield curve, *i.e.*,
2 the 30-year Treasury yield. For the reasons discussed in Section VII below, it
3 is reasonable to assume that on balance, long-term rates are more likely to
4 increase than decrease during the term of the Company's rate proposal,
5 representing a significant element of risk for equity investors.

6 **Q. Aside from interest rates, are there additional factors that may affect the**
7 **Company's Cost of Equity over the rate proposal period?**

8 A. Yes, there are. The CAPM and DCF equations presented in Section V show
9 that the Cost of Equity is a positive function of five factors: long-term
10 Treasury yields, Beta coefficients, the Market Risk Premium, dividend yields,
11 and growth rates. If any of those factors increases during the multi-year rate
12 period, the Cost of Equity will rise without a corresponding increase in
13 allowed ROE. The price of FPL shares, all else remaining equal, will fall.

14
15 For example, equity valuations remain at risk to increases in broad market
16 instability, movement of investments (rotation) out of the utility sector on the
17 part of institutional investors, unexpected credit contractions, and other factors
18 that affect both fundamental equity valuations and investor trading patterns.
19 Changes in equity valuations or stock price volatility could increase dividend
20 yields, Beta coefficients and the Market Risk Premium, increasing the
21 required ROE.

1 **Q. What are your conclusions related to the four year rate proposal?**

2 A. A multi-year stay-out agreement imposes multiple risks on FPL shareholders,
3 including unexpected increases in long-term Treasury bond yields and
4 dividend yields. If such factors rise and the ROE is left unadjusted, FPL
5 shareholders will be prevented from realizing their required return. It is
6 appropriate that FPL shareholders are compensated for the additional risk they
7 will bear by foregoing the option to seek rate relief in an increasing capital
8 cost environment.

9 **VII. CAPITAL MARKET ENVIRONMENT**

10 **Q. Do economic conditions influence the required cost of capital and**
11 **required return on common equity?**

12 A. Yes. As discussed in Section V, the models used to estimate the Cost of
13 Equity are meant to reflect, and therefore are influenced by, current and
14 expected capital market conditions. As to the analyses used to estimate the
15 Cost of Equity, it is important to assess the reasonableness of any financial
16 model's results in the context of observable market data. To the extent that
17 certain ROE estimates are incompatible with such data or inconsistent with
18 basic financial principles, it is appropriate to consider whether alternative
19 estimation techniques are likely to provide more meaningful and reliable
20 results.

1 ***Federal Reserve Market Intervention***

2 **Q. Do you have any general observations regarding the relationship between**
3 **Federal Reserve monetary policy, capital market conditions and FPL's**
4 **Cost of Equity?**

5 A. Yes, I do. Much has been reported about the Federal Reserve's Quantitative
6 Easing policy, and its effect on interest rates. Although the Federal Reserve
7 completed its Quantitative Easing initiative in October 2014, it was not until
8 December 2015 that it raised the Federal Funds rate, and began the process of
9 rate normalization.⁴⁶ A significant issue, then, is how investors will react as
10 that process continues, and eventually is completed. A viable outcome is that
11 investors will perceive greater chances for economic growth, which will
12 increase the growth rates included in the Constant Growth DCF model. At the
13 same time, higher growth and the absence of Federal market intervention
14 could provide the opportunity for interest rates to increase, thereby increasing
15 the dividend yield portion of the DCF model. In that case, both terms of the
16 Constant Growth DCF model would increase, producing increased ROE
17 estimates.

18
19 At this time, however, market data is somewhat disjointed. As a consequence,
20 it is difficult to rely on a single model to estimate the Company's Cost of
21 Equity. A more reasoned approach is to understand the relationships among
22 Federal Reserve policies, interest rates and risk, and assess how those factors

⁴⁶ See Federal Reserve Press Release (December 16, 2015).

1 may affect different models and their results. For the reasons discussed
2 below, the current market is one in which it is very important to consider a
3 broad range of data and models when determining the Cost of Equity.

4 **Q. Please summarize the effect of recent Federal Reserve policies on interest**
5 **rates and the cost of capital.**

6 A. Beginning in 2008, the Federal Reserve proceeded on a steady path of
7 initiatives intended to lower long-term Treasury yields.⁴⁷ The Federal
8 Reserve policy actions “were designed to put downward pressure on longer-
9 term interest rates by having the Federal Reserve take onto its balance sheet
10 some of the duration and prepayment risks that would otherwise have been
11 borne by private investors.”⁴⁸ Under that policy, “Securities held outright” on
12 the Federal Reserve’s balance sheet increased from approximately \$489
13 billion at the beginning of October 2008 to \$4.24 trillion by mid-January
14 2016.⁴⁹ To put that increase in context, the securities held by the Federal
15 Reserve represented approximately 3.29 percent of GDP at the end of
16 September 2008, and had risen to approximately 23.50 percent of GDP in
17 January 2016.⁵⁰ As such, the Federal Reserve policy actions have represented
18 a significant source of liquidity, and have had a substantial effect on capital
19 markets.

⁴⁷ See Federal Reserve Press Release (June 19, 2013).

⁴⁸ Federal Reserve Bank of New York, *Domestic Open Market Operations During 2012*, April 2013, at 29.

⁴⁹ Source: Federal Reserve Board Schedule H.4.1. “Securities held outright” include U.S. Treasury securities, Federal agency debt securities, and mortgage-backed securities.

⁵⁰ Source: Federal Reserve Board Schedule H.4.1; Bureau of Economic Analysis, 2013 data as of the fourth calendar quarter.

1 **Q. Has the Federal Reserve's quantitative easing policy been associated with**
2 **changes in the proxy companies' trading levels?**

3 A. Yes, that appears to be the case. From January 2000 through the end of
4 August 2012 (that is, immediately prior to the third round of Quantitative
5 Easing), the proxy group's average P/E ratio traded at a 7.00 percent discount
6 to the market. From September 2012 through May 2013, when the Federal
7 Reserve announced it would begin to taper its asset purchases, the proxy
8 group traded at a 22.00 percent premium to the market. Following the end of
9 Quantitative Easing, however, the proxy group's relative P/E ratio has
10 reverted closer its historical average. For example, since the beginning of
11 September 2015, the proxy group's average P/E ratio fell to approximately
12 105.00 percent of the market P/E (i.e., a 5.00 percent premium). While that
13 valuation level is closer to the long-term relationship, it is still significantly
14 above its historical average.

15
16 The sustainability of recent utility company valuations is a significant
17 analytical issue. Because DCF-based methods depend on recent stock prices
18 as a principal input, and (in the case of the Constant Growth model) assume
19 that P/E ratios and the Cost of Equity will remain constant in perpetuity, the
20 lingering effects of Federal Reserve intervention may be weighing on DCF
21 results.

1 ***Equity Market Volatility***

2 **Q. Please discuss changes in equity market volatility.**

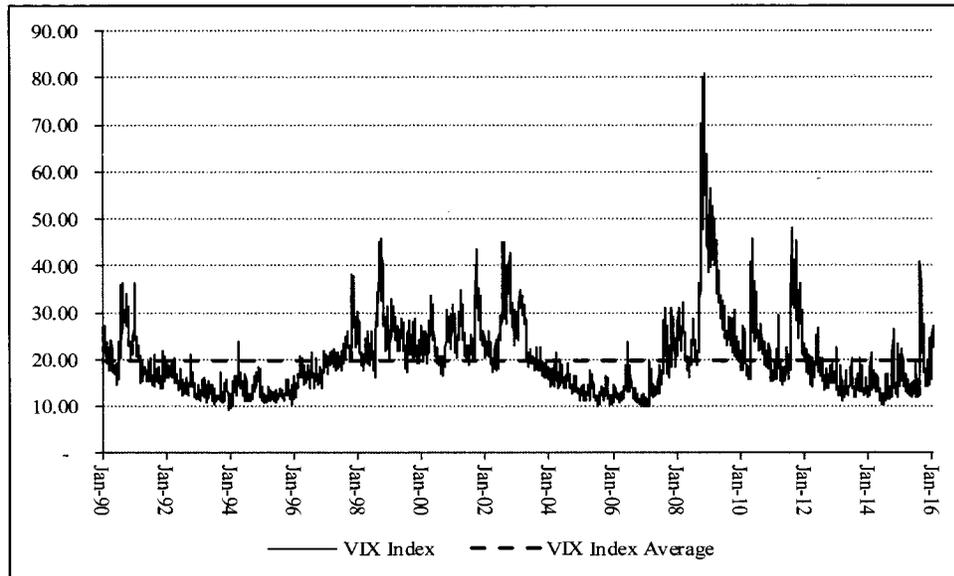
3 A. One measure of the expected volatility, or risk, of the stock market is the
4 Chicago Board Options Exchange Volatility Index (known as the “VIX”).
5 VIX is a highly visible, and often-reported barometer of investor risk
6 sentiments which measures market expectations of near-term volatility of the
7 stock market implied by near- and next-term options on the S&P 500 Index.

8
9 Although the VIX is not presented as a percentage, it should be understood as
10 such. That is, if the VIX stood at 17.00, it would be interpreted as an expected
11 standard deviation in annual returns on the market index of 17.00 percent over
12 the coming 30 trading days. As shown on Chart 2, the VIX has averaged
13 approximately 19.83 since 1990. That average is quite close to the long-term
14 standard deviation of annual returns on the S&P 500, which has been 20.55
15 percent.⁵¹

⁵¹ Source: Bloomberg Professional.

1

Chart 2: VIX Daily Levels and Long-Term Average⁵²



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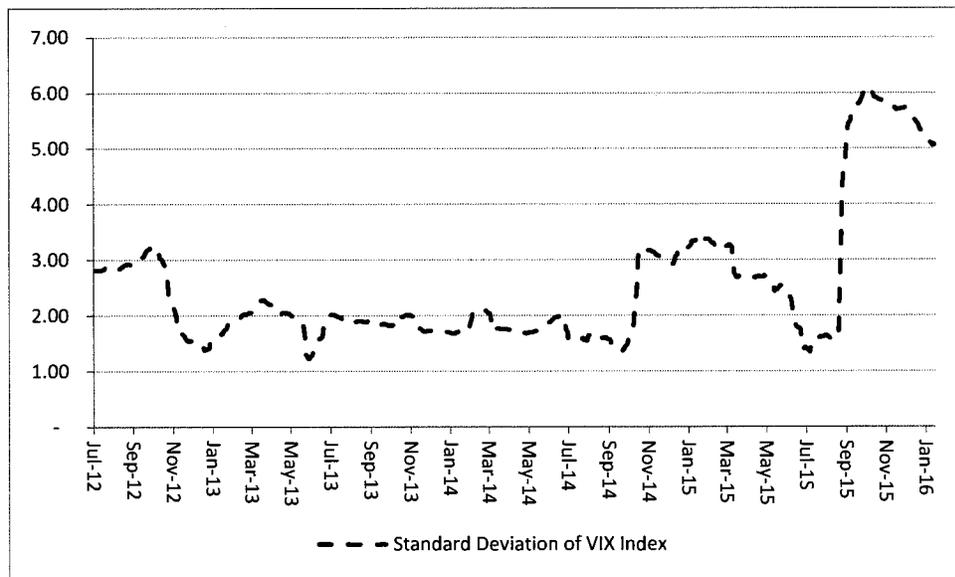
As shown in Chart 3, VIX was at relatively low levels from 2012 – 2015 (which, as discussed below, appears to be an outcome of Federal Reserve monetary policy). The average VIX over the last six months of 2012 (the period prior to the Commission’s final Order in FPL’s last rate case) was approximately 16.48, nearly 17.00 percent lower than its long-term average. The average in 2014 was 14.18. Beginning in the latter portion of 2015, however, volatility returned in both markets and year-to-date the VIX has averaged 23.56. From that broad perspective, equity risk currently is elevated relative to the long-term average.

⁵²

Source: Bloomberg Professional.

1 A further measure of market uncertainty is the volatility of the VIX itself.
 2 That is, we can look to the volatility of volatility, as measured by the standard
 3 deviation of the VIX. As Chart 3 (below) notes, the volatility of the VIX
 4 moved in a relatively narrow range since mid-2012, but noticeably increased
 5 at the end of 2015. Such volatility indicates that, although interest rates are
 6 still near historical lows in the U.S. capital markets, there remains significant,
 7 if not greater, uncertainty in today's equity markets, with investors requiring
 8 greater returns to bear that risk.

9 **Chart 3: Standard Deviation (100 days) of VIX⁵³**



10
 11 Those findings are consistent with the VVIX, which is a traded index of the
 12 expected volatility of the VIX. Over the long-term, the VVIX has averaged
 13 approximately 85.00. In 2015, the VVIX increased to (on average) 94.82, and
 14 to date in 2016, has averaged 110.34; the 2015-2016 average has been 95.41.

⁵³ Source: Bloomberg Professional.

1 Just as the backward-looking standard deviation of the VIX indicates that
2 observed volatility increased considerably in 2015 and 2016, the VVIX
3 indicates that expected volatility also has been well above long-term average
4 levels.⁵⁴

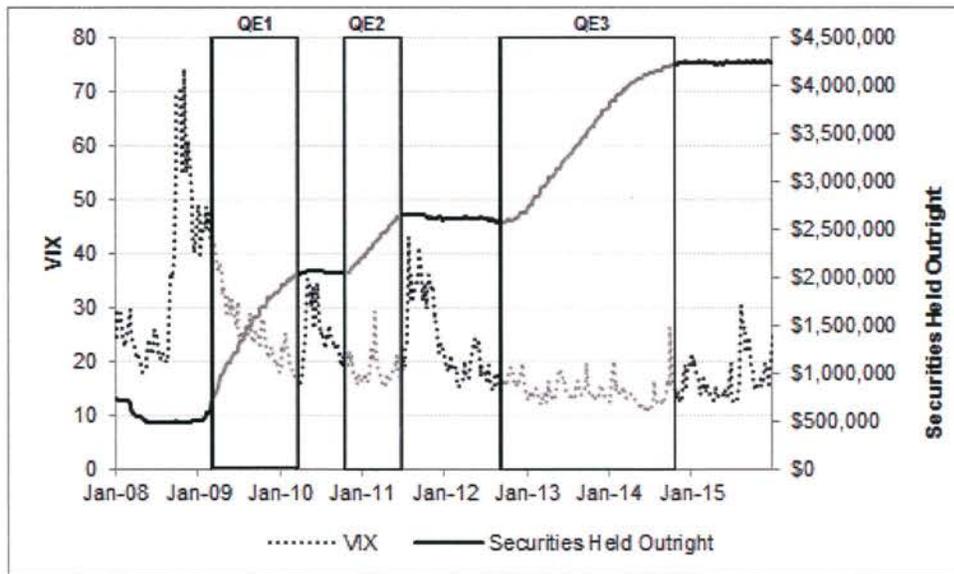
5 **Q. Has the Federal Reserve’s quantitative easing policy affected market**
6 **volatility?**

7 A. Yes. Just as market intervention by the Federal Reserve has reduced interest
8 rates, it also has had the effect of reducing market volatility. As shown in
9 Chart 4 (below), each time the Federal Reserve began to purchase bonds (as
10 evidenced by the increase in “Securities Held Outright” on its balance sheet),
11 volatility subsequently declined. In fact, in September 2012, when the Federal
12 Reserve began to purchase long-term securities at a pace of \$85 billion per
13 month, volatility (as measured by the CBOE Volatility Index, known as the
14 “VIX”) fell, and through October 2014 remained in a relatively narrow range.
15 The reason is quite straight-forward: Investors became confident that the
16 Federal Reserve would intervene if markets were to become unstable.

⁵⁴ Source: Bloomberg Professional.

1

Chart 4: VIX and Federal Reserve Asset Purchases⁵⁵



2

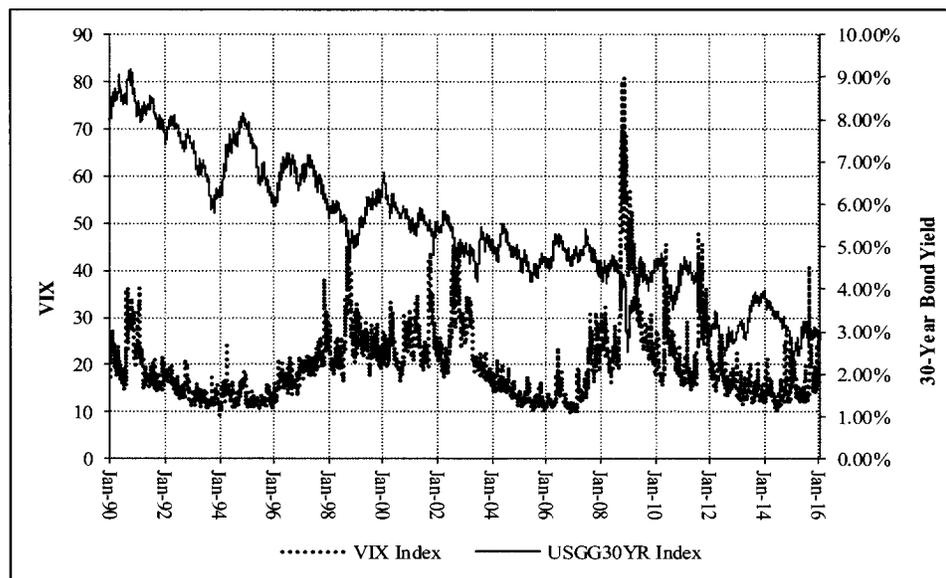
3 Even with the effect of the Federal Reserve intervention, periods of increased
4 equity market volatility have been associated with unusually low Government
5 bond yields. That relationship makes sense, given that investors increasingly
6 focus on capital preservation during turbulent markets. As Chart 5 (below)
7 demonstrates, when volatility peaks (as measured by the VIX), Government
8 bond yields fall; that is the case since increased demand for safe-haven
9 securities will bid up their price, and down their yield.

⁵⁵

Source: Federal Reserve Economic Data (FRED), Federal Reserve Bank of St. Louis; Federal Reserve Statistical Release H.4.1, Factors Affecting Reserve Balances.

1

Chart 5: VIX and U.S. Treasury Yields⁵⁶



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The important analytical issue is whether we can infer from the level of Government bond yields that risk aversion among investors is at a historically low level, implying a correspondingly lower Cost of Equity. Given the negative correlation between the expansion of the Federal Reserve's balance sheet and equity market volatility (as measured by the VIX), and in light of the fact that volatility now is considerably above its prior levels, it is difficult to conclude that fundamental risk aversion and investor return requirements have fallen.

11

Interest Rate Environment and Credit Spreads

12

Q. Does your recommendation also consider the interest rate environment?

13

A. Yes, it does. From an analytical perspective, it is important that the inputs and assumptions used to arrive at an ROE recommendation, including assessments

14

⁵⁶ Source: Bloomberg Professional.

1 of capital market conditions, are consistent with the recommendation itself.
2 Although I appreciate that all analyses require an element of judgment, the
3 application of that judgment must be made in the context of the quantitative
4 and qualitative information available to the analyst and the capital market
5 environment in which the analyses were undertaken.

6
7 The low interest rate environment associated with central bank intervention
8 may lead some analysts to conclude that current capital costs, including the
9 Cost of Equity, are low and will remain as such. Putting aside the increases in
10 volatility discussed above, that conclusion only holds true under the
11 hypothesis of Perfectly Competitive Capital Markets (“PCCM”) and the
12 classical valuation framework which, under normal economic and capital
13 market conditions, underpin the traditional Cost of Equity models. Perfectly
14 Competitive Capital Markets are those in which no single trader, or “market-
15 mover”, would have the power to change the prices of goods or services,
16 including bond and common stock securities. In other words, under the
17 PCCM hypothesis, no single trader would have a significant effect on market
18 prices.

19
20 Classic valuation theory assumes that investors trade securities rationally, with
21 prices reflecting their perceptions of value. Although central banks have the
22 ability to set benchmark interest rates, they have been maintaining below
23 normal rates to stimulate continued economic and capital market recovery. It

1 therefore is reasonable to conclude that the Federal Reserve and other central
2 banks have been acting as market-movers, thereby having a significant effect
3 on the market prices of both bonds and stocks. The presence of market-
4 movers, such as the Federal Reserve, runs counter to the PCCM hypothesis,
5 which underlies traditional Cost of Equity models. Consequently, the results
6 of those models should be considered in the context of both quantitative and
7 qualitative information.

8 **Q. Are interest rates expected to increase going forward?**

9 A. Yes, they are. For example, the approximately 50 economists surveyed by
10 Blue Chip Financial Forecast see the 30-year Treasury yield as increasing to
11 4.00 percent by 2017.⁵⁷ Those projections are supported by the fact that
12 investors currently are willing to pay about twice the premium for the option
13 to sell long-term Government bonds in January 2018 (with an exercise price
14 equal to the current price) than they are will to pay for the option to buy those
15 bonds.⁵⁸ Because the prices of bonds move inversely to interest rates,⁵⁹ those
16 option prices indicate that investors believe it is considerably more likely that
17 interest rates will increase over the coming year, than it is likely that they will
18 decrease.

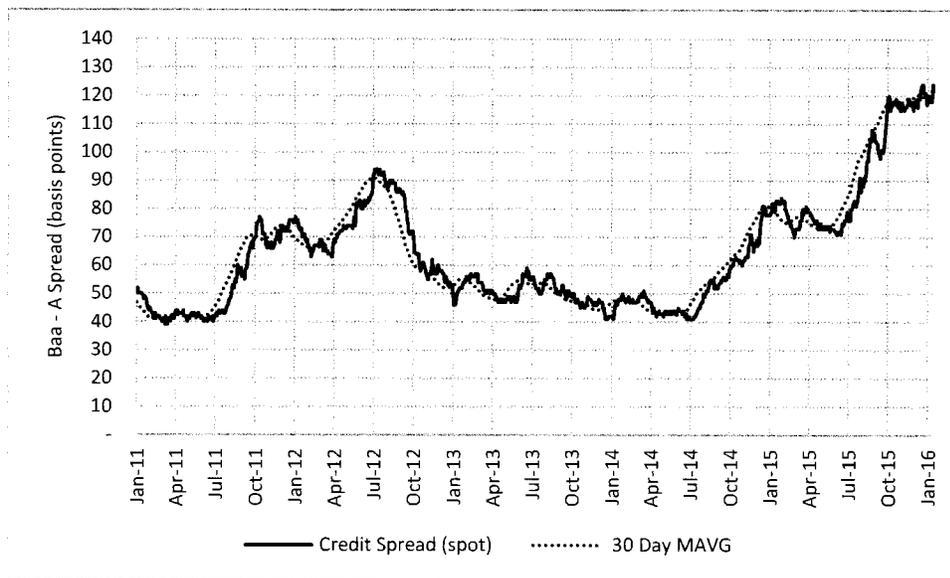
⁵⁷ See, Blue Chip Financial Forecast, Vol. 34 No. 12, December 1, 2015, at 14.

⁵⁸ Source: <http://www.nasdaq.com/symbol/tlt/option-chain?dateindex=7>

⁵⁹ That is, as interest rates move up (down), bond prices move down (up).

1 **Q. What other indicators suggest investor risk aversion has increased?**
 2 A. “Credit spreads”, which are the incremental return required by debt investors
 3 to take on the default risk associated with securities of differing credit quality,
 4 have increased significantly over the past year. As chart 6 (below)
 5 demonstrates, the estimated credit spread (on both a spot and 30-day moving
 6 average basis) has widened, such that it currently well exceeds the levels seen
 7 from 2011 through 2014. By way of example, since the order in FPL’s last
 8 rate case (December 13, 2012), the 30-day average spread increased by
 9 approximately 70 basis points, or by 134.62 percent.

10 **Chart 6: Moody’s Utility Bond Index Baa-A Credit Spread⁶⁰**



11
 12 To the extent that credit spreads have increased, it is an observable measure of
 13 the capital markets' increased risk aversion; increased risk aversion by
 14 investors leads to an increased Cost of Equity. In addition, there is a clear and

⁶⁰ Source: Bloomberg Professional.

1 well-established inverse relationship between the level of interest rates and the
2 equity risk premium.⁶¹ Consequently, lower Treasury yields do not
3 necessarily imply a correspondingly lower Cost of Equity, particularly
4 considering the current level of credit spreads is significantly higher than seen
5 over the past five years.

6 **Q. What conclusions do you draw from those analyses?**

7 A. First, these data clearly demonstrate that the current capital market is
8 experiencing increasing levels of risk version, volatility and instability. Given
9 that: (1) Federal monetary policy has begun its process of “normalization”; (2)
10 equity market volatility has increased and is expected to remain elevated; (3)
11 market data indicate expectations for increasing interest rates into 2017 and
12 beyond; and (4) credit spreads have widened, I believe that my 11.00 percent
13 ROE recommendation properly reflects the current capital market.

14 **VIII. CAPITAL STRUCTURE**

15 **Q. What is FPL’s recommended capital structure?**

16 A. As described in more detail in FPL witness Dewhurst’s testimony, FPL’s
17 recommended capital structure consists of 40.40 percent long-term debt and
18 59.60 percent common equity (based on investor-supplied capital).

⁶¹ See Chart 1.

1 **Q. Does FPL have a separate capital structure that is recognized by**
2 **investors?**

3 A. Yes. FPL is a separate corporate entity that has its own capital structure and
4 issues its own debt. FPL's capital structure is reflected in registrations of its
5 debt with the Securities Exchange Commission. It therefore is clear that FPL
6 maintains a capital structure that is reported separately from its parent,
7 NextEra Energy, Inc. and that is recognized by the investor community.

8 **Q. How does the capital structure affect the Cost of Equity?**

9 A. The capital structure relates to financial risk, which represents the risk that a
10 company may not have adequate cash flows to meet its financial obligations,
11 and is a function of the percentage of debt (or financial leverage) in its capital
12 structure. In that regard, as the percentage of debt in the capital structure
13 increases, so do the fixed obligations for the repayment of that debt.
14 Consequently, as the degree of financial leverage increases, the risk of
15 financial distress (*i.e.*, financial risk) also increases. Since the capital
16 structure can affect the subject company's overall level of risk,⁶² it is an
17 important consideration in establishing a just and reasonable Return on
18 Equity.

⁶² See Roger A. Morin, *New Regulatory Finance*, Public Utility Reports, Inc., 2006, at 45-46.

1 **Q. Are there additional considerations when determining the reasonableness**
2 **of FPL's requested capital structure?**

3 A. Yes, there are. Maintaining an equity ratio that supports the Company's
4 financial integrity will enable the company to access capital at reasonable
5 rates to fund its extensive capital spending program; a supportive capital
6 structure will also help facilitate access to liquidity if FPL faces significant
7 costs associated with future storm damage or other event. As discussed by
8 FPL witness Dewhurst, the Company's 59.60 percent recommended equity
9 ratio reflects the capital structure FPL has used to finance its operations over a
10 long period of time. FPL's stable equity ratio has supported the Company's
11 credit rating and overall credit profile and allowed it to maintain financial
12 flexibility following both natural disasters (e.g., the 2004/2005 hurricanes)
13 and financial market disruptions (e.g., the 2008/2009 financial crisis).

14 **Q. Please discuss your analysis of the capital structures of the proxy group**
15 **companies.**

16 A. I reviewed the last eight quarters of long-term debt and common equity ratios
17 of the operating utilities owned by each of my proxy companies. As shown in
18 Exhibit RBH-10, the proxy group actual equity ratios range from 46.50
19 percent to 66.01 percent. Based on that review, it is apparent that the capital
20 structure proposed by FPL witness Dewhurst is consistent with the proxy
21 companies and reasonable for the purposes of determining FPL's rate of
22 return.

1 **Q. What is your conclusion regarding the Company's proposed capital**
2 **structure?**

3 A. Considering the Company's capital expenditure plans, the need to maintain
4 adequate liquidity in the event of certain risks, and the average actual common
5 equity ratios in place at the proxy group companies, I believe that FPL's
6 proposed common equity ratio of 59.60 percent is reasonable.

7 **IX. CONCLUSIONS AND RECOMMENDATIONS**

8 **Q. What is your conclusion regarding the Company's Cost of Equity?**

9 A. As discussed throughout my testimony, it is important to consider a variety of
10 empirical and qualitative information in reviewing analytical results and
11 arriving at ROE recommendations. Here, we have a situation in which the
12 proxy companies have traded at P/E ratios well in excess of their historical
13 average and, for a time, in excess of the market. Because that condition is
14 unlikely to persist, it violates a principal assumption of the Constant Growth
15 DCF model, *i.e.*, that the P/E ratio will not change, ever. As a practical
16 matter, the Constant Growth DCF results are well below a highly observable
17 and relevant benchmark: the returns authorized for vertically integrated
18 electric utilities. A more balanced approach therefore would be to consider
19 multiple methods, including the Multi-Stage DCF model, the CAPM
20 approach, and the Bond Yield Plus Risk Premium model.

21

1 Reviewing those results, I believe that an ROE in the range of 10.50 percent to
2 11.50 percent represents the range of equity investors' required ROE for
3 investment in integrated electric utilities in today's capital markets. Within
4 that range, I recommend an ROE of 11.00 percent for FPL. That
5 recommendation considers a variety of factors including the current financial
6 environment, flotation costs, FPL's need to access capital and FPL's relative
7 risk profile. Based on those factors, it is appropriate to establish an ROE that
8 is above the proxy group mean results. As such, an ROE of 11.00 percent
9 reasonably represents the return required to invest in a company with a risk
10 profile comparable to FPL.

11 **Q. Does this conclude your pre-filed direct testimony?**

12 **A. Yes, it does.**

Robert B. Hevert, CFA
Managing Partner
Sussex Economic Advisors, LLC

Mr. Hevert is a financial and economic consultant with broad experience in the energy and utility industries. He has an extensive background in the areas of corporate finance, mergers and acquisitions, project finance, asset and business unit valuation, rate and regulatory matters, energy market assessment, and corporate strategic planning. Mr. Hevert has provided expert testimony on a wide range of financial, strategic and economic matters on over 100 occasions at both the state and federal levels.

REPRESENTATIVE PROJECT EXPERIENCE

Litigation Support and Expert Testimony

Provided expert testimony and support of litigation in various regulatory proceedings on a variety of energy and economic issues including: cost of capital for ratemaking purposes; the proposed transfer of power purchase agreements; procurement of residual service electric supply; the legal separation of generation assets; merger-related synergies; assessment of economic damages; and specific financing transactions. Services provided include collaborating with counsel, business and technical staff to develop litigation strategies, preparing and reviewing discovery and briefing materials, preparing presentation materials and participating in technical sessions with regulators and intervenors.

Financial and Economic Advisory Services

Retained by numerous leading energy companies and financial institutions throughout North America to provide services relating to the strategic evaluation, acquisition, sale or development of a variety of regulated and non-regulated enterprises. Specific services have included: developing strategic and financial analyses and managing multi-faceted due diligence reviews of proposed corporate M&A counter-parties; developing, screening and recommending potential M&A transactions and facilitating discussions between senior utility executives regarding transaction strategy and structure; performing valuation analyses and financial due diligence reviews of electric generation projects, retail marketing companies, and wholesale trading entities in support of significant M&A transactions.

Specific divestiture-related services have included advising both buy and sell-side clients in transactions for physical and contractual electric generation resources. Sell-side services have included: development and implementation of key aspects of asset divestiture programs such as marketing, offering memorandum development, development of transaction terms and conditions, bid process management, bid evaluation, negotiations, and regulatory approval process. Buy-side services have included comprehensive asset screening, selection, valuation and due diligence reviews. Both buy and sell-side services have included the use of sophisticated asset valuation techniques, and the development and delivery of fairness opinions.

Specific corporate finance experience while a Vice President with Bay State Gas included: negotiation, placement and closing of both private and public long-term debt, preferred and common equity; structured and project financing; corporate cash management; financial analysis, planning and forecasting; and various aspects of investor relations.

Regulatory Analysis and Ratemaking

On behalf of electric, natural gas and combination utilities throughout North America, provided services relating to energy industry restructuring including merchant function exit, residual energy supply obligations, and stranded cost assessment and recovery. Specific services provided include: performing strategic review and development of merchant function exit strategies including analysis of provider of last resort obligations in both electric and gas markets; and developing value optimizing strategies for physical generation assets.

Energy Market Assessment

Retained by numerous leading energy companies and financial institutions nationwide to manage or provide assessments of regional energy markets throughout the U.S. and Canada. Such assessments have included development of electric and natural gas price forecasts, analysis of generation project entry and exit scenarios, assessment of natural gas and electric transmission infrastructure, market structure and regulatory situation analysis, and assessment of competitive position. Market assessment engagements typically have been used as integral elements of business unit or asset-specific strategic plans or valuation analyses.

Resource Procurement, Contracting and Analysis

Assisted various clients in evaluating alternatives for acquiring fuel and power supplies, including the development and negotiation of energy contracts and tolling agreements. Assignments also have included developing generation resource optimization strategies. Provided advice and analyses of transition service power supply contracts in the context of both physical and contractual generation resource divestiture transactions.

Business Strategy and Operations

Retained by numerous leading North American energy companies and financial institutions nationwide to provide services relating to the development of strategic plans and planning processes for both regulated and non-regulated enterprises. Specific services provided include: developing and implementing electric generation strategies and business process redesign initiatives; developing market entry strategies for retail and wholesale businesses including assessment of asset-based marketing and trading strategies; and facilitating executive level strategic planning retreats. As Vice President, of Bay State was responsible for the company's strategic planning and business development processes, played an integral role in developing the company's non-regulated marketing affiliate, EnergyUSA, and managed the company's non-regulated investments, partnerships and strategic alliances.

PROFESSIONAL HISTORY

Sussex Economic Advisors, LLC (2012 – Present)

Managing Partner

Concentric Energy Advisors, Inc. (2002 – 2012)

President

Navigant Consulting, Inc. (1997 – 2001)

Managing Director (2000 – 2001)

Director (1998 – 2000)

Vice President, REED Consulting Group (1997 – 1998)

Bay State Gas Company (now Columbia Gas Company of Massachusetts) (1987 – 1997)

Vice President and Assistant Treasurer

Boston College (1986 – 1987)

Financial Analyst

General Telephone Company of the South (1984 – 1986)

Revenue Requirements Analyst

EDUCATION

M.B.A., University of Massachusetts at Amherst, 1984

B.S., University of Delaware, 1982

DESIGNATIONS AND PROFESSIONAL AFFILIATIONS

Chartered Financial Analyst, 1991

Association for Investment Management and Research

Boston Security Analyst Society

PUBLICATIONS/PRESENTATIONS

Has made numerous presentations throughout the United States and Canada on several topics, including:

- Generation Asset Valuation and the Use of Real Options
 - Retail and Wholesale Market Entry Strategies
 - The Use Strategic Alliances in Restructured Energy Markets
 - Gas Supply and Pipeline Infrastructure in the Northeast Energy Markets
 - Nuclear Asset Valuation and the Divestiture Process
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AVAILABLE UPON REQUEST

Extensive client and project listings, and specific references.

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
Regulatory Commission of Alaska				
ENSTAR Natural Gas Company	08/14	ENSTAR Natural Gas Company	Matter No. TA 262-4	Return on Equity
Alaska Public Utilities Commission				
Altalink, L.P., and EPCOR Distribution & Transmission, Inc.	02/16	Altalink, L.P., and EPCOR Distribution & Transmission, Inc.	2016 General Cost of Capital, Proceeding ID. 20622	Rate of Return
Arizona Corporation Commission				
Southwest Gas Corporation	11/10	Southwest Gas Corporation	Docket No. G-01551A-10-0458	Return on Equity
Arkansas Public Service Commission				
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Arkansas Gas	11/15	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Arkansas Gas	Docket No. 15-098-U	Return on Equity
SourceGas Arkansas, Inc.	03/15	SourceGas Arkansas, Inc.	Docket No. 15-011-U	Return on Equity
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Arkansas Gas	01/07	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Arkansas Gas	Docket No. 06-161-U	Return on Equity
California Public Utilities Commission				
Southwest Gas Corporation	12/12	Southwest Gas Corporation	Docket No. A-12-12-024	Return on Equity
Colorado Public Utilities Commission				
Xcel Energy, Inc.	03/15	Public Service Company of Colorado	Docket No. 15AL-0135G	Return on Equity (gas)
Xcel Energy, Inc.	06/14	Public Service Company of Colorado	Docket No. 14AL-0660E	Return on Equity (electric)
Xcel Energy, Inc.	12/12	Public Service Company of Colorado	Docket No. 12AL-1268G	Return on Equity (gas)

SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Xcel Energy, Inc.	11/11	Public Service Company of Colorado	Docket No. 11AL-947E	Return on Equity (electric)
Xcel Energy, Inc.	12/10	Public Service Company of Colorado	Docket No. 10AL-963G	Return on Equity (electric)
Atmos Energy Corporation	07/09	Atmos Energy Colorado-Kansas Division	Docket No. 09AL-507G	Return on Equity (gas)
Xcel Energy, Inc.	12/06	Public Service Company of Colorado	Docket No. 06S-656G	Return on Equity (gas)
Xcel Energy, Inc.	04/06	Public Service Company of Colorado	Docket No. 06S-234EG	Return on Equity (electric)
Xcel Energy, Inc.	08/05	Public Service Company of Colorado	Docket No. 05S-369ST	Return on Equity (steam)
Xcel Energy, Inc.	05/05	Public Service Company of Colorado	Docket No. 05S-246G	Return on Equity (gas)
Connecticut Public Utilities Regulatory Authority				
Connecticut Light and Power Company	06/14	Connecticut Light and Power Company	Docket No. 14-05-06	Return on Equity
Southern Connecticut Gas Company	09/08	Southern Connecticut Gas Company	Docket No. 08-08-17	Return on Equity
Southern Connecticut Gas Company	12/07	Southern Connecticut Gas Company	Docket No. 05-03-17PH02	Return on Equity
Connecticut Natural Gas Corporation	12/07	Connecticut Natural Gas Corporation	Docket No. 06-03-04PH02	Return on Equity
Delaware Public Service Commission				
Delmarva Power & Light Company	03/13	Delmarva Power & Light Company	Case No. 13-115	Return on Equity
Delmarva Power & Light Company	12/12	Delmarva Power & Light Company	Case No. 12-546	Return on Equity
Delmarva Power & Light Company	03/12	Delmarva Power & Light Company	Case No. 11-528	Return on Equity

SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
District of Columbia Public Service Commission				
Potomac Electric Power Company	03/13	Potomac Electric Power Company	Formal Case No. FC1103-2013-E	Return on Equity
Potomac Electric Power Company	07/11	Potomac Electric Power Company	Formal Case No. FC1087	Return on Equity
Federal Energy Regulatory Commission				
Sabine Pipeline, LLC	09/15	Sabine Pipeline, LLC	Docket No. RP15-1322-000	Return on Equity
Nextera Energy Transmission West, LLC	07/15	Nextera Energy Transmission West, LLC	Docket No. ER15-2239-000	Return on Equity
Maritimes & Northeast Pipeline, LLC	05/15	Maritimes & Northeast Pipeline, LLC	Docket No. RP15-1026-000	Return on Equity
Public Service Company of New Mexico	12/12	Public Service Company of New Mexico	Docket No. ER13-685-000	Return on Equity
Public Service Company of New Mexico	10/10	Public Service Company of New Mexico	Docket No. ER11-1915-000	Return on Equity
Portland Natural Gas Transmission System	05/10	Portland Natural Gas Transmission System	Docket No. RP10-729-000	Return on Equity
Florida Gas Transmission Company, LLC	10/09	Florida Gas Transmission Company, LLC	Docket No. RP10-21-000	Return on Equity
Maritimes and Northeast Pipeline, LLC	07/09	Maritimes and Northeast Pipeline, LLC	Docket No. RP09-809-000	Return on Equity
Spectra Energy	02/08	Saltville Gas Storage	Docket No. RP08-257-000	Return on Equity
Panhandle Energy Pipelines	08/07	Panhandle Energy Pipelines	Docket No. PL07-2-000	Response to draft policy statement regarding inclusion of MLPs in proxy groups for determination of gas pipeline ROEs

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
Southwest Gas Storage Company	08/07	Southwest Gas Storage Company	Docket No. RP07-541-000	Return on Equity
Southwest Gas Storage Company	06/07	Southwest Gas Storage Company	Docket No. RP07-34-000	Return on Equity
Sea Robin Pipeline LLC	06/07	Sea Robin Pipeline LLC	Docket No. RP07-513-000	Return on Equity
Transwestern Pipeline Company	09/06	Transwestern Pipeline Company	Docket No. RP06-614-000	Return on Equity
GPU International and Aquila	11/00	GPU International	Docket No. EC01-24-000	Market Power Study
Florida Public Service Commission				
Tampa Electric Company	04/13	Tampa Electric Company	Docket No. 130040-EI	Return on Equity
Georgia Public Service Commission				
Atlanta Gas Light Company	05/10	Atlanta Gas Light Company	Docket No. 31647-U	Return on Equity
Hawaii Public Utilities Commission				
Maui Electric Company, Limited	12/14	Maui Electric Company, Limited	Docket No. 2014-0318	Return on Equity
Hawaiian Electric Company	06/14	Hawaiian Electric Light Company	Docket No. 2013-0373	Return on Equity
Hawaii Electric Light Company	08/12	Hawaiian Electric Light Company	Docket No. 2012-0099	Return on Equity
Illinois Commerce Commission				
Ameren Illinois Company d/b/a Ameren Illinois	01/15	Ameren Illinois Company d/b/a Ameren Illinois	Docket No. 15-0142	Return on Equity
Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities	03/14	Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities	Docket No. 14-0371	Return on Equity
Ameren Illinois Company d/b/a Ameren Illinois	01/13	Ameren Illinois Company d/b/a Ameren Illinois	Docket No. 13-0192	Return on Equity
Ameren Illinois Company d/b/a Ameren Illinois	02/11	Ameren Illinois Company d/b/a Ameren Illinois	Docket No. 11-0279	Return on Equity (electric)

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
Ameren Illinois Company d/b/a Ameren Illinois	02/11	Ameren Illinois Company d/b/a Ameren Illinois	Docket No. 11-0282	Return on Equity (gas)
Indiana Utility Regulatory Commission				
Duke Energy Indiana, Inc.	12/15	Duke Energy Indiana, Inc.	Cause No. 44720	Return on Equity
Duke Energy Indiana, Inc.	12/14	Duke Energy Indiana, Inc.	Cause No. 44526	Return on Equity
Northern Indiana Public Service Company	05/09	Northern Indiana Public Service Company	Cause No. 43894	Assessment of Valuation Approaches
Kansas Corporation Commission				
Kansas City Power & Light Company	01/15	Kansas City Power & Light Company	Docket No. 15-KCPE-116-RTS	Return on Equity
Maine Public Utilities Commission				
Central Maine Power Company	06/11	Central Maine Power Company	Docket No. 2010-327	Response to Bench Analysis provided by Commission Staff relating to the Company's credit and collections processes
Maryland Public Service Commission				
Potomac Electric Power Company	12/13	Potomac Electric Power Company	Case No. 9336	Return on Equity
Delmarva Power & Light Company	03/13	Delmarva Power & Light Company	Case No. 9317	Return on Equity
Potomac Electric Power Company	11/12	Potomac Electric Power Company	Case No. 9311	Return on Equity
Potomac Electric Power Company	12/11	Potomac Electric Power Company	Case No. 9286	Return on Equity
Delmarva Power & Light Company	12/11	Delmarva Power & Light Company	Case No. 9285	Return on Equity
Delmarva Power & Light Company	12/10	Delmarva Power & Light Company	Case No. 9249	Return on Equity

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
Massachusetts Department of Public Utilities				
National Grid	11/15	Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid	DPU 15-155	Return on Equity
Fitchburg Gas and Electric Light Company d/b/a Unutil	06/15	Fitchburg Gas and Electric Light Company d/b/a Unutil	DPU 15-80	Return on Equity
NSTAR Gas Company	12/14	NSTAR Gas Company	DPU 14-150	Return on Equity
Fitchburg Gas and Electric Light Company d/b/a Unutil	07/13	Fitchburg Gas and Electric Light Company d/b/a Unutil	DPU 13-90	Return on Equity
Bay State Gas Company d/b/a Columbia Gas of Massachusetts	04/12	Bay State Gas Company d/b/a Columbia Gas of Massachusetts	DPU 12-25	Capital Cost Recovery
National Grid	08/09	Massachusetts Electric Company d/b/a National Grid	DPU 09-39	Revenue Decoupling and Return on Equity
National Grid	08/09	Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid	DPU 09-38	Return on Equity – Solar Generation
Bay State Gas Company	04/09	Bay State Gas Company	DPU 09-30	Return on Equity
NSTAR Electric	09/04	NSTAR Electric	DTE 04-85	Divestiture of Power Purchase Agreement
NSTAR Electric	08/04	NSTAR Electric	DTE 04-78	Divestiture of Power Purchase Agreement
NSTAR Electric	07/04	NSTAR Electric	DTE 04-68	Divestiture of Power Purchase Agreement

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
NSTAR Electric	07/04	NSTAR Electric	DTE 04-61	Divestiture of Power Purchase Agreement
NSTAR Electric	06/04	NSTAR Electric	DTE 04-60	Divestiture of Power Purchase Agreement
Unitil Corporation	01/04	Fitchburg Gas and Electric	DTE 03-52	Integrated Resource Plan; Gas Demand Forecast
Bay State Gas Company	01/93	Bay State Gas Company	DPU 93-14	Divestiture of Shelf Registration
Bay State Gas Company	01/91	Bay State Gas Company	DPU 91-25	Divestiture of Shelf Registration
Minnesota Public Utilities Commission				
Minnesota Energy Resources Corporation	09/15	Minnesota Energy Resources Corporation	Docket No. G-011/GR-15-736	Return on Equity
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas	08/15	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas	Docket No. G-008/GR-15-424	Return on Equity
Xcel Energy, Inc.	11/13	Northern States Power Company	Docket No. E002/GR-13-868	Return on Equity
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas	08/13	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas	Docket No. G-008/GR-13-316	Return on Equity
Xcel Energy, Inc.	11/12	Northern States Power Company	Docket No. E002/GR-12-961	Return on Equity
Otter Tail Power Corporation	04/10	Otter Tail Power Company	Docket No. E-017/GR-10-239	Return on Equity

SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Minnesota Power a division of ALLETE, Inc.	11/09	Minnesota Power	Docket No. E- 015/GR-09- 1151	Return on Equity
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas	11/08	CenterPoint Energy Minnesota Gas	Docket No. G- 008/GR-08- 1075	Return on Equity
Otter Tail Power Corporation	10/07	Otter Tail Power Company	Docket No. E- 017/GR-07- 1178	Return on Equity
Xcel Energy, Inc.	11/05	Northern States Power Company -Minnesota	Docket No. E- 002/GR-05- 1428	Return on Equity (electric)
Xcel Energy, Inc.	09/04	Northern States Power Company - Minnesota	Docket No. G- 002/GR-04- 1511	Return on Equity (gas)
Mississippi Public Service Commission				
CenterPoint Energy Resources, Corp. d/b/a CenterPoint Energy Entex and CenterPoint Energy Mississippi Gas	07/09	CenterPoint Energy Mississippi Gas	Docket No. 09- UN-334	Return on Equity
Missouri Public Service Commission				
Kansas City Power & Light Company	10/14	Kansas City Power & Light Company	Case No. ER- 2014-0370	Return on Equity (electric)
Union Electric Company d/b/a Ameren Missouri	07/14	Union Electric Company d/b/a Ameren Missouri	Case No. ER- 2014-0258	Return on Equity (electric)
Union Electric Company d/b/a Ameren Missouri	06/14	Union Electric Company d/b/a Ameren Missouri	Case No. EC- 2014-0223	Return on Equity (electric)
Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities	02/14	Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities	Case No. GR- 2014-0152	Return on Equity
Laclede Gas Company	12/12	Laclede Gas Company	Case No. GR- 2013-0171	Return on Equity

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
Union Electric Company d/b/a Ameren Missouri	02/12	Union Electric Company d/b/a Ameren Missouri	Case No. ER-2012-0166	Return on Equity (electric)
Union Electric Company d/b/a AmerenUE	09/10	Union Electric Company d/b/a AmerenUE	Case No. ER-2011-0028	Return on Equity (electric)
Union Electric Company d/b/a AmerenUE	06/10	Union Electric Company d/b/a AmerenUE	Case No. GR-2010-0363	Return on Equity (gas)
Montana Public Service Commission				
Northwestern Corporation	09/12	Northwestern Corporation d/b/a Northwestern Energy	Docket No. D2012.9.94	Return on Equity (gas)
Nevada Public Utilities Commission				
Southwest Gas Corporation	04/12	Southwest Gas Corporation	Docket No. 12-04005	Return on Equity (gas)
Nevada Power Company	06/11	Nevada Power Company	Docket No. 11-06006	Return on Equity (electric)
New Hampshire Public Utilities Commission				
Liberty Utilities d/b/a EnergyNorth Natural Gas	08/14	Liberty Utilities d/b/a EnergyNorth Natural Gas	Docket No. DG 14-180	Return on Equity
Liberty Utilities d/b/a Granite State Electric Company	03/13	Liberty Utilities d/b/a Granite State Electric Company	Docket No. DE 13-063	Return on Equity
EnergyNorth Natural Gas d/b/a National Grid NH	02/10	EnergyNorth Natural Gas d/b/a National Grid NH	Docket No. DG 10-017	Return on Equity
Unitil Energy Systems, Inc. ("Unitil"), EnergyNorth Natural Gas, Inc. d/b/a National Grid NH, Granite State Electric Company d/b/a National Grid, and Northern Utilities, Inc. – New Hampshire Division	08/08	Unitil Energy Systems, Inc. ("Unitil"), EnergyNorth Natural Gas, Inc. d/b/a National Grid NH, Granite State Electric Company d/b/a National Grid, and Northern Utilities, Inc. – New Hampshire Division	Docket No. DG 07-072	Carrying Charge Rate on Cash Working Capital

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
New Jersey Board of Public Utilities				
Pepco Holdings, Inc.	04/14	Atlantic City Electric Company	Docket No. ER14030245	Return on Equity
Orange and Rockland Utilities	11/13	Rockland Electric Company	Docket No. ER13111135	Return on Equity
Atlantic City Electric Company	12/12	Atlantic City Electric Company	Docket No. ER12121071	Return on Equity
Atlantic City Electric Company	08/11	Atlantic City Electric Company	Docket No. ER11080469	Return on Equity
Pepco Holdings, Inc.	09/06	Atlantic City Electric Company	Docket No. EM06090638	Divestiture and Valuation of Electric Generating Assets
Pepco Holdings, Inc.	12/05	Atlantic City Electric Company	Docket No. EM05121058	Market Value of Electric Generation Assets; Auction
Conectiv	06/03	Atlantic City Electric Company	Docket No. EO03020091	Market Value of Electric Generation Assets; Auction Process
New Mexico Public Regulation Commission				
Public Service Company of New Mexico	08/15	Public Service Company of New Mexico	Case No. 15-00261-UT	Return on Equity (electric)
Public Service Company of New Mexico	12/14	Public Service Company of New Mexico	Case No. 14-00332-UT	Return on Equity (electric)
Public Service Company of New Mexico	12/14	Public Service Company of New Mexico	Case No. 13-00390-UT	Cost of Capital and Financial Integrity
Southwestern Public Service Company	02/11	Southwestern Public Service Company	Case No. 10-00395-UT	Return on Equity (electric)
Public Service Company of New Mexico	06/10	Public Service Company of New Mexico	Case No. 10-00086-UT	Return on Equity (electric)

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
Public Service Company of New Mexico	09/08	Public Service Company of New Mexico	Case No. 08-00273-UT	Return on Equity (electric)
Xcel Energy, Inc.	07/07	Southwestern Public Service Company	Case No. 07-00319-UT	Return on Equity (electric)
New York State Public Service Commission				
Consolidated Edison Company of New York, Inc.	01/15	Consolidated Edison Company of New York, Inc.	Case No. 15-E-0050	Return on Equity (electric)
Orange and Rockland Utilities, Inc.	11/14	Orange and Rockland Utilities, Inc.	Case Nos. 14-E-0493 and 14-G-0494	Return on Equity (electric and gas)
Consolidated Edison Company of New York, Inc.	01/13	Consolidated Edison Company of New York, Inc.	Case No. 13-E-0030	Return on Equity (electric)
Niagara Mohawk Corporation d/b/a National Grid for Electric Service	04/12	Niagara Mohawk Corporation d/b/a National Grid for Electric Service	Case No. 12-E-0201	Return on Equity (electric)
Niagara Mohawk Corporation d/b/a National Grid for Gas Service	04/12	Niagara Mohawk Corporation d/b/a National Grid for Gas Service	Case No. 12-G-0202	Return on Equity (gas)
Orange and Rockland Utilities, Inc.	07/11	Orange and Rockland Utilities, Inc.	Case No. 11-E-0408	Return on Equity (electric)
Orange and Rockland Utilities, Inc.	07/10	Orange and Rockland Utilities, Inc.	Case No. 10-E-0362	Return on Equity (electric)
Consolidated Edison Company of New York, Inc.	11/09	Consolidated Edison Company of New York, Inc.	Case No. 09-G-0795	Return on Equity (gas)
Consolidated Edison Company of New York, Inc.	11/09	Consolidated Edison Company of New York, Inc.	Case No. 09-S-0794	Return on Equity (steam)

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
Niagara Mohawk Power Corporation	07/01	Niagara Mohawk Power Corporation	Case No. 01-E-1046	Power Purchase and Sale Agreement; Standard Offer Service Agreement
North Carolina Utilities Commission				
Duke Energy Carolinas, LLC	02/13	Duke Energy Carolinas, LLC	Docket No. E-7, Sub 1026	Return on Equity
Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc.	10/12	Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc.	Docket No. E-2, Sub 1023	Return on Equity
Virginia Electric and Power Company d/b/a Dominion North Carolina Power	03/12	Virginia Electric and Power Company d/b/a Dominion North Carolina Power	Docket No. E-22, Sub 479	Return on Equity (electric)
Duke Energy Carolinas, LLC	07/11	Duke Energy Carolinas, LLC	Docket No. E-7, Sub 989	Return on Equity (electric)
North Dakota Public Service Commission				
Otter Tail Power Company	11/08	Otter Tail Power Company	Docket No. 08-862	Return on Equity (electric)
Oklahoma Corporation Commission				
Oklahoma Gas & Electric Company	12/15	Oklahoma Gas & Electric Company	Cause No. PUD201500273	Return on Equity
Public Service Company of Oklahoma	07/15	Public Service Company of Oklahoma	Cause No. PUD201500208	Return on Equity
Oklahoma Gas & Electric Company	07/11	Oklahoma Gas & Electric Company	Cause No. PUD201100087	Return on Equity
CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Oklahoma Gas	03/09	CenterPoint Energy Oklahoma Gas	Cause No. PUD200900055	Return on Equity

SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Pennsylvania Public Utility Commission				
Pike County Light & Power Company	01/14	Pike County Light & Power Company	Docket No. R-2013-2397237	Return on Equity (electric & gas)
Veolia Energy Philadelphia, Inc.	12/13	Veolia Energy Philadelphia, Inc.	Docket No. R-2013-2386293	Return on Equity (steam)
Rhode Island Public Utilities Commission				
The Narragansett Electric Company d/b/a National Grid	04/12	The Narragansett Electric Company d/b/a National Grid	Docket No. 4323	Return on Equity (electric & gas)
National Grid RI – Gas	08/08	National Grid RI – Gas	Docket No. 3943	Revenue Decoupling and Return on Equity
South Carolina Public Service Commission				
Duke Energy Carolinas, LLC	03/13	Duke Energy Carolinas, LLC	Docket No. 2013-59-E	Return on Equity
South Carolina Electric & Gas	06/12	South Carolina Electric & Gas	Docket No. 2012-218-E	Return on Equity
Duke Energy Carolinas, LLC	08/11	Duke Energy Carolinas, LLC	Docket No. 2011-271-E	Return on Equity
South Carolina Electric & Gas	03/10	South Carolina Electric & Gas	Docket No. 2009-489-E	Return on Equity
South Dakota Public Utilities Commission				
Otter Tail Power Company	08/10	Otter Tail Power Company	Docket No. EL10-011	Return on Equity (electric)
Northern States Power Company	06/09	South Dakota Division of Northern States Power	Docket No. EL09-009	Return on Equity (electric)
Otter Tail Power Company	10/08	Otter Tail Power Company	Docket No. EL08-030	Return on Equity (electric)
Texas Public Utility Commission				
Wind Energy Transmission Texas, LLC	05/15	Wind Energy Transmission Texas, LLC	Docket No. 44746	Return on Equity
Cross Texas Transmission	12/14	Cross Texas Transmission	Docket No. 43950	Return on Equity

SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Southwestern Public Service Company	12/14	Southwestern Public Service Company	Docket No. 43695	Return on Equity (electric)
Sharyland Utilities, L.P.	05/13	Sharyland Utilities, L.P.	Docket No. 41474	Return on Equity
Wind Energy Texas Transmission, LLC	08/12	Wind Energy Texas Transmission, LLC	Docket No. 40606	Return on Equity
Southwestern Electric Power Company	07/12	Southwestern Electric Power Company	Docket No. 40443	Return on Equity
Oncor Electric Delivery Company, LLC	01/11	Oncor Electric Delivery Company, LLC	Docket No. 38929	Return on Equity
Texas-New Mexico Power Company	08/10	Texas-New Mexico Power Company	Docket No. 38480	Return on Equity (electric)
CenterPoint Energy Houston Electric LLC	06/10	CenterPoint Energy Houston Electric LLC	Docket No. 38339	Return on Equity
Xcel Energy, Inc.	05/10	Southwestern Public Service Company	Docket No. 38147	Return on Equity (electric)
Texas-New Mexico Power Company	08/08	Texas-New Mexico Power Company	Docket No. 36025	Return on Equity (electric)
Xcel Energy, Inc.	05/06	Southwestern Public Service Company	Docket No. 32766	Return on Equity (electric)
Texas Railroad Commission				
Centerpoint Energy Resources Corp. d/b/a Centerpoint Energy Entex and Centerpoint Energy Texas Gas	03/15	Centerpoint Energy Resources Corp. d/b/a Centerpoint Energy Entex and Centerpoint Energy Texas Gas	GUD 10432	Return on Equity

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas	07/12	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas	GUD 10182	Return on Equity
Atmos Energy Corporation – West Texas Division	06/12	Atmos Energy Corporation – West Texas Division	GUD 10175	Return on Equity
Atmos Energy Corporation – Mid-Texas Division	06/12	Atmos Energy Corporation – Mid-Texas Division	GUD 10171	Return on Equity
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas	12/10	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas	GUD 10038	Return on Equity
Atmos Pipeline – Texas	09/10	Atmos Pipeline - Texas	GUD 10000	Return on Equity
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas	07/09	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas	GUD 9902	Return on Equity
CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Texas Gas	03/08	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Texas Gas	GUD 9791	Return on Equity
Utah Public Service Commission				
Questar Gas Company	12/07	Questar Gas Company	Docket No. 07-057-13	Return on Equity

SPONSOR	DATE	CASE/APPLICANT	DOCKET No.	SUBJECT
Vermont Public Service Board				
Central Vermont Public Service Corporation; Green Mountain Power	02/12	Central Vermont Public Service Corporation; Green Mountain Power	Docket No. 7770	Merger Policy
Central Vermont Public Service Corporation	12/10	Central Vermont Public Service Corporation	Docket No. 7627	Return on Equity (electric)
Green Mountain Power	04/06	Green Mountain Power	Docket Nos. 7175 and 7176	Return on Equity (electric)
Vermont Gas Systems, Inc.	12/05	Vermont Gas Systems	Docket Nos. 7109 and 7160	Return on Equity (gas)
Virginia State Corporation Commission				
Virginia Electric and Power Company	12/15	Virginia Electric and Power Company	Case Nos. PUE-2015-0058; PUE-2015-0059; PUE-2015-0060; PUE-2015-0061; PUE-2015-0075; PUE-2015-0089; PUE-2015-0102; PUE-2015-0104	Return on Equity
Virginia Electric and Power Company	03/15	Virginia Electric and Power Company	Case No. PUE-2015-00027	Return on Equity
Virginia Electric and Power Company	03/13	Virginia Electric and Power Company	Case No. PUE-2013-00020	Return on Equity
Virginia Natural Gas, Inc.	02/11	Virginia Natural Gas, Inc.	Case No. PUE-2010-00142	Capital Structure
Columbia Gas Of Virginia, Inc.	06/06	Columbia Gas Of Virginia, Inc.	Case No. PUE-2005-00098	Merger Synergies
Dominion Resources	10/01	Virginia Electric and Power Company	Case No. PUE000584	Corporate Structure and Electric Generation Strategy

Expert Report

United States District Court, Western District of Texas, Austin Division				
Southwestern Public Service Company	02/12	Southwestern Public Service Company	C.A. No. A-09-CA-917-SS	PURPA and FERC regulations

Capital Asset Pricing Model Results
 Bloomberg and Value Line Derived Market Risk Premium

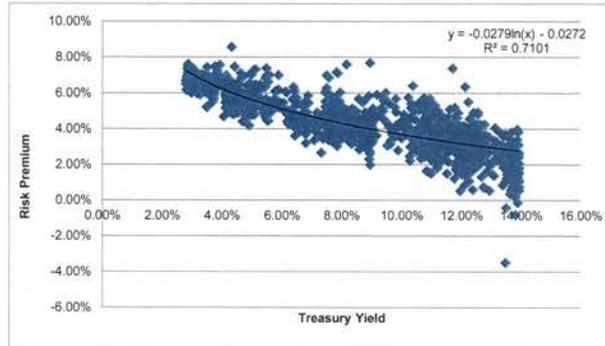
	[1]	[2]	[3] Ex-Ante Market Risk Premium		[5] CAPM Result	
	Risk-Free Rate	Average Beta Coefficient	Bloomberg Market DCF Derived	Value Line Market DCF Derived	Bloomberg Market DCF Derived	Value Line Market DCF Derived
PROXY GROUP BLOOMBERG BETA COEFFICIENT						
Current 30-Year Treasury (30-day average) [7]	2.96%	0.608	10.68%	9.87%	9.45%	8.96%
Blue Chip Financial Forecast 2017 Projection [8]	4.00%	0.608	10.68%	9.87%	10.50%	10.00%
Blue Chip Financial Forecast 2020 Projection [9]	4.80%	0.608	10.68%	9.87%	11.30%	10.80%
Mean					10.41%	9.92%
	Risk-Free Rate	Average Beta Coefficient	[3] Ex-Ante Market Risk Premium		[5] CAPM Result	
	Risk-Free Rate	Average Beta Coefficient	Bloomberg Market DCF Derived	Value Line Market DCF Derived	Bloomberg Market DCF Derived	Value Line Market DCF Derived
PROXY GROUP VALUE LINE AVERAGE BETA COEFFICIENT						
Current 30-Year Treasury (30-day average) [7]	2.96%	0.776	10.68%	9.87%	11.24%	10.61%
Blue Chip Financial Forecast 2017 Projection [8]	4.00%	0.776	10.68%	9.87%	12.29%	11.66%
Blue Chip Financial Forecast 2020 Projection [9]	4.80%	0.776	10.68%	9.87%	13.09%	12.46%
Mean					12.21%	11.58%

Notes:

- [1] See Notes [7] and [8]
 [2] Source: Schedule (RBH)-4
 [3] Source: Schedule (RBH)-3
 [4] Source: Schedule (RBH)-3
 [5] Equals Col. [1] + (Col. [2] x Col. [3])
 [6] Equals Col. [1] + (Col. [2] x Col. [4])
 [7] Source: Bloomberg Professional
 [8] Source: Blue Chip Financial Forecasts, Vol. 34, No. 12, December 1, 2015, at 14.
 [9] Source: Blue Chip Financial Forecasts, Vol. 34, No. 12, December 1, 2015, at 14.

Bond Yield Plus Risk Premium

	[1]	[2]	[3]	[4]	[5]
	Constant	Slope	30-Year Treasury Yield	Risk Premium	Return on Equity
	-2.72%	-2.79%	2.96%	7.08%	10.04%
Current 30-Year Treasury			2.96%	7.08%	10.04%
Blue Chip Financial Forecast 2017 Projection			4.00%	6.24%	10.24%
Blue Chip Financial Forecast 2020 Projection			4.80%	5.73%	10.53%



Notes:

- [1] Constant of regression equation
- [2] Slope of regression equation
- [3] Source: Current = Bloomberg Professional, Projected = Blue Chip Financial Forecasts, Vol. 34, No. 12, December 1, 2015, at 14
- [4] Equals [1] + ln([3]) x [2]
- [5] Equals [3] + [4]
- [6] Source: SNL Financial
- [7] Source: SNL Financial
- [8] Source: Bloomberg Professional, equals 200-trading day average (i.e. lag period)
- [9] Equals [7] - [8]

Bond Yield Plus Risk Premium

	[6]	[7]	[8]	[9]
Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium	
1/1/1980	14.50%	9.36%	5.14%	
1/7/1980	14.39%	9.38%	5.01%	
1/9/1980	15.00%	9.40%	5.60%	
1/14/1980	15.17%	9.42%	5.75%	
1/17/1980	13.93%	9.44%	4.49%	
1/23/1980	15.50%	9.47%	6.03%	
1/30/1980	13.86%	9.52%	4.34%	
1/31/1980	12.61%	9.53%	3.08%	
2/6/1980	13.71%	9.58%	4.13%	
2/13/1980	12.80%	9.63%	3.17%	
2/14/1980	13.00%	9.65%	3.35%	
2/19/1980	13.50%	9.68%	3.82%	
2/27/1980	13.75%	9.78%	3.97%	
2/29/1980	13.75%	9.81%	3.94%	
2/29/1980	14.00%	9.81%	4.19%	
2/29/1980	14.77%	9.81%	4.96%	
3/7/1980	12.70%	9.89%	2.81%	
3/14/1980	13.50%	9.97%	3.53%	
3/26/1980	14.16%	10.10%	4.06%	
3/27/1980	14.24%	10.12%	4.12%	
3/28/1980	14.50%	10.13%	4.37%	
4/11/1980	12.75%	10.27%	2.48%	
4/14/1980	13.85%	10.29%	3.56%	
4/16/1980	15.50%	10.31%	5.19%	
4/22/1980	13.25%	10.35%	2.90%	
4/22/1980	13.90%	10.35%	3.55%	
4/24/1980	16.80%	10.38%	6.43%	
4/29/1980	15.50%	10.41%	5.09%	
5/6/1980	13.70%	10.45%	3.25%	
5/7/1980	15.00%	10.45%	4.55%	
5/8/1980	13.75%	10.46%	3.29%	
5/9/1980	14.35%	10.47%	3.88%	
5/13/1980	13.60%	10.48%	3.12%	
5/15/1980	13.25%	10.49%	2.76%	
5/19/1980	13.75%	10.51%	3.24%	
5/27/1980	13.62%	10.54%	3.08%	

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
5/27/1980	14.60%	10.54%	4.06%
5/29/1980	16.00%	10.56%	5.44%
5/30/1980	13.80%	10.56%	3.24%
6/2/1980	15.63%	10.57%	5.06%
6/9/1980	15.90%	10.60%	5.30%
6/10/1980	13.78%	10.60%	3.18%
6/12/1980	14.25%	10.61%	3.64%
6/19/1980	13.40%	10.62%	2.78%
6/30/1980	13.00%	10.65%	2.35%
6/30/1980	13.40%	10.65%	2.75%
7/9/1980	14.75%	10.67%	4.08%
7/10/1980	15.00%	10.68%	4.32%
7/15/1980	15.80%	10.70%	5.10%
7/18/1980	13.80%	10.71%	3.09%
7/22/1980	14.10%	10.72%	3.38%
7/24/1980	15.00%	10.73%	4.27%
7/25/1980	13.48%	10.73%	2.75%
7/31/1980	14.58%	10.75%	3.83%
8/8/1980	13.50%	10.78%	2.72%
8/8/1980	14.00%	10.78%	3.22%
8/8/1980	15.45%	10.78%	4.67%
8/11/1980	14.85%	10.78%	4.07%
8/14/1980	14.00%	10.79%	3.21%
8/14/1980	16.25%	10.79%	5.46%
8/25/1980	13.75%	10.82%	2.93%
8/27/1980	13.80%	10.83%	2.97%
8/29/1980	12.50%	10.84%	1.66%
9/15/1980	13.50%	10.88%	2.62%
9/15/1980	13.93%	10.88%	3.05%
9/15/1980	15.80%	10.88%	4.92%
9/24/1980	12.50%	10.93%	1.57%
9/24/1980	15.00%	10.93%	4.07%
9/26/1980	13.75%	10.94%	2.81%
9/30/1980	14.10%	10.96%	3.14%
9/30/1980	14.20%	10.96%	3.24%
10/1/1980	13.90%	10.97%	2.93%
10/3/1980	15.50%	10.98%	4.52%
10/7/1980	12.50%	10.99%	1.51%
10/9/1980	13.25%	11.00%	2.25%
10/9/1980	14.50%	11.00%	3.50%
10/9/1980	14.50%	11.00%	3.50%
10/16/1980	16.10%	11.02%	5.08%
10/17/1980	14.50%	11.03%	3.47%
10/31/1980	13.75%	11.11%	2.64%
10/31/1980	14.25%	11.11%	3.14%
11/4/1980	15.00%	11.12%	3.88%
11/5/1980	13.75%	11.12%	2.63%
11/5/1980	14.00%	11.12%	2.88%
11/8/1980	13.75%	11.14%	2.61%
11/10/1980	14.85%	11.15%	3.70%
11/17/1980	14.00%	11.18%	2.82%
11/18/1980	14.00%	11.19%	2.81%
11/19/1980	13.00%	11.19%	1.81%
11/24/1980	14.00%	11.21%	2.79%
11/26/1980	14.00%	11.21%	2.79%
12/8/1980	14.15%	11.22%	2.93%
12/8/1980	15.10%	11.22%	3.88%
12/9/1980	15.35%	11.22%	4.13%
12/12/1980	15.45%	11.23%	4.22%
12/17/1980	13.25%	11.23%	2.02%
12/18/1980	15.80%	11.23%	4.57%
12/19/1980	14.50%	11.23%	3.27%
12/19/1980	14.64%	11.23%	3.41%
12/22/1980	13.45%	11.23%	2.22%
12/22/1980	15.00%	11.23%	3.77%
12/30/1980	14.50%	11.22%	3.28%
12/30/1980	14.95%	11.22%	3.73%
12/31/1980	13.39%	11.22%	2.17%
1/2/1981	15.25%	11.22%	4.03%
1/7/1981	14.30%	11.21%	3.09%
1/19/1981	15.25%	11.20%	4.05%
1/23/1981	13.10%	11.20%	1.90%
1/23/1981	14.40%	11.20%	3.20%
1/26/1981	15.25%	11.20%	4.05%
1/27/1981	15.00%	11.21%	3.79%
1/31/1981	13.47%	11.22%	2.25%
2/3/1981	15.25%	11.23%	4.02%
2/5/1981	15.75%	11.25%	4.50%
2/11/1981	15.60%	11.28%	4.32%
2/20/1981	15.25%	11.33%	3.92%
3/11/1981	15.40%	11.49%	3.91%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
3/12/1981	14.51%	11.50%	3.01%
3/12/1981	16.00%	11.50%	4.50%
3/13/1981	13.02%	11.52%	1.50%
3/18/1981	16.19%	11.55%	4.64%
3/19/1981	13.75%	11.56%	2.19%
3/23/1981	14.30%	11.58%	2.72%
3/25/1981	15.30%	11.60%	3.70%
4/1/1981	14.53%	11.68%	2.85%
4/3/1981	19.10%	11.71%	7.39%
4/9/1981	15.00%	11.78%	3.22%
4/9/1981	15.30%	11.78%	3.52%
4/9/1981	16.50%	11.78%	4.72%
4/9/1981	17.00%	11.78%	5.22%
4/10/1981	13.75%	11.80%	1.95%
4/13/1981	13.57%	11.82%	1.75%
4/15/1981	15.30%	11.85%	3.45%
4/16/1981	13.50%	11.87%	1.63%
4/17/1981	14.10%	11.87%	2.23%
4/21/1981	14.00%	11.90%	2.10%
4/21/1981	16.80%	11.90%	4.90%
4/24/1981	16.00%	11.95%	4.05%
4/27/1981	12.50%	11.97%	0.53%
4/27/1981	13.61%	11.97%	1.64%
4/29/1981	13.65%	12.00%	1.65%
4/30/1981	13.50%	12.02%	1.48%
5/4/1981	16.22%	12.05%	4.17%
5/5/1981	14.40%	12.07%	2.33%
5/7/1981	16.25%	12.11%	4.14%
5/7/1981	16.27%	12.11%	4.16%
5/8/1981	13.00%	12.13%	0.87%
5/8/1981	16.00%	12.13%	3.87%
5/12/1981	13.50%	12.16%	1.34%
5/15/1981	15.75%	12.22%	3.53%
5/18/1981	14.88%	12.23%	2.65%
5/20/1981	16.00%	12.26%	3.74%
5/21/1981	14.00%	12.27%	1.73%
5/26/1981	14.90%	12.30%	2.60%
5/27/1981	15.00%	12.31%	2.69%
5/29/1981	15.50%	12.34%	3.16%
6/1/1981	16.50%	12.35%	4.15%
6/3/1981	14.67%	12.37%	2.30%
6/5/1981	13.00%	12.39%	0.61%
6/10/1981	16.75%	12.42%	4.33%
6/17/1981	14.40%	12.46%	1.94%
6/18/1981	16.33%	12.47%	3.86%
6/25/1981	14.75%	12.51%	2.24%
6/26/1981	16.00%	12.52%	3.48%
6/30/1981	15.25%	12.54%	2.71%
7/1/1981	15.50%	12.56%	2.94%
7/1/1981	17.50%	12.56%	4.94%
7/10/1981	16.00%	12.62%	3.38%
7/14/1981	16.90%	12.64%	4.26%
7/15/1981	16.00%	12.65%	3.35%
7/17/1981	15.00%	12.67%	2.33%
7/20/1981	15.00%	12.68%	2.32%
7/21/1981	14.00%	12.69%	1.31%
7/28/1981	13.48%	12.74%	0.74%
7/31/1981	13.50%	12.78%	0.72%
7/31/1981	15.00%	12.78%	2.22%
7/31/1981	16.00%	12.78%	3.22%
8/5/1981	15.71%	12.83%	2.88%
8/10/1981	14.50%	12.87%	1.63%
8/11/1981	15.00%	12.88%	2.12%
8/20/1981	13.50%	12.95%	0.55%
8/20/1981	16.50%	12.95%	3.55%
8/24/1981	15.00%	12.97%	2.03%
8/28/1981	15.00%	13.01%	1.99%
9/3/1981	14.50%	13.05%	1.45%
9/10/1981	14.50%	13.11%	1.39%
9/11/1981	16.00%	13.12%	2.88%
9/16/1981	16.00%	13.15%	2.85%
9/17/1981	16.50%	13.16%	3.34%
9/23/1981	15.85%	13.20%	2.65%
9/28/1981	15.50%	13.23%	2.27%
10/9/1981	15.75%	13.33%	2.42%
10/15/1981	16.25%	13.37%	2.88%
10/16/1981	15.50%	13.38%	2.12%
10/16/1981	16.50%	13.38%	3.12%
10/19/1981	14.25%	13.39%	0.86%
10/20/1981	15.25%	13.41%	1.84%
10/20/1981	17.00%	13.41%	3.59%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
10/23/1981	16.00%	13.45%	2.55%
10/27/1981	10.00%	13.48%	-3.48%
10/29/1981	14.75%	13.51%	1.24%
10/29/1981	16.50%	13.51%	2.99%
11/3/1981	15.17%	13.53%	1.64%
11/5/1981	16.60%	13.55%	3.05%
11/6/1981	15.17%	13.56%	1.61%
11/24/1981	15.50%	13.61%	1.89%
11/25/1981	15.25%	13.61%	1.64%
11/25/1981	15.35%	13.61%	1.74%
11/25/1981	16.10%	13.61%	2.49%
11/25/1981	16.10%	13.61%	2.49%
12/1/1981	15.70%	13.61%	2.09%
12/1/1981	16.00%	13.61%	2.39%
12/1/1981	16.49%	13.61%	2.88%
12/1/1981	16.50%	13.61%	2.89%
12/4/1981	16.00%	13.61%	2.39%
12/11/1981	16.25%	13.63%	2.62%
12/14/1981	14.00%	13.63%	0.37%
12/15/1981	15.81%	13.63%	2.18%
12/15/1981	16.00%	13.63%	2.37%
12/16/1981	15.25%	13.63%	1.62%
12/17/1981	16.50%	13.63%	2.87%
12/18/1981	15.45%	13.63%	1.82%
12/30/1981	14.25%	13.67%	0.58%
12/30/1981	16.00%	13.67%	2.33%
12/30/1981	16.25%	13.67%	2.58%
12/31/1981	16.15%	13.67%	2.48%
1/4/1982	15.50%	13.67%	1.83%
1/11/1982	14.50%	13.72%	0.78%
1/11/1982	17.00%	13.72%	3.28%
1/13/1982	14.75%	13.74%	1.01%
1/14/1982	15.75%	13.75%	2.00%
1/15/1982	15.00%	13.76%	1.24%
1/15/1982	16.50%	13.76%	2.74%
1/22/1982	16.25%	13.79%	2.46%
1/27/1982	16.84%	13.81%	3.03%
1/28/1982	13.00%	13.81%	-0.81%
1/29/1982	15.50%	13.82%	1.68%
2/1/1982	15.85%	13.82%	2.03%
2/3/1982	16.44%	13.84%	2.60%
2/8/1982	15.50%	13.86%	1.64%
2/11/1982	16.00%	13.88%	2.12%
2/11/1982	16.20%	13.88%	2.32%
2/17/1982	15.00%	13.89%	1.11%
2/19/1982	15.17%	13.89%	1.28%
2/26/1982	15.25%	13.89%	1.36%
3/1/1982	15.03%	13.89%	1.14%
3/1/1982	16.00%	13.89%	2.11%
3/3/1982	15.00%	13.88%	1.12%
3/8/1982	17.10%	13.88%	3.22%
3/12/1982	16.25%	13.88%	2.37%
3/17/1982	17.30%	13.88%	3.42%
3/22/1982	15.10%	13.89%	1.21%
3/27/1982	15.40%	13.89%	1.51%
3/30/1982	15.50%	13.90%	1.60%
3/31/1982	17.00%	13.91%	3.09%
4/1/1982	14.70%	13.91%	0.79%
4/1/1982	16.50%	13.91%	2.59%
4/2/1982	15.50%	13.91%	1.59%
4/5/1982	15.50%	13.92%	1.58%
4/8/1982	16.40%	13.93%	2.47%
4/13/1982	14.50%	13.94%	0.56%
4/23/1982	15.75%	13.94%	1.81%
4/27/1982	15.00%	13.94%	1.06%
4/28/1982	15.75%	13.94%	1.81%
4/30/1982	14.70%	13.94%	0.76%
4/30/1982	15.50%	13.94%	1.56%
5/3/1982	16.60%	13.94%	2.66%
5/4/1982	16.00%	13.94%	2.06%
5/14/1982	15.50%	13.92%	1.58%
5/18/1982	15.42%	13.92%	1.50%
5/19/1982	14.69%	13.92%	0.77%
5/20/1982	15.00%	13.91%	1.09%
5/20/1982	15.10%	13.91%	1.19%
5/20/1982	15.50%	13.91%	1.59%
5/20/1982	16.30%	13.91%	2.39%
5/21/1982	17.75%	13.91%	3.84%
5/27/1982	15.00%	13.89%	1.11%
5/28/1982	15.50%	13.89%	1.61%
5/28/1982	17.00%	13.89%	3.11%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
6/1/1982	13.75%	13.89%	-0.14%
6/1/1982	16.60%	13.89%	2.71%
6/9/1982	17.86%	13.88%	3.98%
6/14/1982	15.75%	13.88%	1.87%
6/15/1982	14.85%	13.88%	0.97%
6/18/1982	15.50%	13.87%	1.63%
6/21/1982	14.90%	13.87%	1.03%
6/23/1982	16.00%	13.86%	2.14%
6/23/1982	16.17%	13.86%	2.31%
6/24/1982	14.85%	13.86%	0.99%
6/25/1982	14.70%	13.86%	0.84%
7/1/1982	16.00%	13.84%	2.16%
7/2/1982	15.62%	13.84%	1.78%
7/2/1982	17.00%	13.84%	3.16%
7/13/1982	14.00%	13.82%	0.18%
7/13/1982	16.80%	13.82%	2.98%
7/14/1982	15.76%	13.82%	1.94%
7/14/1982	16.02%	13.82%	2.20%
7/19/1982	16.50%	13.80%	2.70%
7/22/1982	14.50%	13.77%	0.73%
7/22/1982	17.00%	13.77%	3.23%
7/27/1982	16.75%	13.75%	3.00%
7/29/1982	16.50%	13.74%	2.76%
8/11/1982	17.50%	13.68%	3.82%
8/18/1982	17.07%	13.63%	3.44%
8/20/1982	15.73%	13.60%	2.13%
8/25/1982	16.00%	13.57%	2.43%
8/26/1982	15.50%	13.56%	1.94%
8/30/1982	15.00%	13.55%	1.45%
9/3/1982	16.20%	13.53%	2.67%
9/8/1982	15.00%	13.52%	1.48%
9/15/1982	13.08%	13.50%	-0.42%
9/15/1982	16.25%	13.50%	2.75%
9/16/1982	16.00%	13.50%	2.50%
9/17/1982	15.25%	13.50%	1.75%
9/23/1982	17.17%	13.47%	3.70%
9/24/1982	14.50%	13.46%	1.04%
9/27/1982	15.25%	13.46%	1.79%
10/1/1982	15.50%	13.42%	2.08%
10/15/1982	15.90%	13.32%	2.58%
10/22/1982	15.75%	13.24%	2.51%
10/22/1982	17.15%	13.24%	3.91%
10/29/1982	15.54%	13.16%	2.38%
11/1/1982	15.50%	13.15%	2.35%
11/3/1982	17.20%	13.13%	4.07%
11/4/1982	16.25%	13.11%	3.14%
11/5/1982	16.20%	13.09%	3.11%
11/9/1982	16.00%	13.05%	2.95%
11/23/1982	15.50%	12.89%	2.61%
11/23/1982	15.85%	12.89%	2.96%
11/30/1982	16.50%	12.81%	3.69%
12/1/1982	17.04%	12.79%	4.25%
12/6/1982	15.00%	12.73%	2.27%
12/6/1982	16.35%	12.73%	3.62%
12/10/1982	15.50%	12.66%	2.84%
12/13/1982	16.00%	12.65%	3.35%
12/14/1982	15.30%	12.63%	2.67%
12/14/1982	16.40%	12.63%	3.77%
12/20/1982	16.00%	12.57%	3.43%
12/21/1982	14.75%	12.56%	2.19%
12/21/1982	15.85%	12.56%	3.29%
12/22/1982	16.25%	12.54%	3.71%
12/22/1982	16.58%	12.54%	4.04%
12/22/1982	16.75%	12.54%	4.21%
12/29/1982	14.90%	12.48%	2.42%
12/29/1982	16.25%	12.48%	3.77%
12/30/1982	16.00%	12.47%	3.53%
12/30/1982	16.35%	12.47%	3.88%
12/30/1982	16.77%	12.47%	4.30%
1/5/1983	17.33%	12.40%	4.93%
1/11/1983	15.90%	12.34%	3.56%
1/12/1983	14.63%	12.33%	2.30%
1/12/1983	15.50%	12.33%	3.17%
1/20/1983	17.75%	12.24%	5.51%
1/21/1983	15.00%	12.22%	2.78%
1/24/1983	14.50%	12.21%	2.29%
1/24/1983	15.50%	12.21%	3.29%
1/25/1983	15.85%	12.19%	3.66%
1/27/1983	16.14%	12.17%	3.97%
2/1/1983	18.50%	12.13%	6.37%
2/4/1983	14.00%	12.10%	1.90%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
2/10/1983	15.00%	12.06%	2.94%
2/21/1983	15.50%	11.98%	3.52%
2/22/1983	15.50%	11.97%	3.53%
2/23/1983	15.10%	11.96%	3.14%
2/23/1983	16.00%	11.96%	4.04%
3/2/1983	15.25%	11.89%	3.36%
3/9/1983	15.20%	11.82%	3.38%
3/15/1983	13.00%	11.77%	1.23%
3/18/1983	15.25%	11.73%	3.52%
3/23/1983	15.40%	11.69%	3.71%
3/24/1983	15.00%	11.67%	3.33%
3/29/1983	15.50%	11.63%	3.87%
3/30/1983	16.71%	11.61%	5.10%
3/31/1983	15.00%	11.59%	3.41%
4/4/1983	15.20%	11.58%	3.62%
4/8/1983	15.50%	11.51%	3.99%
4/11/1983	14.81%	11.49%	3.32%
4/19/1983	14.50%	11.38%	3.12%
4/20/1983	16.00%	11.36%	4.64%
4/29/1983	16.00%	11.24%	4.76%
5/1/1983	14.50%	11.24%	3.26%
5/9/1983	15.50%	11.15%	4.35%
5/11/1983	16.46%	11.12%	5.34%
5/12/1983	14.14%	11.11%	3.03%
5/18/1983	15.00%	11.05%	3.95%
5/23/1983	14.90%	11.01%	3.89%
5/23/1983	15.50%	11.01%	4.49%
5/25/1983	15.50%	10.98%	4.52%
5/27/1983	15.00%	10.96%	4.04%
5/31/1983	14.00%	10.95%	3.05%
5/31/1983	15.50%	10.95%	4.55%
6/2/1983	14.50%	10.93%	3.57%
6/17/1983	15.03%	10.84%	4.19%
7/1/1983	14.80%	10.78%	4.02%
7/1/1983	14.90%	10.78%	4.12%
7/8/1983	16.25%	10.76%	5.49%
7/13/1983	13.20%	10.75%	2.45%
7/19/1983	15.00%	10.74%	4.26%
7/19/1983	15.10%	10.74%	4.36%
7/25/1983	16.25%	10.73%	5.52%
7/28/1983	15.90%	10.74%	5.16%
8/3/1983	16.34%	10.75%	5.59%
8/3/1983	16.50%	10.75%	5.75%
8/19/1983	15.00%	10.80%	4.20%
8/22/1983	15.50%	10.80%	4.70%
8/22/1983	16.40%	10.80%	5.60%
8/31/1983	14.75%	10.84%	3.91%
9/7/1983	15.00%	10.86%	4.14%
9/14/1983	15.78%	10.89%	4.89%
9/16/1983	15.00%	10.90%	4.10%
9/19/1983	14.50%	10.91%	3.59%
9/20/1983	16.50%	10.91%	5.59%
9/28/1983	14.50%	10.94%	3.56%
9/29/1983	15.50%	10.95%	4.55%
9/30/1983	15.25%	10.95%	4.30%
9/30/1983	16.15%	10.95%	5.20%
10/4/1983	14.80%	10.96%	3.84%
10/7/1983	16.00%	10.97%	5.03%
10/13/1983	15.52%	10.99%	4.53%
10/17/1983	15.50%	11.00%	4.50%
10/18/1983	14.50%	11.00%	3.50%
10/19/1983	16.25%	11.01%	5.24%
10/19/1983	16.50%	11.01%	5.49%
10/26/1983	15.00%	11.04%	3.96%
10/27/1983	15.20%	11.04%	4.16%
11/1/1983	16.00%	11.06%	4.94%
11/9/1983	14.90%	11.09%	3.81%
11/10/1983	14.35%	11.10%	3.25%
11/23/1983	16.00%	11.13%	4.87%
11/23/1983	16.15%	11.13%	5.02%
11/30/1983	15.00%	11.14%	3.86%
12/5/1983	15.25%	11.15%	4.10%
12/6/1983	15.07%	11.15%	3.92%
12/8/1983	15.90%	11.16%	4.74%
12/9/1983	14.75%	11.17%	3.58%
12/12/1983	14.50%	11.17%	3.33%
12/15/1983	15.56%	11.19%	4.37%
12/19/1983	14.80%	11.21%	3.59%
12/20/1983	14.69%	11.22%	3.47%
12/20/1983	16.00%	11.22%	4.78%
12/20/1983	16.25%	11.22%	5.03%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
12/22/1983	14.75%	11.23%	3.52%
12/22/1983	15.75%	11.23%	4.52%
1/3/1984	14.75%	11.27%	3.48%
1/10/1984	15.90%	11.30%	4.60%
1/12/1984	15.60%	11.31%	4.29%
1/18/1984	13.75%	11.33%	2.42%
1/19/1984	15.90%	11.33%	4.57%
1/30/1984	16.10%	11.37%	4.73%
1/31/1984	15.25%	11.37%	3.88%
2/1/1984	14.80%	11.38%	3.42%
2/6/1984	13.75%	11.40%	2.35%
2/6/1984	14.75%	11.40%	3.35%
2/9/1984	15.25%	11.42%	3.83%
2/15/1984	15.70%	11.44%	4.26%
2/20/1984	15.00%	11.46%	3.54%
2/20/1984	15.00%	11.46%	3.54%
2/22/1984	14.75%	11.47%	3.28%
2/28/1984	14.50%	11.51%	2.99%
3/2/1984	14.25%	11.54%	2.71%
3/20/1984	16.00%	11.64%	4.36%
3/23/1984	15.50%	11.67%	3.83%
3/26/1984	14.71%	11.68%	3.03%
4/2/1984	15.50%	11.71%	3.79%
4/6/1984	14.74%	11.75%	2.99%
4/11/1984	15.72%	11.78%	3.94%
4/17/1984	15.00%	11.81%	3.19%
4/18/1984	16.20%	11.82%	4.38%
4/25/1984	14.64%	11.85%	2.79%
4/30/1984	14.40%	11.87%	2.53%
5/16/1984	14.69%	11.98%	2.71%
5/16/1984	15.00%	11.98%	3.02%
5/22/1984	14.40%	12.02%	2.38%
5/29/1984	15.10%	12.06%	3.04%
6/13/1984	15.25%	12.15%	3.10%
6/15/1984	15.60%	12.17%	3.43%
6/22/1984	16.25%	12.21%	4.04%
6/29/1984	15.25%	12.26%	2.99%
7/2/1984	13.35%	12.27%	1.08%
7/10/1984	16.00%	12.31%	3.69%
7/12/1984	16.50%	12.32%	4.18%
7/13/1984	16.25%	12.33%	3.92%
7/17/1984	14.14%	12.35%	1.79%
7/18/1984	15.30%	12.36%	2.94%
7/18/1984	15.50%	12.36%	3.14%
7/19/1984	14.30%	12.37%	1.93%
7/24/1984	16.79%	12.39%	4.40%
7/31/1984	16.00%	12.43%	3.57%
8/3/1984	14.25%	12.44%	1.81%
8/17/1984	14.30%	12.49%	1.81%
8/20/1984	15.00%	12.49%	2.51%
8/27/1984	16.30%	12.51%	3.79%
8/31/1984	15.55%	12.52%	3.03%
9/6/1984	16.00%	12.53%	3.47%
9/10/1984	14.75%	12.54%	2.21%
9/13/1984	15.00%	12.55%	2.45%
9/17/1984	17.38%	12.56%	4.82%
9/26/1984	14.50%	12.57%	1.93%
9/28/1984	15.00%	12.57%	2.43%
9/28/1984	16.25%	12.57%	3.68%
10/9/1984	14.75%	12.58%	2.17%
10/12/1984	15.60%	12.59%	3.01%
10/22/1984	15.00%	12.59%	2.41%
10/26/1984	16.40%	12.58%	3.82%
10/31/1984	16.25%	12.58%	3.67%
11/7/1984	15.60%	12.58%	3.02%
11/9/1984	16.00%	12.58%	3.42%
11/14/1984	15.75%	12.58%	3.17%
11/20/1984	15.25%	12.58%	2.67%
11/20/1984	15.92%	12.58%	3.34%
11/23/1984	15.00%	12.58%	2.42%
11/28/1984	16.15%	12.57%	3.58%
12/3/1984	15.80%	12.56%	3.24%
12/4/1984	16.50%	12.56%	3.94%
12/18/1984	16.40%	12.53%	3.87%
12/19/1984	14.75%	12.53%	2.22%
12/19/1984	15.00%	12.53%	2.47%
12/20/1984	16.00%	12.53%	3.47%
12/28/1984	16.00%	12.50%	3.50%
1/3/1985	14.75%	12.49%	2.26%
1/10/1985	15.75%	12.47%	3.28%
1/11/1985	16.30%	12.46%	3.84%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
1/23/1985	15.80%	12.43%	3.37%
1/24/1985	15.82%	12.43%	3.39%
1/25/1985	16.75%	12.42%	4.33%
1/30/1985	14.90%	12.40%	2.50%
1/31/1985	14.75%	12.39%	2.36%
2/8/1985	14.47%	12.35%	2.12%
3/1/1985	13.84%	12.31%	1.53%
3/8/1985	16.85%	12.28%	4.57%
3/14/1985	15.50%	12.25%	3.25%
3/15/1985	15.62%	12.25%	3.37%
3/29/1985	15.62%	12.17%	3.45%
4/3/1985	14.60%	12.14%	2.46%
4/9/1985	15.50%	12.11%	3.39%
4/16/1985	15.70%	12.06%	3.64%
4/22/1985	14.00%	12.02%	1.98%
4/26/1985	15.50%	11.98%	3.52%
4/29/1985	15.00%	11.97%	3.03%
5/2/1985	14.68%	11.94%	2.74%
5/8/1985	15.62%	11.89%	3.73%
5/10/1985	16.50%	11.87%	4.63%
5/29/1985	14.61%	11.73%	2.88%
5/31/1985	16.00%	11.71%	4.29%
6/14/1985	15.50%	11.61%	3.89%
7/9/1985	15.00%	11.45%	3.55%
7/16/1985	14.50%	11.39%	3.11%
7/26/1985	14.50%	11.33%	3.17%
8/2/1985	14.80%	11.29%	3.51%
8/7/1985	15.00%	11.27%	3.73%
8/28/1985	14.25%	11.15%	3.10%
8/28/1985	15.50%	11.15%	4.35%
8/29/1985	14.50%	11.15%	3.35%
9/9/1985	14.60%	11.11%	3.49%
9/9/1985	14.90%	11.11%	3.79%
9/17/1985	14.90%	11.08%	3.82%
9/23/1985	15.00%	11.06%	3.94%
9/27/1985	15.50%	11.05%	4.45%
9/27/1985	15.80%	11.05%	4.75%
10/2/1985	14.00%	11.03%	2.97%
10/2/1985	14.75%	11.03%	3.72%
10/3/1985	15.25%	11.03%	4.22%
10/24/1985	15.40%	10.96%	4.44%
10/24/1985	15.82%	10.96%	4.86%
10/24/1985	15.85%	10.96%	4.89%
10/28/1985	16.00%	10.95%	5.05%
10/29/1985	16.65%	10.94%	5.71%
10/31/1985	15.06%	10.93%	4.13%
11/4/1985	14.50%	10.92%	3.58%
11/7/1985	15.50%	10.90%	4.60%
11/8/1985	14.30%	10.89%	3.41%
12/12/1985	14.75%	10.73%	4.02%
12/18/1985	15.00%	10.69%	4.31%
12/20/1985	14.50%	10.67%	3.83%
12/20/1985	14.50%	10.67%	3.83%
12/20/1985	15.00%	10.67%	4.33%
1/24/1986	15.40%	10.41%	4.99%
1/31/1986	15.00%	10.35%	4.65%
2/5/1986	15.00%	10.32%	4.68%
2/5/1986	15.75%	10.32%	5.43%
2/10/1986	13.30%	10.29%	3.01%
2/11/1986	12.50%	10.28%	2.22%
2/14/1986	14.40%	10.24%	4.16%
2/18/1986	16.00%	10.23%	5.77%
2/24/1986	14.50%	10.18%	4.32%
2/26/1986	14.00%	10.15%	3.85%
3/5/1986	14.90%	10.08%	4.82%
3/11/1986	14.50%	10.02%	4.48%
3/12/1986	13.50%	10.00%	3.50%
3/27/1986	14.10%	9.86%	4.24%
3/31/1986	13.50%	9.84%	3.66%
4/1/1986	14.00%	9.83%	4.17%
4/2/1986	15.50%	9.81%	5.69%
4/4/1986	15.00%	9.78%	5.22%
4/14/1986	13.40%	9.69%	3.71%
4/23/1986	15.00%	9.57%	5.43%
5/16/1986	14.50%	9.32%	5.18%
5/16/1986	14.50%	9.32%	5.18%
5/29/1986	13.90%	9.19%	4.71%
5/30/1986	15.10%	9.18%	5.92%
6/2/1986	12.81%	9.17%	3.64%
6/11/1986	14.00%	9.07%	4.93%
6/24/1986	16.63%	8.94%	7.69%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
6/26/1986	12.00%	8.91%	3.09%
6/26/1986	14.75%	8.91%	5.84%
6/30/1986	13.00%	8.87%	4.13%
7/10/1986	14.34%	8.75%	5.59%
7/11/1986	12.75%	8.73%	4.02%
7/14/1986	12.60%	8.71%	3.89%
7/17/1986	12.40%	8.66%	3.74%
7/25/1986	14.25%	8.57%	5.68%
8/6/1986	13.50%	8.44%	5.06%
8/14/1986	13.50%	8.35%	5.15%
9/16/1986	12.75%	8.06%	4.69%
9/19/1986	13.25%	8.03%	5.22%
10/1/1986	14.00%	7.95%	6.05%
10/3/1986	13.40%	7.93%	5.47%
10/31/1986	13.50%	7.77%	5.73%
11/5/1986	13.00%	7.75%	5.25%
12/3/1986	12.90%	7.58%	5.32%
12/4/1986	14.44%	7.58%	6.86%
12/16/1986	13.60%	7.52%	6.08%
12/22/1986	13.80%	7.51%	6.29%
12/30/1986	13.00%	7.49%	5.51%
1/2/1987	13.00%	7.49%	5.51%
1/12/1987	12.40%	7.47%	4.93%
1/27/1987	12.71%	7.46%	5.25%
3/2/1987	12.47%	7.47%	5.00%
3/3/1987	13.60%	7.47%	6.13%
3/4/1987	12.38%	7.47%	4.91%
3/10/1987	13.50%	7.47%	6.03%
3/13/1987	13.00%	7.47%	5.53%
3/31/1987	13.00%	7.46%	5.54%
4/6/1987	13.00%	7.47%	5.53%
4/14/1987	12.50%	7.49%	5.01%
4/16/1987	14.50%	7.50%	7.00%
4/27/1987	12.00%	7.54%	4.46%
5/5/1987	12.85%	7.58%	5.27%
5/12/1987	12.65%	7.62%	5.03%
5/28/1987	13.50%	7.70%	5.80%
6/15/1987	13.20%	7.78%	5.42%
6/29/1987	15.00%	7.83%	7.17%
6/30/1987	12.50%	7.84%	4.66%
7/8/1987	12.00%	7.86%	4.14%
7/10/1987	12.90%	7.86%	5.04%
7/15/1987	13.50%	7.88%	5.62%
7/16/1987	13.50%	7.88%	5.62%
7/16/1987	15.00%	7.88%	7.12%
7/27/1987	13.00%	7.92%	5.08%
7/27/1987	13.40%	7.92%	5.48%
7/27/1987	13.50%	7.92%	5.58%
7/31/1987	12.98%	7.95%	5.03%
8/26/1987	12.63%	8.06%	4.57%
8/26/1987	12.75%	8.06%	4.69%
8/27/1987	13.25%	8.06%	5.19%
9/9/1987	13.00%	8.14%	4.86%
9/30/1987	12.75%	8.31%	4.44%
9/30/1987	13.00%	8.31%	4.69%
10/2/1987	11.50%	8.33%	3.17%
10/15/1987	13.00%	8.43%	4.57%
11/2/1987	13.00%	8.55%	4.45%
11/19/1987	13.00%	8.64%	4.36%
11/30/1987	12.00%	8.68%	3.32%
12/3/1987	14.20%	8.70%	5.50%
12/15/1987	13.25%	8.77%	4.48%
12/16/1987	13.50%	8.78%	4.72%
12/16/1987	13.72%	8.78%	4.94%
12/17/1987	11.75%	8.79%	2.96%
12/18/1987	13.50%	8.80%	4.70%
12/21/1987	12.01%	8.81%	3.20%
12/22/1987	12.00%	8.81%	3.19%
12/22/1987	12.00%	8.81%	3.19%
12/22/1987	12.75%	8.81%	3.94%
12/22/1987	13.00%	8.81%	4.19%
1/20/1988	13.80%	8.94%	4.86%
1/26/1988	13.90%	8.95%	4.95%
1/29/1988	13.20%	8.96%	4.24%
2/4/1988	12.60%	8.96%	3.64%
3/1/1988	11.56%	8.94%	2.62%
3/23/1988	12.87%	8.92%	3.95%
3/24/1988	11.24%	8.92%	2.32%
3/30/1988	12.72%	8.92%	3.80%
4/1/1988	12.50%	8.92%	3.58%
4/7/1988	13.25%	8.93%	4.32%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
4/25/1988	10.96%	8.96%	2.00%
5/3/1988	12.91%	8.97%	3.94%
5/11/1988	13.50%	8.99%	4.51%
5/16/1988	13.00%	8.99%	4.01%
6/30/1988	12.75%	9.00%	3.75%
7/1/1988	12.75%	8.99%	3.76%
7/20/1988	13.40%	8.96%	4.44%
8/5/1988	12.75%	8.92%	3.83%
8/23/1988	11.70%	8.93%	2.77%
8/29/1988	12.75%	8.94%	3.81%
8/30/1988	13.50%	8.94%	4.56%
9/8/1988	12.60%	8.95%	3.65%
10/13/1988	13.10%	8.93%	4.17%
12/19/1988	13.00%	9.02%	3.98%
12/20/1988	12.25%	9.02%	3.23%
12/20/1988	13.00%	9.02%	3.98%
12/21/1988	12.90%	9.02%	3.88%
12/27/1988	13.00%	9.03%	3.97%
12/28/1988	13.10%	9.03%	4.07%
12/30/1988	13.40%	9.04%	4.36%
1/27/1989	13.00%	9.05%	3.95%
1/31/1989	13.00%	9.05%	3.95%
2/17/1989	13.00%	9.05%	3.95%
2/20/1989	12.40%	9.05%	3.35%
3/1/1989	12.76%	9.05%	3.71%
3/8/1989	13.00%	9.05%	3.95%
3/30/1989	14.00%	9.05%	4.95%
4/5/1989	14.20%	9.05%	5.15%
4/18/1989	13.00%	9.05%	3.95%
5/5/1989	12.40%	9.05%	3.35%
6/2/1989	13.20%	9.00%	4.20%
6/8/1989	13.50%	8.98%	4.52%
6/27/1989	13.25%	8.91%	4.34%
6/30/1989	13.00%	8.90%	4.10%
8/14/1989	12.50%	8.77%	3.73%
9/28/1989	12.25%	8.63%	3.62%
10/24/1989	12.50%	8.54%	3.96%
11/9/1989	13.00%	8.49%	4.51%
12/15/1989	13.00%	8.34%	4.66%
12/20/1989	12.90%	8.32%	4.58%
12/21/1989	12.90%	8.31%	4.59%
12/27/1989	12.50%	8.29%	4.21%
12/27/1989	13.00%	8.29%	4.71%
1/10/1990	12.80%	8.24%	4.56%
1/11/1990	12.90%	8.24%	4.66%
1/17/1990	12.80%	8.22%	4.58%
1/26/1990	12.00%	8.20%	3.80%
2/9/1990	12.10%	8.17%	3.93%
2/24/1990	12.86%	8.15%	4.71%
3/30/1990	12.90%	8.16%	4.74%
4/4/1990	15.76%	8.17%	7.59%
4/12/1990	12.52%	8.18%	4.34%
4/19/1990	12.75%	8.20%	4.55%
5/21/1990	12.10%	8.28%	3.82%
5/29/1990	12.40%	8.30%	4.10%
5/31/1990	12.00%	8.30%	3.70%
6/4/1990	12.90%	8.30%	4.60%
6/6/1990	12.25%	8.31%	3.94%
6/15/1990	13.20%	8.32%	4.88%
6/20/1990	12.92%	8.32%	4.60%
6/27/1990	12.90%	8.33%	4.57%
6/29/1990	12.50%	8.33%	4.17%
7/6/1990	12.10%	8.34%	3.76%
7/6/1990	12.35%	8.34%	4.01%
8/10/1990	12.55%	8.41%	4.14%
8/16/1990	13.21%	8.43%	4.78%
8/22/1990	13.10%	8.45%	4.65%
8/24/1990	13.00%	8.46%	4.54%
9/26/1990	11.45%	8.59%	2.86%
10/2/1990	13.00%	8.61%	4.39%
10/5/1990	12.84%	8.62%	4.22%
10/19/1990	13.00%	8.67%	4.33%
10/25/1990	12.30%	8.68%	3.62%
11/21/1990	12.70%	8.69%	4.01%
12/13/1990	12.30%	8.67%	3.63%
12/17/1990	12.87%	8.67%	4.20%
12/18/1990	13.10%	8.67%	4.43%
12/19/1990	12.00%	8.66%	3.34%
12/20/1990	12.75%	8.66%	4.09%
12/21/1990	12.50%	8.66%	3.84%
12/27/1990	12.79%	8.66%	4.13%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
1/2/1991	13.10%	8.65%	4.45%
1/4/1991	12.50%	8.65%	3.85%
1/15/1991	12.75%	8.64%	4.11%
1/25/1991	11.70%	8.63%	3.07%
2/4/1991	12.50%	8.60%	3.90%
2/7/1991	12.50%	8.59%	3.91%
2/12/1991	13.00%	8.58%	4.43%
2/14/1991	12.72%	8.57%	4.15%
2/22/1991	12.80%	8.55%	4.25%
3/6/1991	13.10%	8.53%	4.57%
3/8/1991	12.30%	8.52%	3.78%
3/8/1991	13.00%	8.52%	4.48%
4/22/1991	13.00%	8.49%	4.51%
5/7/1991	13.50%	8.47%	5.03%
5/13/1991	13.25%	8.47%	4.78%
5/30/1991	12.75%	8.44%	4.31%
6/12/1991	12.00%	8.41%	3.59%
6/25/1991	11.70%	8.39%	3.31%
6/28/1991	12.50%	8.38%	4.12%
7/1/1991	12.00%	8.38%	3.62%
7/3/1991	12.50%	8.37%	4.13%
7/19/1991	12.10%	8.34%	3.76%
8/1/1991	12.90%	8.32%	4.58%
8/16/1991	13.20%	8.29%	4.91%
9/27/1991	12.50%	8.23%	4.27%
9/30/1991	12.25%	8.23%	4.02%
10/17/1991	13.00%	8.20%	4.80%
10/23/1991	12.50%	8.20%	4.30%
10/23/1991	12.55%	8.20%	4.35%
10/31/1991	11.80%	8.19%	3.61%
11/1/1991	12.00%	8.19%	3.81%
11/5/1991	12.25%	8.19%	4.06%
11/12/1991	12.50%	8.18%	4.32%
11/12/1991	13.25%	8.18%	5.07%
11/25/1991	12.40%	8.18%	4.22%
11/26/1991	11.60%	8.18%	3.42%
11/26/1991	12.50%	8.18%	4.32%
11/27/1991	12.10%	8.18%	3.92%
12/18/1991	12.25%	8.15%	4.10%
12/19/1991	12.60%	8.15%	4.45%
12/19/1991	12.80%	8.15%	4.65%
12/20/1991	12.65%	8.14%	4.51%
1/9/1992	12.80%	8.09%	4.71%
1/16/1992	12.75%	8.07%	4.68%
1/21/1992	12.00%	8.06%	3.94%
1/22/1992	13.00%	8.06%	4.94%
1/27/1992	12.65%	8.05%	4.60%
1/31/1992	12.00%	8.04%	3.96%
2/11/1992	12.40%	8.03%	4.37%
2/25/1992	12.50%	8.01%	4.49%
3/16/1992	11.43%	7.98%	3.45%
3/18/1992	12.28%	7.98%	4.30%
4/2/1992	12.10%	7.95%	4.15%
4/9/1992	11.45%	7.94%	3.51%
4/10/1992	11.50%	7.93%	3.57%
4/14/1992	11.50%	7.93%	3.57%
5/5/1992	11.50%	7.89%	3.61%
5/12/1992	11.87%	7.88%	3.99%
5/12/1992	12.46%	7.88%	4.58%
6/1/1992	12.30%	7.87%	4.43%
6/12/1992	10.90%	7.86%	3.04%
6/26/1992	12.35%	7.85%	4.50%
6/29/1992	11.00%	7.85%	3.15%
6/30/1992	13.00%	7.85%	5.15%
7/13/1992	11.90%	7.84%	4.06%
7/13/1992	13.50%	7.84%	5.66%
7/22/1992	11.20%	7.83%	3.37%
8/3/1992	12.00%	7.81%	4.19%
8/6/1992	12.50%	7.80%	4.70%
9/22/1992	12.00%	7.71%	4.29%
9/28/1992	11.40%	7.71%	3.69%
9/30/1992	11.75%	7.70%	4.05%
10/2/1992	13.00%	7.70%	5.30%
10/12/1992	12.20%	7.70%	4.50%
10/16/1992	13.16%	7.70%	5.46%
10/30/1992	11.75%	7.71%	4.04%
11/3/1992	12.00%	7.71%	4.29%
12/3/1992	11.85%	7.68%	4.17%
12/15/1992	11.00%	7.66%	3.34%
12/16/1992	11.90%	7.66%	4.24%
12/16/1992	12.40%	7.66%	4.74%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
12/17/1992	12.00%	7.66%	4.34%
12/22/1992	12.30%	7.65%	4.65%
12/22/1992	12.40%	7.65%	4.75%
12/29/1992	12.25%	7.63%	4.62%
12/30/1992	12.00%	7.63%	4.37%
12/31/1992	11.90%	7.63%	4.27%
1/12/1993	12.00%	7.61%	4.39%
1/21/1993	11.25%	7.59%	3.66%
2/2/1993	11.40%	7.56%	3.84%
2/15/1993	12.30%	7.52%	4.78%
2/24/1993	11.90%	7.49%	4.41%
2/26/1993	11.80%	7.48%	4.32%
2/26/1993	12.20%	7.48%	4.72%
4/23/1993	11.75%	7.29%	4.46%
5/11/1993	11.75%	7.25%	4.50%
5/14/1993	11.50%	7.24%	4.26%
5/25/1993	11.50%	7.23%	4.27%
5/28/1993	11.00%	7.22%	3.78%
6/3/1993	12.00%	7.21%	4.79%
6/16/1993	11.50%	7.19%	4.31%
6/18/1993	12.10%	7.18%	4.92%
6/25/1993	11.67%	7.17%	4.50%
7/21/1993	11.38%	7.10%	4.28%
7/23/1993	10.46%	7.09%	3.37%
8/24/1993	11.50%	6.96%	4.54%
9/21/1993	10.50%	6.81%	3.69%
9/29/1993	11.47%	6.77%	4.70%
9/30/1993	11.60%	6.76%	4.84%
11/2/1993	10.80%	6.60%	4.20%
11/12/1993	12.00%	6.57%	5.43%
11/26/1993	11.00%	6.52%	4.48%
12/14/1993	10.55%	6.48%	4.07%
12/16/1993	10.60%	6.48%	4.12%
12/21/1993	11.30%	6.47%	4.83%
1/4/1994	10.07%	6.44%	3.63%
1/13/1994	11.00%	6.42%	4.58%
1/21/1994	11.00%	6.40%	4.60%
1/28/1994	11.35%	6.39%	4.96%
2/3/1994	11.40%	6.38%	5.02%
2/17/1994	10.60%	6.36%	4.24%
2/25/1994	11.25%	6.35%	4.90%
2/25/1994	12.00%	6.35%	5.65%
3/1/1994	11.00%	6.35%	4.65%
3/4/1994	11.00%	6.35%	4.65%
4/25/1994	11.00%	6.41%	4.59%
5/10/1994	11.75%	6.45%	5.30%
5/13/1994	10.50%	6.46%	4.04%
6/3/1994	11.00%	6.54%	4.46%
6/27/1994	11.40%	6.65%	4.75%
8/5/1994	12.75%	6.88%	5.87%
10/31/1994	10.00%	7.33%	2.67%
11/9/1994	10.85%	7.39%	3.46%
11/9/1994	10.85%	7.39%	3.46%
11/18/1994	11.20%	7.45%	3.75%
11/22/1994	11.60%	7.47%	4.13%
11/28/1994	11.06%	7.49%	3.57%
12/8/1994	11.50%	7.54%	3.96%
12/8/1994	11.70%	7.54%	4.16%
12/14/1994	10.95%	7.56%	3.39%
12/15/1994	11.50%	7.57%	3.93%
12/19/1994	11.50%	7.58%	3.92%
12/28/1994	12.15%	7.61%	4.54%
1/9/1995	12.28%	7.64%	4.64%
1/31/1995	11.00%	7.69%	3.31%
2/10/1995	12.60%	7.70%	4.90%
2/17/1995	11.90%	7.70%	4.20%
3/9/1995	11.50%	7.71%	3.79%
3/20/1995	12.00%	7.72%	4.28%
3/23/1995	12.81%	7.72%	5.09%
3/29/1995	11.60%	7.72%	3.88%
4/6/1995	11.10%	7.71%	3.39%
4/7/1995	11.00%	7.71%	3.29%
4/19/1995	11.00%	7.70%	3.30%
5/12/1995	11.63%	7.68%	3.95%
5/25/1995	11.20%	7.65%	3.55%
6/9/1995	11.25%	7.60%	3.65%
6/21/1995	12.25%	7.56%	4.69%
6/30/1995	11.10%	7.52%	3.58%
9/11/1995	11.30%	7.20%	4.10%
9/27/1995	11.30%	7.12%	4.18%
9/27/1995	11.50%	7.12%	4.38%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
9/27/1995	11.75%	7.12%	4.63%
9/29/1995	11.00%	7.11%	3.89%
11/9/1995	11.38%	6.90%	4.48%
11/9/1995	12.36%	6.90%	5.46%
11/17/1995	11.00%	6.86%	4.14%
12/4/1995	11.35%	6.78%	4.57%
12/11/1995	11.40%	6.74%	4.66%
12/20/1995	11.60%	6.70%	4.90%
12/27/1995	12.00%	6.66%	5.34%
2/5/1996	12.25%	6.48%	5.77%
3/29/1996	10.67%	6.42%	4.25%
4/8/1996	11.00%	6.42%	4.58%
4/11/1996	12.59%	6.43%	6.16%
4/11/1996	12.59%	6.43%	6.16%
4/24/1996	11.25%	6.43%	4.82%
4/30/1996	11.00%	6.43%	4.57%
5/13/1996	11.00%	6.44%	4.56%
5/23/1996	11.25%	6.43%	4.82%
6/25/1996	11.25%	6.48%	4.77%
6/27/1996	11.20%	6.48%	4.72%
8/12/1996	10.40%	6.57%	3.83%
9/27/1996	11.00%	6.71%	4.29%
10/16/1996	12.25%	6.76%	5.49%
11/5/1996	11.00%	6.81%	4.19%
11/26/1996	11.30%	6.83%	4.47%
12/18/1996	11.75%	6.83%	4.92%
12/31/1996	11.50%	6.83%	4.67%
1/3/1997	10.70%	6.83%	3.87%
2/13/1997	11.80%	6.82%	4.98%
2/20/1997	11.80%	6.82%	4.98%
3/31/1997	10.02%	6.80%	3.22%
4/2/1997	11.65%	6.80%	4.85%
4/28/1997	11.50%	6.81%	4.69%
4/29/1997	11.70%	6.81%	4.89%
7/17/1997	12.00%	6.77%	5.23%
12/12/1997	11.00%	6.60%	4.40%
12/23/1997	11.12%	6.57%	4.55%
2/2/1998	12.75%	6.39%	6.36%
3/2/1998	11.25%	6.29%	4.96%
3/6/1998	10.75%	6.27%	4.48%
3/20/1998	10.50%	6.22%	4.28%
4/30/1998	12.20%	6.12%	6.08%
7/10/1998	11.40%	5.94%	5.46%
9/15/1998	11.90%	5.78%	6.12%
11/30/1998	12.60%	5.58%	7.02%
12/10/1998	12.20%	5.54%	6.66%
12/17/1998	12.10%	5.52%	6.58%
2/5/1999	10.30%	5.38%	4.92%
3/4/1999	10.50%	5.34%	5.16%
4/6/1999	10.94%	5.32%	5.62%
7/29/1999	10.75%	5.52%	5.23%
9/23/1999	10.75%	5.70%	5.05%
11/17/1999	11.10%	5.90%	5.20%
1/7/2000	11.50%	6.05%	5.45%
1/7/2000	11.50%	6.05%	5.45%
2/17/2000	10.60%	6.17%	4.43%
3/28/2000	11.25%	6.20%	5.05%
5/24/2000	11.00%	6.18%	4.82%
7/18/2000	12.20%	6.16%	6.04%
9/29/2000	11.16%	6.03%	5.13%
11/28/2000	12.90%	5.89%	7.01%
11/30/2000	12.10%	5.88%	6.22%
1/23/2001	11.25%	5.79%	5.46%
2/8/2001	11.50%	5.77%	5.73%
5/8/2001	10.75%	5.62%	5.13%
6/26/2001	11.00%	5.62%	5.38%
7/25/2001	11.02%	5.60%	5.42%
7/25/2001	11.02%	5.60%	5.42%
7/31/2001	11.00%	5.59%	5.41%
8/31/2001	10.50%	5.56%	4.94%
9/7/2001	10.75%	5.55%	5.20%
9/10/2001	11.00%	5.55%	5.45%
9/20/2001	10.00%	5.55%	4.45%
10/24/2001	10.30%	5.54%	4.76%
11/28/2001	10.60%	5.49%	5.11%
12/3/2001	12.88%	5.49%	7.39%
12/20/2001	12.50%	5.50%	7.00%
1/22/2002	10.00%	5.50%	4.50%
3/27/2002	10.10%	5.45%	4.65%
4/22/2002	11.80%	5.45%	6.35%
5/28/2002	10.17%	5.46%	4.71%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
6/10/2002	12.00%	5.47%	6.53%
6/18/2002	11.16%	5.48%	5.68%
6/20/2002	11.00%	5.48%	5.52%
6/20/2002	12.30%	5.48%	6.82%
7/15/2002	11.00%	5.48%	5.52%
9/12/2002	12.30%	5.45%	6.85%
9/26/2002	10.45%	5.41%	5.04%
12/4/2002	11.55%	5.29%	6.26%
12/13/2002	11.75%	5.27%	6.48%
12/20/2002	11.40%	5.25%	6.15%
1/8/2003	11.10%	5.19%	5.91%
1/31/2003	12.45%	5.13%	7.32%
2/28/2003	12.30%	5.05%	7.25%
3/6/2003	10.75%	5.03%	5.72%
3/7/2003	9.96%	5.02%	4.94%
3/20/2003	12.00%	4.98%	7.02%
4/3/2003	12.00%	4.96%	7.04%
4/15/2003	11.15%	4.94%	6.21%
6/25/2003	10.75%	4.79%	5.96%
6/26/2003	10.75%	4.79%	5.96%
7/9/2003	9.75%	4.79%	4.96%
7/16/2003	9.75%	4.79%	4.96%
7/25/2003	9.50%	4.80%	4.70%
8/26/2003	10.50%	4.83%	5.67%
12/17/2003	9.85%	4.94%	4.91%
12/17/2003	10.70%	4.94%	5.76%
12/18/2003	11.50%	4.94%	6.56%
12/19/2003	12.00%	4.94%	7.06%
12/19/2003	12.00%	4.94%	7.06%
12/23/2003	10.50%	4.94%	5.56%
1/13/2004	12.00%	4.95%	7.05%
3/2/2004	10.75%	4.99%	5.76%
3/26/2004	10.25%	5.02%	5.23%
4/5/2004	11.25%	5.03%	6.22%
5/18/2004	10.50%	5.07%	5.43%
5/25/2004	10.25%	5.08%	5.17%
5/27/2004	10.25%	5.08%	5.17%
6/2/2004	11.22%	5.08%	6.14%
6/30/2004	10.50%	5.10%	5.40%
6/30/2004	10.50%	5.10%	5.40%
7/16/2004	11.60%	5.11%	6.49%
8/25/2004	10.25%	5.10%	5.15%
9/9/2004	10.40%	5.10%	5.30%
11/9/2004	10.50%	5.07%	5.43%
11/23/2004	11.00%	5.06%	5.94%
12/14/2004	10.97%	5.07%	5.90%
12/21/2004	11.25%	5.07%	6.18%
12/21/2004	11.50%	5.07%	6.43%
12/22/2004	10.70%	5.07%	5.63%
12/22/2004	11.50%	5.07%	6.43%
12/29/2004	9.85%	5.07%	4.78%
1/6/2005	10.70%	5.08%	5.62%
2/18/2005	10.30%	4.98%	5.32%
2/25/2005	10.50%	4.96%	5.54%
3/10/2005	11.00%	4.93%	6.07%
3/24/2005	10.30%	4.90%	5.40%
4/4/2005	10.00%	4.88%	5.12%
4/7/2005	10.25%	4.87%	5.38%
5/18/2005	10.25%	4.78%	5.47%
5/25/2005	10.75%	4.76%	5.99%
5/26/2005	9.75%	4.76%	4.99%
6/1/2005	9.75%	4.75%	5.00%
7/19/2005	11.50%	4.64%	6.86%
8/5/2005	11.75%	4.62%	7.13%
8/15/2005	10.13%	4.61%	5.52%
9/28/2005	10.00%	4.54%	5.46%
10/4/2005	10.75%	4.54%	6.21%
12/12/2005	11.00%	4.55%	6.45%
12/13/2005	10.75%	4.55%	6.20%
12/21/2005	10.29%	4.54%	5.75%
12/21/2005	10.40%	4.54%	5.86%
12/22/2005	11.00%	4.54%	6.46%
12/22/2005	11.15%	4.54%	6.61%
12/28/2005	10.00%	4.54%	5.46%
12/28/2005	10.00%	4.54%	5.46%
1/5/2006	11.00%	4.53%	6.47%
1/27/2006	9.75%	4.52%	5.23%
3/3/2006	10.39%	4.53%	5.86%
4/17/2006	10.20%	4.61%	5.59%
4/26/2006	10.60%	4.64%	5.96%
5/17/2006	11.60%	4.69%	6.91%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
6/6/2006	10.00%	4.74%	5.26%
6/27/2006	10.75%	4.80%	5.95%
7/6/2006	10.20%	4.83%	5.37%
7/24/2006	9.60%	4.86%	4.74%
7/26/2006	10.50%	4.86%	5.64%
7/28/2006	10.05%	4.86%	5.19%
8/23/2006	9.55%	4.89%	4.66%
9/1/2006	10.54%	4.90%	5.64%
9/14/2006	10.00%	4.91%	5.09%
10/6/2006	9.67%	4.92%	4.75%
11/21/2006	10.08%	4.95%	5.13%
11/21/2006	10.08%	4.95%	5.13%
11/21/2006	10.12%	4.95%	5.17%
12/1/2006	10.25%	4.95%	5.30%
12/1/2006	10.50%	4.95%	5.55%
12/7/2006	10.75%	4.95%	5.80%
12/21/2006	10.90%	4.95%	5.95%
12/21/2006	11.25%	4.95%	6.30%
12/22/2006	10.25%	4.95%	5.30%
1/5/2007	10.00%	4.95%	5.05%
1/11/2007	10.10%	4.95%	5.15%
1/11/2007	10.10%	4.95%	5.15%
1/11/2007	10.90%	4.95%	5.95%
1/12/2007	10.10%	4.95%	5.15%
1/13/2007	10.40%	4.95%	5.45%
1/19/2007	10.80%	4.94%	5.86%
3/21/2007	11.35%	4.87%	6.48%
3/22/2007	9.75%	4.86%	4.89%
5/15/2007	10.00%	4.81%	5.19%
5/17/2007	10.25%	4.81%	5.44%
5/17/2007	10.25%	4.81%	5.44%
5/22/2007	10.20%	4.80%	5.40%
5/22/2007	10.50%	4.80%	5.70%
5/23/2007	10.70%	4.80%	5.90%
5/25/2007	9.67%	4.80%	4.87%
6/15/2007	9.90%	4.82%	5.08%
6/21/2007	10.20%	4.83%	5.37%
6/22/2007	10.50%	4.83%	5.67%
6/28/2007	10.75%	4.84%	5.91%
7/12/2007	9.67%	4.86%	4.81%
7/19/2007	10.00%	4.87%	5.13%
7/19/2007	10.00%	4.87%	5.13%
8/15/2007	10.40%	4.88%	5.52%
10/9/2007	10.00%	4.91%	5.09%
10/17/2007	9.10%	4.91%	4.19%
10/31/2007	9.96%	4.90%	5.06%
11/29/2007	10.90%	4.87%	6.03%
12/6/2007	10.75%	4.86%	5.89%
12/13/2007	9.96%	4.86%	5.10%
12/14/2007	10.70%	4.86%	5.84%
12/14/2007	10.80%	4.86%	5.94%
12/19/2007	10.20%	4.86%	5.34%
12/20/2007	10.20%	4.85%	5.35%
12/20/2007	11.00%	4.85%	6.15%
12/28/2007	10.25%	4.85%	5.40%
12/31/2007	11.25%	4.85%	6.40%
1/8/2008	10.75%	4.83%	5.92%
1/17/2008	10.75%	4.81%	5.94%
1/28/2008	9.40%	4.80%	4.60%
1/30/2008	10.00%	4.79%	5.21%
1/31/2008	10.71%	4.79%	5.92%
2/29/2008	10.25%	4.75%	5.50%
3/12/2008	10.25%	4.73%	5.52%
3/25/2008	9.10%	4.68%	4.42%
4/22/2008	10.25%	4.60%	5.65%
4/24/2008	10.10%	4.60%	5.50%
5/1/2008	10.70%	4.59%	6.11%
5/19/2008	11.00%	4.56%	6.44%
5/27/2008	10.00%	4.55%	5.45%
6/10/2008	10.70%	4.54%	6.16%
6/27/2008	10.50%	4.54%	5.96%
6/27/2008	11.04%	4.54%	6.50%
7/10/2008	10.43%	4.52%	5.91%
7/16/2008	9.40%	4.52%	4.88%
7/30/2008	10.80%	4.51%	6.29%
7/31/2008	10.70%	4.51%	6.19%
8/11/2008	10.25%	4.51%	5.74%
8/26/2008	10.18%	4.50%	5.68%
9/10/2008	10.30%	4.50%	5.80%
9/24/2008	10.65%	4.48%	6.17%
9/24/2008	10.65%	4.48%	6.17%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
9/24/2008	10.65%	4.48%	6.17%
9/30/2008	10.20%	4.48%	5.72%
10/8/2008	10.15%	4.46%	5.69%
11/13/2008	10.55%	4.45%	6.10%
11/17/2008	10.20%	4.44%	5.76%
12/1/2008	10.25%	4.40%	5.85%
12/23/2008	11.00%	4.27%	6.73%
12/29/2008	10.00%	4.24%	5.76%
12/29/2008	10.20%	4.24%	5.96%
12/31/2008	10.75%	4.22%	6.53%
1/14/2009	10.50%	4.15%	6.35%
1/21/2009	10.50%	4.12%	6.38%
1/21/2009	10.50%	4.12%	6.38%
1/21/2009	10.50%	4.12%	6.38%
1/27/2009	10.76%	4.09%	6.67%
1/30/2009	10.50%	4.08%	6.42%
2/4/2009	8.75%	4.06%	4.69%
3/4/2009	10.50%	3.96%	6.54%
3/12/2009	11.50%	3.93%	7.57%
4/2/2009	11.10%	3.85%	7.25%
4/21/2009	10.61%	3.80%	6.81%
4/24/2009	10.00%	3.79%	6.21%
4/30/2009	11.25%	3.78%	7.47%
5/4/2009	10.74%	3.77%	6.97%
5/20/2009	10.25%	3.74%	6.51%
5/28/2009	10.50%	3.74%	6.76%
6/22/2009	10.00%	3.76%	6.24%
6/24/2009	10.80%	3.77%	7.03%
7/8/2009	10.63%	3.77%	6.86%
7/17/2009	10.50%	3.78%	6.72%
8/31/2009	10.25%	3.82%	6.43%
10/14/2009	10.70%	4.01%	6.69%
10/23/2009	10.88%	4.06%	6.82%
11/2/2009	10.70%	4.09%	6.61%
11/3/2009	10.70%	4.10%	6.60%
11/24/2009	10.25%	4.15%	6.10%
11/25/2009	10.75%	4.16%	6.59%
11/30/2009	10.35%	4.17%	6.18%
12/3/2009	10.50%	4.18%	6.32%
12/7/2009	10.70%	4.18%	6.52%
12/16/2009	10.90%	4.21%	6.69%
12/16/2009	11.00%	4.21%	6.79%
12/18/2009	10.40%	4.22%	6.18%
12/18/2009	10.40%	4.22%	6.18%
12/22/2009	10.20%	4.23%	5.97%
12/22/2009	10.40%	4.23%	6.17%
12/22/2009	10.40%	4.23%	6.17%
12/30/2009	10.00%	4.26%	5.74%
1/4/2010	10.80%	4.28%	6.52%
1/11/2010	11.00%	4.30%	6.70%
1/26/2010	10.13%	4.35%	5.78%
1/27/2010	10.40%	4.35%	6.05%
1/27/2010	10.40%	4.35%	6.05%
1/27/2010	10.70%	4.35%	6.35%
2/9/2010	9.80%	4.38%	5.42%
2/18/2010	10.60%	4.40%	6.20%
2/24/2010	10.18%	4.41%	5.77%
3/2/2010	9.63%	4.41%	5.22%
3/4/2010	10.50%	4.41%	6.09%
3/5/2010	10.50%	4.41%	6.09%
3/11/2010	11.90%	4.42%	7.48%
3/17/2010	10.00%	4.41%	5.59%
3/25/2010	10.15%	4.42%	5.73%
4/2/2010	10.10%	4.43%	5.67%
4/27/2010	10.00%	4.46%	5.54%
4/29/2010	9.90%	4.46%	5.44%
4/29/2010	10.06%	4.46%	5.60%
4/29/2010	10.26%	4.46%	5.80%
5/12/2010	10.30%	4.45%	5.85%
5/12/2010	10.30%	4.45%	5.85%
5/28/2010	10.10%	4.44%	5.66%
5/28/2010	10.20%	4.44%	5.76%
6/7/2010	10.30%	4.44%	5.86%
6/16/2010	10.00%	4.44%	5.56%
6/28/2010	9.67%	4.43%	5.24%
6/28/2010	10.50%	4.43%	6.07%
6/30/2010	9.40%	4.43%	4.97%
7/1/2010	10.25%	4.43%	5.82%
7/15/2010	10.53%	4.43%	6.10%
7/15/2010	10.70%	4.43%	6.27%
7/30/2010	10.70%	4.41%	6.29%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
8/4/2010	10.50%	4.41%	6.09%
8/6/2010	9.83%	4.41%	5.42%
8/25/2010	9.90%	4.37%	5.53%
9/3/2010	10.60%	4.35%	6.25%
9/14/2010	10.70%	4.33%	6.37%
9/16/2010	10.00%	4.33%	5.67%
9/16/2010	10.00%	4.33%	5.67%
9/30/2010	9.75%	4.29%	5.46%
10/14/2010	10.35%	4.24%	6.11%
10/28/2010	10.70%	4.21%	6.49%
11/2/2010	10.38%	4.20%	6.18%
11/4/2010	10.70%	4.20%	6.50%
11/19/2010	10.20%	4.18%	6.02%
11/22/2010	10.00%	4.18%	5.82%
12/1/2010	10.13%	4.16%	5.97%
12/6/2010	9.86%	4.15%	5.71%
12/9/2010	10.25%	4.15%	6.10%
12/13/2010	10.70%	4.15%	6.55%
12/14/2010	10.13%	4.15%	5.98%
12/15/2010	10.44%	4.15%	6.29%
12/17/2010	10.00%	4.15%	5.85%
12/20/2010	10.60%	4.15%	6.45%
12/21/2010	10.30%	4.14%	6.16%
12/27/2010	9.90%	4.14%	5.76%
12/29/2010	11.15%	4.14%	7.01%
1/5/2011	10.15%	4.13%	6.02%
1/12/2011	10.30%	4.12%	6.18%
1/13/2011	10.30%	4.12%	6.18%
1/18/2011	10.00%	4.12%	5.88%
1/20/2011	9.30%	4.12%	5.18%
1/20/2011	10.13%	4.12%	6.01%
1/31/2011	9.60%	4.12%	5.48%
2/3/2011	10.00%	4.12%	5.88%
2/25/2011	10.00%	4.14%	5.86%
3/25/2011	9.80%	4.18%	5.62%
3/30/2011	10.00%	4.18%	5.82%
4/12/2011	10.00%	4.21%	5.79%
4/25/2011	10.74%	4.23%	6.51%
4/26/2011	9.67%	4.23%	5.44%
4/27/2011	10.40%	4.24%	6.16%
5/4/2011	10.00%	4.24%	5.76%
5/4/2011	10.00%	4.24%	5.76%
5/24/2011	10.50%	4.27%	6.23%
6/8/2011	10.75%	4.30%	6.45%
6/16/2011	9.20%	4.32%	4.88%
6/17/2011	9.95%	4.32%	5.63%
7/13/2011	10.20%	4.36%	5.84%
8/1/2011	9.20%	4.39%	4.81%
8/8/2011	10.00%	4.38%	5.62%
8/11/2011	10.00%	4.38%	5.62%
8/12/2011	10.35%	4.37%	5.98%
8/19/2011	10.25%	4.36%	5.89%
9/2/2011	12.88%	4.32%	8.56%
9/22/2011	10.00%	4.24%	5.76%
10/12/2011	10.30%	4.14%	6.16%
10/20/2011	10.50%	4.10%	6.40%
11/30/2011	10.90%	3.87%	7.03%
11/30/2011	10.90%	3.87%	7.03%
12/14/2011	10.00%	3.80%	6.20%
12/14/2011	10.30%	3.80%	6.50%
12/20/2011	10.20%	3.76%	6.44%
12/21/2011	10.20%	3.76%	6.44%
12/22/2011	9.90%	3.75%	6.15%
12/22/2011	10.40%	3.75%	6.65%
12/23/2011	10.19%	3.74%	6.45%
1/25/2012	10.50%	3.57%	6.93%
1/27/2012	10.50%	3.56%	6.94%
2/15/2012	10.20%	3.47%	6.73%
2/23/2012	9.90%	3.44%	6.46%
2/27/2012	10.25%	3.43%	6.82%
2/29/2012	10.40%	3.41%	6.99%
3/29/2012	10.37%	3.32%	7.05%
4/4/2012	10.00%	3.30%	6.70%
4/26/2012	10.00%	3.21%	6.79%
5/2/2012	10.00%	3.18%	6.82%
5/7/2012	9.80%	3.17%	6.63%
5/15/2012	10.00%	3.14%	6.86%
5/29/2012	10.05%	3.11%	6.94%
6/7/2012	10.30%	3.08%	7.22%
6/14/2012	9.40%	3.06%	6.34%
6/15/2012	10.40%	3.06%	7.34%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
6/18/2012	9.60%	3.06%	6.54%
6/19/2012	9.25%	3.05%	6.20%
6/26/2012	10.10%	3.04%	7.06%
6/29/2012	10.00%	3.04%	6.96%
7/9/2012	10.20%	3.03%	7.17%
7/16/2012	9.80%	3.02%	6.78%
7/20/2012	9.31%	3.01%	6.30%
7/20/2012	9.81%	3.01%	6.80%
9/13/2012	9.80%	2.94%	6.86%
9/19/2012	9.80%	2.94%	6.86%
9/19/2012	10.05%	2.94%	7.11%
9/26/2012	9.50%	2.94%	6.56%
10/12/2012	9.60%	2.93%	6.67%
10/23/2012	9.75%	2.93%	6.82%
10/24/2012	10.30%	2.93%	7.37%
11/9/2012	10.30%	2.92%	7.38%
11/28/2012	10.40%	2.90%	7.50%
11/29/2012	9.75%	2.89%	6.86%
11/29/2012	9.88%	2.89%	6.99%
12/5/2012	9.71%	2.89%	6.82%
12/5/2012	10.40%	2.89%	7.51%
12/12/2012	9.80%	2.88%	6.92%
12/13/2012	9.50%	2.88%	6.62%
12/13/2012	10.50%	2.88%	7.62%
12/14/2012	10.40%	2.88%	7.52%
12/19/2012	9.71%	2.87%	6.84%
12/19/2012	10.25%	2.87%	7.38%
12/20/2012	9.50%	2.87%	6.63%
12/20/2012	9.80%	2.87%	6.93%
12/20/2012	10.25%	2.87%	7.38%
12/20/2012	10.25%	2.87%	7.38%
12/20/2012	10.30%	2.87%	7.43%
12/20/2012	10.40%	2.87%	7.53%
12/20/2012	10.45%	2.87%	7.58%
12/21/2012	10.20%	2.87%	7.33%
12/26/2012	9.80%	2.86%	6.94%
1/9/2013	9.70%	2.85%	6.85%
1/9/2013	9.70%	2.85%	6.85%
1/9/2013	9.70%	2.85%	6.85%
1/16/2013	9.60%	2.84%	6.76%
1/16/2013	9.60%	2.84%	6.76%
2/13/2013	10.20%	2.84%	7.36%
2/22/2013	9.75%	2.85%	6.90%
2/27/2013	10.00%	2.86%	7.14%
3/14/2013	9.30%	2.88%	6.42%
3/27/2013	9.80%	2.90%	6.90%
5/1/2013	9.84%	2.94%	6.90%
5/15/2013	10.30%	2.96%	7.34%
5/30/2013	10.20%	2.98%	7.22%
5/31/2013	9.00%	2.98%	6.02%
6/11/2013	10.00%	3.00%	7.00%
6/21/2013	9.75%	3.02%	6.73%
6/25/2013	9.80%	3.03%	6.77%
7/12/2013	9.36%	3.07%	6.29%
8/8/2013	9.83%	3.14%	6.69%
8/14/2013	9.15%	3.16%	5.99%
9/11/2013	10.20%	3.26%	6.94%
9/11/2013	10.25%	3.26%	6.99%
9/24/2013	10.20%	3.31%	6.89%
10/3/2013	9.65%	3.33%	6.32%
11/6/2013	10.20%	3.41%	6.79%
11/21/2013	10.00%	3.44%	6.56%
11/26/2013	10.00%	3.45%	6.55%
12/3/2013	10.25%	3.47%	6.78%
12/4/2013	9.50%	3.47%	6.03%
12/5/2013	10.20%	3.48%	6.72%
12/9/2013	8.72%	3.48%	5.24%
12/9/2013	9.75%	3.48%	6.27%
12/13/2013	9.75%	3.50%	6.25%
12/16/2013	9.95%	3.50%	6.45%
12/16/2013	9.95%	3.50%	6.45%
12/16/2013	10.12%	3.50%	6.62%
12/17/2013	9.50%	3.51%	5.99%
12/17/2013	10.95%	3.51%	7.44%
12/18/2013	8.72%	3.51%	5.21%
12/18/2013	9.80%	3.51%	6.29%
12/19/2013	10.15%	3.51%	6.64%
12/30/2013	9.50%	3.54%	5.96%
2/20/2014	9.20%	3.68%	5.52%
2/26/2014	9.75%	3.69%	6.06%
3/17/2014	9.55%	3.72%	5.83%

Date of Electric Rate Case	Return on Equity	30-Year Treasury Yield	Risk Premium
3/26/2014	9.40%	3.73%	5.67%
3/26/2014	9.96%	3.73%	6.23%
4/2/2014	9.70%	3.73%	5.97%
5/16/2014	9.80%	3.70%	6.10%
5/30/2014	9.70%	3.68%	6.02%
6/6/2014	10.40%	3.67%	6.73%
6/30/2014	9.55%	3.64%	5.91%
7/2/2014	9.62%	3.64%	5.98%
7/10/2014	9.95%	3.63%	6.32%
7/23/2014	9.75%	3.61%	6.14%
7/29/2014	9.45%	3.60%	5.85%
7/31/2014	9.90%	3.60%	6.30%
8/20/2014	9.75%	3.57%	6.18%
8/25/2014	9.60%	3.56%	6.04%
8/29/2014	9.80%	3.54%	6.26%
9/11/2014	9.60%	3.51%	6.09%
9/15/2014	10.25%	3.51%	6.74%
10/9/2014	9.80%	3.45%	6.35%
11/6/2014	9.56%	3.37%	6.19%
11/6/2014	10.20%	3.37%	6.83%
11/14/2014	10.20%	3.35%	6.85%
11/26/2014	9.70%	3.33%	6.37%
11/26/2014	10.20%	3.33%	6.87%
12/4/2014	9.68%	3.31%	6.37%
12/10/2014	9.25%	3.29%	5.96%
12/10/2014	9.25%	3.29%	5.96%
12/11/2014	10.07%	3.29%	6.78%
12/12/2014	10.20%	3.28%	6.92%
12/17/2014	9.17%	3.27%	5.90%
12/18/2014	9.83%	3.26%	6.57%
1/23/2015	9.50%	3.14%	6.36%
2/24/2015	9.83%	3.04%	6.79%
3/18/2015	9.75%	2.98%	6.77%
3/25/2015	9.50%	2.96%	6.54%
3/26/2015	9.72%	2.95%	6.77%
4/23/2015	10.20%	2.87%	7.33%
4/29/2015	9.53%	2.86%	6.67%
5/1/2015	9.60%	2.85%	6.75%
5/26/2015	9.75%	2.83%	6.92%
6/17/2015	9.00%	2.82%	6.18%
6/17/2015	9.00%	2.82%	6.18%
9/2/2015	9.50%	2.79%	6.71%
9/10/2015	9.30%	2.79%	6.51%
10/15/2015	9.00%	2.81%	6.19%
11/19/2015	10.00%	2.88%	7.12%
11/19/2015	10.30%	2.88%	7.42%
12/3/2015	10.00%	2.90%	7.10%
12/9/2015	9.14%	2.90%	6.24%
12/9/2015	9.14%	2.90%	6.24%
12/11/2015	10.30%	2.90%	7.40%
12/15/2015	9.60%	2.91%	6.69%
12/17/2015	9.70%	2.91%	6.79%
12/18/2015	9.50%	2.91%	6.59%
12/30/2015	9.50%	2.93%	6.57%
1/6/2016	9.50%	2.94%	6.56%

of Cases: 1,468
 Average: 4.50%

Constant Growth Discounted Cash Flow Model
 30 Day Average Stock Price

Company	Ticker	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Annualized Dividend	Average Stock Price	Dividend Yield	Expected Dividend Yield	Zacks Earnings Growth	First Call Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Low ROE	Mean ROE	High ROE
ALLETE, Inc.	ALE	\$2.02	\$50.12	4.03%	4.14%	5.00%	5.00%	6.50%	5.50%	9.13%	9.64%	10.66%
Alliant Energy Corporation	LNT	\$2.35	\$61.59	3.82%	3.92%	5.40%	5.55%	6.00%	5.65%	9.32%	9.57%	9.93%
Ameren Corporation	AEE	\$1.70	\$43.18	3.94%	4.06%	6.30%	6.00%	7.00%	6.43%	10.06%	10.50%	11.08%
American Electric Power Company, Inc.	AEP	\$2.24	\$57.34	3.91%	4.00%	4.70%	4.43%	5.00%	4.71%	8.42%	8.71%	9.00%
Avista Corporation	AVA	\$1.32	\$34.97	3.77%	3.87%	5.00%	5.00%	5.00%	5.00%	8.87%	8.87%	8.87%
CMS Energy Corporation	CMS	\$1.16	\$35.77	3.24%	3.34%	6.10%	6.72%	5.50%	6.11%	8.83%	9.45%	10.07%
Dominion Resources, Inc.	D	\$2.59	\$67.46	3.84%	3.96%	6.10%	5.49%	8.00%	6.53%	9.43%	10.49%	11.99%
DTE Energy Company	DTE	\$2.92	\$79.78	3.66%	3.76%	5.60%	5.12%	5.00%	5.24%	9.75%	9.00%	9.36%
Great Plains Energy Inc.	GXP	\$1.05	\$26.91	3.90%	4.01%	5.80%	5.07%	5.00%	5.29%	9.00%	9.30%	9.81%
IDACORP, Inc.	IDA	\$2.04	\$67.89	3.00%	3.05%	4.00%	4.00%	1.00%	3.00%	4.02%	6.05%	7.06%
NorthWestern Corporation	NWE	\$1.92	\$54.03	3.55%	3.66%	5.00%	6.81%	6.50%	6.10%	8.64%	9.77%	10.48%
OGE Energy Corp.	OGE	\$1.10	\$25.52	4.31%	4.39%	5.70%	2.17%	3.00%	3.62%	6.53%	8.01%	10.13%
Otter Tail Corporation	OTTR	\$1.23	\$26.51	4.64%	4.81%	NA	6.00%	9.00%	7.50%	10.78%	12.31%	13.85%
Pinnacle West Capital Corporation	PNW	\$2.50	\$63.57	3.93%	4.02%	4.80%	4.95%	4.00%	4.56%	8.01%	8.61%	8.98%
PNM Resources, Inc.	PNM	\$0.88	\$28.89	2.94%	3.07%	7.70%	9.30%	9.00%	8.67%	10.76%	11.74%	12.38%
Portland General Electric Company	POR	\$1.20	\$36.42	3.29%	3.37%	4.40%	4.14%	6.00%	4.85%	7.50%	8.22%	9.39%
SCANA Corporation	SCG	\$2.18	\$60.15	3.62%	3.71%	4.50%	4.45%	4.50%	4.48%	8.15%	8.19%	8.21%
Westar Energy, Inc.	WR	\$1.44	\$41.90	3.44%	3.51%	3.60%	3.50%	6.00%	4.37%	7.00%	7.88%	9.54%
Xcel Energy Inc.	XEL	\$1.28	\$35.81	3.57%	3.66%	5.00%	4.68%	4.50%	4.73%	8.16%	8.39%	8.66%
PROXY GROUP MEAN				3.71%	3.81%	5.26%	5.18%	5.61%	5.39%	8.49%	9.19%	9.97%
PROXY GROUP MEDIAN				3.77%	3.87%	5.00%	5.00%	5.50%	5.24%	8.75%	9.00%	9.81%

Notes:

- [1] Source: Bloomberg Professional
- [2] Source: Bloomberg Professional, equals 30-trading day average as of January 15, 2016
- [3] Equals [1] / [2]
- [4] Equals [3] x (1 + 0.5 x [8])
- [5] Source: Zacks
- [6] Source: Yahoo! Finance
- [7] Source: Value Line
- [8] Equals Average([5], [6], [7])
- [9] Equals [3] x (1 + 0.5 x Minimum([5], [6], [7])) + Minimum([5], [6], [7])
- [10] Equals [4] + [8]
- [11] Equals [3] x (1 + 0.5 x Maximum([5], [6], [7])) + Maximum([5], [6], [7])

Constant Growth Discounted Cash Flow Model
90 Day Average Stock Price

Company	Ticker	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Annualized Dividend	Average Stock Price	Dividend Yield	Expected Dividend Yield	Zacks Earnings Growth	First Call Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Low ROE	Mean ROE	High ROE
ALLETE, Inc.	ALE	\$2.02	\$50.31	4.02%	4.13%	5.00%	5.00%	6.50%	5.50%	9.12%	9.63%	10.65%
Alliant Energy Corporation	LNT	\$2.35	\$59.72	3.93%	4.05%	5.40%	5.55%	6.00%	5.65%	9.44%	9.70%	10.05%
Ameren Corporation	AEE	\$1.70	\$42.83	3.97%	4.10%	6.30%	6.00%	7.00%	6.43%	10.09%	10.53%	11.11%
American Electric Power Company, Inc.	AEP	\$2.24	\$56.58	3.96%	4.05%	4.70%	4.43%	5.00%	4.71%	8.48%	8.76%	9.06%
Avista Corporation	AVA	\$1.32	\$33.87	3.90%	3.99%	5.00%	5.00%	5.00%	5.00%	8.99%	8.99%	8.99%
CMS Energy Corporation	CMS	\$1.16	\$35.33	3.28%	3.38%	6.10%	6.72%	5.50%	6.11%	8.87%	9.49%	10.11%
Dominion Resources, Inc.	D	\$2.59	\$69.01	3.75%	3.88%	6.10%	5.49%	8.00%	6.53%	9.35%	10.41%	11.90%
DTE Energy Company	DTE	\$2.92	\$80.17	3.64%	3.74%	5.60%	5.12%	5.00%	5.24%	8.73%	8.98%	9.34%
Great Plains Energy Inc.	GXP	\$1.05	\$26.82	3.91%	4.02%	5.80%	5.07%	5.00%	5.29%	9.01%	9.31%	9.83%
IDACORP, Inc.	IDA	\$2.04	\$66.25	3.08%	3.13%	4.00%	4.00%	1.00%	3.00%	4.09%	6.13%	7.14%
NorthWestern Corporation	NWE	\$1.92	\$53.77	3.57%	3.68%	5.00%	6.81%	6.50%	6.10%	8.66%	9.78%	10.50%
OGE Energy Corp.	OGE	\$1.10	\$26.72	4.12%	4.19%	5.70%	5.00%	3.00%	3.62%	6.33%	7.81%	9.93%
Otter Tail Corporation	OTTR	\$1.23	\$26.61	4.62%	4.80%	NA	6.00%	9.00%	7.50%	10.76%	12.30%	13.63%
Pinnacle West Capital Corporation	PNW	\$2.50	\$63.35	3.95%	4.04%	4.80%	4.95%	4.00%	4.58%	8.03%	8.62%	8.99%
PNM Resources, Inc.	PNM	\$0.88	\$28.43	3.09%	3.23%	7.70%	9.30%	9.00%	8.67%	10.91%	11.90%	12.54%
Portland General Electric Company	POR	\$1.20	\$36.56	3.28%	3.36%	4.40%	4.14%	6.00%	4.85%	7.49%	8.21%	9.38%
SCANA Corporation	SCG	\$2.18	\$57.62	3.77%	3.85%	4.50%	4.45%	4.50%	4.48%	8.30%	8.34%	8.36%
Westar Energy, Inc.	WR	\$1.44	\$40.32	3.57%	3.65%	3.60%	3.50%	6.00%	4.37%	7.13%	8.02%	9.68%
Xcel Energy Inc.	XEL	\$1.28	\$35.44	3.61%	3.70%	5.00%	4.68%	4.50%	4.73%	8.19%	8.42%	8.70%
PROXY GROUP MEAN				3.74%	3.84%	5.26%	5.18%	5.61%	5.39%	8.53%	9.23%	10.01%
PROXY GROUP MEDIAN				3.77%	3.88%	5.00%	5.00%	5.50%	5.24%	8.73%	8.99%	9.63%

Notes:

- [1] Source: Bloomberg Professional
- [2] Source: Bloomberg Professional, equals 90-trading day average as of January 15, 2016
- [3] Equals [1] / [2]
- [4] Equals [3] x (1 + 0.5 x [8])
- [5] Source: Zacks
- [6] Source: Yahoo! Finance
- [7] Source: Value Line
- [8] Equals Average([5], [6], [7])
- [9] Equals [3] x (1 + 0.5 x Minimum([5], [6], [7])) + Minimum([5], [6], [7])
- [10] Equals [4] + [8]
- [11] Equals [3] x (1 + 0.5 x Maximum([5], [6], [7])) + Maximum([5], [6], [7])

Constant Growth Discounted Cash Flow Model
 180 Day Average Stock Price

Company	Ticker	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Annualized Dividend	Average Stock Price	Dividend Yield	Expected Dividend Yield	Zacks Earnings Growth	First Call Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Low ROE	Mean ROE	High ROE
ALLETE, Inc.	ALE	\$2.02	\$49.47	4.08%	4.20%	5.00%	5.00%	6.50%	5.50%	9.19%	9.70%	10.72%
Alliant Energy Corporation	LNT	\$2.35	\$59.67	3.94%	4.05%	5.40%	5.55%	6.00%	5.65%	9.44%	9.70%	10.06%
Ameren Corporation	AEE	\$1.70	\$41.34	4.11%	4.24%	6.30%	6.00%	7.00%	6.43%	10.24%	10.68%	11.26%
American Electric Power Company, Inc.	AEP	\$2.24	\$55.91	4.01%	4.10%	4.70%	4.43%	5.00%	4.71%	8.53%	8.81%	9.11%
Avista Corporation	AVA	\$1.32	\$32.85	4.02%	4.12%	5.00%	5.00%	5.00%	5.00%	9.12%	9.12%	9.12%
CMS Energy Corporation	CMS	\$1.16	\$34.36	3.38%	3.48%	6.10%	6.72%	5.50%	6.11%	8.97%	9.59%	10.21%
Dominion Resources, Inc.	D	\$2.59	\$69.57	3.72%	3.84%	6.10%	5.49%	8.00%	6.53%	9.31%	10.37%	11.87%
DTE Energy Company	DTE	\$2.92	\$79.11	3.69%	3.79%	5.60%	5.12%	5.00%	5.24%	8.78%	9.03%	9.39%
Great Plains Energy Inc.	GXP	\$1.05	\$26.16	4.01%	4.12%	5.80%	5.07%	5.00%	5.29%	9.11%	9.41%	9.93%
IDACORP, Inc.	IDA	\$2.04	\$62.69	3.25%	3.30%	4.00%	4.00%	1.00%	3.00%	4.27%	6.30%	7.32%
NorthWestern Corporation	NWE	\$1.92	\$52.75	3.64%	3.75%	5.00%	6.81%	6.50%	6.10%	8.73%	9.85%	10.57%
OGE Energy Corp.	OGE	\$1.10	\$28.22	3.90%	3.97%	5.70%	2.17%	3.00%	3.62%	6.11%	7.59%	9.71%
Otter Tail Corporation	OTTR	\$1.23	\$26.76	4.60%	4.77%	NA	6.00%	9.00%	7.50%	10.73%	12.27%	13.80%
Pinnacle West Capital Corporation	PNW	\$2.50	\$61.66	4.05%	4.15%	4.80%	4.95%	4.00%	4.58%	8.14%	8.73%	9.10%
PNM Resources, Inc.	PNM	\$0.88	\$27.23	3.23%	3.37%	7.70%	9.30%	9.00%	8.67%	11.06%	12.04%	12.68%
Portland General Electric Company	POR	\$1.20	\$35.66	3.37%	3.45%	4.40%	4.14%	6.00%	4.85%	7.57%	8.29%	9.47%
SCANA Corporation	SCG	\$2.18	\$55.39	3.94%	4.02%	4.50%	4.45%	4.50%	4.48%	8.47%	8.51%	8.52%
Westar Energy, Inc.	WR	\$1.44	\$38.32	3.76%	3.84%	3.60%	3.50%	6.00%	4.37%	7.32%	8.21%	9.87%
Xcel Energy Inc.	XEL	\$1.28	\$34.55	3.70%	3.79%	5.00%	4.68%	4.50%	4.73%	8.29%	8.52%	8.80%
PROXY GROUP MEAN				3.81%	3.91%	5.26%	5.18%	5.61%	5.39%	8.60%	9.30%	10.08%
PROXY GROUP MEDIAN				3.90%	3.97%	5.00%	5.00%	5.50%	5.24%	8.78%	9.12%	9.87%

Notes:

- [1] Source: Bloomberg Professional
- [2] Source: Bloomberg Professional, equals 180-trading day average as of January 15, 2016
- [3] Equals [1] / [2]
- [4] Equals [3] x (1 + 0.5 x [8])
- [5] Source: Zacks
- [6] Source: Yahoo! Finance
- [7] Source: Value Line
- [8] Equals Average([5], [6], [7])
- [9] Equals [3] x (1 + 0.5 x Minimum([5], [6], [7])) + Minimum([5], [6], [7])
- [10] Equals [4] + [8]
- [11] Equals [3] x (1 + 0.5 x Maximum([5], [6], [7])) + Maximum([5], [6], [7])

Multi-Stage Growth Discounted Cash Flow Model
 30 Day Average Stock Price
 Average EPS Growth Rate Estimate in First Stage

Inputs	Stock	Price	[1] [2] [3] [4] [5] [6] [7] [8] [9] [10] [11] [12] [13]			Terminal	Terminal							
			EPS Growth Rate Estimates					Long-Term	Payout Ratio			Iterative Solution		
Company	Ticker		Zacks	First Call	Line	Average	Growth	2016	2019	2026	Proof	IRR	P/E Ratio	PEG Ratio
ALLETE, Inc.	ALE	\$50.12	5.00%	5.00%	6.50%	5.50%	5.35%	66.00%	59.00%	67.30%	\$0.00	9.82%	15.83	2.96
Alliant Energy Corporation	LNT	\$61.59	5.40%	5.55%	6.00%	6.43%	5.35%	61.00%	63.00%	67.30%	\$0.00	9.78%	15.99	2.99
Ameren Corporation	AEE	\$43.18	6.30%	6.00%	7.00%	6.43%	5.35%	62.00%	56.00%	67.30%	\$0.00	9.89%	15.61	2.92
American Electric Power Company, Inc.	AEP	\$57.34	4.70%	4.43%	5.00%	4.71%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.65%	16.46	3.08
Avista Corporation	AVA	\$34.97	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.34%	17.75	3.32
CMS Energy Corporation	CMS	\$35.77	6.10%	6.72%	5.50%	6.11%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.28%	18.03	3.37
Dominion Resources, Inc.	D	\$67.46	6.10%	5.49%	8.00%	6.53%	5.35%	74.00%	72.00%	67.30%	\$0.00	9.26%	18.14	3.39
DTE Energy Company	DTE	\$79.78	5.60%	5.12%	5.00%	5.24%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.18%	14.67	2.74
Great Plains Energy Inc.	GXP	\$26.91	5.80%	5.07%	5.00%	5.29%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.79%	15.96	2.98
IDACORP, Inc.	IDA	\$67.89	4.00%	4.00%	1.00%	3.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	8.93%	19.78	3.70
NorthWestern Corporation	NWE	\$54.03	5.00%	6.81%	6.50%	6.10%	5.35%	61.00%	59.00%	67.30%	\$0.00	9.79%	15.96	2.98
OGE Energy Corp.	OGE	\$25.52	5.70%	2.17%	3.00%	3.62%	5.35%	63.00%	72.00%	67.30%	\$0.00	10.77%	13.06	2.44
Otter Tail Corporation	OTTR	\$26.51	NA	6.00%	9.00%	7.50%	5.35%	71.00%	59.00%	67.30%	\$0.00	10.59%	13.52	2.53
Pinnacle West Capital Corporation	PNW	\$63.57	4.80%	4.95%	4.00%	4.58%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.46%	17.24	3.22
PNM Resources, Inc.	PNM	\$29.89	7.70%	9.30%	9.00%	8.67%	5.35%	51.00%	55.00%	67.30%	\$0.00	9.92%	15.49	2.90
Portland General Electric Company	POR	\$36.42	4.40%	4.14%	6.00%	4.85%	5.35%	52.00%	53.00%	67.30%	\$0.00	9.62%	16.59	3.10
SCANA Corporation	SCG	\$60.15	4.50%	4.45%	4.50%	4.48%	5.35%	56.00%	55.00%	67.30%	\$0.00	9.77%	16.02	3.00
Westar Energy, Inc.	WR	\$41.90	3.60%	3.50%	6.00%	4.37%	5.35%	61.00%	55.00%	67.30%	\$0.00	9.28%	18.01	3.37
Xcel Energy Inc.	XEL	\$35.81	5.00%	4.68%	4.50%	4.73%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.54%	16.92	3.17
												MEAN	9.72%	
												MAX	10.77%	
												MIN	8.93%	

Projected Annual Earnings per Share		[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
Company	Ticker	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	\$2.90	\$3.06	\$3.23	\$3.41	\$3.59	\$3.79	\$4.00	\$4.22	\$4.45	\$4.69	\$4.94	\$5.21	\$5.49	\$5.78	\$6.09	\$6.41	\$6.76
Alliant Energy Corporation	LNT	\$3.48	\$3.68	\$3.88	\$4.10	\$4.34	\$4.58	\$4.84	\$5.11	\$5.39	\$5.69	\$6.00	\$6.32	\$6.66	\$7.02	\$7.39	\$7.79	\$8.21
Ameren Corporation	AEE	\$2.40	\$2.55	\$2.72	\$2.89	\$3.08	\$3.28	\$3.49	\$3.71	\$3.93	\$4.16	\$4.40	\$4.64	\$4.89	\$5.15	\$5.43	\$5.72	\$6.03
American Electric Power Company, Inc.	AEP	\$3.34	\$3.50	\$3.66	\$3.83	\$4.02	\$4.20	\$4.40	\$4.61	\$4.84	\$5.08	\$5.35	\$5.63	\$5.93	\$6.24	\$6.58	\$6.93	\$7.30
Avista Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12
CMS Energy Corporation	CMS	\$1.74	\$1.85	\$1.96	\$2.08	\$2.21	\$2.34	\$2.48	\$2.63	\$2.79	\$2.95	\$3.11	\$3.28	\$3.46	\$3.64	\$3.84	\$4.04	\$4.26
Dominion Resources, Inc.	D	\$3.05	\$3.25	\$3.46	\$3.69	\$3.93	\$4.18	\$4.46	\$4.74	\$5.03	\$5.33	\$5.64	\$5.95	\$6.27	\$6.60	\$6.95	\$7.33	\$7.72
DTE Energy Company	DTE	\$5.10	\$5.37	\$5.65	\$5.94	\$6.26	\$6.58	\$6.93	\$7.29	\$7.68	\$8.08	\$8.51	\$8.97	\$9.45	\$9.95	\$10.48	\$11.04	\$11.64
Great Plains Energy Inc.	GXP	\$1.57	\$1.65	\$1.74	\$1.83	\$1.93	\$2.03	\$2.14	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$2.92	\$3.08	\$3.24	\$3.41	\$3.60
IDACORP, Inc.	IDA	\$3.85	\$3.97	\$4.08	\$4.21	\$4.33	\$4.46	\$4.60	\$4.75	\$4.93	\$5.14	\$5.37	\$5.64	\$5.94	\$6.26	\$6.59	\$6.95	\$7.32
NorthWestern Corporation	NWE	\$2.99	\$3.17	\$3.37	\$3.57	\$3.79	\$4.02	\$4.27	\$4.52	\$4.79	\$5.06	\$5.34	\$5.64	\$5.94	\$6.25	\$6.59	\$6.94	\$7.31
OGE Energy Corp.	OGE	\$1.98	\$2.05	\$2.13	\$2.20	\$2.28	\$2.37	\$2.45	\$2.55	\$2.65	\$2.77	\$2.91	\$3.05	\$3.22	\$3.39	\$3.57	\$3.76	\$3.96
Otter Tail Corporation	OTTR	\$1.55	\$1.67	\$1.79	\$1.93	\$2.07	\$2.23	\$2.39	\$2.56	\$2.74	\$2.91	\$3.09	\$3.27	\$3.44	\$3.62	\$3.82	\$4.02	\$4.24
Pinnacle West Capital Corporation	PNW	\$3.58	\$3.74	\$3.92	\$4.10	\$4.28	\$4.48	\$4.68	\$4.91	\$5.14	\$5.40	\$5.67	\$5.97	\$6.29	\$6.62	\$6.98	\$7.35	\$7.74
PNM Resources, Inc.	PNM	\$1.45	\$1.58	\$1.71	\$1.86	\$2.02	\$2.20	\$2.39	\$2.58	\$2.78	\$2.97	\$3.16	\$3.35	\$3.53	\$3.72	\$3.92	\$4.13	\$4.35
Portland General Electric Company	POR	\$2.18	\$2.29	\$2.40	\$2.51	\$2.63	\$2.76	\$2.90	\$3.04	\$3.19	\$3.35	\$3.53	\$3.71	\$3.91	\$4.12	\$4.34	\$4.57	\$4.82
SCANA Corporation	SCG	\$3.79	\$3.96	\$4.14	\$4.32	\$4.52	\$4.72	\$4.93	\$5.16	\$5.41	\$5.67	\$5.96	\$6.27	\$6.60	\$6.96	\$7.33	\$7.72	\$8.13
Westar Energy, Inc.	WR	\$2.35	\$2.45	\$2.56	\$2.67	\$2.79	\$2.91	\$3.04	\$3.17	\$3.32	\$3.48	\$3.66	\$3.85	\$4.06	\$4.27	\$4.50	\$4.74	\$4.99
Xcel Energy Inc.	XEL	\$2.03	\$2.13	\$2.23	\$2.33	\$2.44	\$2.56	\$2.68	\$2.81	\$2.95	\$3.09	\$3.25	\$3.42	\$3.61	\$3.80	\$4.00	\$4.22	\$4.44

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	56.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.13	\$2.17	\$2.20	\$2.24	\$2.41	\$2.59	\$2.78	\$2.99	\$3.21	\$3.44	\$3.69	\$3.89	\$4.10	\$4.32	\$4.55	\$106.98
Alliant Energy Corporation	LNT	\$2.37	\$2.53	\$2.70	\$2.89	\$3.08	\$3.28	\$3.50	\$3.73	\$3.96	\$4.22	\$4.48	\$4.72	\$4.98	\$5.24	\$5.52	\$131.26
Ameren Corporation	AEE	\$1.69	\$1.74	\$1.79	\$1.84	\$2.01	\$2.20	\$2.39	\$2.60	\$2.82	\$3.05	\$3.29	\$3.47	\$3.65	\$3.85	\$4.06	\$94.08
American Electric Power Company, Inc.	AEP	\$2.34	\$2.47	\$2.60	\$2.73	\$2.88	\$3.03	\$3.19	\$3.37	\$3.56	\$3.77	\$3.99	\$4.20	\$4.43	\$4.66	\$4.91	\$120.19
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$73.10
CMS Energy Corporation	CMS	\$1.18	\$1.26	\$1.35	\$1.45	\$1.56	\$1.67	\$1.79	\$1.92	\$2.05	\$2.18	\$2.33	\$2.45	\$2.58	\$2.72	\$2.86	\$76.74
Dominion Resources, Inc.	D	\$2.56	\$2.70	\$2.85	\$3.01	\$3.18	\$3.35	\$3.52	\$3.69	\$3.87	\$4.04	\$4.22	\$4.44	\$4.68	\$4.93	\$5.19	\$140.00
DTE Energy Company	DTE	\$3.45	\$3.61	\$3.77	\$3.95	\$4.23	\$4.53	\$4.85	\$5.19	\$5.55	\$5.94	\$6.36	\$6.70	\$7.06	\$7.43	\$7.83	\$170.71
Great Plains Energy Inc.	GXP	\$1.04	\$1.11	\$1.18	\$1.26	\$1.34	\$1.43	\$1.52	\$1.62	\$1.73	\$1.84	\$1.97	\$2.07	\$2.18	\$2.30	\$2.42	\$57.39
IDACORP, Inc.	IDA	\$2.16	\$2.30	\$2.44	\$2.59	\$2.73	\$2.88	\$3.06	\$3.25	\$3.47	\$3.72	\$4.00	\$4.21	\$4.44	\$4.67	\$4.92	\$144.76
NorthWestern Corporation	NWE	\$2.05	\$2.15	\$2.26	\$2.37	\$2.57	\$2.77	\$2.99	\$3.23	\$3.47	\$3.73	\$4.00	\$4.21	\$4.43	\$4.67	\$4.92	\$116.68
OGE Energy Corp.	OGE	\$1.34	\$1.45	\$1.58	\$1.70	\$1.75	\$1.80	\$1.86	\$1.92	\$1.99	\$2.07	\$2.16	\$2.28	\$2.40	\$2.53	\$2.67	\$51.75
Otter Tail Corporation	OTTR	\$1.27	\$1.29	\$1.30	\$1.31	\$1.44	\$1.57	\$1.71	\$1.86	\$2.01	\$2.16	\$2.32	\$2.44	\$2.57	\$2.71	\$2.85	\$57.29
Pinnacle West Capital Corporation	PNW	\$2.51	\$2.62	\$2.74	\$2.87	\$3.02	\$3.19	\$3.36	\$3.56	\$3.76	\$3.99	\$4.23	\$4.46	\$4.70	\$4.95	\$5.21	\$133.49
PNM Resources, Inc.	PNM	\$0.87	\$0.97	\$1.09	\$1.21	\$1.36	\$1.51	\$1.67	\$1.84	\$2.02	\$2.20	\$2.37	\$2.50	\$2.64	\$2.78	\$2.92	\$67.33
Portland General Electric Company	POR	\$1.25	\$1.31	\$1.39	\$1.46	\$1.59	\$1.73	\$1.89	\$2.05	\$2.23	\$2.42	\$2.63	\$2.77	\$2.92	\$3.08	\$3.24	\$79.91
SCANA Corporation	SCG	\$2.32	\$2.41	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.80	\$4.11	\$4.44	\$4.68	\$4.93	\$5.20	\$5.47	\$130.31
Westar Energy, Inc.	WR	\$1.56	\$1.58	\$1.59	\$1.60	\$1.72	\$1.86	\$2.00	\$2.16	\$2.33	\$2.52	\$2.73	\$2.88	\$3.03	\$3.19	\$3.36	\$89.97
Xcel Energy Inc.	XEL	\$1.40	\$1.48	\$1.57	\$1.66	\$1.75	\$1.84	\$1.94	\$2.05	\$2.17	\$2.29	\$2.43	\$2.56	\$2.69	\$2.84	\$2.99	\$75.19

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$50.12)	\$0.00	\$2.05	\$2.19	\$2.20	\$2.24	\$2.41	\$2.59	\$2.78	\$2.99	\$3.21	\$3.44	\$3.69	\$3.89	\$4.10	\$4.32	\$111.53
Alliant Energy Corporation	LNT	(\$61.59)	\$0.00	\$2.28	\$2.44	\$2.70	\$2.89	\$3.08	\$3.28	\$3.50	\$3.73	\$3.96	\$4.22	\$4.48	\$4.72	\$4.98	\$5.24	\$136.78
Ameren Corporation	AEE	(\$43.18)	\$0.00	\$1.62	\$1.74	\$1.79	\$1.84	\$2.01	\$2.20	\$2.39	\$2.60	\$2.82	\$3.05	\$3.29	\$3.47	\$3.65	\$3.85	\$98.13
American Electric Power Company, Inc.	AEP	(\$57.34)	\$0.00	\$2.25	\$2.40	\$2.60	\$2.73	\$2.88	\$3.03	\$3.19	\$3.37	\$3.56	\$3.77	\$3.99	\$4.20	\$4.43	\$4.66	\$125.10
Avista Corporation	AVA	(\$34.97)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$75.87
CMS Energy Corporation	CMS	(\$35.77)	\$0.00	\$1.13	\$1.21	\$1.35	\$1.45	\$1.56	\$1.67	\$1.79	\$1.92	\$2.05	\$2.18	\$2.33	\$2.45	\$2.58	\$2.72	\$79.60
Dominion Resources, Inc.	D	(\$67.46)	\$0.00	\$2.46	\$2.65	\$2.85	\$3.01	\$3.18	\$3.35	\$3.52	\$3.69	\$3.87	\$4.04	\$4.22	\$4.44	\$4.68	\$4.93	\$145.20
DTE Energy Company	DTE	(\$79.78)	\$0.00	\$3.31	\$3.54	\$3.77	\$3.95	\$4.23	\$4.53	\$4.85	\$5.19	\$5.55	\$5.94	\$6.36	\$6.70	\$7.06	\$7.43	\$178.54
Great Plains Energy Inc.	GXP	(\$26.91)	\$0.00	\$1.00	\$1.07	\$1.18	\$1.26	\$1.34	\$1.43	\$1.52	\$1.62	\$1.73	\$1.84	\$1.97	\$2.07	\$2.18	\$2.30	\$59.81
IDACORP, Inc.	IDA	(\$67.89)	\$0.00	\$2.08	\$2.20	\$2.44	\$2.59	\$2.73	\$2.88	\$3.06	\$3.25	\$3.47	\$3.72	\$4.00	\$4.21	\$4.44	\$4.67	\$149.68
NorthWestern Corporation	NWE	(\$54.03)	\$0.00	\$1.97	\$2.12	\$2.26	\$2.37	\$2.57	\$2.77	\$2.99	\$3.23	\$3.47	\$3.73	\$4.00	\$4.21	\$4.43	\$4.67	\$121.60
OGE Energy Corp.	OGE	(\$25.52)	\$0.00	\$1.29	\$1.36	\$1.58	\$1.70	\$1.75	\$1.80	\$1.86	\$1.92	\$1.99	\$2.07	\$2.16	\$2.28	\$2.40	\$2.53	\$54.41
Otter Tail Corporation	OTTR	(\$26.51)	\$0.00	\$1.22	\$1.32	\$1.30	\$1.31	\$1.44	\$1.57	\$1.71	\$1.86	\$2.01	\$2.16	\$2.32	\$2.44	\$2.57	\$2.71	\$60.14
Pinnacle West Capital Corporation	PNW	(\$63.57)	\$0.00	\$2.41	\$2.56	\$2.74	\$2.87	\$3.02	\$3.19	\$3.36	\$3.56	\$3.76	\$3.99	\$4.23	\$4.46	\$4.70	\$4.95	\$138.70
PNM Resources, Inc.	PNM	(\$29.89)	\$0.00	\$0.84	\$0.91	\$1.09	\$1.21	\$1.36	\$1.51	\$1.67	\$1.84	\$2.02	\$2.20	\$2.37	\$2.50	\$2.64	\$2.78	\$70.26
Portland General Electric Company	POR	(\$36.42)	\$0.00	\$1.20	\$1.28	\$1.39	\$1.46	\$1.59	\$1.73	\$1.89	\$2.05	\$2.23	\$2.42	\$2.63	\$2.77	\$2.92	\$3.08	\$83.15
SCANA Corporation	SCG	(\$60.15)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.80	\$4.11	\$4.44	\$4.68	\$4.93	\$5.20	\$135.79
Westar Energy, Inc.	WR	(\$41.90)	\$0.00	\$1.50	\$1.60	\$1.59	\$1.60	\$1.72	\$1.86	\$2.00	\$2.16	\$2.33	\$2.52	\$2.73	\$2.88	\$3.03	\$3.19	\$93.33
Xcel Energy Inc.	XEL	(\$35.81)	\$0.00	\$1.35	\$1.44	\$1.57	\$1.66	\$1.75	\$1.84	\$1.94	\$2.05	\$2.17	\$2.29	\$2.43	\$2.56	\$2.69	\$2.84	\$78.18

Multi-Stage Growth Discounted Cash Flow Model
 90 Day Average Stock Price
 Average EPS Growth Rate Estimate in First Stage

Inputs	Stock	[1] Price	[2] [3] [4] EPS Growth Rate Estimates			[5] Value	[6] Long-Term	[7] [8] [9] Payout Ratio			[10] Iterative Solution	[11] IRR	[12] Terminal	[13] Terminal
			Zacks	First Call	Line			Average	Growth	2016				
Company	Ticker	Price	Zacks	First Call	Line	Average	Growth	2016	2019	2026	Proof	IRR	P/E Ratio	PEG Ratio
ALLETE, Inc.	ALE	\$50.31	5.00%	5.00%	6.50%	5.50%	5.35%	66.00%	59.00%	67.30%	\$0.00	9.81%	15.89	2.97
Alliant Energy Corporation	LNT	\$59.72	5.40%	5.55%	6.00%	5.65%	5.35%	61.00%	63.00%	67.30%	\$0.00	9.92%	15.51	2.90
Ameren Corporation	AEE	\$42.83	6.30%	6.00%	7.00%	6.43%	5.35%	62.00%	56.00%	67.30%	\$0.00	9.92%	15.49	2.90
American Electric Power Company, Inc.	AEP	\$56.58	4.70%	4.43%	5.00%	4.71%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.71%	16.24	3.04
Avista Corporation	AVA	\$33.87	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.47%	17.19	3.21
CMS Energy Corporation	CMS	\$35.33	6.10%	6.72%	5.50%	6.11%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.33%	17.81	3.33
Dominion Resources, Inc.	D	\$69.01	6.10%	5.49%	8.00%	6.53%	5.35%	74.00%	72.00%	67.30%	\$0.00	9.17%	18.56	3.47
DTE Energy Company	DTE	\$80.17	5.60%	5.12%	5.00%	5.24%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.16%	14.74	2.76
Great Plains Energy Inc.	GXP	\$26.82	5.80%	5.07%	5.00%	5.29%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.80%	15.91	2.97
IDACORP, Inc.	IDA	\$66.25	4.00%	4.00%	1.00%	3.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	9.02%	19.30	3.61
NorthWestern Corporation	NWE	\$53.77	5.00%	6.81%	6.50%	6.10%	5.35%	61.00%	59.00%	67.30%	\$0.00	9.81%	15.88	2.97
OGE Energy Corp.	OGE	\$26.72	5.70%	2.17%	3.00%	3.62%	5.35%	63.00%	72.00%	67.30%	\$0.00	10.52%	13.70	2.56
Otter Tail Corporation	OTTR	\$26.61	NA	6.00%	9.00%	7.50%	5.35%	71.00%	59.00%	67.30%	\$0.00	10.57%	13.57	2.54
Pinnacle West Capital Corporation	PNW	\$63.35	4.80%	4.95%	4.00%	4.58%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.48%	17.18	3.21
PNM Resources, Inc.	PNM	\$28.43	7.70%	9.30%	9.00%	8.67%	5.35%	51.00%	55.00%	67.30%	\$0.00	10.15%	14.77	2.76
Portland General Electric Company	POR	\$36.56	4.40%	4.14%	6.00%	4.85%	5.35%	52.00%	53.00%	67.30%	\$0.00	9.61%	16.65	3.11
SCANA Corporation	SCG	\$57.82	4.50%	4.45%	4.50%	4.48%	5.35%	56.00%	55.00%	67.30%	\$0.00	9.95%	15.41	2.88
Westar Energy, Inc.	WR	\$40.32	3.60%	3.50%	6.00%	4.37%	5.35%	61.00%	55.00%	67.30%	\$0.00	9.44%	17.34	3.24
Xcel Energy Inc.	XEL	\$35.44	5.00%	4.68%	4.50%	4.73%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.58%	16.75	3.13
											MEAN	9.76%		
											MAX	10.57%		
											MIN	9.02%		

Projected Annual Earnings per Share		[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
Company	Ticker	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	\$2.90	\$3.06	\$3.23	\$3.41	\$3.59	\$3.79	\$4.00	\$4.22	\$4.45	\$4.69	\$4.94	\$5.21	\$5.49	\$5.78	\$6.09	\$6.41	\$6.76
Alliant Energy Corporation	LNT	\$3.48	\$3.68	\$3.88	\$4.10	\$4.34	\$4.58	\$4.84	\$5.11	\$5.39	\$5.69	\$6.00	\$6.32	\$6.66	\$7.02	\$7.39	\$7.79	\$8.21
Ameren Corporation	AEE	\$2.40	\$2.55	\$2.72	\$2.89	\$3.08	\$3.28	\$3.49	\$3.71	\$3.93	\$4.16	\$4.40	\$4.64	\$4.89	\$5.15	\$5.43	\$5.72	\$6.03
American Electric Power Company, Inc.	AEP	\$3.34	\$3.50	\$3.66	\$3.83	\$4.02	\$4.20	\$4.40	\$4.61	\$4.84	\$5.08	\$5.35	\$5.63	\$5.93	\$6.24	\$6.58	\$6.93	\$7.30
Avista Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12
CMS Energy Corporation	CMS	\$1.74	\$1.85	\$1.96	\$2.08	\$2.21	\$2.34	\$2.48	\$2.63	\$2.79	\$2.95	\$3.11	\$3.28	\$3.46	\$3.64	\$3.84	\$4.04	\$4.26
Dominion Resources, Inc.	D	\$3.05	\$3.25	\$3.46	\$3.69	\$3.93	\$4.18	\$4.46	\$4.74	\$5.03	\$5.33	\$5.64	\$5.95	\$6.27	\$6.60	\$6.95	\$7.33	\$7.72
DTE Energy Company	DTE	\$5.10	\$5.37	\$5.65	\$5.94	\$6.26	\$6.58	\$6.93	\$7.29	\$7.68	\$8.08	\$8.51	\$8.97	\$9.45	\$9.95	\$10.48	\$11.04	\$11.64
Great Plains Energy Inc.	GXP	\$1.57	\$1.65	\$1.74	\$1.83	\$1.93	\$2.03	\$2.14	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$2.92	\$3.08	\$3.24	\$3.41	\$3.60
IDACORP, Inc.	IDA	\$3.85	\$3.97	\$4.08	\$4.21	\$4.33	\$4.46	\$4.60	\$4.75	\$4.93	\$5.14	\$5.37	\$5.64	\$5.94	\$6.26	\$6.59	\$6.95	\$7.32
NorthWestern Corporation	NWE	\$2.99	\$3.17	\$3.37	\$3.57	\$3.79	\$4.02	\$4.27	\$4.52	\$4.79	\$5.06	\$5.34	\$5.64	\$5.94	\$6.25	\$6.59	\$6.94	\$7.31
OGE Energy Corp.	OGE	\$1.98	\$2.05	\$2.13	\$2.20	\$2.28	\$2.37	\$2.45	\$2.55	\$2.65	\$2.77	\$2.91	\$3.05	\$3.22	\$3.39	\$3.57	\$3.76	\$3.96
Otter Tail Corporation	OTTR	\$1.55	\$1.67	\$1.79	\$1.93	\$2.07	\$2.23	\$2.39	\$2.56	\$2.74	\$2.91	\$3.09	\$3.27	\$3.44	\$3.62	\$3.82	\$4.02	\$4.24
Pinnacle West Capital Corporation	PNW	\$3.58	\$3.74	\$3.92	\$4.10	\$4.28	\$4.48	\$4.68	\$4.91	\$5.14	\$5.40	\$5.67	\$5.97	\$6.29	\$6.62	\$6.98	\$7.35	\$7.74
PNM Resources, Inc.	PNM	\$1.45	\$1.58	\$1.71	\$1.86	\$2.02	\$2.20	\$2.39	\$2.58	\$2.78	\$2.97	\$3.16	\$3.35	\$3.53	\$3.72	\$3.92	\$4.13	\$4.35
Portland General Electric Company	POR	\$2.18	\$2.29	\$2.40	\$2.51	\$2.63	\$2.76	\$2.90	\$3.04	\$3.19	\$3.35	\$3.53	\$3.71	\$3.91	\$4.12	\$4.34	\$4.57	\$4.82
SCANA Corporation	SCG	\$3.79	\$3.96	\$4.14	\$4.32	\$4.52	\$4.72	\$4.93	\$5.16	\$5.41	\$5.67	\$5.96	\$6.27	\$6.60	\$6.96	\$7.33	\$7.72	\$8.13
Westar Energy, Inc.	WR	\$2.35	\$2.45	\$2.56	\$2.67	\$2.79	\$2.91	\$3.04	\$3.17	\$3.32	\$3.48	\$3.66	\$3.85	\$4.06	\$4.27	\$4.50	\$4.74	\$4.99
Xcel Energy Inc.	XEL	\$2.03	\$2.13	\$2.23	\$2.33	\$2.44	\$2.56	\$2.68	\$2.81	\$2.95	\$3.09	\$3.25	\$3.42	\$3.61	\$3.80	\$4.00	\$4.22	\$4.44

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	56.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.13	\$2.17	\$2.20	\$2.24	\$2.41	\$2.59	\$2.78	\$2.99	\$3.21	\$3.44	\$3.69	\$3.89	\$4.10	\$4.32	\$4.55	\$107.39
Alliant Energy Corporation	LNT	\$2.37	\$2.53	\$2.70	\$2.89	\$3.08	\$3.28	\$3.50	\$3.73	\$3.96	\$4.22	\$4.48	\$4.72	\$4.98	\$5.24	\$5.52	\$127.27
Ameren Corporation	AEE	\$1.69	\$1.74	\$1.79	\$1.84	\$2.01	\$2.20	\$2.39	\$2.60	\$2.82	\$3.05	\$3.29	\$3.47	\$3.65	\$3.85	\$4.06	\$93.35
American Electric Power Company, Inc.	AEP	\$2.34	\$2.47	\$2.60	\$2.73	\$2.88	\$3.03	\$3.19	\$3.37	\$3.56	\$3.77	\$3.99	\$4.20	\$4.43	\$4.66	\$4.91	\$118.57
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$70.77
CMS Energy Corporation	CMS	\$1.18	\$1.26	\$1.35	\$1.45	\$1.56	\$1.67	\$1.79	\$1.92	\$2.05	\$2.18	\$2.33	\$2.45	\$2.58	\$2.72	\$2.86	\$75.79
Dominion Resources, Inc.	D	\$2.56	\$2.70	\$2.85	\$3.01	\$3.18	\$3.35	\$3.52	\$3.69	\$3.87	\$4.04	\$4.22	\$4.44	\$4.68	\$4.93	\$5.19	\$143.28
DTE Energy Company	DTE	\$3.45	\$3.61	\$3.77	\$3.95	\$4.23	\$4.53	\$4.85	\$5.19	\$5.55	\$5.94	\$6.36	\$6.70	\$7.06	\$7.43	\$7.83	\$171.53
Great Plains Energy Inc.	GXP	\$1.04	\$1.11	\$1.18	\$1.26	\$1.34	\$1.43	\$1.52	\$1.62	\$1.73	\$1.84	\$1.97	\$2.07	\$2.18	\$2.30	\$2.42	\$57.20
IDACORP, Inc.	IDA	\$2.16	\$2.30	\$2.44	\$2.59	\$2.73	\$2.88	\$3.06	\$3.25	\$3.47	\$3.72	\$4.00	\$4.21	\$4.44	\$4.67	\$4.92	\$141.26
NorthWestern Corporation	NWE	\$2.05	\$2.15	\$2.26	\$2.37	\$2.57	\$2.77	\$2.99	\$3.23	\$3.47	\$3.73	\$4.00	\$4.21	\$4.43	\$4.67	\$4.92	\$116.13
OGE Energy Corp.	OGE	\$1.34	\$1.45	\$1.58	\$1.70	\$1.75	\$1.80	\$1.86	\$1.92	\$1.99	\$2.07	\$2.16	\$2.28	\$2.40	\$2.53	\$2.67	\$54.28
Otter Tail Corporation	OTTR	\$1.27	\$1.29	\$1.30	\$1.31	\$1.44	\$1.57	\$1.71	\$1.86	\$2.01	\$2.16	\$2.32	\$2.44	\$2.57	\$2.71	\$2.85	\$57.51
Pinnacle West Capital Corporation	PNW	\$2.51	\$2.62	\$2.74	\$2.87	\$3.02	\$3.19	\$3.36	\$3.56	\$3.76	\$3.99	\$4.23	\$4.46	\$4.70	\$4.95	\$5.21	\$133.02
PNM Resources, Inc.	PNM	\$0.87	\$0.97	\$1.09	\$1.21	\$1.36	\$1.51	\$1.67	\$1.84	\$2.02	\$2.20	\$2.37	\$2.50	\$2.64	\$2.78	\$2.92	\$64.20
Portland General Electric Company	POR	\$1.25	\$1.31	\$1.39	\$1.46	\$1.59	\$1.73	\$1.89	\$2.05	\$2.23	\$2.42	\$2.63	\$2.77	\$2.92	\$3.08	\$3.24	\$80.20
SCANA Corporation	SCG	\$2.32	\$2.41	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.80	\$4.11	\$4.44	\$4.68	\$4.93	\$5.20	\$5.47	\$125.33
Westar Energy, Inc.	WR	\$1.56	\$1.58	\$1.59	\$1.60	\$1.72	\$1.86	\$2.00	\$2.16	\$2.33	\$2.52	\$2.73	\$2.88	\$3.03	\$3.19	\$3.36	\$86.61
Xcel Energy Inc.	XEL	\$1.40	\$1.48	\$1.57	\$1.66	\$1.75	\$1.84	\$1.94	\$2.05	\$2.17	\$2.29	\$2.43	\$2.56	\$2.69	\$2.84	\$2.99	\$74.42

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$50.31)	\$0.00	\$2.05	\$2.19	\$2.20	\$2.24	\$2.41	\$2.59	\$2.78	\$2.99	\$3.21	\$3.44	\$3.69	\$3.89	\$4.10	\$4.32	\$111.94
Alliant Energy Corporation	LNT	(\$59.72)	\$0.00	\$2.28	\$2.44	\$2.70	\$2.89	\$3.08	\$3.28	\$3.50	\$3.73	\$3.96	\$4.22	\$4.48	\$4.72	\$4.98	\$5.24	\$132.80
Ameren Corporation	AEE	(\$42.83)	\$0.00	\$1.62	\$1.74	\$1.79	\$1.84	\$2.01	\$2.20	\$2.39	\$2.60	\$2.82	\$3.05	\$3.29	\$3.47	\$3.65	\$3.85	\$97.40
American Electric Power Company, Inc.	AEP	(\$56.58)	\$0.00	\$2.25	\$2.40	\$2.60	\$2.73	\$2.88	\$3.03	\$3.19	\$3.37	\$3.56	\$3.77	\$3.99	\$4.20	\$4.43	\$4.66	\$123.49
Avista Corporation	AVA	(\$33.87)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$73.54
CMS Energy Corporation	CMS	(\$35.33)	\$0.00	\$1.13	\$1.21	\$1.35	\$1.45	\$1.56	\$1.67	\$1.79	\$1.92	\$2.05	\$2.18	\$2.33	\$2.45	\$2.58	\$2.72	\$78.66
Dominion Resources, Inc.	D	(\$69.01)	\$0.00	\$2.46	\$2.65	\$2.85	\$3.01	\$3.18	\$3.35	\$3.52	\$3.69	\$3.87	\$4.04	\$4.22	\$4.44	\$4.68	\$4.93	\$148.47
DTE Energy Company	DTE	(\$80.17)	\$0.00	\$3.31	\$3.54	\$3.77	\$3.95	\$4.23	\$4.53	\$4.85	\$5.19	\$5.55	\$5.94	\$6.36	\$6.70	\$7.06	\$7.43	\$179.36
Great Plains Energy Inc.	GXP	(\$26.82)	\$0.00	\$1.00	\$1.07	\$1.18	\$1.26	\$1.34	\$1.43	\$1.52	\$1.62	\$1.73	\$1.84	\$1.97	\$2.07	\$2.18	\$2.30	\$59.62
IDACORP, Inc.	IDA	(\$66.25)	\$0.00	\$2.08	\$2.20	\$2.44	\$2.59	\$2.73	\$2.88	\$3.06	\$3.25	\$3.47	\$3.72	\$4.00	\$4.21	\$4.44	\$4.67	\$146.18
NorthWestern Corporation	NWE	(\$53.77)	\$0.00	\$1.97	\$2.12	\$2.26	\$2.37	\$2.57	\$2.77	\$2.99	\$3.23	\$3.47	\$3.73	\$4.00	\$4.21	\$4.43	\$4.67	\$121.05
OGE Energy Corp.	OGE	(\$26.72)	\$0.00	\$1.29	\$1.36	\$1.58	\$1.70	\$1.75	\$1.80	\$1.86	\$1.92	\$1.99	\$2.07	\$2.16	\$2.28	\$2.40	\$2.53	\$56.94
Otter Tail Corporation	OTTR	(\$26.61)	\$0.00	\$1.22	\$1.32	\$1.30	\$1.31	\$1.44	\$1.57	\$1.71	\$1.86	\$2.01	\$2.16	\$2.32	\$2.44	\$2.57	\$2.71	\$60.36
Pinnacle West Capital Corporation	PNW	(\$63.35)	\$0.00	\$2.41	\$2.56	\$2.74	\$2.87	\$3.02	\$3.19	\$3.36	\$3.56	\$3.76	\$3.99	\$4.23	\$4.46	\$4.70	\$4.95	\$138.23
PNM Resources, Inc.	PNM	(\$28.43)	\$0.00	\$0.84	\$0.91	\$1.09	\$1.21	\$1.36	\$1.51	\$1.67	\$1.84	\$2.02	\$2.20	\$2.37	\$2.50	\$2.64	\$2.78	\$67.12
Portland General Electric Company	POR	(\$36.56)	\$0.00	\$1.20	\$1.28	\$1.39	\$1.46	\$1.59	\$1.73	\$1.89	\$2.05	\$2.23	\$2.42	\$2.63	\$2.77	\$2.92	\$3.08	\$83.44
SCANA Corporation	SCG	(\$57.82)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.80	\$4.11	\$4.44	\$4.68	\$4.93	\$5.20	\$130.81
Westar Energy, Inc.	WR	(\$40.32)	\$0.00	\$1.50	\$1.60	\$1.59	\$1.60	\$1.72	\$1.86	\$2.00	\$2.16	\$2.33	\$2.52	\$2.73	\$2.88	\$3.03	\$3.19	\$69.97
Xcel Energy Inc.	XEL	(\$35.44)	\$0.00	\$1.35	\$1.44	\$1.57	\$1.66	\$1.75	\$1.84	\$1.94	\$2.05	\$2.17	\$2.29	\$2.43	\$2.56	\$2.69	\$2.84	\$77.41

Multi-Stage Growth Discounted Cash Flow Model
 180 Day Average Stock Price
 Average EPS Growth Rate Estimate in First Stage

Inputs	Stock	[1] Price	[2] [3] [4] EPS Growth Rate Estimates			[5] Value	[6] Long-Term	[7]	[8] [9] Payout Ratio			[10] Iterative Solution	[11] IRR	[12] Terminal	[13] Terminal
			Zacks	First Call	Line				Average	Growth	2016				
ALLETE, Inc.	ALE	\$49.47	5.00%	5.00%	6.50%	5.50%	5.35%	66.00%	59.00%	67.30%	\$0.00	9.88%	15.63	2.92	
Alliant Energy Corporation	LNT	\$59.67	5.40%	5.55%	6.00%	5.65%	5.35%	61.00%	63.00%	67.30%	\$0.00	9.92%	15.50	2.90	
Ameren Corporation	AEE	\$41.34	6.30%	6.00%	7.00%	6.43%	5.35%	62.00%	56.00%	67.30%	\$0.00	10.09%	14.96	2.80	
American Electric Power Company, Inc.	AEP	\$55.91	4.70%	4.43%	5.00%	4.71%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.77%	16.05	3.00	
Avista Corporation	AVA	\$32.85	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.60%	16.66	3.12	
CMS Energy Corporation	CMS	\$34.36	6.10%	6.72%	5.50%	6.11%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.44%	17.32	3.24	
Dominion Resources, Inc.	D	\$69.57	6.10%	5.49%	8.00%	6.53%	5.35%	74.00%	72.00%	67.30%	\$0.00	9.13%	18.72	3.50	
DTE Energy Company	DTE	\$79.11	5.60%	5.12%	5.00%	5.24%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.22%	14.55	2.72	
Great Plains Energy Inc.	GXP	\$26.16	5.80%	5.07%	5.00%	5.29%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.92%	15.51	2.90	
IDACORP, Inc.	IDA	\$62.69	4.00%	4.00%	1.00%	3.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	9.23%	18.27	3.42	
NorthWestern Corporation	NWE	\$52.75	5.00%	6.81%	6.50%	6.10%	5.35%	61.00%	59.00%	67.30%	\$0.00	9.90%	15.58	2.91	
OGE Energy Corp.	OGE	\$28.22	5.70%	2.17%	3.00%	3.62%	5.35%	63.00%	72.00%	67.30%	\$0.00	10.24%	14.50	2.71	
Otter Tail Corporation	OTTR	\$26.76	NA	6.00%	9.00%	7.50%	5.35%	71.00%	59.00%	67.30%	\$0.00	10.54%	13.65	2.55	
Pinnacle West Capital Corporation	PNW	\$61.66	4.80%	4.95%	4.00%	4.58%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.59%	16.71	3.13	
PNM Resources, Inc.	PNM	\$27.23	7.70%	9.30%	9.00%	8.67%	5.35%	51.00%	55.00%	67.30%	\$0.00	10.35%	14.18	2.65	
Portland General Electric Company	POR	\$35.66	4.40%	4.14%	6.00%	4.85%	5.35%	52.00%	53.00%	67.30%	\$0.00	9.71%	16.25	3.04	
SCANA Corporation	SCG	\$55.39	4.50%	4.45%	4.50%	4.48%	5.35%	56.00%	55.00%	67.30%	\$0.00	10.15%	14.77	2.76	
Westar Energy, Inc.	WR	\$38.32	3.60%	3.50%	6.00%	4.37%	5.35%	61.00%	55.00%	67.30%	\$0.00	9.65%	16.48	3.08	
Xcel Energy Inc.	XEL	\$34.55	5.00%	4.68%	4.50%	4.73%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.69%	16.32	3.05	
												MEAN	9.84%		
												MAX	10.54%		
												MIN	9.13%		

Projected Annual Earnings per Share	Ticker	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	\$2.90	\$3.06	\$3.23	\$3.41	\$3.59	\$3.79	\$4.00	\$4.22	\$4.45	\$4.69	\$4.94	\$5.21	\$5.49	\$5.78	\$6.09	\$6.41	\$6.76
Alliant Energy Corporation	LNT	\$3.48	\$3.68	\$3.88	\$4.10	\$4.34	\$4.58	\$4.84	\$5.11	\$5.39	\$5.69	\$6.00	\$6.32	\$6.66	\$7.02	\$7.39	\$7.79	\$8.21
Ameren Corporation	AEE	\$2.40	\$2.55	\$2.72	\$2.89	\$3.08	\$3.28	\$3.49	\$3.71	\$3.93	\$4.16	\$4.40	\$4.64	\$4.89	\$5.15	\$5.43	\$5.72	\$6.03
American Electric Power Company, Inc.	AEP	\$3.34	\$3.50	\$3.66	\$3.83	\$4.02	\$4.20	\$4.40	\$4.61	\$4.84	\$5.08	\$5.35	\$5.63	\$5.93	\$6.24	\$6.58	\$6.93	\$7.30
Avista Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12
CMS Energy Corporation	CMS	\$1.74	\$1.85	\$1.96	\$2.08	\$2.21	\$2.34	\$2.48	\$2.63	\$2.79	\$2.95	\$3.11	\$3.28	\$3.46	\$3.64	\$3.84	\$4.04	\$4.26
Dominion Resources, Inc.	D	\$3.05	\$3.25	\$3.46	\$3.69	\$3.93	\$4.18	\$4.46	\$4.74	\$5.03	\$5.33	\$5.64	\$5.95	\$6.27	\$6.60	\$6.95	\$7.33	\$7.72
DTE Energy Company	DTE	\$5.10	\$5.37	\$5.65	\$5.94	\$6.26	\$6.58	\$6.93	\$7.29	\$7.68	\$8.08	\$8.51	\$8.97	\$9.45	\$9.95	\$10.48	\$11.04	\$11.64
Great Plains Energy Inc.	GXP	\$1.57	\$1.65	\$1.74	\$1.83	\$1.93	\$2.03	\$2.14	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$2.92	\$3.08	\$3.24	\$3.41	\$3.60
IDACORP, Inc.	IDA	\$3.85	\$3.97	\$4.08	\$4.21	\$4.33	\$4.46	\$4.60	\$4.75	\$4.93	\$5.14	\$5.37	\$5.64	\$5.94	\$6.26	\$6.59	\$6.95	\$7.32
NorthWestern Corporation	NWE	\$2.99	\$3.17	\$3.37	\$3.57	\$3.79	\$4.02	\$4.27	\$4.52	\$4.79	\$5.06	\$5.34	\$5.64	\$5.94	\$6.25	\$6.59	\$6.94	\$7.31
OGE Energy Corp.	OGE	\$1.98	\$2.05	\$2.13	\$2.20	\$2.28	\$2.37	\$2.45	\$2.55	\$2.65	\$2.77	\$2.91	\$3.05	\$3.22	\$3.39	\$3.57	\$3.76	\$3.96
Otter Tail Corporation	OTTR	\$1.55	\$1.67	\$1.79	\$1.93	\$2.07	\$2.23	\$2.39	\$2.56	\$2.74	\$2.91	\$3.09	\$3.27	\$3.44	\$3.62	\$3.82	\$4.02	\$4.24
Pinnacle West Capital Corporation	PNW	\$3.69	\$3.74	\$3.92	\$4.10	\$4.28	\$4.48	\$4.68	\$4.91	\$5.14	\$5.40	\$5.67	\$5.97	\$6.29	\$6.62	\$6.98	\$7.35	\$7.74
PNM Resources, Inc.	PNM	\$1.45	\$1.58	\$1.71	\$1.86	\$2.02	\$2.20	\$2.39	\$2.58	\$2.78	\$2.97	\$3.16	\$3.35	\$3.53	\$3.72	\$3.92	\$4.13	\$4.35
Portland General Electric Company	POR	\$2.18	\$2.29	\$2.40	\$2.51	\$2.63	\$2.76	\$2.90	\$3.04	\$3.19	\$3.35	\$3.53	\$3.71	\$3.91	\$4.12	\$4.34	\$4.57	\$4.82
SCANA Corporation	SCG	\$3.79	\$3.96	\$4.14	\$4.32	\$4.52	\$4.72	\$4.93	\$5.16	\$5.41	\$5.67	\$5.96	\$6.27	\$6.60	\$6.96	\$7.33	\$7.72	\$8.13
Westar Energy, Inc.	WR	\$2.35	\$2.45	\$2.56	\$2.67	\$2.79	\$2.91	\$3.04	\$3.17	\$3.32	\$3.48	\$3.66	\$3.85	\$4.06	\$4.27	\$4.50	\$4.74	\$4.99
Xcel Energy Inc.	XEL	\$2.03	\$2.13	\$2.23	\$2.33	\$2.44	\$2.56	\$2.68	\$2.81	\$2.95	\$3.09	\$3.25	\$3.42	\$3.61	\$3.80	\$4.00	\$4.22	\$4.44

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	56.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.13	\$2.17	\$2.20	\$2.24	\$2.41	\$2.59	\$2.78	\$2.99	\$3.21	\$3.44	\$3.69	\$3.89	\$4.10	\$4.32	\$4.55	\$105.59
Alliant Energy Corporation	LNT	\$2.37	\$2.53	\$2.70	\$2.89	\$3.08	\$3.28	\$3.50	\$3.73	\$3.96	\$4.22	\$4.48	\$4.72	\$4.98	\$5.24	\$5.52	\$127.17
Ameren Corporation	AEE	\$1.69	\$1.74	\$1.79	\$1.84	\$2.01	\$2.20	\$2.39	\$2.60	\$2.82	\$3.05	\$3.29	\$3.47	\$3.65	\$3.85	\$4.06	\$90.15
American Electric Power Company, Inc.	AEP	\$2.34	\$2.47	\$2.60	\$2.73	\$2.88	\$3.03	\$3.19	\$3.37	\$3.56	\$3.77	\$3.99	\$4.20	\$4.43	\$4.66	\$4.91	\$117.15
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$68.61
CMS Energy Corporation	CMS	\$1.18	\$1.26	\$1.35	\$1.45	\$1.56	\$1.67	\$1.79	\$1.92	\$2.05	\$2.18	\$2.33	\$2.45	\$2.58	\$2.72	\$2.86	\$73.73
Dominion Resources, Inc.	D	\$2.56	\$2.70	\$2.85	\$3.01	\$3.18	\$3.35	\$3.52	\$3.69	\$3.87	\$4.04	\$4.22	\$4.44	\$4.68	\$4.93	\$5.19	\$144.48
DTE Energy Company	DTE	\$3.45	\$3.61	\$3.77	\$3.95	\$4.23	\$4.53	\$4.85	\$5.19	\$5.55	\$5.94	\$6.36	\$6.70	\$7.06	\$7.43	\$7.83	\$169.27
Great Plains Energy Inc.	GXP	\$1.04	\$1.11	\$1.18	\$1.26	\$1.34	\$1.43	\$1.52	\$1.62	\$1.73	\$1.84	\$1.97	\$2.07	\$2.18	\$2.30	\$2.42	\$55.78
IDACORP, Inc.	IDA	\$2.16	\$2.30	\$2.44	\$2.59	\$2.73	\$2.88	\$3.06	\$3.25	\$3.47	\$3.72	\$4.00	\$4.21	\$4.44	\$4.67	\$4.92	\$133.68
NorthWestern Corporation	NWE	\$2.05	\$2.15	\$2.26	\$2.37	\$2.57	\$2.77	\$2.99	\$3.23	\$3.47	\$3.73	\$4.00	\$4.21	\$4.43	\$4.67	\$4.92	\$113.95
OGE Energy Corp.	OGE	\$1.34	\$1.45	\$1.58	\$1.70	\$1.75	\$1.80	\$1.86	\$1.92	\$1.99	\$2.07	\$2.16	\$2.28	\$2.40	\$2.53	\$2.67	\$57.45
Otter Tail Corporation	OTTR	\$1.27	\$1.29	\$1.30	\$1.31	\$1.44	\$1.57	\$1.71	\$1.86	\$2.01	\$2.16	\$2.32	\$2.44	\$2.57	\$2.71	\$2.85	\$57.83
Pinnacle West Capital Corporation	PNW	\$2.51	\$2.62	\$2.74	\$2.87	\$3.02	\$3.19	\$3.36	\$3.56	\$3.76	\$3.99	\$4.23	\$4.46	\$4.70	\$4.95	\$5.21	\$129.43
PNM Resources, Inc.	PNM	\$0.87	\$0.97	\$1.09	\$1.21	\$1.36	\$1.51	\$1.67	\$1.84	\$2.02	\$2.20	\$2.37	\$2.50	\$2.64	\$2.78	\$2.92	\$61.61
Portland General Electric Company	POR	\$1.25	\$1.31	\$1.39	\$1.46	\$1.59	\$1.73	\$1.89	\$2.05	\$2.23	\$2.42	\$2.63	\$2.77	\$2.92	\$3.08	\$3.24	\$78.28
SCANA Corporation	SCG	\$2.32	\$2.41	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.80	\$4.11	\$4.44	\$4.68	\$4.93	\$5.20	\$5.47	\$120.13
Westar Energy, Inc.	WR	\$1.56	\$1.58	\$1.59	\$1.60	\$1.72	\$1.86	\$2.00	\$2.16	\$2.33	\$2.52	\$2.73	\$2.88	\$3.03	\$3.19	\$3.36	\$82.33
Xcel Energy Inc.	XEL	\$1.40	\$1.48	\$1.57	\$1.66	\$1.75	\$1.84	\$1.94	\$2.05	\$2.17	\$2.29	\$2.43	\$2.56	\$2.69	\$2.84	\$2.99	\$72.52

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$49.47)	\$0.00	\$2.05	\$2.19	\$2.20	\$2.24	\$2.41	\$2.59	\$2.78	\$2.99	\$3.21	\$3.44	\$3.69	\$3.89	\$4.10	\$4.32	\$110.14
Alliant Energy Corporation	LNT	(\$59.67)	\$0.00	\$2.28	\$2.44	\$2.70	\$2.89	\$3.08	\$3.28	\$3.50	\$3.73	\$3.96	\$4.22	\$4.48	\$4.72	\$4.98	\$5.24	\$132.69
Ameren Corporation	AEE	(\$41.34)	\$0.00	\$1.62	\$1.74	\$1.79	\$1.84	\$2.01	\$2.20	\$2.39	\$2.60	\$2.82	\$3.05	\$3.29	\$3.47	\$3.65	\$3.85	\$94.20
American Electric Power Company, Inc.	AEP	(\$55.91)	\$0.00	\$2.25	\$2.40	\$2.60	\$2.73	\$2.88	\$3.03	\$3.19	\$3.37	\$3.56	\$3.77	\$3.99	\$4.20	\$4.43	\$4.66	\$122.06
Avista Corporation	AVA	(\$32.85)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$71.38
CMS Energy Corporation	CMS	(\$34.36)	\$0.00	\$1.13	\$1.21	\$1.35	\$1.45	\$1.56	\$1.67	\$1.79	\$1.92	\$2.05	\$2.18	\$2.33	\$2.45	\$2.58	\$2.72	\$76.60
Dominion Resources, Inc.	D	(\$69.57)	\$0.00	\$2.46	\$2.65	\$2.85	\$3.01	\$3.18	\$3.35	\$3.52	\$3.69	\$3.87	\$4.04	\$4.22	\$4.44	\$4.68	\$4.93	\$149.67
DTE Energy Company	DTE	(\$79.11)	\$0.00	\$3.31	\$3.54	\$3.77	\$3.95	\$4.23	\$4.53	\$4.85	\$5.19	\$5.55	\$5.94	\$6.36	\$6.70	\$7.06	\$7.43	\$177.10
Great Plains Energy Inc.	GXP	(\$26.16)	\$0.00	\$1.00	\$1.07	\$1.18	\$1.26	\$1.34	\$1.43	\$1.52	\$1.62	\$1.73	\$1.84	\$1.97	\$2.07	\$2.18	\$2.30	\$58.20
IDACORP, Inc.	IDA	(\$62.69)	\$0.00	\$2.08	\$2.20	\$2.44	\$2.59	\$2.73	\$2.88	\$3.06	\$3.25	\$3.47	\$3.72	\$4.00	\$4.21	\$4.44	\$4.67	\$138.60
NorthWestern Corporation	NWE	(\$52.75)	\$0.00	\$1.97	\$2.12	\$2.26	\$2.37	\$2.57	\$2.77	\$2.99	\$3.23	\$3.47	\$3.73	\$4.00	\$4.21	\$4.43	\$4.67	\$118.87
OGE Energy Corp.	OGE	(\$28.22)	\$0.00	\$1.29	\$1.36	\$1.58	\$1.70	\$1.75	\$1.80	\$1.86	\$1.92	\$1.99	\$2.07	\$2.16	\$2.28	\$2.40	\$2.53	\$60.12
Otter Tail Corporation	OTTR	(\$26.76)	\$0.00	\$1.22	\$1.32	\$1.30	\$1.31	\$1.44	\$1.57	\$1.71	\$1.86	\$2.01	\$2.16	\$2.32	\$2.44	\$2.57	\$2.71	\$60.68
Pinnacle West Capital Corporation	PNW	(\$61.66)	\$0.00	\$2.41	\$2.56	\$2.74	\$2.87	\$3.02	\$3.19	\$3.36	\$3.56	\$3.76	\$3.99	\$4.23	\$4.46	\$4.70	\$4.95	\$134.64
PNM Resources, Inc.	PNM	(\$27.23)	\$0.00	\$0.84	\$0.91	\$1.09	\$1.21	\$1.36	\$1.51	\$1.67	\$1.84	\$2.02	\$2.20	\$2.37	\$2.50	\$2.64	\$2.78	\$64.54
Portland General Electric Company	POR	(\$35.66)	\$0.00	\$1.20	\$1.28	\$1.39	\$1.46	\$1.59	\$1.73	\$1.89	\$2.05	\$2.23	\$2.42	\$2.63	\$2.77	\$2.92	\$3.08	\$81.52
SCANA Corporation	SCG	(\$55.38)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.80	\$4.11	\$4.44	\$4.68	\$4.93	\$5.20	\$125.60
Westar Energy, Inc.	WR	(\$38.32)	\$0.00	\$1.50	\$1.60	\$1.59	\$1.60	\$1.72	\$1.86	\$2.00	\$2.16	\$2.33	\$2.52	\$2.73	\$2.88	\$3.03	\$3.19	\$85.70
Xcel Energy Inc.	XEL	(\$34.55)	\$0.00	\$1.35	\$1.44	\$1.57	\$1.66	\$1.75	\$1.84	\$1.94	\$2.05	\$2.17	\$2.29	\$2.43	\$2.56	\$2.69	\$2.84	\$75.51

Multi-Stage Growth Discounted Cash Flow Model
 30 Day Average Stock Price
 Low EPS Growth Rate Estimate in First Stage

Inputs	Stock	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
		Price	EPS Growth Rate Estimates			Long-Term Growth	Payout Ratio			Iterative Solution	Terminal	Terminal		
			Zacks	First Call	Line		Low	2016	2019				2026	
Company	Ticker	Price	Zacks	First Call	Line	Low	Growth	2016	2019	2026	Proof	IRR	P/E Ratio	PEG Ratio
ALLETE, Inc.	ALE	\$50.12	5.00%	5.00%	6.50%	5.00%	5.35%	66.00%	59.00%	67.30%	\$0.00	9.67%	16.42	3.07
Alliant Energy Corporation	LNT	\$61.59	5.40%	5.55%	6.00%	5.40%	5.35%	61.00%	63.00%	67.30%	\$0.00	9.70%	16.29	3.05
Ameren Corporation	AEE	\$43.18	6.30%	6.00%	7.00%	6.00%	5.35%	62.00%	56.00%	67.30%	\$0.00	9.75%	16.10	3.01
American Electric Power Company, Inc.	AEP	\$57.34	4.70%	4.43%	5.00%	4.43%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.57%	16.81	3.14
Avista Corporation	AVA	\$34.97	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.34%	17.75	3.32
CMS Energy Corporation	CMS	\$35.77	6.10%	6.72%	5.50%	5.50%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.11%	18.84	3.52
Dominion Resources, Inc.	D	\$67.46	6.10%	5.49%	8.00%	5.49%	5.35%	74.00%	72.00%	67.30%	\$0.00	8.97%	19.59	3.66
DTE Energy Company	DTE	\$79.78	5.60%	5.12%	5.00%	5.00%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.10%	14.93	2.79
Great Plains Energy Inc.	GXP	\$26.91	5.80%	5.07%	5.00%	5.00%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.70%	16.30	3.05
IDACORP, Inc.	IDA	\$67.89	4.00%	4.00%	1.00%	1.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	8.42%	23.05	4.31
NorthWestern Corporation	NWE	\$54.03	5.00%	6.81%	6.50%	5.00%	5.35%	61.00%	59.00%	67.30%	\$0.00	9.45%	17.27	3.23
OGE Energy Corp.	OGE	\$25.52	5.70%	2.17%	3.00%	2.17%	5.35%	63.00%	72.00%	67.30%	\$0.00	10.22%	14.56	2.72
Otter Tail Corporation	OTTR	\$26.51	NA	6.00%	9.00%	6.00%	5.35%	71.00%	59.00%	67.30%	\$0.00	10.07%	15.02	2.81
Pinnacle West Capital Corporation	PNW	\$63.57	4.80%	4.95%	4.00%	4.00%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.29%	18.00	3.37
PNM Resources, Inc.	PNM	\$29.89	7.70%	9.30%	9.00%	7.70%	5.35%	51.00%	55.00%	67.30%	\$0.00	9.63%	16.56	3.10
Portland General Electric Company	POR	\$36.42	4.40%	4.14%	6.00%	4.14%	5.35%	52.00%	53.00%	67.30%	\$0.00	9.41%	17.45	3.26
SCANA Corporation	SCG	\$60.15	4.50%	4.45%	4.50%	4.45%	5.35%	56.00%	55.00%	67.30%	\$0.00	9.76%	16.06	3.00
Westar Energy, Inc.	WR	\$41.90	3.60%	3.50%	6.00%	3.50%	5.35%	61.00%	55.00%	67.30%	\$0.00	9.04%	19.20	3.59
Xcel Energy Inc.	XEL	\$35.81	5.00%	4.68%	4.50%	4.50%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.47%	17.21	3.22
											MEAN	9.51%		
											MAX	10.22%		
											MIN	8.42%		

Projected Annual Earnings per Share	Ticker	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	\$2.90	\$3.05	\$3.20	\$3.36	\$3.52	\$3.70	\$3.89	\$4.08	\$4.29	\$4.51	\$4.75	\$5.00	\$5.27	\$5.55	\$5.85	\$6.16	\$6.49
Alliant Energy Corporation	LNT	\$3.48	\$3.67	\$3.87	\$4.07	\$4.29	\$4.53	\$4.77	\$5.03	\$5.30	\$5.58	\$5.88	\$6.20	\$6.53	\$6.88	\$7.25	\$7.63	\$8.04
Ameren Corporation	AEE	\$2.40	\$2.54	\$2.70	\$2.86	\$3.03	\$3.21	\$3.40	\$3.61	\$3.81	\$4.03	\$4.25	\$4.49	\$4.73	\$4.98	\$5.24	\$5.53	\$5.82
American Electric Power Company, Inc.	AEP	\$3.34	\$3.49	\$3.64	\$3.80	\$3.97	\$4.15	\$4.33	\$4.53	\$4.75	\$4.98	\$5.23	\$5.50	\$5.79	\$6.10	\$6.43	\$6.77	\$7.14
Avista Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12
CMS Energy Corporation	CMS	\$1.74	\$1.84	\$1.94	\$2.04	\$2.16	\$2.27	\$2.40	\$2.53	\$2.67	\$2.81	\$2.96	\$3.12	\$3.29	\$3.47	\$3.65	\$3.85	\$4.05
Dominion Resources, Inc.	D	\$3.05	\$3.22	\$3.39	\$3.58	\$3.78	\$3.98	\$4.20	\$4.43	\$4.67	\$4.93	\$5.19	\$5.47	\$5.76	\$6.07	\$6.40	\$6.74	\$7.10
DTE Energy Company	DTE	\$5.10	\$5.36	\$5.62	\$5.90	\$6.20	\$6.51	\$6.83	\$7.18	\$7.55	\$7.94	\$8.35	\$8.80	\$9.27	\$9.76	\$10.28	\$10.83	\$11.41
Great Plains Energy Inc.	GXP	\$1.57	\$1.65	\$1.73	\$1.82	\$1.91	\$2.00	\$2.10	\$2.21	\$2.32	\$2.44	\$2.57	\$2.71	\$2.85	\$3.00	\$3.17	\$3.33	\$3.51
IDACORP, Inc.	IDA	\$3.85	\$3.89	\$3.93	\$3.97	\$4.01	\$4.05	\$4.09	\$4.16	\$4.26	\$4.39	\$4.57	\$4.78	\$5.03	\$5.30	\$5.58	\$5.88	\$6.20
NorthWestern Corporation	NWE	\$2.99	\$3.14	\$3.30	\$3.46	\$3.63	\$3.82	\$4.01	\$4.21	\$4.42	\$4.65	\$4.90	\$5.16	\$5.43	\$5.72	\$6.03	\$6.35	\$6.69
OGE Energy Corp.	OGE	\$1.88	\$2.02	\$2.07	\$2.11	\$2.16	\$2.20	\$2.25	\$2.31	\$2.39	\$2.48	\$2.58	\$2.71	\$2.85	\$3.01	\$3.17	\$3.34	\$3.51
Otter Tail Corporation	OTTR	\$1.65	\$1.64	\$1.74	\$1.85	\$1.96	\$2.07	\$2.20	\$2.33	\$2.46	\$2.60	\$2.75	\$2.90	\$3.05	\$3.22	\$3.39	\$3.57	\$3.76
Pinnacle West Capital Corporation	PNW	\$3.58	\$3.72	\$3.87	\$4.03	\$4.19	\$4.36	\$4.53	\$4.72	\$4.93	\$5.16	\$5.41	\$5.69	\$6.00	\$6.32	\$6.65	\$7.01	\$7.39
PNM Resources, Inc.	PNM	\$1.45	\$1.56	\$1.68	\$1.81	\$1.95	\$2.10	\$2.26	\$2.43	\$2.60	\$2.77	\$2.94	\$3.10	\$3.27	\$3.44	\$3.63	\$3.82	\$4.03
Portland General Electric Company	POR	\$2.18	\$2.27	\$2.36	\$2.46	\$2.56	\$2.67	\$2.78	\$2.90	\$3.03	\$3.18	\$3.33	\$3.51	\$3.69	\$3.89	\$4.10	\$4.32	\$4.55
SCANA Corporation	SCG	\$3.79	\$3.96	\$4.13	\$4.32	\$4.51	\$4.71	\$4.92	\$5.15	\$5.39	\$5.66	\$5.94	\$6.25	\$6.59	\$6.94	\$7.31	\$7.70	\$8.11
Westar Energy, Inc.	WR	\$2.35	\$2.43	\$2.52	\$2.61	\$2.70	\$2.79	\$2.89	\$3.00	\$3.12	\$3.26	\$3.41	\$3.59	\$3.78	\$3.98	\$4.19	\$4.42	\$4.65
Xcel Energy Inc.	XEL	\$2.03	\$2.12	\$2.22	\$2.32	\$2.42	\$2.53	\$2.64	\$2.77	\$2.90	\$3.04	\$3.20	\$3.36	\$3.54	\$3.73	\$3.93	\$4.14	\$4.36

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	58.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.11	\$2.14	\$2.16	\$2.18	\$2.34	\$2.51	\$2.68	\$2.88	\$3.08	\$3.31	\$3.55	\$3.74	\$3.94	\$4.15	\$4.37	\$106.52
Alliant Energy Corporation	LNT	\$2.36	\$2.51	\$2.68	\$2.85	\$3.04	\$3.23	\$3.44	\$3.66	\$3.89	\$4.13	\$4.39	\$4.63	\$4.88	\$5.14	\$5.41	\$130.98
Ameren Corporation	AEE	\$1.67	\$1.72	\$1.76	\$1.80	\$1.96	\$2.14	\$2.32	\$2.52	\$2.73	\$2.95	\$3.18	\$3.35	\$3.53	\$3.72	\$3.92	\$93.70
American Electric Power Company, Inc.	AEP	\$2.33	\$2.45	\$2.57	\$2.70	\$2.83	\$2.97	\$3.13	\$3.30	\$3.48	\$3.68	\$3.90	\$4.11	\$4.33	\$4.56	\$4.80	\$119.93
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$73.10
CMS Energy Corporation	CMS	\$1.16	\$1.24	\$1.32	\$1.41	\$1.51	\$1.61	\$1.72	\$1.83	\$1.95	\$2.08	\$2.22	\$2.33	\$2.46	\$2.59	\$2.73	\$76.38
Dominion Resources, Inc.	D	\$2.51	\$2.63	\$2.74	\$2.87	\$3.00	\$3.13	\$3.27	\$3.42	\$3.56	\$3.72	\$3.88	\$4.09	\$4.31	\$4.54	\$4.78	\$139.09
DTE Energy Company	DTE	\$3.43	\$3.58	\$3.74	\$3.91	\$4.17	\$4.46	\$4.76	\$5.09	\$5.45	\$5.83	\$6.24	\$6.57	\$6.92	\$7.29	\$7.68	\$170.32
Great Plains Energy Inc.	GXP	\$1.04	\$1.10	\$1.17	\$1.24	\$1.32	\$1.40	\$1.49	\$1.59	\$1.69	\$1.80	\$1.92	\$2.02	\$2.13	\$2.24	\$2.36	\$57.25
IDACORP, Inc.	IDA	\$2.08	\$2.17	\$2.26	\$2.35	\$2.42	\$2.52	\$2.64	\$2.78	\$2.95	\$3.15	\$3.39	\$3.57	\$3.76	\$3.96	\$4.17	\$142.85
NorthWestern Corporation	NWE	\$2.01	\$2.09	\$2.17	\$2.25	\$2.41	\$2.58	\$2.77	\$2.97	\$3.18	\$3.41	\$3.66	\$3.85	\$4.06	\$4.27	\$4.50	\$115.57
OGE Energy Corp.	OGE	\$1.30	\$1.39	\$1.49	\$1.59	\$1.61	\$1.63	\$1.67	\$1.72	\$1.77	\$1.84	\$1.92	\$2.02	\$2.13	\$2.24	\$2.36	\$51.15
Otter Tail Corporation	OTTR	\$1.24	\$1.24	\$1.23	\$1.22	\$1.32	\$1.43	\$1.54	\$1.66	\$1.78	\$1.92	\$2.05	\$2.16	\$2.28	\$2.40	\$2.53	\$56.46
Pinnacle West Capital Corporation	PNW	\$2.48	\$2.58	\$2.68	\$2.79	\$2.92	\$3.07	\$3.23	\$3.40	\$3.59	\$3.80	\$4.04	\$4.25	\$4.48	\$4.72	\$4.97	\$132.91
PNM Resources, Inc.	PNM	\$0.86	\$0.95	\$1.05	\$1.16	\$1.28	\$1.42	\$1.56	\$1.72	\$1.87	\$2.03	\$2.20	\$2.32	\$2.44	\$2.57	\$2.71	\$66.69
Portland General Electric Company	POR	\$1.23	\$1.29	\$1.35	\$1.42	\$1.53	\$1.66	\$1.79	\$1.94	\$2.11	\$2.29	\$2.49	\$2.62	\$2.76	\$2.91	\$3.06	\$79.40
SCANA Corporation	SCG	\$2.32	\$2.40	\$2.50	\$2.59	\$2.79	\$3.01	\$3.25	\$3.51	\$3.79	\$4.10	\$4.43	\$4.67	\$4.92	\$5.18	\$5.46	\$130.27
Westar Energy, Inc.	WR	\$1.54	\$1.54	\$1.54	\$1.54	\$1.64	\$1.75	\$1.88	\$2.02	\$2.18	\$2.35	\$2.54	\$2.68	\$2.82	\$2.97	\$3.13	\$89.35
Xcel Energy Inc.	XEL	\$1.40	\$1.47	\$1.56	\$1.64	\$1.73	\$1.82	\$1.91	\$2.02	\$2.13	\$2.25	\$2.38	\$2.51	\$2.65	\$2.79	\$2.94	\$75.06

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$50.12)	\$0.00	\$2.03	\$2.16	\$2.16	\$2.18	\$2.34	\$2.51	\$2.68	\$2.88	\$3.08	\$3.31	\$3.55	\$3.74	\$3.94	\$4.15	\$110.89
Alliant Energy Corporation	LNT	(\$61.59)	\$0.00	\$2.27	\$2.42	\$2.68	\$2.85	\$3.04	\$3.23	\$3.44	\$3.66	\$3.89	\$4.13	\$4.39	\$4.63	\$4.88	\$5.14	\$136.39
Ameren Corporation	AEE	(\$43.18)	\$0.00	\$1.61	\$1.72	\$1.76	\$1.80	\$1.96	\$2.14	\$2.32	\$2.52	\$2.73	\$2.95	\$3.18	\$3.35	\$3.53	\$3.72	\$97.61
American Electric Power Company, Inc.	AEP	(\$57.34)	\$0.00	\$2.24	\$2.38	\$2.57	\$2.70	\$2.83	\$2.97	\$3.13	\$3.30	\$3.48	\$3.68	\$3.90	\$4.11	\$4.33	\$4.56	\$124.73
Avista Corporation	AVA	(\$34.97)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$75.87
CMS Energy Corporation	CMS	(\$35.77)	\$0.00	\$1.12	\$1.19	\$1.32	\$1.41	\$1.51	\$1.61	\$1.72	\$1.83	\$1.95	\$2.08	\$2.22	\$2.33	\$2.46	\$2.59	\$79.11
Dominion Resources, Inc.	D	(\$67.46)	\$0.00	\$2.42	\$2.58	\$2.74	\$2.87	\$3.00	\$3.13	\$3.27	\$3.42	\$3.56	\$3.72	\$3.88	\$4.09	\$4.31	\$4.54	\$143.87
DTE Energy Company	DTE	(\$79.78)	\$0.00	\$3.30	\$3.52	\$3.74	\$3.91	\$4.17	\$4.46	\$4.76	\$5.09	\$5.45	\$5.83	\$6.24	\$6.57	\$6.92	\$7.29	\$178.01
Great Plains Energy Inc.	GXP	(\$26.91)	\$0.00	\$1.00	\$1.06	\$1.17	\$1.24	\$1.32	\$1.40	\$1.49	\$1.59	\$1.69	\$1.80	\$1.92	\$2.02	\$2.13	\$2.24	\$59.61
IDACORP, Inc.	IDA	(\$67.89)	\$0.00	\$2.00	\$2.09	\$2.26	\$2.35	\$2.42	\$2.52	\$2.64	\$2.78	\$2.95	\$3.15	\$3.39	\$3.57	\$3.76	\$3.96	\$147.02
NorthWestern Corporation	NWE	(\$54.03)	\$0.00	\$1.93	\$2.06	\$2.17	\$2.25	\$2.41	\$2.58	\$2.77	\$2.97	\$3.18	\$3.41	\$3.66	\$3.85	\$4.06	\$4.27	\$120.08
OGE Energy Corp.	OGE	(\$25.52)	\$0.00	\$1.25	\$1.32	\$1.49	\$1.59	\$1.61	\$1.63	\$1.67	\$1.72	\$1.77	\$1.84	\$1.92	\$2.02	\$2.13	\$2.24	\$53.52
Otter Tail Corporation	OTTR	(\$26.51)	\$0.00	\$1.19	\$1.27	\$1.23	\$1.22	\$1.32	\$1.43	\$1.54	\$1.66	\$1.78	\$1.92	\$2.05	\$2.16	\$2.28	\$2.40	\$58.99
Pinnacle West Capital Corporation	PNW	(\$63.57)	\$0.00	\$2.38	\$2.53	\$2.68	\$2.79	\$2.92	\$3.07	\$3.23	\$3.40	\$3.59	\$3.80	\$4.04	\$4.25	\$4.48	\$4.72	\$137.88
PNM Resources, Inc.	PNM	(\$29.89)	\$0.00	\$0.82	\$0.89	\$1.05	\$1.16	\$1.28	\$1.42	\$1.56	\$1.72	\$1.87	\$2.03	\$2.20	\$2.32	\$2.44	\$2.57	\$69.40
Portland General Electric Company	POR	(\$36.42)	\$0.00	\$1.18	\$1.25	\$1.35	\$1.42	\$1.53	\$1.66	\$1.79	\$1.94	\$2.11	\$2.29	\$2.49	\$2.62	\$2.76	\$2.91	\$82.46
SCANA Corporation	SCG	(\$60.15)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.59	\$2.79	\$3.01	\$3.25	\$3.51	\$3.79	\$4.10	\$4.43	\$4.67	\$4.92	\$5.18	\$135.73
Westar Energy, Inc.	WR	(\$41.90)	\$0.00	\$1.48	\$1.56	\$1.54	\$1.54	\$1.64	\$1.75	\$1.88	\$2.02	\$2.18	\$2.35	\$2.54	\$2.68	\$2.82	\$2.97	\$92.48
Xcel Energy Inc.	XEL	(\$35.81)	\$0.00	\$1.34	\$1.43	\$1.56	\$1.64	\$1.73	\$1.82	\$1.91	\$2.02	\$2.13	\$2.25	\$2.38	\$2.51	\$2.65	\$2.79	\$78.00

Multi-Stage Growth Discounted Cash Flow Model
 90 Day Average Stock Price
 Low EPS Growth Rate Estimate in First Stage

Inputs	Stock	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	
		EPS Growth Rate Estimates					Long-Term	Payout Ratio			Iterative Solution	Terminal	Terminal		
Company	Ticker	Price	Zacks	First Call	Line	Low	Growth	2016	2019	2026	Proof	IRR	P/E Ratio	PEG Ratio	
ALLETE, Inc.	ALE	\$50.31	5.00%	5.00%	6.50%	5.00%	5.35%	66.00%	59.00%	67.30%	\$0.00	9.65%	16.48	3.08	
Alliant Energy Corporation	LNT	\$59.72	5.40%	5.55%	6.00%	5.40%	5.35%	61.00%	63.00%	67.30%	\$0.00	9.84%	15.79	2.95	
Ameren Corporation	AEE	\$42.83	6.30%	6.00%	7.00%	6.00%	5.35%	62.00%	56.00%	67.30%	\$0.00	9.79%	15.97	2.99	
American Electric Power Company, Inc.	AEP	\$56.58	4.70%	4.43%	5.00%	4.43%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.62%	16.58	3.10	
Avisia Corporation	AVA	\$33.87	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.47%	17.19	3.21	
CMS Energy Corporation	CMS	\$35.33	6.10%	6.72%	5.50%	5.50%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.16%	18.61	3.48	
Dominion Resources, Inc.	D	\$69.01	6.10%	5.49%	8.00%	5.49%	5.35%	74.00%	72.00%	67.30%	\$0.00	8.88%	20.05	3.75	
DTE Energy Company	DTE	\$80.17	5.60%	5.12%	5.00%	5.00%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.07%	15.00	2.80	
Great Plains Energy Inc.	GXP	\$26.82	5.80%	5.07%	5.00%	5.00%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.71%	16.24	3.04	
IDACORP, Inc.	IDA	\$66.25	4.00%	4.00%	1.00%	1.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	8.50%	22.48	4.20	
NorthWestern Corporation	NWE	\$53.77	5.00%	6.81%	6.50%	5.00%	5.35%	61.00%	59.00%	67.30%	\$0.00	9.47%	17.19	3.22	
OGE Energy Corp.	OGE	\$26.72	5.70%	2.17%	3.00%	2.17%	5.35%	63.00%	72.00%	67.30%	\$0.00	9.99%	15.28	2.86	
Otter Tail Corporation	OTTR	\$26.61	NA	6.00%	9.00%	6.00%	5.35%	71.00%	59.00%	67.30%	\$0.00	10.05%	15.08	2.82	
Pinnacle West Capital Corporation	PNW	\$63.35	4.80%	4.95%	4.00%	4.00%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.30%	17.93	3.35	
PNM Resources, Inc.	PNM	\$28.43	7.70%	9.30%	9.00%	7.70%	5.35%	51.00%	55.00%	67.30%	\$0.00	9.84%	15.78	2.95	
Portland General Electric Company	POR	\$36.56	4.40%	4.14%	6.00%	4.14%	5.35%	52.00%	53.00%	67.30%	\$0.00	9.39%	17.52	3.28	
SCANA Corporation	SCG	\$57.82	4.50%	4.45%	4.50%	4.45%	5.35%	56.00%	55.00%	67.30%	\$0.00	9.94%	15.45	2.89	
Westar Energy, Inc.	WR	\$40.32	3.60%	3.50%	6.00%	3.50%	5.35%	61.00%	55.00%	67.30%	\$0.00	9.18%	18.48	3.46	
Xcel Energy Inc.	XEL	\$35.44	5.00%	4.68%	4.50%	4.50%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.51%	17.03	3.19	
												MEAN	9.55%		
												MAX	10.07%		
												MIN	8.50%		

Projected Annual Earnings per Share	Company	Ticker	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
			2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	\$2.80	\$3.05	\$3.20	\$3.36	\$3.52	\$3.70	\$3.89	\$4.08	\$4.29	\$4.51	\$4.75	\$5.00	\$5.27	\$5.55	\$5.85	\$6.16	\$6.49	
Alliant Energy Corporation	LNT	\$3.48	\$3.67	\$3.87	\$4.07	\$4.29	\$4.53	\$4.77	\$5.03	\$5.30	\$5.58	\$5.88	\$6.20	\$6.53	\$6.88	\$7.25	\$7.63	\$8.04	
Ameren Corporation	AEE	\$2.40	\$2.54	\$2.70	\$2.86	\$3.03	\$3.21	\$3.40	\$3.61	\$3.81	\$4.03	\$4.25	\$4.49	\$4.73	\$4.98	\$5.24	\$5.53	\$5.82	
American Electric Power Company, Inc.	AEP	\$3.34	\$3.49	\$3.64	\$3.80	\$3.97	\$4.15	\$4.33	\$4.53	\$4.75	\$4.98	\$5.23	\$5.50	\$5.79	\$6.10	\$6.43	\$6.77	\$7.14	
Avisia Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12	
CMS Energy Corporation	CMS	\$1.74	\$1.84	\$1.94	\$2.04	\$2.16	\$2.27	\$2.40	\$2.53	\$2.67	\$2.81	\$2.96	\$3.12	\$3.29	\$3.47	\$3.65	\$3.85	\$4.05	
Dominion Resources, Inc.	D	\$3.05	\$3.22	\$3.39	\$3.58	\$3.78	\$3.98	\$4.20	\$4.43	\$4.67	\$4.93	\$5.19	\$5.47	\$5.76	\$6.07	\$6.40	\$6.74	\$7.10	
DTE Energy Company	DTE	\$5.10	\$5.36	\$5.62	\$5.90	\$6.20	\$6.51	\$6.83	\$7.18	\$7.55	\$7.94	\$8.35	\$8.80	\$9.27	\$9.76	\$10.28	\$10.83	\$11.41	
Great Plains Energy Inc.	GXP	\$1.57	\$1.65	\$1.73	\$1.82	\$1.91	\$2.00	\$2.10	\$2.21	\$2.32	\$2.44	\$2.57	\$2.71	\$2.85	\$3.00	\$3.17	\$3.33	\$3.51	
IDACORP, Inc.	IDA	\$3.85	\$3.89	\$3.93	\$3.97	\$4.01	\$4.05	\$4.09	\$4.16	\$4.26	\$4.39	\$4.57	\$4.78	\$5.03	\$5.30	\$5.58	\$5.88	\$6.20	
NorthWestern Corporation	NWE	\$2.99	\$3.14	\$3.30	\$3.46	\$3.63	\$3.82	\$4.01	\$4.21	\$4.42	\$4.65	\$4.90	\$5.16	\$5.43	\$5.72	\$6.03	\$6.35	\$6.69	
OGE Energy Corp.	OGE	\$1.88	\$2.02	\$2.07	\$2.11	\$2.16	\$2.20	\$2.25	\$2.31	\$2.39	\$2.48	\$2.58	\$2.71	\$2.85	\$3.01	\$3.17	\$3.34	\$3.51	
Otter Tail Corporation	OTTR	\$1.65	\$1.64	\$1.74	\$1.85	\$1.96	\$2.07	\$2.20	\$2.33	\$2.46	\$2.60	\$2.75	\$2.90	\$3.05	\$3.22	\$3.39	\$3.57	\$3.76	
Pinnacle West Capital Corporation	PNW	\$3.58	\$3.72	\$3.87	\$4.03	\$4.19	\$4.36	\$4.53	\$4.72	\$4.93	\$5.16	\$5.41	\$5.69	\$6.00	\$6.32	\$6.65	\$7.01	\$7.39	
PNM Resources, Inc.	PNM	\$1.45	\$1.56	\$1.68	\$1.81	\$1.95	\$2.10	\$2.26	\$2.43	\$2.60	\$2.77	\$2.94	\$3.10	\$3.27	\$3.44	\$3.63	\$3.82	\$4.03	
Portland General Electric Company	POR	\$2.18	\$2.27	\$2.36	\$2.46	\$2.56	\$2.67	\$2.78	\$2.90	\$3.03	\$3.18	\$3.33	\$3.51	\$3.69	\$3.89	\$4.10	\$4.32	\$4.55	
SCANA Corporation	SCG	\$3.79	\$3.96	\$4.13	\$4.32	\$4.51	\$4.71	\$4.92	\$5.15	\$5.39	\$5.66	\$5.94	\$6.25	\$6.59	\$6.94	\$7.31	\$7.70	\$8.11	
Westar Energy, Inc.	WR	\$2.35	\$2.43	\$2.52	\$2.61	\$2.70	\$2.79	\$2.89	\$3.00	\$3.12	\$3.26	\$3.41	\$3.59	\$3.78	\$3.98	\$4.19	\$4.42	\$4.65	
Xcel Energy Inc.	XEL	\$2.03	\$2.12	\$2.22	\$2.32	\$2.42	\$2.53	\$2.64	\$2.77	\$2.90	\$3.04	\$3.20	\$3.36	\$3.54	\$3.73	\$3.93	\$4.14	\$4.36	

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	56.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.11	\$2.14	\$2.16	\$2.18	\$2.34	\$2.51	\$2.68	\$2.88	\$3.08	\$3.31	\$3.55	\$3.74	\$3.94	\$4.15	\$4.37	\$106.93
Alliant Energy Corporation	LNT	\$2.36	\$2.51	\$2.68	\$2.85	\$3.04	\$3.23	\$3.44	\$3.66	\$3.89	\$4.13	\$4.39	\$4.63	\$4.88	\$5.14	\$5.41	\$127.00
Ameren Corporation	AEE	\$1.67	\$1.72	\$1.76	\$1.80	\$1.96	\$2.14	\$2.32	\$2.52	\$2.73	\$2.95	\$3.18	\$3.35	\$3.53	\$3.72	\$3.92	\$92.97
American Electric Power Company, Inc.	AEP	\$2.33	\$2.45	\$2.57	\$2.70	\$2.83	\$2.97	\$3.13	\$3.30	\$3.48	\$3.68	\$3.90	\$4.11	\$4.33	\$4.56	\$4.80	\$118.31
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$70.77
CMS Energy Corporation	CMS	\$1.16	\$1.24	\$1.32	\$1.41	\$1.51	\$1.61	\$1.72	\$1.83	\$1.95	\$2.08	\$2.22	\$2.33	\$2.46	\$2.59	\$2.73	\$75.44
Dominion Resources, Inc.	D	\$2.51	\$2.63	\$2.74	\$2.87	\$3.00	\$3.13	\$3.27	\$3.42	\$3.56	\$3.72	\$3.88	\$4.09	\$4.31	\$4.54	\$4.78	\$142.36
DTE Energy Company	DTE	\$3.43	\$3.58	\$3.74	\$3.91	\$4.17	\$4.46	\$4.76	\$5.09	\$5.45	\$5.83	\$6.24	\$6.57	\$6.92	\$7.29	\$7.68	\$171.15
Great Plains Energy Inc.	GXP	\$1.04	\$1.10	\$1.17	\$1.24	\$1.32	\$1.40	\$1.49	\$1.59	\$1.69	\$1.80	\$1.92	\$2.02	\$2.13	\$2.24	\$2.36	\$57.06
IDACORP, Inc.	IDA	\$2.08	\$2.17	\$2.26	\$2.35	\$2.42	\$2.52	\$2.64	\$2.78	\$2.95	\$3.15	\$3.39	\$3.57	\$3.76	\$3.96	\$4.17	\$139.35
NorthWestern Corporation	NWE	\$2.01	\$2.09	\$2.17	\$2.25	\$2.41	\$2.58	\$2.77	\$2.97	\$3.18	\$3.41	\$3.66	\$3.85	\$4.06	\$4.27	\$4.50	\$115.02
OGE Energy Corp.	OGE	\$1.30	\$1.39	\$1.49	\$1.59	\$1.61	\$1.63	\$1.67	\$1.72	\$1.77	\$1.84	\$1.92	\$2.02	\$2.13	\$2.24	\$2.36	\$53.68
Otter Tail Corporation	OTTR	\$1.24	\$1.24	\$1.23	\$1.22	\$1.32	\$1.43	\$1.54	\$1.66	\$1.78	\$1.92	\$2.05	\$2.16	\$2.28	\$2.40	\$2.53	\$56.68
Pinnacle West Capital Corporation	PNW	\$2.48	\$2.58	\$2.68	\$2.79	\$2.92	\$3.07	\$3.23	\$3.40	\$3.59	\$3.80	\$4.04	\$4.25	\$4.48	\$4.72	\$4.97	\$132.45
PNM Resources, Inc.	PNM	\$0.86	\$0.95	\$1.05	\$1.16	\$1.28	\$1.42	\$1.56	\$1.72	\$1.87	\$2.03	\$2.20	\$2.32	\$2.44	\$2.57	\$2.71	\$63.56
Portland General Electric Company	POR	\$1.23	\$1.29	\$1.35	\$1.42	\$1.53	\$1.66	\$1.79	\$1.94	\$2.11	\$2.29	\$2.49	\$2.62	\$2.76	\$2.91	\$3.06	\$79.68
SCANA Corporation	SCG	\$2.32	\$2.40	\$2.50	\$2.59	\$2.79	\$3.01	\$3.25	\$3.51	\$3.79	\$4.10	\$4.43	\$4.67	\$4.92	\$5.18	\$5.46	\$125.29
Westar Energy, Inc.	WR	\$1.54	\$1.54	\$1.54	\$1.54	\$1.64	\$1.75	\$1.88	\$2.02	\$2.18	\$2.35	\$2.54	\$2.68	\$2.82	\$2.97	\$3.13	\$85.99
Xcel Energy Inc.	XEL	\$1.40	\$1.47	\$1.56	\$1.64	\$1.73	\$1.82	\$1.91	\$2.02	\$2.13	\$2.25	\$2.38	\$2.51	\$2.65	\$2.79	\$2.94	\$74.29

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$50.31)	\$0.00	\$2.03	\$2.16	\$2.16	\$2.18	\$2.34	\$2.51	\$2.68	\$2.88	\$3.08	\$3.31	\$3.55	\$3.74	\$3.94	\$4.15	\$111.30
Alliant Energy Corporation	LNT	(\$59.72)	\$0.00	\$2.27	\$2.42	\$2.68	\$2.85	\$3.04	\$3.23	\$3.44	\$3.66	\$3.89	\$4.13	\$4.39	\$4.63	\$4.88	\$5.14	\$132.41
Ameren Corporation	AEE	(\$42.83)	\$0.00	\$1.61	\$1.72	\$1.76	\$1.80	\$1.96	\$2.14	\$2.32	\$2.52	\$2.73	\$2.95	\$3.18	\$3.35	\$3.53	\$3.72	\$96.88
American Electric Power Company, Inc.	AEP	(\$56.58)	\$0.00	\$2.24	\$2.38	\$2.57	\$2.70	\$2.83	\$2.97	\$3.13	\$3.30	\$3.48	\$3.68	\$3.90	\$4.11	\$4.33	\$4.56	\$123.12
Avista Corporation	AVA	(\$33.87)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$73.54
CMS Energy Corporation	CMS	(\$35.33)	\$0.00	\$1.12	\$1.19	\$1.32	\$1.41	\$1.51	\$1.61	\$1.72	\$1.83	\$1.95	\$2.08	\$2.22	\$2.33	\$2.46	\$2.59	\$78.17
Dominion Resources, Inc.	D	(\$69.01)	\$0.00	\$2.42	\$2.58	\$2.74	\$2.87	\$3.00	\$3.13	\$3.27	\$3.42	\$3.56	\$3.72	\$3.88	\$4.09	\$4.31	\$4.54	\$147.14
DTE Energy Company	DTE	(\$80.17)	\$0.00	\$3.30	\$3.52	\$3.74	\$3.91	\$4.17	\$4.46	\$4.76	\$5.09	\$5.45	\$5.83	\$6.24	\$6.57	\$6.92	\$7.29	\$178.83
Great Plains Energy Inc.	GXP	(\$26.82)	\$0.00	\$1.00	\$1.06	\$1.17	\$1.24	\$1.32	\$1.40	\$1.49	\$1.59	\$1.69	\$1.80	\$1.92	\$2.02	\$2.13	\$2.24	\$59.43
IDACORP, Inc.	IDA	(\$66.25)	\$0.00	\$2.00	\$2.09	\$2.26	\$2.35	\$2.42	\$2.52	\$2.64	\$2.78	\$2.95	\$3.15	\$3.39	\$3.57	\$3.76	\$3.96	\$143.52
NorthWestern Corporation	NWE	(\$53.77)	\$0.00	\$1.93	\$2.06	\$2.17	\$2.25	\$2.41	\$2.58	\$2.77	\$2.97	\$3.18	\$3.41	\$3.66	\$3.85	\$4.06	\$4.27	\$119.53
OGE Energy Corp.	OGE	(\$26.72)	\$0.00	\$1.25	\$1.32	\$1.49	\$1.59	\$1.61	\$1.63	\$1.67	\$1.72	\$1.77	\$1.84	\$1.92	\$2.02	\$2.13	\$2.24	\$56.05
Otter Tail Corporation	OTTR	(\$26.61)	\$0.00	\$1.19	\$1.27	\$1.23	\$1.22	\$1.32	\$1.43	\$1.54	\$1.66	\$1.78	\$1.92	\$2.05	\$2.16	\$2.28	\$2.40	\$59.21
Pinnacle West Capital Corporation	PNW	(\$63.35)	\$0.00	\$2.38	\$2.53	\$2.68	\$2.79	\$2.92	\$3.07	\$3.23	\$3.40	\$3.59	\$3.80	\$4.04	\$4.25	\$4.48	\$4.72	\$137.42
PNM Resources, Inc.	PNM	(\$28.43)	\$0.00	\$0.82	\$0.89	\$1.05	\$1.16	\$1.28	\$1.42	\$1.56	\$1.72	\$1.87	\$2.03	\$2.20	\$2.32	\$2.44	\$2.57	\$66.27
Portland General Electric Company	POR	(\$36.56)	\$0.00	\$1.18	\$1.25	\$1.35	\$1.42	\$1.53	\$1.66	\$1.79	\$1.94	\$2.11	\$2.29	\$2.49	\$2.62	\$2.76	\$2.91	\$82.74
SCANA Corporation	SCG	(\$57.82)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.59	\$2.79	\$3.01	\$3.25	\$3.51	\$3.79	\$4.10	\$4.43	\$4.67	\$4.92	\$5.18	\$130.75
Westar Energy, Inc.	WR	(\$40.32)	\$0.00	\$1.48	\$1.56	\$1.54	\$1.54	\$1.64	\$1.75	\$1.88	\$2.02	\$2.18	\$2.35	\$2.54	\$2.68	\$2.82	\$2.97	\$89.12
Xcel Energy Inc.	XEL	(\$35.44)	\$0.00	\$1.34	\$1.43	\$1.56	\$1.64	\$1.73	\$1.82	\$1.91	\$2.02	\$2.13	\$2.25	\$2.38	\$2.51	\$2.65	\$2.79	\$77.22

Multi-Stage Growth Discounted Cash Flow Model
 180 Day Average Stock Price
 Low EPS Growth Rate Estimate in First Stage

Inputs	Stock	[1] Price	[2] [3] [4] EPS Growth Rate Estimates			[5] Low	[6] Long-Term Growth	[7] [8] [9] Payout Ratio			[10] [11] Iterative Solution		[12]	[13]		
			Zacks	First Call	Line			2016	2019	2026	Proof	IRR	P/E Ratio	PEG Ratio	Terminal	Terminal
Company	Ticker	Price	Zacks	First Call	Line	Low	Growth	2016	2019	2026	Proof	IRR	P/E Ratio	PEG Ratio		
ALLETE, Inc.	ALE	\$49.47	5.00%	5.00%	6.50%	5.00%	5.35%	66.00%	59.00%	67.30%	\$0.00	9.72%	16.20	3.03		
Alliant Energy Corporation	LNT	\$59.67	5.40%	5.55%	6.00%	5.40%	5.35%	61.00%	63.00%	67.30%	\$0.00	9.84%	15.78	2.95		
Ameren Corporation	AEE	\$41.34	6.30%	6.00%	7.00%	6.00%	5.35%	62.00%	56.00%	67.30%	\$0.00	9.94%	15.42	2.88		
American Electric Power Company, Inc.	AEP	\$55.91	4.70%	4.43%	5.00%	4.43%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.68%	16.38	3.06		
Avisia Corporation	AVA	\$32.85	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.60%	16.66	3.12		
CMS Energy Corporation	CMS	\$34.36	6.10%	6.72%	5.50%	5.50%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.26%	18.10	3.39		
Dominion Resources, Inc.	D	\$69.57	6.10%	5.49%	8.00%	5.49%	5.35%	74.00%	72.00%	67.30%	\$0.00	8.85%	20.22	3.78		
DTE Energy Company	DTE	\$79.11	5.60%	5.12%	5.00%	5.00%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.14%	14.80	2.77		
Great Plains Energy Inc.	GXP	\$26.16	5.80%	5.07%	5.00%	5.00%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.82%	15.84	2.96		
IDACORP, Inc.	IDA	\$62.69	4.00%	4.00%	1.00%	1.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	8.68%	21.26	3.98		
NorthWestern Corporation	NWE	\$52.75	5.00%	6.81%	6.50%	5.00%	5.35%	61.00%	59.00%	67.30%	\$0.00	9.55%	16.87	3.15		
OGE Energy Corp.	OGE	\$28.22	5.70%	2.17%	3.00%	2.17%	5.35%	63.00%	72.00%	67.30%	\$0.00	9.73%	16.18	3.03		
Otter Tail Corporation	OTTR	\$26.76	NA	6.00%	9.00%	6.00%	5.35%	71.00%	59.00%	67.30%	\$0.00	10.02%	15.16	2.84		
Pinnacle West Capital Corporation	PNW	\$61.66	4.80%	4.95%	4.00%	4.00%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.41%	17.45	3.26		
PNM Resources, Inc.	PNM	\$27.23	7.70%	9.30%	9.00%	7.70%	5.35%	51.00%	55.00%	67.30%	\$0.00	10.03%	15.14	2.83		
Portland General Electric Company	POR	\$35.66	4.40%	4.14%	6.00%	4.14%	5.35%	52.00%	53.00%	67.30%	\$0.00	9.49%	17.10	3.20		
SCANA Corporation	SCG	\$55.39	4.50%	4.45%	4.50%	4.45%	5.35%	56.00%	55.00%	67.30%	\$0.00	10.14%	14.81	2.77		
Westar Energy, Inc.	WR	\$38.32	3.60%	3.50%	6.00%	3.50%	5.35%	61.00%	55.00%	67.30%	\$0.00	9.38%	17.56	3.28		
Xcel Energy Inc.	XEL	\$34.55	5.00%	4.68%	4.50%	4.50%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.62%	16.60	3.10		
												MEAN	9.63%			
												MAX	10.14%			
												MIN	8.68%			

Projected Annual Earnings per Share	Company	Ticker	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
			2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	ALLETE, Inc.	ALE	\$2.90	\$3.05	\$3.20	\$3.36	\$3.52	\$3.70	\$3.89	\$4.08	\$4.29	\$4.51	\$4.75	\$5.00	\$5.27	\$5.55	\$5.85	\$6.16	\$6.49
	Alliant Energy Corporation	LNT	\$3.48	\$3.67	\$3.87	\$4.07	\$4.29	\$4.53	\$4.77	\$5.03	\$5.30	\$5.58	\$5.88	\$6.20	\$6.53	\$6.88	\$7.25	\$7.63	\$8.04
	Ameren Corporation	AEE	\$2.40	\$2.54	\$2.70	\$2.86	\$3.03	\$3.21	\$3.40	\$3.61	\$3.81	\$4.03	\$4.25	\$4.49	\$4.73	\$4.98	\$5.24	\$5.53	\$5.82
	American Electric Power Company, Inc.	AEP	\$3.34	\$3.49	\$3.64	\$3.80	\$3.97	\$4.15	\$4.33	\$4.53	\$4.75	\$4.98	\$5.23	\$5.50	\$5.79	\$6.10	\$6.43	\$6.77	\$7.14
	Avisia Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12
	CMS Energy Corporation	CMS	\$1.74	\$1.84	\$1.94	\$2.04	\$2.16	\$2.27	\$2.40	\$2.53	\$2.67	\$2.81	\$2.96	\$3.12	\$3.29	\$3.47	\$3.65	\$3.85	\$4.05
	Dominion Resources, Inc.	D	\$3.05	\$3.22	\$3.39	\$3.58	\$3.78	\$3.98	\$4.20	\$4.43	\$4.67	\$4.93	\$5.19	\$5.47	\$5.76	\$6.07	\$6.40	\$6.74	\$7.10
	DTE Energy Company	DTE	\$5.10	\$5.36	\$5.62	\$5.90	\$6.20	\$6.51	\$6.83	\$7.18	\$7.55	\$7.94	\$8.35	\$8.80	\$9.27	\$9.76	\$10.28	\$10.83	\$11.41
	Great Plains Energy Inc.	GXP	\$1.57	\$1.65	\$1.73	\$1.82	\$1.91	\$2.00	\$2.10	\$2.21	\$2.32	\$2.44	\$2.57	\$2.71	\$2.85	\$3.00	\$3.17	\$3.33	\$3.51
	IDACORP, Inc.	IDA	\$3.85	\$3.89	\$3.93	\$3.97	\$4.01	\$4.05	\$4.09	\$4.16	\$4.26	\$4.39	\$4.57	\$4.78	\$5.03	\$5.30	\$5.58	\$5.88	\$6.20
	NorthWestern Corporation	NWE	\$2.99	\$3.14	\$3.30	\$3.46	\$3.63	\$3.82	\$4.01	\$4.21	\$4.42	\$4.65	\$4.90	\$5.16	\$5.43	\$5.72	\$6.03	\$6.35	\$6.69
	OGE Energy Corp.	OGE	\$1.98	\$2.02	\$2.07	\$2.11	\$2.16	\$2.20	\$2.25	\$2.31	\$2.39	\$2.48	\$2.58	\$2.71	\$2.85	\$3.01	\$3.17	\$3.34	\$3.51
	Otter Tail Corporation	OTTR	\$1.55	\$1.64	\$1.74	\$1.85	\$1.96	\$2.07	\$2.20	\$2.33	\$2.46	\$2.60	\$2.75	\$2.90	\$3.05	\$3.22	\$3.39	\$3.57	\$3.76
	Pinnacle West Capital Corporation	PNW	\$3.58	\$3.72	\$3.87	\$4.03	\$4.19	\$4.36	\$4.53	\$4.72	\$4.93	\$5.16	\$5.41	\$5.69	\$6.00	\$6.32	\$6.65	\$7.01	\$7.39
	PNM Resources, Inc.	PNM	\$1.45	\$1.56	\$1.68	\$1.81	\$1.95	\$2.10	\$2.26	\$2.43	\$2.60	\$2.77	\$2.94	\$3.10	\$3.27	\$3.44	\$3.63	\$3.82	\$4.03
	Portland General Electric Company	POR	\$2.18	\$2.27	\$2.36	\$2.46	\$2.56	\$2.67	\$2.78	\$2.90	\$3.03	\$3.18	\$3.33	\$3.51	\$3.69	\$3.89	\$4.10	\$4.32	\$4.55
	SCANA Corporation	SCG	\$3.79	\$3.96	\$4.13	\$4.32	\$4.51	\$4.71	\$4.92	\$5.15	\$5.39	\$5.66	\$5.94	\$6.25	\$6.59	\$6.94	\$7.31	\$7.70	\$8.11
	Westar Energy, Inc.	WR	\$2.35	\$2.43	\$2.52	\$2.61	\$2.70	\$2.79	\$2.89	\$3.00	\$3.12	\$3.26	\$3.41	\$3.59	\$3.78	\$3.98	\$4.19	\$4.42	\$4.65
	Xcel Energy Inc.	XEL	\$2.03	\$2.12	\$2.22	\$2.32	\$2.42	\$2.53	\$2.64	\$2.77	\$2.90	\$3.04	\$3.20	\$3.36	\$3.54	\$3.73	\$3.93	\$4.14	\$4.36

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	56.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.11	\$2.14	\$2.16	\$2.18	\$2.34	\$2.51	\$2.68	\$2.88	\$3.08	\$3.31	\$3.55	\$3.74	\$3.94	\$4.15	\$4.37	\$105.13
Alliant Energy Corporation	LNT	\$2.36	\$2.51	\$2.68	\$2.85	\$3.04	\$3.23	\$3.44	\$3.66	\$3.89	\$4.13	\$4.39	\$4.63	\$4.88	\$5.14	\$5.41	\$126.89
Ameren Corporation	AEE	\$1.67	\$1.72	\$1.76	\$1.80	\$1.96	\$2.14	\$2.32	\$2.52	\$2.73	\$2.95	\$3.18	\$3.35	\$3.53	\$3.72	\$3.92	\$69.77
American Electric Power Company, Inc.	AEP	\$2.33	\$2.45	\$2.57	\$2.70	\$2.83	\$2.97	\$3.13	\$3.30	\$3.48	\$3.68	\$3.90	\$4.11	\$4.33	\$4.56	\$4.80	\$116.89
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$68.61
CMS Energy Corporation	CMS	\$1.16	\$1.24	\$1.32	\$1.41	\$1.51	\$1.61	\$1.72	\$1.83	\$1.95	\$2.08	\$2.22	\$2.33	\$2.46	\$2.59	\$2.73	\$73.38
Dominion Resources, Inc.	D	\$2.51	\$2.63	\$2.74	\$2.87	\$3.00	\$3.13	\$3.27	\$3.42	\$3.56	\$3.72	\$3.88	\$4.09	\$4.31	\$4.54	\$4.78	\$143.56
DTE Energy Company	DTE	\$3.43	\$3.58	\$3.74	\$3.91	\$4.17	\$4.46	\$4.76	\$5.09	\$5.45	\$5.83	\$6.24	\$6.57	\$6.92	\$7.29	\$7.68	\$168.89
Great Plains Energy Inc.	GXP	\$1.04	\$1.10	\$1.17	\$1.24	\$1.32	\$1.40	\$1.49	\$1.59	\$1.69	\$1.80	\$1.92	\$2.02	\$2.13	\$2.24	\$2.36	\$55.64
IDACORP, Inc.	IDA	\$2.08	\$2.17	\$2.26	\$2.35	\$2.42	\$2.52	\$2.64	\$2.78	\$2.95	\$3.15	\$3.39	\$3.57	\$3.76	\$3.96	\$4.17	\$131.78
NorthWestern Corporation	NWE	\$2.01	\$2.09	\$2.17	\$2.25	\$2.41	\$2.58	\$2.77	\$2.97	\$3.18	\$3.41	\$3.66	\$3.85	\$4.06	\$4.27	\$4.50	\$112.85
OGE Energy Corp.	OGE	\$1.30	\$1.39	\$1.49	\$1.59	\$1.61	\$1.63	\$1.67	\$1.72	\$1.77	\$1.84	\$1.92	\$2.02	\$2.13	\$2.24	\$2.36	\$56.85
Otter Tail Corporation	OTTR	\$1.24	\$1.24	\$1.23	\$1.22	\$1.32	\$1.43	\$1.54	\$1.66	\$1.78	\$1.92	\$2.05	\$2.16	\$2.28	\$2.40	\$2.53	\$56.99
Pinnacle West Capital Corporation	PNW	\$2.48	\$2.58	\$2.68	\$2.79	\$2.92	\$3.07	\$3.23	\$3.40	\$3.59	\$3.80	\$4.04	\$4.25	\$4.48	\$4.72	\$4.97	\$128.85
PNM Resources, Inc.	PNM	\$0.86	\$0.95	\$1.05	\$1.16	\$1.28	\$1.42	\$1.56	\$1.72	\$1.87	\$2.03	\$2.20	\$2.32	\$2.44	\$2.57	\$2.71	\$60.98
Portland General Electric Company	POR	\$1.23	\$1.29	\$1.35	\$1.42	\$1.53	\$1.66	\$1.79	\$1.94	\$2.11	\$2.29	\$2.49	\$2.62	\$2.76	\$2.91	\$3.06	\$77.76
SCANA Corporation	SCG	\$2.32	\$2.40	\$2.50	\$2.59	\$2.79	\$3.01	\$3.25	\$3.51	\$3.79	\$4.10	\$4.43	\$4.67	\$4.92	\$5.18	\$5.46	\$120.09
Westar Energy, Inc.	WR	\$1.54	\$1.54	\$1.54	\$1.54	\$1.64	\$1.75	\$1.88	\$2.02	\$2.18	\$2.35	\$2.54	\$2.68	\$2.82	\$2.97	\$3.13	\$81.72
Xcel Energy Inc.	XEL	\$1.40	\$1.47	\$1.56	\$1.64	\$1.73	\$1.82	\$1.91	\$2.02	\$2.13	\$2.25	\$2.38	\$2.51	\$2.65	\$2.79	\$2.94	\$72.39

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$49.47)	\$0.00	\$2.03	\$2.16	\$2.16	\$2.18	\$2.34	\$2.51	\$2.68	\$2.88	\$3.08	\$3.31	\$3.55	\$3.74	\$3.94	\$4.15	\$109.50
Alliant Energy Corporation	LNT	(\$59.67)	\$0.00	\$2.27	\$2.42	\$2.68	\$2.85	\$3.04	\$3.23	\$3.44	\$3.66	\$3.89	\$4.13	\$4.39	\$4.63	\$4.88	\$5.14	\$132.31
Ameren Corporation	AEE	(\$41.34)	\$0.00	\$1.61	\$1.72	\$1.76	\$1.80	\$1.96	\$2.14	\$2.32	\$2.52	\$2.73	\$2.95	\$3.18	\$3.35	\$3.53	\$3.72	\$93.68
American Electric Power Company, Inc.	AEP	(\$55.91)	\$0.00	\$2.24	\$2.38	\$2.57	\$2.70	\$2.83	\$2.97	\$3.13	\$3.30	\$3.48	\$3.68	\$3.90	\$4.11	\$4.33	\$4.56	\$121.69
Avista Corporation	AVA	(\$32.85)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$71.38
CMS Energy Corporation	CMS	(\$34.36)	\$0.00	\$1.12	\$1.19	\$1.32	\$1.41	\$1.51	\$1.61	\$1.72	\$1.83	\$1.95	\$2.08	\$2.22	\$2.33	\$2.46	\$2.59	\$76.11
Dominion Resources, Inc.	D	(\$69.57)	\$0.00	\$2.42	\$2.58	\$2.74	\$2.87	\$3.00	\$3.13	\$3.27	\$3.42	\$3.56	\$3.72	\$3.88	\$4.09	\$4.31	\$4.54	\$148.34
DTE Energy Company	DTE	(\$79.11)	\$0.00	\$3.30	\$3.52	\$3.74	\$3.91	\$4.17	\$4.46	\$4.76	\$5.09	\$5.45	\$5.83	\$6.24	\$6.57	\$6.92	\$7.29	\$176.57
Great Plains Energy Inc.	GXP	(\$26.16)	\$0.00	\$1.00	\$1.06	\$1.17	\$1.24	\$1.32	\$1.40	\$1.49	\$1.59	\$1.69	\$1.80	\$1.92	\$2.02	\$2.13	\$2.24	\$58.00
IDACORP, Inc.	IDA	(\$62.69)	\$0.00	\$2.00	\$2.09	\$2.26	\$2.35	\$2.42	\$2.52	\$2.64	\$2.78	\$2.95	\$3.15	\$3.39	\$3.57	\$3.76	\$3.96	\$135.95
NorthWestern Corporation	NWE	(\$52.75)	\$0.00	\$1.93	\$2.06	\$2.17	\$2.25	\$2.41	\$2.58	\$2.77	\$2.97	\$3.18	\$3.41	\$3.66	\$3.85	\$4.06	\$4.27	\$117.35
OGE Energy Corp.	OGE	(\$28.22)	\$0.00	\$1.25	\$1.32	\$1.49	\$1.59	\$1.61	\$1.63	\$1.67	\$1.72	\$1.77	\$1.84	\$1.92	\$2.02	\$2.13	\$2.24	\$59.22
Otter Tail Corporation	OTTR	(\$26.76)	\$0.00	\$1.19	\$1.27	\$1.23	\$1.22	\$1.32	\$1.43	\$1.54	\$1.66	\$1.78	\$1.92	\$2.05	\$2.16	\$2.28	\$2.40	\$59.52
Pinnacle West Capital Corporation	PNW	(\$61.66)	\$0.00	\$2.38	\$2.53	\$2.68	\$2.79	\$2.92	\$3.07	\$3.23	\$3.40	\$3.59	\$3.80	\$4.04	\$4.25	\$4.48	\$4.72	\$133.82
PNM Resources, Inc.	PNM	(\$27.23)	\$0.00	\$0.82	\$0.89	\$1.05	\$1.16	\$1.28	\$1.42	\$1.56	\$1.72	\$1.87	\$2.03	\$2.20	\$2.32	\$2.44	\$2.57	\$63.69
Portland General Electric Company	POR	(\$35.66)	\$0.00	\$1.18	\$1.25	\$1.35	\$1.42	\$1.53	\$1.66	\$1.79	\$1.94	\$2.11	\$2.29	\$2.49	\$2.62	\$2.76	\$2.91	\$80.83
SCANA Corporation	SCG	(\$55.38)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.59	\$2.79	\$3.01	\$3.25	\$3.51	\$3.79	\$4.10	\$4.43	\$4.67	\$4.92	\$5.18	\$125.55
Westar Energy, Inc.	WR	(\$38.32)	\$0.00	\$1.48	\$1.56	\$1.54	\$1.54	\$1.64	\$1.75	\$1.88	\$2.02	\$2.18	\$2.35	\$2.54	\$2.68	\$2.82	\$2.97	\$84.86
Xcel Energy Inc.	XEL	(\$34.55)	\$0.00	\$1.34	\$1.43	\$1.56	\$1.64	\$1.73	\$1.82	\$1.91	\$2.02	\$2.13	\$2.25	\$2.38	\$2.51	\$2.65	\$2.79	\$75.32

Multi-Stage Growth Discounted Cash Flow Model
30 Day Average Stock Price
High EPS Growth Rate Estimate in First Stage

Inputs	Stock	[1] Price	[2] [3] [4] EPS Growth Rate Estimates			[5] Value	[6] Long-Term	[7] Growth	[8] [9] Payout Ratio			[10] Iterative Solution	[11] IRR	[12] Terminal	[13] Terminal
			Zacks	First Call	Line				High	2016	2019				
ALLETE, Inc.	ALE	\$50.12	5.00%	5.00%	6.50%	6.50%	5.35%	66.00%	59.00%	67.30%	\$0.00	10.15%	14.75	2.76	
Alliant Energy Corporation	LNT	\$61.59	5.40%	5.55%	6.00%	6.00%	5.35%	61.00%	63.00%	67.30%	\$0.00	9.89%	15.60	2.92	
Ameren Corporation	AEE	\$43.18	6.30%	6.00%	7.00%	7.00%	5.35%	62.00%	56.00%	67.30%	\$0.00	10.07%	15.00	2.81	
American Electric Power Company, Inc.	AEP	\$57.34	4.70%	4.43%	5.00%	5.00%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.75%	16.12	3.01	
Avista Corporation	AVA	\$34.97	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.34%	17.75	3.32	
CMS Energy Corporation	CMS	\$35.77	6.10%	6.72%	5.50%	6.72%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.46%	17.25	3.23	
Dominion Resources, Inc.	D	\$67.46	6.10%	5.49%	8.00%	8.00%	5.35%	74.00%	72.00%	67.30%	\$0.00	9.69%	16.31	3.05	
DTE Energy Company	DTE	\$79.78	5.60%	5.12%	5.00%	5.60%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.31%	14.30	2.67	
Great Plains Energy Inc.	GXP	\$26.91	5.80%	5.07%	5.00%	5.80%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.96%	15.38	2.88	
IDACORP, Inc.	IDA	\$67.89	4.00%	4.00%	1.00%	4.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	9.21%	18.37	3.43	
NorthWestern Corporation	NWE	\$54.03	5.00%	6.81%	6.50%	6.81%	5.35%	61.00%	59.00%	67.30%	\$0.00	10.02%	15.18	2.84	
OGE Energy Corp.	OGE	\$25.52	5.70%	2.17%	3.00%	5.70%	5.35%	63.00%	72.00%	67.30%	\$0.00	11.65%	11.26	2.11	
Otter Tail Corporation	OTTR	\$26.51	NA	6.00%	9.00%	9.00%	5.35%	71.00%	59.00%	67.30%	\$0.00	11.15%	12.21	2.28	
Pinnacle West Capital Corporation	PNW	\$63.57	4.80%	4.95%	4.00%	4.95%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.57%	16.78	3.14	
PNM Resources, Inc.	PNM	\$29.89	7.70%	9.30%	9.00%	9.30%	5.35%	51.00%	55.00%	67.30%	\$0.00	10.12%	14.84	2.78	
Portland General Electric Company	POR	\$36.42	4.40%	4.14%	6.00%	6.00%	5.35%	52.00%	53.00%	67.30%	\$0.00	9.99%	15.28	2.86	
SCANA Corporation	SCG	\$60.15	4.50%	4.45%	4.50%	4.50%	5.35%	56.00%	55.00%	67.30%	\$0.00	9.78%	16.00	2.99	
Westar Energy, Inc.	WR	\$41.90	3.60%	3.50%	6.00%	6.00%	5.35%	61.00%	55.00%	67.30%	\$0.00	9.77%	16.01	2.99	
Xcel Energy Inc.	XEL	\$35.81	5.00%	4.68%	4.50%	5.00%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.62%	16.59	3.10	
												MEAN	9.97%		
												MAX	11.65%		
												MIN	9.21%		

Projected Annual Earnings per Share	Ticker	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	\$2.90	\$3.09	\$3.29	\$3.50	\$3.73	\$3.97	\$4.23	\$4.50	\$4.77	\$5.06	\$5.35	\$5.64	\$5.94	\$6.26	\$6.60	\$6.95	\$7.32
Alliant Energy Corporation	LNT	\$3.48	\$3.69	\$3.91	\$4.14	\$4.39	\$4.66	\$4.94	\$5.23	\$5.53	\$5.84	\$6.17	\$6.50	\$6.85	\$7.22	\$7.61	\$8.01	\$8.44
Ameren Corporation	AEE	\$2.40	\$2.57	\$2.75	\$2.94	\$3.15	\$3.37	\$3.60	\$3.84	\$4.09	\$4.34	\$4.60	\$4.86	\$5.12	\$5.39	\$5.68	\$5.99	\$6.31
American Electric Power Company, Inc.	AEP	\$3.34	\$3.51	\$3.68	\$3.87	\$4.06	\$4.26	\$4.48	\$4.70	\$4.94	\$5.20	\$5.47	\$5.76	\$6.07	\$6.39	\$6.73	\$7.09	\$7.47
Avista Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12
CMS Energy Corporation	CMS	\$1.74	\$1.86	\$1.98	\$2.11	\$2.26	\$2.41	\$2.57	\$2.74	\$2.91	\$3.08	\$3.26	\$3.45	\$3.63	\$3.82	\$4.03	\$4.24	\$4.47
Dominion Resources, Inc.	D	\$3.05	\$3.29	\$3.56	\$3.84	\$4.15	\$4.48	\$4.84	\$5.21	\$5.58	\$5.95	\$6.32	\$6.68	\$7.04	\$7.42	\$7.82	\$8.23	\$8.67
DTE Energy Company	DTE	\$5.10	\$5.39	\$5.69	\$6.01	\$6.34	\$6.70	\$7.07	\$7.47	\$7.88	\$8.31	\$8.76	\$9.23	\$9.73	\$10.25	\$10.79	\$11.37	\$11.98
Great Plains Energy Inc.	GXP	\$1.57	\$1.66	\$1.76	\$1.86	\$1.97	\$2.08	\$2.20	\$2.33	\$2.46	\$2.60	\$2.74	\$2.89	\$3.04	\$3.21	\$3.38	\$3.56	\$3.75
IDACORP, Inc.	IDA	\$3.85	\$4.00	\$4.16	\$4.33	\$4.50	\$4.68	\$4.87	\$5.08	\$5.30	\$5.55	\$5.82	\$6.12	\$6.45	\$6.79	\$7.16	\$7.54	\$7.94
NorthWestern Corporation	NWE	\$2.99	\$3.19	\$3.41	\$3.64	\$3.89	\$4.16	\$4.44	\$4.73	\$5.03	\$5.34	\$5.65	\$5.96	\$6.28	\$6.62	\$6.97	\$7.34	\$7.74
OGE Energy Corp.	OGE	\$1.98	\$2.09	\$2.21	\$2.34	\$2.47	\$2.61	\$2.76	\$2.92	\$3.08	\$3.25	\$3.43	\$3.61	\$3.81	\$4.01	\$4.22	\$4.45	\$4.69
Otter Tail Corporation	OTTR	\$1.85	\$1.69	\$1.84	\$2.01	\$2.19	\$2.38	\$2.60	\$2.82	\$3.04	\$3.25	\$3.47	\$3.68	\$3.87	\$4.08	\$4.30	\$4.53	\$4.77
Pinnacle West Capital Corporation	PNW	\$3.68	\$3.76	\$3.94	\$4.14	\$4.34	\$4.56	\$4.78	\$5.02	\$5.28	\$5.55	\$5.84	\$6.15	\$6.48	\$6.82	\$7.19	\$7.57	\$7.98
PNM Resources, Inc.	PNM	\$1.45	\$1.58	\$1.73	\$1.89	\$2.07	\$2.26	\$2.47	\$2.69	\$2.90	\$3.11	\$3.32	\$3.52	\$3.71	\$3.91	\$4.11	\$4.33	\$4.57
Portland General Electric Company	POR	\$2.18	\$2.31	\$2.45	\$2.60	\$2.75	\$2.92	\$3.09	\$3.27	\$3.46	\$3.66	\$3.86	\$4.07	\$4.29	\$4.52	\$4.76	\$5.02	\$5.29
SCANA Corporation	SCG	\$3.79	\$3.96	\$4.14	\$4.33	\$4.52	\$4.72	\$4.94	\$5.16	\$5.41	\$5.68	\$5.97	\$6.28	\$6.61	\$6.97	\$7.34	\$7.73	\$8.14
Westar Energy, Inc.	WR	\$2.35	\$2.49	\$2.64	\$2.80	\$2.97	\$3.14	\$3.33	\$3.53	\$3.73	\$3.95	\$4.17	\$4.39	\$4.63	\$4.88	\$5.14	\$5.41	\$5.70
Xcel Energy Inc.	XEL	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.00	\$3.16	\$3.32	\$3.50	\$3.69	\$3.89	\$4.09	\$4.31	\$4.54

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	56.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.17	\$2.23	\$2.29	\$2.34	\$2.55	\$2.76	\$2.99	\$3.22	\$3.47	\$3.73	\$4.00	\$4.21	\$4.44	\$4.68	\$4.93	\$107.97
Alliant Energy Corporation	LNT	\$2.39	\$2.56	\$2.74	\$2.93	\$3.14	\$3.36	\$3.59	\$3.82	\$4.08	\$4.34	\$4.61	\$4.86	\$5.12	\$5.39	\$5.68	\$131.65
Ameren Corporation	AEE	\$1.70	\$1.76	\$1.82	\$1.89	\$2.08	\$2.28	\$2.49	\$2.71	\$2.95	\$3.19	\$3.45	\$3.63	\$3.82	\$4.03	\$4.24	\$94.60
American Electric Power Company, Inc.	AEP	\$2.36	\$2.49	\$2.63	\$2.77	\$2.92	\$3.09	\$3.26	\$3.45	\$3.65	\$3.86	\$4.08	\$4.30	\$4.53	\$4.77	\$5.03	\$120.47
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$73.10
CMS Energy Corporation	CMS	\$1.19	\$1.28	\$1.38	\$1.49	\$1.61	\$1.74	\$1.87	\$2.01	\$2.15	\$2.29	\$2.44	\$2.57	\$2.71	\$2.86	\$3.01	\$77.12
Dominion Resources, Inc.	D	\$2.63	\$2.82	\$3.02	\$3.23	\$3.45	\$3.68	\$3.90	\$4.12	\$4.34	\$4.54	\$4.74	\$4.99	\$5.26	\$5.54	\$5.84	\$141.47
DTE Energy Company	DTE	\$3.47	\$3.64	\$3.83	\$4.02	\$4.32	\$4.63	\$4.97	\$5.33	\$5.71	\$6.12	\$6.55	\$6.90	\$7.26	\$7.65	\$8.06	\$171.29
Great Plains Energy Inc.	GXP	\$1.05	\$1.13	\$1.21	\$1.29	\$1.38	\$1.48	\$1.58	\$1.69	\$1.80	\$1.92	\$2.05	\$2.16	\$2.27	\$2.39	\$2.52	\$57.64
IDACORP, Inc.	IDA	\$2.21	\$2.37	\$2.54	\$2.72	\$2.89	\$3.08	\$3.29	\$3.51	\$3.76	\$4.04	\$4.34	\$4.57	\$4.82	\$5.07	\$5.35	\$145.87
NorthWestern Corporation	NWE	\$2.08	\$2.20	\$2.32	\$2.45	\$2.67	\$2.90	\$3.15	\$3.40	\$3.67	\$3.94	\$4.23	\$4.45	\$4.69	\$4.94	\$5.21	\$117.44
OGE Energy Corp.	OGE	\$1.39	\$1.54	\$1.71	\$1.88	\$1.97	\$2.06	\$2.16	\$2.25	\$2.35	\$2.46	\$2.56	\$2.70	\$2.84	\$2.99	\$3.16	\$52.77
Otter Tail Corporation	OTTR	\$1.31	\$1.34	\$1.38	\$1.41	\$1.56	\$1.73	\$1.90	\$2.07	\$2.25	\$2.43	\$2.61	\$2.74	\$2.89	\$3.05	\$3.21	\$58.23
Pinnacle West Capital Corporation	PNW	\$2.52	\$2.65	\$2.78	\$2.92	\$3.08	\$3.26	\$3.45	\$3.66	\$3.88	\$4.11	\$4.36	\$4.59	\$4.84	\$5.10	\$5.37	\$133.87
PNM Resources, Inc.	PNM	\$0.88	\$0.99	\$1.11	\$1.24	\$1.40	\$1.57	\$1.75	\$1.93	\$2.12	\$2.31	\$2.50	\$2.63	\$2.77	\$2.92	\$3.07	\$67.78
Portland General Electric Company	POR	\$1.27	\$1.36	\$1.45	\$1.55	\$1.70	\$1.87	\$2.05	\$2.24	\$2.44	\$2.66	\$2.89	\$3.04	\$3.21	\$3.38	\$3.56	\$80.82
SCANA Corporation	SCG	\$2.32	\$2.41	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.81	\$4.11	\$4.45	\$4.69	\$4.94	\$5.20	\$5.48	\$130.33
Westar Energy, Inc.	WR	\$1.61	\$1.65	\$1.69	\$1.73	\$1.89	\$2.07	\$2.25	\$2.45	\$2.66	\$2.88	\$3.11	\$3.28	\$3.46	\$3.64	\$3.84	\$91.27
Xcel Energy Inc.	XEL	\$1.41	\$1.50	\$1.59	\$1.68	\$1.78	\$1.88	\$1.98	\$2.10	\$2.22	\$2.34	\$2.48	\$2.61	\$2.75	\$2.90	\$3.06	\$75.35

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$50.12)	\$0.00	\$2.09	\$2.24	\$2.29	\$2.34	\$2.55	\$2.76	\$2.99	\$3.22	\$3.47	\$3.73	\$4.00	\$4.21	\$4.44	\$4.68	\$112.90
Alliant Energy Corporation	LNT	(\$61.59)	\$0.00	\$2.29	\$2.46	\$2.74	\$2.93	\$3.14	\$3.36	\$3.59	\$3.82	\$4.08	\$4.34	\$4.61	\$4.86	\$5.12	\$5.39	\$137.33
Ameren Corporation	AEE	(\$43.18)	\$0.00	\$1.64	\$1.76	\$1.82	\$1.89	\$2.08	\$2.28	\$2.49	\$2.71	\$2.95	\$3.19	\$3.45	\$3.63	\$3.82	\$4.03	\$98.84
American Electric Power Company, Inc.	AEP	(\$57.34)	\$0.00	\$2.27	\$2.42	\$2.63	\$2.77	\$2.92	\$3.09	\$3.26	\$3.45	\$3.65	\$3.86	\$4.08	\$4.30	\$4.53	\$4.77	\$125.50
Avista Corporation	AVA	(\$34.97)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$75.87
CMS Energy Corporation	CMS	(\$35.77)	\$0.00	\$1.14	\$1.23	\$1.38	\$1.49	\$1.61	\$1.74	\$1.87	\$2.01	\$2.15	\$2.29	\$2.44	\$2.57	\$2.71	\$2.86	\$80.13
Dominion Resources, Inc.	D	(\$67.46)	\$0.00	\$2.53	\$2.74	\$3.02	\$3.23	\$3.45	\$3.68	\$3.90	\$4.12	\$4.34	\$4.54	\$4.74	\$4.99	\$5.26	\$5.54	\$147.31
DTE Energy Company	DTE	(\$79.78)	\$0.00	\$3.34	\$3.57	\$3.83	\$4.02	\$4.32	\$4.63	\$4.97	\$5.33	\$5.71	\$6.12	\$6.55	\$6.90	\$7.26	\$7.65	\$179.36
Great Plains Energy Inc.	GXP	(\$26.91)	\$0.00	\$1.01	\$1.09	\$1.21	\$1.29	\$1.38	\$1.48	\$1.58	\$1.69	\$1.80	\$1.92	\$2.05	\$2.16	\$2.27	\$2.39	\$60.17
IDACORP, Inc.	IDA	(\$67.89)	\$0.00	\$2.12	\$2.25	\$2.54	\$2.72	\$2.89	\$3.08	\$3.29	\$3.51	\$3.76	\$4.04	\$4.34	\$4.57	\$4.82	\$5.07	\$151.21
NorthWestern Corporation	NWE	(\$54.03)	\$0.00	\$2.00	\$2.15	\$2.32	\$2.45	\$2.67	\$2.90	\$3.15	\$3.40	\$3.67	\$3.94	\$4.23	\$4.45	\$4.69	\$4.94	\$122.65
OGE Energy Corp.	OGE	(\$25.52)	\$0.00	\$1.34	\$1.43	\$1.71	\$1.88	\$1.97	\$2.06	\$2.16	\$2.25	\$2.35	\$2.46	\$2.56	\$2.70	\$2.84	\$2.99	\$55.92
Otter Tail Corporation	OTTR	(\$26.51)	\$0.00	\$1.26	\$1.37	\$1.38	\$1.41	\$1.56	\$1.73	\$1.90	\$2.07	\$2.25	\$2.43	\$2.61	\$2.74	\$2.89	\$3.05	\$61.44
Pinnacle West Capital Corporation	PNW	(\$63.57)	\$0.00	\$2.43	\$2.59	\$2.78	\$2.92	\$3.08	\$3.26	\$3.45	\$3.66	\$3.88	\$4.11	\$4.36	\$4.59	\$4.84	\$5.10	\$139.24
PNM Resources, Inc.	PNM	(\$29.89)	\$0.00	\$0.85	\$0.92	\$1.11	\$1.24	\$1.40	\$1.57	\$1.75	\$1.93	\$2.12	\$2.31	\$2.50	\$2.63	\$2.77	\$2.92	\$70.85
Portland General Electric Company	POR	(\$36.42)	\$0.00	\$1.22	\$1.31	\$1.45	\$1.55	\$1.70	\$1.87	\$2.05	\$2.24	\$2.44	\$2.66	\$2.89	\$3.04	\$3.21	\$3.38	\$84.37
SCANA Corporation	SCG	(\$60.15)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.81	\$4.11	\$4.45	\$4.69	\$4.94	\$5.20	\$135.81
Westar Energy, Inc.	WR	(\$41.90)	\$0.00	\$1.55	\$1.66	\$1.69	\$1.73	\$1.89	\$2.07	\$2.25	\$2.45	\$2.66	\$2.88	\$3.11	\$3.28	\$3.46	\$3.64	\$95.11
Xcel Energy Inc.	XEL	(\$35.81)	\$0.00	\$1.36	\$1.45	\$1.59	\$1.68	\$1.78	\$1.88	\$1.98	\$2.10	\$2.22	\$2.34	\$2.48	\$2.61	\$2.75	\$2.90	\$78.41

Multi-Stage Growth Discounted Cash Flow Model
 90 Day Average Stock Price
 High EPS Growth Rate Estimate in First Stage

Inputs	Stock	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]
		Price	EPS Growth Rate Estimates				Long-Term	Payout Ratio			Iterative Solution	Terminal	Terminal	
Company	Ticker	Price	Zacks	First Call	Line	High	Growth	2016	2019	2026	Proof	IRR	P/E Ratio	PEG Ratio
ALLETE, Inc.	ALE	\$50.31	5.00%	5.00%	6.50%	6.50%	5.35%	66.00%	59.00%	67.30%	\$0.00	10.14%	14.80	2.77
Alliant Energy Corporation	LNT	\$59.72	5.40%	5.55%	6.00%	6.00%	5.35%	61.00%	63.00%	67.30%	\$0.00	10.03%	15.13	2.83
Ameren Corporation	AEE	\$42.83	6.30%	6.00%	7.00%	7.00%	5.35%	62.00%	56.00%	67.30%	\$0.00	10.11%	14.89	2.78
American Electric Power Company, Inc.	AEP	\$56.58	4.70%	4.43%	5.00%	5.00%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.81%	15.90	2.97
Avista Corporation	AVA	\$33.87	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.47%	17.19	3.21
CMS Energy Corporation	CMS	\$35.33	6.10%	6.72%	5.50%	6.72%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.51%	17.04	3.19
Dominion Resources, Inc.	D	\$69.01	6.10%	5.49%	8.00%	8.00%	5.35%	74.00%	72.00%	67.30%	\$0.00	9.60%	16.69	3.12
DTE Energy Company	DTE	\$80.17	5.60%	5.12%	5.00%	5.60%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.28%	14.37	2.69
Great Plains Energy Inc.	GXP	\$26.82	5.80%	5.07%	5.00%	5.80%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.97%	15.33	2.87
IDACORP, Inc.	IDA	\$66.25	4.00%	4.00%	1.00%	4.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	9.30%	17.92	3.35
NorthWestern Corporation	NWE	\$53.77	5.00%	6.81%	6.50%	6.81%	5.35%	61.00%	59.00%	67.30%	\$0.00	10.04%	15.11	2.83
OGE Energy Corp.	OGE	\$26.72	5.70%	2.17%	3.00%	5.70%	5.35%	63.00%	72.00%	67.30%	\$0.00	11.36%	11.80	2.21
Otter Tail Corporation	OTTR	\$26.61	NA	6.00%	9.00%	9.00%	5.35%	71.00%	59.00%	67.30%	\$0.00	11.13%	12.26	2.29
Pinnacle West Capital Corporation	PNW	\$63.35	4.80%	4.95%	4.00%	4.95%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.59%	16.72	3.13
PNM Resources, Inc.	PNM	\$28.43	7.70%	9.30%	9.00%	9.30%	5.35%	51.00%	55.00%	67.30%	\$0.00	10.36%	14.16	2.65
Portland General Electric Company	POR	\$36.56	4.40%	4.14%	6.00%	6.00%	5.35%	52.00%	53.00%	67.30%	\$0.00	9.97%	15.34	2.87
SCANA Corporation	SCG	\$57.82	4.50%	4.45%	4.50%	4.50%	5.35%	56.00%	55.00%	67.30%	\$0.00	9.95%	15.39	2.88
Westar Energy, Inc.	WR	\$40.32	3.60%	3.50%	6.00%	6.00%	5.35%	61.00%	55.00%	67.30%	\$0.00	9.94%	15.42	2.88
Xcel Energy Inc.	XEL	\$35.44	5.00%	4.68%	4.50%	5.00%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.67%	16.42	3.07
												MEAN	10.01%	
												MAX	11.36%	
												MIN	9.30%	

Projected Annual Earnings per Share		[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
Company	Ticker	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	\$2.90	\$3.09	\$3.29	\$3.50	\$3.73	\$3.97	\$4.23	\$4.50	\$4.77	\$5.06	\$5.35	\$5.64	\$5.94	\$6.26	\$6.60	\$6.95	\$7.32
Alliant Energy Corporation	LNT	\$3.48	\$3.69	\$3.91	\$4.14	\$4.39	\$4.66	\$4.94	\$5.23	\$5.53	\$5.84	\$6.17	\$6.50	\$6.85	\$7.22	\$7.61	\$8.01	\$8.44
Ameren Corporation	AEE	\$2.40	\$2.57	\$2.75	\$2.94	\$3.15	\$3.37	\$3.60	\$3.84	\$4.09	\$4.34	\$4.60	\$4.86	\$5.12	\$5.39	\$5.68	\$5.99	\$6.31
American Electric Power Company, Inc.	AEP	\$3.34	\$3.51	\$3.68	\$3.87	\$4.06	\$4.26	\$4.48	\$4.70	\$4.94	\$5.20	\$5.47	\$5.76	\$6.07	\$6.39	\$6.73	\$7.09	\$7.47
Avista Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12
CMS Energy Corporation	CMS	\$1.74	\$1.86	\$1.98	\$2.11	\$2.26	\$2.41	\$2.57	\$2.74	\$2.91	\$3.08	\$3.26	\$3.45	\$3.63	\$3.82	\$4.03	\$4.24	\$4.47
Dominion Resources, Inc.	D	\$3.05	\$3.29	\$3.56	\$3.84	\$4.15	\$4.48	\$4.84	\$5.21	\$5.58	\$5.95	\$6.32	\$6.68	\$7.04	\$7.42	\$7.82	\$8.23	\$8.67
DTE Energy Company	DTE	\$5.10	\$5.39	\$5.69	\$6.01	\$6.34	\$6.70	\$7.07	\$7.47	\$7.88	\$8.31	\$8.76	\$9.23	\$9.73	\$10.25	\$10.79	\$11.37	\$11.98
Great Plains Energy Inc.	GXP	\$1.57	\$1.66	\$1.76	\$1.86	\$1.97	\$2.08	\$2.20	\$2.33	\$2.46	\$2.60	\$2.74	\$2.89	\$3.04	\$3.21	\$3.38	\$3.56	\$3.75
IDACORP, Inc.	IDA	\$3.85	\$4.00	\$4.16	\$4.33	\$4.50	\$4.68	\$4.87	\$5.08	\$5.30	\$5.55	\$5.82	\$6.12	\$6.45	\$6.79	\$7.16	\$7.54	\$7.94
NorthWestern Corporation	NWE	\$2.99	\$3.19	\$3.41	\$3.64	\$3.89	\$4.16	\$4.44	\$4.73	\$5.03	\$5.34	\$5.65	\$5.96	\$6.28	\$6.62	\$6.97	\$7.34	\$7.74
OGE Energy Corp.	OGE	\$1.88	\$2.09	\$2.21	\$2.34	\$2.47	\$2.61	\$2.76	\$2.92	\$3.08	\$3.25	\$3.43	\$3.61	\$3.81	\$4.01	\$4.22	\$4.45	\$4.69
Otter Tail Corporation	OTTR	\$1.55	\$1.69	\$1.84	\$2.01	\$2.19	\$2.38	\$2.60	\$2.82	\$3.04	\$3.25	\$3.47	\$3.68	\$3.87	\$4.08	\$4.30	\$4.53	\$4.77
Pinnacle West Capital Corporation	PNW	\$3.58	\$3.76	\$3.94	\$4.14	\$4.34	\$4.56	\$4.78	\$5.02	\$5.28	\$5.55	\$5.84	\$6.15	\$6.48	\$6.82	\$7.19	\$7.57	\$7.98
PNM Resources, Inc.	PNM	\$1.45	\$1.58	\$1.73	\$1.89	\$2.07	\$2.26	\$2.47	\$2.69	\$2.90	\$3.11	\$3.32	\$3.52	\$3.71	\$3.91	\$4.11	\$4.33	\$4.57
Portland General Electric Company	POR	\$2.18	\$2.31	\$2.45	\$2.60	\$2.75	\$2.92	\$3.09	\$3.27	\$3.46	\$3.66	\$3.86	\$4.07	\$4.29	\$4.52	\$4.76	\$5.02	\$5.29
SCANA Corporation	SCG	\$3.79	\$3.96	\$4.14	\$4.33	\$4.52	\$4.72	\$4.94	\$5.16	\$5.41	\$5.68	\$5.97	\$6.28	\$6.61	\$6.97	\$7.34	\$7.73	\$8.14
Westar Energy, Inc.	WR	\$2.35	\$2.49	\$2.64	\$2.80	\$2.97	\$3.14	\$3.33	\$3.53	\$3.73	\$3.95	\$4.17	\$4.39	\$4.63	\$4.88	\$5.14	\$5.41	\$5.70
Xcel Energy Inc.	XEL	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.00	\$3.16	\$3.32	\$3.50	\$3.69	\$3.89	\$4.09	\$4.31	\$4.54

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	56.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.17	\$2.23	\$2.29	\$2.34	\$2.55	\$2.76	\$2.99	\$3.22	\$3.47	\$3.73	\$4.00	\$4.21	\$4.44	\$4.68	\$4.93	\$108.38
Alliant Energy Corporation	LNT	\$2.39	\$2.56	\$2.74	\$2.93	\$3.14	\$3.36	\$3.59	\$3.82	\$4.08	\$4.34	\$4.61	\$4.86	\$5.12	\$5.39	\$5.68	\$127.67
Ameren Corporation	AEE	\$1.70	\$1.76	\$1.82	\$1.89	\$2.08	\$2.28	\$2.49	\$2.71	\$2.95	\$3.19	\$3.45	\$3.63	\$3.82	\$4.03	\$4.24	\$93.87
American Electric Power Company, Inc.	AEP	\$2.36	\$2.49	\$2.63	\$2.77	\$2.92	\$3.09	\$3.26	\$3.45	\$3.65	\$3.86	\$4.08	\$4.30	\$4.53	\$4.77	\$5.03	\$118.85
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$70.77
CMS Energy Corporation	CMS	\$1.19	\$1.28	\$1.38	\$1.49	\$1.61	\$1.74	\$1.87	\$2.01	\$2.15	\$2.29	\$2.44	\$2.57	\$2.71	\$2.86	\$3.01	\$76.17
Dominion Resources, Inc.	D	\$2.63	\$2.82	\$3.02	\$3.23	\$3.45	\$3.68	\$3.90	\$4.12	\$4.34	\$4.54	\$4.74	\$4.99	\$5.26	\$5.54	\$5.84	\$144.75
DTE Energy Company	DTE	\$3.47	\$3.64	\$3.83	\$4.02	\$4.32	\$4.63	\$4.97	\$5.33	\$5.71	\$6.12	\$6.55	\$6.99	\$7.26	\$7.65	\$8.06	\$172.12
Great Plains Energy Inc.	GXP	\$1.05	\$1.13	\$1.21	\$1.29	\$1.38	\$1.48	\$1.58	\$1.69	\$1.80	\$1.92	\$2.05	\$2.16	\$2.27	\$2.39	\$2.52	\$57.46
IDACORP, Inc.	IDA	\$2.21	\$2.37	\$2.54	\$2.72	\$2.89	\$3.08	\$3.29	\$3.51	\$3.76	\$4.04	\$4.34	\$4.57	\$4.82	\$5.07	\$5.35	\$142.36
NorthWestern Corporation	NWE	\$2.08	\$2.20	\$2.32	\$2.45	\$2.67	\$2.90	\$3.15	\$3.40	\$3.67	\$3.94	\$4.23	\$4.45	\$4.69	\$4.94	\$5.21	\$116.89
OGE Energy Corp.	OGE	\$1.39	\$1.54	\$1.71	\$1.88	\$1.97	\$2.06	\$2.16	\$2.25	\$2.35	\$2.46	\$2.56	\$2.70	\$2.84	\$2.99	\$3.16	\$55.30
Otter Tail Corporation	OTTR	\$1.31	\$1.34	\$1.38	\$1.41	\$1.56	\$1.73	\$1.90	\$2.07	\$2.25	\$2.43	\$2.61	\$2.74	\$2.89	\$3.05	\$3.21	\$58.46
Pinnacle West Capital Corporation	PNW	\$2.52	\$2.65	\$2.78	\$2.92	\$3.08	\$3.26	\$3.45	\$3.66	\$3.88	\$4.11	\$4.36	\$4.59	\$4.84	\$5.10	\$5.37	\$133.40
PNM Resources, Inc.	PNM	\$0.88	\$0.99	\$1.11	\$1.24	\$1.40	\$1.57	\$1.75	\$1.93	\$2.12	\$2.31	\$2.50	\$2.63	\$2.77	\$2.92	\$3.07	\$84.64
Portland General Electric Company	POR	\$1.27	\$1.36	\$1.45	\$1.55	\$1.70	\$1.87	\$2.05	\$2.24	\$2.44	\$2.66	\$2.89	\$3.04	\$3.21	\$3.38	\$3.56	\$81.10
SCANA Corporation	SCG	\$2.32	\$2.41	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.81	\$4.11	\$4.45	\$4.69	\$4.94	\$5.20	\$5.48	\$125.35
Westar Energy, Inc.	WR	\$1.61	\$1.65	\$1.69	\$1.73	\$1.89	\$2.07	\$2.25	\$2.45	\$2.66	\$2.88	\$3.11	\$3.28	\$3.46	\$3.64	\$3.84	\$87.90
Xcel Energy Inc.	XEL	\$1.41	\$1.50	\$1.59	\$1.68	\$1.78	\$1.88	\$1.98	\$2.10	\$2.22	\$2.34	\$2.48	\$2.61	\$2.75	\$2.90	\$3.06	\$74.58

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$50.31)	\$0.00	\$2.09	\$2.24	\$2.29	\$2.34	\$2.55	\$2.76	\$2.99	\$3.22	\$3.47	\$3.73	\$4.00	\$4.21	\$4.44	\$4.68	\$113.31
Alliant Energy Corporation	LNT	(\$59.72)	\$0.00	\$2.29	\$2.46	\$2.74	\$2.93	\$3.14	\$3.36	\$3.59	\$3.82	\$4.08	\$4.34	\$4.61	\$4.86	\$5.12	\$5.39	\$133.35
Ameren Corporation	AEE	(\$42.83)	\$0.00	\$1.64	\$1.76	\$1.82	\$1.89	\$2.08	\$2.28	\$2.49	\$2.71	\$2.95	\$3.19	\$3.45	\$3.63	\$3.82	\$4.03	\$98.11
American Electric Power Company, Inc.	AEP	(\$56.58)	\$0.00	\$2.27	\$2.42	\$2.63	\$2.77	\$2.92	\$3.09	\$3.26	\$3.45	\$3.65	\$3.86	\$4.08	\$4.30	\$4.53	\$4.77	\$123.88
Avista Corporation	AVA	(\$33.87)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$73.54
CMS Energy Corporation	CMS	(\$35.33)	\$0.00	\$1.14	\$1.23	\$1.38	\$1.49	\$1.61	\$1.74	\$1.87	\$2.01	\$2.15	\$2.29	\$2.44	\$2.57	\$2.71	\$2.86	\$79.18
Dominion Resources, Inc.	D	(\$69.01)	\$0.00	\$2.53	\$2.74	\$3.02	\$3.23	\$3.45	\$3.68	\$3.90	\$4.12	\$4.34	\$4.54	\$4.74	\$4.99	\$5.26	\$5.54	\$150.59
DTE Energy Company	DTE	(\$80.17)	\$0.00	\$3.34	\$3.57	\$3.83	\$4.02	\$4.32	\$4.63	\$4.97	\$5.33	\$5.71	\$6.12	\$6.55	\$6.90	\$7.26	\$7.65	\$180.18
Great Plains Energy Inc.	GXP	(\$26.82)	\$0.00	\$1.01	\$1.09	\$1.21	\$1.29	\$1.38	\$1.48	\$1.58	\$1.69	\$1.80	\$1.92	\$2.05	\$2.16	\$2.27	\$2.39	\$59.98
IDACORP, Inc.	IDA	(\$66.25)	\$0.00	\$2.12	\$2.25	\$2.54	\$2.72	\$2.89	\$3.08	\$3.29	\$3.51	\$3.76	\$4.04	\$4.34	\$4.57	\$4.82	\$5.07	\$147.71
NorthWestern Corporation	NWE	(\$53.77)	\$0.00	\$2.00	\$2.15	\$2.32	\$2.45	\$2.67	\$2.90	\$3.15	\$3.40	\$3.67	\$3.94	\$4.23	\$4.45	\$4.69	\$4.94	\$122.10
OGE Energy Corp.	OGE	(\$26.72)	\$0.00	\$1.34	\$1.43	\$1.71	\$1.88	\$1.97	\$2.06	\$2.16	\$2.25	\$2.35	\$2.46	\$2.56	\$2.70	\$2.84	\$2.99	\$58.46
Otter Tail Corporation	OTTR	(\$26.61)	\$0.00	\$1.26	\$1.37	\$1.38	\$1.41	\$1.56	\$1.73	\$1.90	\$2.07	\$2.25	\$2.43	\$2.61	\$2.74	\$2.89	\$3.05	\$61.66
Pinnacle West Capital Corporation	PNW	(\$63.35)	\$0.00	\$2.43	\$2.59	\$2.78	\$2.92	\$3.08	\$3.26	\$3.45	\$3.66	\$3.88	\$4.11	\$4.36	\$4.59	\$4.84	\$5.10	\$138.77
PNM Resources, Inc.	PNM	(\$28.43)	\$0.00	\$0.85	\$0.92	\$1.11	\$1.24	\$1.40	\$1.57	\$1.75	\$1.93	\$2.12	\$2.31	\$2.50	\$2.63	\$2.77	\$2.92	\$67.72
Portland General Electric Company	POR	(\$36.56)	\$0.00	\$1.22	\$1.31	\$1.45	\$1.55	\$1.70	\$1.87	\$2.05	\$2.24	\$2.44	\$2.66	\$2.89	\$3.04	\$3.21	\$3.38	\$84.66
SCANA Corporation	SCG	(\$57.82)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.81	\$4.11	\$4.45	\$4.69	\$4.94	\$5.20	\$130.83
Westar Energy, Inc.	WR	(\$40.32)	\$0.00	\$1.55	\$1.66	\$1.69	\$1.73	\$1.89	\$2.07	\$2.25	\$2.45	\$2.66	\$2.88	\$3.11	\$3.28	\$3.46	\$3.64	\$91.74
Xcel Energy Inc.	XEL	(\$35.44)	\$0.00	\$1.36	\$1.45	\$1.59	\$1.68	\$1.78	\$1.88	\$1.98	\$2.10	\$2.22	\$2.34	\$2.48	\$2.61	\$2.75	\$2.90	\$77.63

Multi-Stage Growth Discounted Cash Flow Model
180 Day Average Stock Price
High EPS Growth Rate Estimate in First Stage

Inputs	Stock	[1] Price	[2] [3] [4] EPS Growth Rate Estimates			[5] Value	[6] Long-Term	[7] [8] [9] Payout Ratio			[10] [11] Iterative Solution		[12]	[13]	
			Zacks	First Call	Line			High	Growth	2016	2019	2026	Proof	IRR	P/E Ratio
ALLETE, Inc.	ALE	\$49.47	5.00%	5.00%	6.50%	6.50%	5.35%	66.00%	59.00%	67.30%	\$0.00	10.22%	14.56	2.72	
Alliant Energy Corporation	LNT	\$59.67	5.40%	5.55%	6.00%	6.00%	5.35%	61.00%	63.00%	67.30%	\$0.00	10.04%	15.11	2.83	
Ameren Corporation	AEE	\$41.34	6.30%	6.00%	7.00%	7.00%	5.35%	62.00%	56.00%	67.30%	\$0.00	10.28%	14.38	2.69	
American Electric Power Company, Inc.	AEP	\$55.91	4.70%	4.43%	5.00%	5.00%	5.35%	64.00%	65.00%	67.30%	\$0.00	9.86%	15.71	2.94	
Avista Corporation	AVA	\$32.85	5.00%	5.00%	5.00%	5.00%	5.35%	69.00%	65.00%	67.30%	\$0.00	9.60%	16.66	3.12	
CMS Energy Corporation	CMS	\$34.36	6.10%	6.72%	5.50%	6.72%	5.35%	60.00%	62.00%	67.30%	\$0.00	9.62%	16.58	3.10	
Dominion Resources, Inc.	D	\$69.57	6.10%	5.49%	8.00%	8.00%	5.35%	74.00%	72.00%	67.30%	\$0.00	9.56%	16.83	3.15	
DTE Energy Company	DTE	\$79.11	5.60%	5.12%	5.00%	5.60%	5.35%	61.00%	60.00%	67.30%	\$0.00	10.35%	14.18	2.65	
Great Plains Energy Inc.	GXP	\$26.16	5.80%	5.07%	5.00%	5.80%	5.35%	60.00%	62.00%	67.30%	\$0.00	10.09%	14.95	2.80	
IDACORP, Inc.	IDA	\$62.69	4.00%	4.00%	1.00%	4.00%	5.35%	53.00%	58.00%	67.30%	\$0.00	9.53%	16.97	3.17	
NorthWestern Corporation	NWE	\$52.75	5.00%	6.81%	6.50%	6.81%	5.35%	61.00%	59.00%	67.30%	\$0.00	10.13%	14.83	2.77	
OGE Energy Corp.	OGE	\$28.22	5.70%	2.17%	3.00%	5.70%	5.35%	63.00%	72.00%	67.30%	\$0.00	11.03%	12.48	2.33	
Otter Tail Corporation	OTTR	\$26.76	NA	6.00%	9.00%	9.00%	5.35%	71.00%	59.00%	67.30%	\$0.00	11.10%	12.33	2.31	
Pinnacle West Capital Corporation	PNW	\$61.66	4.80%	4.95%	4.00%	4.95%	5.35%	64.00%	64.00%	67.30%	\$0.00	9.71%	16.27	3.04	
PNM Resources, Inc.	PNM	\$27.23	7.70%	9.30%	9.00%	9.30%	5.35%	51.00%	55.00%	67.30%	\$0.00	10.58%	13.59	2.54	
Portland General Electric Company	POR	\$35.66	4.40%	4.14%	6.00%	6.00%	5.35%	52.00%	53.00%	67.30%	\$0.00	10.08%	14.98	2.80	
SCANA Corporation	SCG	\$55.39	4.50%	4.45%	4.50%	4.50%	5.35%	56.00%	55.00%	67.30%	\$0.00	10.15%	14.75	2.76	
Westar Energy, Inc.	WR	\$38.32	3.60%	3.50%	6.00%	6.00%	5.35%	61.00%	55.00%	67.30%	\$0.00	10.18%	14.67	2.74	
Xcel Energy Inc.	XEL	\$34.55	5.00%	4.68%	4.50%	5.00%	5.35%	63.00%	65.00%	67.30%	\$0.00	9.78%	16.00	2.99	
												MEAN	10.10%		
												MAX	11.10%		
												MIN	9.53%		

Projected Annual Earnings per Share	Ticker	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	\$2.90	\$3.09	\$3.29	\$3.50	\$3.73	\$3.97	\$4.23	\$4.50	\$4.77	\$5.06	\$5.35	\$5.64	\$5.94	\$6.26	\$6.60	\$6.95	\$7.32
Alliant Energy Corporation	LNT	\$3.48	\$3.69	\$3.91	\$4.14	\$4.39	\$4.66	\$4.94	\$5.23	\$5.53	\$5.84	\$6.17	\$6.50	\$6.85	\$7.22	\$7.61	\$8.01	\$8.44
Ameren Corporation	AEE	\$2.40	\$2.57	\$2.75	\$2.94	\$3.15	\$3.37	\$3.60	\$3.84	\$4.09	\$4.34	\$4.60	\$4.86	\$5.12	\$5.39	\$5.68	\$5.99	\$6.31
American Electric Power Company, Inc.	AEP	\$3.34	\$3.51	\$3.68	\$3.87	\$4.06	\$4.26	\$4.48	\$4.70	\$4.94	\$5.20	\$5.47	\$5.76	\$6.07	\$6.39	\$6.73	\$7.09	\$7.47
Avista Corporation	AVA	\$1.84	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.01	\$3.17	\$3.34	\$3.52	\$3.71	\$3.91	\$4.12
CMS Energy Corporation	CMS	\$1.74	\$1.86	\$1.98	\$2.11	\$2.26	\$2.41	\$2.57	\$2.74	\$2.91	\$3.08	\$3.26	\$3.45	\$3.63	\$3.82	\$4.03	\$4.24	\$4.47
Dominion Resources, Inc.	D	\$3.05	\$3.29	\$3.56	\$3.84	\$4.15	\$4.48	\$4.84	\$5.21	\$5.58	\$5.95	\$6.32	\$6.68	\$7.04	\$7.42	\$7.82	\$8.23	\$8.67
DTE Energy Company	DTE	\$5.10	\$5.39	\$5.69	\$6.01	\$6.34	\$6.70	\$7.07	\$7.47	\$7.88	\$8.31	\$8.76	\$9.23	\$9.73	\$10.25	\$10.79	\$11.37	\$11.98
Great Plains Energy Inc.	GXP	\$1.57	\$1.66	\$1.76	\$1.86	\$1.97	\$2.08	\$2.20	\$2.33	\$2.46	\$2.60	\$2.74	\$2.89	\$3.04	\$3.21	\$3.38	\$3.56	\$3.75
IDACORP, Inc.	IDA	\$3.85	\$4.00	\$4.16	\$4.33	\$4.50	\$4.68	\$4.87	\$5.08	\$5.30	\$5.55	\$5.82	\$6.12	\$6.45	\$6.79	\$7.16	\$7.54	\$7.94
NorthWestern Corporation	NWE	\$2.99	\$3.19	\$3.41	\$3.64	\$3.89	\$4.16	\$4.44	\$4.73	\$5.03	\$5.34	\$5.65	\$5.96	\$6.28	\$6.62	\$6.97	\$7.34	\$7.74
OGE Energy Corp.	OGE	\$1.98	\$2.09	\$2.21	\$2.34	\$2.47	\$2.61	\$2.76	\$2.92	\$3.08	\$3.25	\$3.43	\$3.61	\$3.81	\$4.01	\$4.22	\$4.45	\$4.69
Otter Tail Corporation	OTTR	\$1.55	\$1.69	\$1.84	\$2.01	\$2.19	\$2.38	\$2.60	\$2.82	\$3.04	\$3.25	\$3.47	\$3.68	\$3.87	\$4.08	\$4.30	\$4.53	\$4.77
Pinnacle West Capital Corporation	PNW	\$3.58	\$3.76	\$3.94	\$4.14	\$4.34	\$4.56	\$4.78	\$5.02	\$5.28	\$5.55	\$5.84	\$6.15	\$6.48	\$6.82	\$7.19	\$7.57	\$7.98
PNM Resources, Inc.	PNM	\$1.45	\$1.58	\$1.73	\$1.89	\$2.07	\$2.26	\$2.47	\$2.69	\$2.90	\$3.11	\$3.32	\$3.52	\$3.71	\$3.91	\$4.11	\$4.33	\$4.57
Portland General Electric Company	POR	\$2.18	\$2.31	\$2.45	\$2.60	\$2.75	\$2.92	\$3.09	\$3.27	\$3.46	\$3.66	\$3.86	\$4.07	\$4.29	\$4.52	\$4.76	\$5.02	\$5.29
SCANA Corporation	SCG	\$3.79	\$3.96	\$4.14	\$4.33	\$4.52	\$4.72	\$4.94	\$5.16	\$5.41	\$5.68	\$5.97	\$6.28	\$6.61	\$6.97	\$7.34	\$7.73	\$8.14
Westar Energy, Inc.	WR	\$2.35	\$2.49	\$2.64	\$2.80	\$2.97	\$3.14	\$3.33	\$3.53	\$3.73	\$3.95	\$4.17	\$4.39	\$4.63	\$4.88	\$5.14	\$5.41	\$5.70
Xcel Energy Inc.	XEL	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.00	\$3.16	\$3.32	\$3.50	\$3.69	\$3.89	\$4.09	\$4.31	\$4.54

Projected Annual Dividend Payout Ratio		[31]	[32]	[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
ALLETE, Inc.	ALE	66.00%	63.67%	61.33%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Alliant Energy Corporation	LNT	61.00%	61.67%	62.33%	63.00%	63.61%	64.23%	64.84%	65.46%	66.07%	66.69%	67.30%	67.30%	67.30%	67.30%	67.30%
Ameren Corporation	AEE	62.00%	60.00%	58.00%	56.00%	57.61%	59.23%	60.84%	62.46%	64.07%	65.69%	67.30%	67.30%	67.30%	67.30%	67.30%
American Electric Power Company, Inc.	AEP	64.00%	64.33%	64.67%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Avista Corporation	AVA	69.00%	67.67%	66.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%
CMS Energy Corporation	CMS	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Dominion Resources, Inc.	D	74.00%	73.33%	72.67%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
DTE Energy Company	DTE	61.00%	60.67%	60.33%	60.00%	61.04%	62.09%	63.13%	64.17%	65.22%	66.26%	67.30%	67.30%	67.30%	67.30%	67.30%
Great Plains Energy Inc.	GXP	60.00%	60.67%	61.33%	62.00%	62.76%	63.52%	64.27%	65.03%	65.79%	66.55%	67.30%	67.30%	67.30%	67.30%	67.30%
IDACORP, Inc.	IDA	53.00%	54.67%	56.33%	58.00%	59.33%	60.66%	61.99%	63.32%	64.64%	65.97%	67.30%	67.30%	67.30%	67.30%	67.30%
NorthWestern Corporation	NWE	61.00%	60.33%	59.67%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
OGE Energy Corp.	OGE	63.00%	66.00%	69.00%	72.00%	71.33%	70.66%	69.99%	69.32%	68.64%	67.97%	67.30%	67.30%	67.30%	67.30%	67.30%
Otter Tail Corporation	OTTR	71.00%	67.00%	63.00%	59.00%	60.19%	61.37%	62.56%	63.74%	64.93%	66.12%	67.30%	67.30%	67.30%	67.30%	67.30%
Pinnacle West Capital Corporation	PNW	64.00%	64.00%	64.00%	64.00%	64.47%	64.94%	65.42%	65.89%	66.36%	66.83%	67.30%	67.30%	67.30%	67.30%	67.30%
PNM Resources, Inc.	PNM	51.00%	52.33%	53.67%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Portland General Electric Company	POR	52.00%	52.33%	52.67%	53.00%	55.04%	57.09%	59.13%	61.17%	63.22%	65.26%	67.30%	67.30%	67.30%	67.30%	67.30%
SCANA Corporation	SCG	56.00%	55.67%	55.33%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Westar Energy, Inc.	WR	61.00%	59.00%	57.00%	55.00%	56.76%	58.52%	60.27%	62.03%	63.79%	65.55%	67.30%	67.30%	67.30%	67.30%	67.30%
Xcel Energy Inc.	XEL	63.00%	63.67%	64.33%	65.00%	65.33%	65.66%	65.99%	66.32%	66.64%	66.97%	67.30%	67.30%	67.30%	67.30%	67.30%

Projected Annual Cash Flows		[46]	[47]	[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]
Company	Ticker	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
ALLETE, Inc.	ALE	\$2.17	\$2.23	\$2.29	\$2.34	\$2.55	\$2.76	\$2.99	\$3.22	\$3.47	\$3.73	\$4.00	\$4.21	\$4.44	\$4.68	\$4.93	\$106.58
Alliant Energy Corporation	LNT	\$2.39	\$2.56	\$2.74	\$2.93	\$3.14	\$3.36	\$3.59	\$3.82	\$4.08	\$4.34	\$4.61	\$4.86	\$5.12	\$5.39	\$5.68	\$127.56
Ameren Corporation	AEE	\$1.70	\$1.76	\$1.82	\$1.89	\$2.08	\$2.28	\$2.49	\$2.71	\$2.95	\$3.19	\$3.45	\$3.63	\$3.82	\$4.03	\$4.24	\$90.66
American Electric Power Company, Inc.	AEP	\$2.36	\$2.49	\$2.63	\$2.77	\$2.92	\$3.09	\$3.26	\$3.45	\$3.65	\$3.86	\$4.08	\$4.30	\$4.53	\$4.77	\$5.03	\$117.42
Avista Corporation	AVA	\$1.40	\$1.44	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$2.77	\$68.61
CMS Energy Corporation	CMS	\$1.19	\$1.28	\$1.38	\$1.49	\$1.61	\$1.74	\$1.87	\$2.01	\$2.15	\$2.29	\$2.44	\$2.57	\$2.71	\$2.86	\$3.01	\$74.11
Dominion Resources, Inc.	D	\$2.63	\$2.82	\$3.02	\$3.23	\$3.45	\$3.68	\$3.90	\$4.12	\$4.34	\$4.54	\$4.74	\$4.99	\$5.26	\$5.54	\$5.84	\$145.95
DTE Energy Company	DTE	\$3.47	\$3.64	\$3.83	\$4.02	\$4.32	\$4.63	\$4.97	\$5.33	\$5.71	\$6.12	\$6.55	\$6.90	\$7.26	\$7.65	\$8.06	\$169.86
Great Plains Energy Inc.	GXP	\$1.05	\$1.13	\$1.21	\$1.29	\$1.38	\$1.48	\$1.58	\$1.69	\$1.80	\$1.92	\$2.05	\$2.16	\$2.27	\$2.39	\$2.52	\$56.03
IDACORP, Inc.	IDA	\$2.21	\$2.37	\$2.54	\$2.72	\$2.89	\$3.08	\$3.29	\$3.51	\$3.76	\$4.04	\$4.34	\$4.57	\$4.82	\$5.07	\$5.35	\$134.77
NorthWestern Corporation	NWE	\$2.08	\$2.20	\$2.32	\$2.45	\$2.67	\$2.90	\$3.15	\$3.40	\$3.67	\$3.94	\$4.23	\$4.45	\$4.69	\$4.94	\$5.21	\$114.72
OGE Energy Corp.	OGE	\$1.39	\$1.54	\$1.71	\$1.88	\$1.97	\$2.06	\$2.16	\$2.25	\$2.35	\$2.46	\$2.56	\$2.70	\$2.84	\$2.99	\$3.16	\$58.48
Otter Tail Corporation	OTTR	\$1.31	\$1.34	\$1.38	\$1.41	\$1.56	\$1.73	\$1.90	\$2.07	\$2.25	\$2.43	\$2.61	\$2.74	\$2.89	\$3.05	\$3.21	\$58.77
Pinnacle West Capital Corporation	PNW	\$2.52	\$2.65	\$2.78	\$2.92	\$3.08	\$3.26	\$3.45	\$3.66	\$3.88	\$4.11	\$4.36	\$4.59	\$4.84	\$5.10	\$5.37	\$129.80
PNM Resources, Inc.	PNM	\$0.88	\$0.99	\$1.11	\$1.24	\$1.40	\$1.57	\$1.75	\$1.93	\$2.12	\$2.31	\$2.50	\$2.63	\$2.77	\$2.92	\$3.07	\$62.05
Portland General Electric Company	POR	\$1.27	\$1.36	\$1.45	\$1.55	\$1.70	\$1.87	\$2.05	\$2.24	\$2.44	\$2.66	\$2.89	\$3.04	\$3.21	\$3.38	\$3.56	\$79.18
SCANA Corporation	SCG	\$2.32	\$2.41	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.81	\$4.11	\$4.45	\$4.69	\$4.94	\$5.20	\$5.48	\$120.15
Westar Energy, Inc.	WR	\$1.61	\$1.65	\$1.69	\$1.73	\$1.89	\$2.07	\$2.25	\$2.45	\$2.66	\$2.88	\$3.11	\$3.28	\$3.46	\$3.64	\$3.84	\$83.62
Xcel Energy Inc.	XEL	\$1.41	\$1.50	\$1.59	\$1.68	\$1.78	\$1.88	\$1.98	\$2.10	\$2.22	\$2.34	\$2.48	\$2.61	\$2.75	\$2.90	\$3.06	\$72.67

Projected Annual Data
Investor Cash Flows

		[62]	[63]	[64]	[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]
Company	Ticker	Initial Outflow	1/15/16	12/31/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24	6/30/25	6/30/26	6/30/27	6/30/28	6/30/29	6/30/30
ALLETE, Inc.	ALE	(\$49.47)	\$0.00	\$2.09	\$2.24	\$2.29	\$2.34	\$2.55	\$2.76	\$2.99	\$3.22	\$3.47	\$3.73	\$4.00	\$4.21	\$4.44	\$4.68	\$111.51
Alliant Energy Corporation	LNT	(\$59.67)	\$0.00	\$2.29	\$2.46	\$2.74	\$2.93	\$3.14	\$3.36	\$3.59	\$3.82	\$4.08	\$4.34	\$4.61	\$4.86	\$5.12	\$5.39	\$133.24
Ameren Corporation	AEE	(\$41.34)	\$0.00	\$1.64	\$1.76	\$1.82	\$1.89	\$2.08	\$2.28	\$2.49	\$2.71	\$2.95	\$3.19	\$3.45	\$3.63	\$3.82	\$4.03	\$94.90
American Electric Power Company, Inc.	AEP	(\$55.91)	\$0.00	\$2.27	\$2.42	\$2.63	\$2.77	\$2.92	\$3.09	\$3.26	\$3.45	\$3.65	\$3.86	\$4.08	\$4.30	\$4.53	\$4.77	\$122.45
Avista Corporation	AVA	(\$32.85)	\$0.00	\$1.35	\$1.43	\$1.48	\$1.53	\$1.61	\$1.70	\$1.80	\$1.90	\$2.01	\$2.13	\$2.25	\$2.37	\$2.50	\$2.63	\$71.38
CMS Energy Corporation	CMS	(\$34.38)	\$0.00	\$1.14	\$1.23	\$1.38	\$1.49	\$1.61	\$1.74	\$1.87	\$2.01	\$2.15	\$2.29	\$2.44	\$2.57	\$2.71	\$2.86	\$77.12
Dominion Resources, Inc.	D	(\$69.57)	\$0.00	\$2.53	\$2.74	\$3.02	\$3.23	\$3.45	\$3.68	\$3.90	\$4.12	\$4.34	\$4.54	\$4.74	\$4.99	\$5.26	\$5.54	\$151.79
DTE Energy Company	DTE	(\$79.11)	\$0.00	\$3.34	\$3.57	\$3.83	\$4.02	\$4.32	\$4.63	\$4.97	\$5.33	\$5.71	\$6.12	\$6.55	\$6.90	\$7.26	\$7.65	\$177.92
Great Plains Energy Inc.	GXP	(\$26.16)	\$0.00	\$1.01	\$1.09	\$1.21	\$1.29	\$1.38	\$1.48	\$1.58	\$1.69	\$1.80	\$1.92	\$2.05	\$2.16	\$2.27	\$2.39	\$58.56
IDACORP, Inc.	IDA	(\$62.69)	\$0.00	\$2.12	\$2.25	\$2.54	\$2.72	\$2.89	\$3.08	\$3.29	\$3.51	\$3.76	\$4.04	\$4.34	\$4.57	\$4.82	\$5.07	\$140.12
NorthWestern Corporation	NWE	(\$52.75)	\$0.00	\$2.00	\$2.15	\$2.32	\$2.45	\$2.67	\$2.90	\$3.15	\$3.40	\$3.67	\$3.94	\$4.23	\$4.45	\$4.69	\$4.94	\$119.92
OGE Energy Corp.	OGE	(\$28.22)	\$0.00	\$1.34	\$1.43	\$1.71	\$1.88	\$1.97	\$2.06	\$2.16	\$2.25	\$2.35	\$2.46	\$2.56	\$2.70	\$2.84	\$2.99	\$61.64
Otter Tail Corporation	OTTR	(\$26.76)	\$0.00	\$1.26	\$1.37	\$1.38	\$1.41	\$1.56	\$1.73	\$1.90	\$2.07	\$2.25	\$2.43	\$2.61	\$2.74	\$2.89	\$3.05	\$61.98
Pinnacle West Capital Corporation	PNW	(\$61.66)	\$0.00	\$2.43	\$2.59	\$2.78	\$2.92	\$3.08	\$3.26	\$3.45	\$3.66	\$3.88	\$4.11	\$4.36	\$4.59	\$4.84	\$5.10	\$135.17
PNM Resources, Inc.	PNM	(\$27.23)	\$0.00	\$0.85	\$0.92	\$1.11	\$1.24	\$1.40	\$1.57	\$1.75	\$1.93	\$2.12	\$2.31	\$2.50	\$2.63	\$2.77	\$2.92	\$65.13
Portland General Electric Company	POR	(\$35.66)	\$0.00	\$1.22	\$1.31	\$1.45	\$1.55	\$1.70	\$1.87	\$2.05	\$2.24	\$2.44	\$2.66	\$2.89	\$3.04	\$3.21	\$3.38	\$82.74
SCANA Corporation	SCG	(\$55.38)	\$0.00	\$2.23	\$2.37	\$2.50	\$2.60	\$2.80	\$3.02	\$3.26	\$3.52	\$3.81	\$4.11	\$4.45	\$4.69	\$4.94	\$5.20	\$125.63
Westar Energy, Inc.	WR	(\$38.32)	\$0.00	\$1.55	\$1.66	\$1.69	\$1.73	\$1.89	\$2.07	\$2.25	\$2.45	\$2.66	\$2.88	\$3.11	\$3.28	\$3.46	\$3.64	\$87.45
Xcel Energy Inc.	XEL	(\$34.55)	\$0.00	\$1.36	\$1.45	\$1.59	\$1.68	\$1.78	\$1.88	\$1.98	\$2.10	\$2.22	\$2.34	\$2.48	\$2.61	\$2.75	\$2.90	\$75.73

Multi-Stage DCF Notes:

- [1] Source: Bloomberg; based on 30-, 90-, and 180-day historical average
- [2] Source: Zacks
- [3] Source: Yahoo! Finance
- [4] Source: Value Line
- [5] Equals indicated value (average, minimum, maximum) of Columns [2], [3], [4]
- [6] Source: Federal Reserve, Bureau of Economic Analysis
- [7] Source: Value Line
- [8] Source: Value Line
- [9] Source: Bloomberg Professional
- [10] Equals Column [1] + Column [62]
- [11] Equals result of Excel Solver function; goal: Column [10] equals \$0.00
- [12] Equals Column [61] / Column [30]
- [13] Equals Column [12] / (Column [6] x 100)
- [14] Source: Value Line
- [15] Equals Column [14] x (1 + Column [5])
- [16] Equals Column [15] x (1 + Column [5])
- [17] Equals Column [16] x (1 + Column [5])
- [18] Equals Column [17] x (1 + Column [5])
- [19] Equals Column [18] x (1 + Column [5])
- [20] Equals Column [19] x (1 + Column [5])
- [21] Equals $(1 + (\text{Column [5]} + (((\text{Column [6]} - \text{Column [5]} / (2026 - 2021 + 1)) \times (2021 - 2020)))) \times \text{Column [20]}$
- [22] Equals $(1 + (\text{Column [5]} + (((\text{Column [6]} - \text{Column [5]} / (2026 - 2021 + 1)) \times (2022 - 2020)))) \times \text{Column [21]}$
- [23] Equals $(1 + (\text{Column [5]} + (((\text{Column [6]} - \text{Column [5]} / (2026 - 2021 + 1)) \times (2023 - 2020)))) \times \text{Column [22]}$
- [24] Equals $(1 + (\text{Column [5]} + (((\text{Column [6]} - \text{Column [5]} / (2026 - 2021 + 1)) \times (2024 - 2020)))) \times \text{Column [23]}$
- [25] Equals $(1 + (\text{Column [5]} + (((\text{Column [6]} - \text{Column [5]} / (2026 - 2021 + 1)) \times (2025 - 2020)))) \times \text{Column [24]}$
- [26] Equals Column [25] x (1 + Column [6])
- [27] Equals Column [26] x (1 + Column [6])
- [28] Equals Column [27] x (1 + Column [6])
- [29] Equals Column [28] x (1 + Column [6])
- [30] Equals Column [29] x (1 + Column [6])
- [31] Equals Column [7]
- [32] Equals Column [31] + ((Column [34] - Column [31]) / 3)
- [33] Equals Column [32] + ((Column [34] - Column [31]) / 3)
- [34] Equals Column [8]
- [35] Equals Column [34] + ((Column [41] - Column [34]) / 7)
- [36] Equals Column [35] + ((Column [41] - Column [34]) / 7)
- [37] Equals Column [36] + ((Column [41] - Column [34]) / 7)
- [38] Equals Column [37] + ((Column [41] - Column [34]) / 7)
- [39] Equals Column [38] + ((Column [41] - Column [34]) / 7)
- [40] Equals Column [39] + ((Column [41] - Column [34]) / 7)
- [41] Equals Column [9]
- [42] Equals Column [9]
- [43] Equals Column [9]
- [44] Equals Column [9]
- [45] Equals Column [9]
- [46] Equals Column [16] x Column [31]
- [47] Equals Column [17] x Column [32]
- [48] Equals Column [18] x Column [33]
- [49] Equals Column [19] x Column [34]
- [50] Equals Column [20] x Column [35]
- [51] Equals Column [21] x Column [36]
- [52] Equals Column [22] x Column [37]
- [53] Equals Column [23] x Column [38]
- [54] Equals Column [24] x Column [39]
- [55] Equals Column [25] x Column [40]
- [56] Equals Column [26] x Column [41]
- [57] Equals Column [27] x Column [42]
- [58] Equals Column [28] x Column [43]
- [59] Equals Column [29] x Column [44]
- [60] Equals Column [30] x Column [45]
- [61] Equals $(\text{Column [60]} \times (1 + \text{Column [6]})) / (\text{Column [11]} - \text{Column [6]})$
- [62] Equals negative net present value; discount rate equals Column [11], cash flows equal Column [63] through Column [78]
- [63] Equals \$0.00
- [64] Equals $(12/31/2016 - 1/15/2016) / 365 \times \text{Column [46]}$
- [65] Equals Column [46] x (1 + .5 x Column [5])
- [66] Equals Column [48]
- [67] Equals Column [49]
- [68] Equals Column [50]
- [69] Equals Column [51]
- [70] Equals Column [52]
- [71] Equals Column [53]
- [72] Equals Column [54]
- [73] Equals Column [55]
- [74] Equals Column [56]
- [75] Equals Column [57]
- [76] Equals Column [58]
- [77] Equals Column [59]
- [78] Equals Column [60] + Column [61]

Ex-Ante Market Risk Premium
Market DCF Method Based - Bloomberg

[1]	[2]	[3]
S&P 500 Est. Required Market Return	Current 30-Year Treasury (30-day average)	Implied Market Risk Premium
13.63%	2.96%	10.68%

Company	Ticker	[4] Market Capitalization	[5] Weight in Index	[6] Estimated Dividend Yield	[7] Long-Term Growth Est.	[8] DCF Result	[9] Weighted DCF Result
AGILENT TECHNOLOGIES INC	A	12,326.86	0.07%	1.28%	11.80%	13.15%	0.0093%
ALCOA INC	AA	9,039.89	0.05%	1.74%	9.77%	11.59%	0.0060%
AMERICAN AIRLINES GROUP INC	AAL	24,431.42	0.14%	1.03%	22.53%	23.68%	0.0332%
ADVANCE AUTO PARTS INC	AAP	10,567.31	0.06%	0.18%	11.75%	11.94%	0.0072%
APPLE INC	AAPL	538,536.02	3.09%	2.24%	12.74%	15.12%	0.4671%
ABBVIE INC	ABBV	93,736.39	0.54%	3.55%	10.96%	14.70%	0.0790%
AMERISOURCEBERGEN CORP	ABC	19,076.57	0.11%	1.35%	12.50%	13.93%	0.0152%
ABBOTT LABORATORIES	ABT	60,474.32	0.35%	2.36%	11.96%	14.46%	0.0501%
ACCENTURE PLC-CL A	ACN	65,315.19	0.37%	2.21%	9.85%	12.17%	0.0456%
ADOBE SYSTEMS INC	ADBE	44,477.94	0.26%	0.00%	20.09%	20.09%	0.0512%
ANALOG DEVICES INC	ADI	15,546.86	0.09%	3.28%	10.80%	14.25%	0.0127%
ARCHER-DANIELS-MIDLAND CO	ADM	18,803.27	0.11%	3.55%	2.70%	6.30%	0.0068%
AUTOMATIC DATA PROCESSING	ADP	35,937.22	0.21%	2.60%	10.33%	13.06%	0.0269%
ALLIANCE DATA SYSTEMS CORP	ADS	15,362.83	0.09%	0.00%	14.50%	14.50%	0.0128%
AUTODESK INC	ADSK	11,130.96	0.06%	0.00%	-4.39%	-4.39%	-0.0028%
ADT CORP/THE	ADT	4,760.08	0.03%	2.96%	6.47%	9.52%	0.0026%
AMEREN CORPORATION	AEE	10,557.04	0.06%	3.82%	7.10%	11.05%	0.0067%
AMERICAN ELECTRIC POWER	AEP	28,806.07	0.17%	3.67%	4.58%	8.33%	0.0138%
AES CORP	AES	5,746.24	0.03%	4.68%	4.35%	9.14%	0.0030%
AETNA INC	AET	36,627.45	0.21%	0.95%	12.34%	13.35%	0.0281%
AFLAC INC	AFL	24,157.68	0.14%	2.79%	8.45%	11.36%	0.0157%
ALLERGAN PLC	AGN	116,361.33	0.67%	0.00%	12.01%	12.01%	0.0802%
AMERICAN INTERNATIONAL GROUP	AIG	69,384.03	0.40%	1.50%	9.50%	11.07%	0.0441%
APARTMENT INVT & MGMT CO -A	AIV	5,914.37	0.03%	3.15%	8.34%	11.62%	0.0039%
ASSURANT INC	AIZ	5,153.23	0.03%	1.69%	8.62%	10.38%	0.0031%
AKAMAI TECHNOLOGIES INC	AKAM	7,856.00	0.05%	0.00%	16.83%	16.83%	0.0076%
ALLSTATE CORP	ALL	22,514.11	0.13%	2.06%	9.00%	11.15%	0.0144%
ALLEGION PLC	ALLE	5,628.11	0.03%	0.66%	15.09%	15.80%	0.0051%
ALEXION PHARMACEUTICALS INC	ALXN	35,754.46	0.21%	0.00%	21.21%	21.21%	0.0435%
APPLIED MATERIALS INC	AMAT	18,478.06	0.11%	2.59%	14.06%	16.83%	0.0178%
AMETEK INC	AME	11,392.20	0.07%	0.76%	10.41%	11.21%	0.0073%
AFFILIATED MANAGERS GROUP	AMG	6,927.54	0.04%	0.00%	13.22%	13.22%	0.0053%
AMGEN INC	AMGN	114,723.28	0.66%	2.09%	8.56%	10.74%	0.0707%
AMERIPRISE FINANCIAL INC	AMP	16,162.78	0.09%	2.80%	13.00%	15.98%	0.0148%
AMERICAN TOWER CORP	AMT	37,439.37	0.21%	2.04%	13.90%	16.08%	0.0345%
AMAZON.COM INC	AMZN	267,278.72	1.53%	0.00%	63.25%	63.25%	0.9697%
AUTONATION INC	AN	5,149.59	0.03%	0.00%	12.00%	12.00%	0.0035%
ANTHEM INC	ANTM	35,230.18	0.20%	1.85%	9.27%	11.20%	0.0226%
AON PLC	AON	23,581.50	0.14%	1.35%	10.71%	12.12%	0.0164%
APACHE CORP	APA	13,355.24	0.08%	2.83%	0.47%	3.31%	0.0025%
ANADARKO PETROLEUM CORP	APC	16,270.73	0.09%	3.38%	1.88%	5.29%	0.0049%
AIR PRODUCTS & CHEMICALS INC	APD	25,389.03	0.15%	2.81%	5.00%	7.88%	0.0115%
AMPHENOL CORP-CL A	APH	14,022.60	0.08%	1.17%	8.76%	9.98%	0.0080%
AIRGAS INC	ARG	9,967.19	0.06%	1.74%	9.05%	10.87%	0.0062%
ACTIVISION BLIZZARD INC	ATVI	25,525.63	0.15%	0.66%	11.33%	12.03%	0.0176%
AVALONBAY COMMUNITIES INC	AVB	24,049.32	0.14%	2.84%	6.13%	9.06%	0.0125%
AVAGO TECHNOLOGIES LTD	AVGO	33,170.45	0.19%	1.46%	21.04%	22.65%	0.0431%
AVERY DENNISON CORP	AVY	5,369.57	0.03%	2.49%	9.05%	11.66%	0.0036%
AMERICAN EXPRESS CO	AXP	61,918.91	0.36%	1.80%	7.22%	9.08%	0.0323%
AUTOZONE INC	AZO	21,289.00	0.12%	0.00%	12.34%	12.34%	0.0151%
BOEING CO/THE	BA	84,170.04	0.48%	2.90%	12.24%	15.31%	0.0739%
BANK OF AMERICA CORP	BAC	150,564.46	0.86%	1.38%	24.88%	26.44%	0.2283%
BAXTER INTERNATIONAL INC	BAX	19,200.32	0.11%	3.45%	8.75%	12.35%	0.0136%
BED BATH & BEYOND INC	BBBY	7,261.65	0.04%	0.00%	6.23%	6.23%	0.0026%
BB&T CORP	BBT	25,854.17	0.15%	3.17%	10.92%	14.26%	0.0211%
BEST BUY CO INC	BBY	9,291.13	0.05%	4.33%	9.60%	14.14%	0.0075%
CR BARD INC	BCR	13,072.67	0.07%	0.53%	13.78%	14.34%	0.0108%
BECTON DICKINSON AND CO	BDX	30,218.77	0.17%	1.84%	11.42%	13.36%	0.0232%
FRANKLIN RESOURCES INC	BEN	19,491.74	0.11%	2.21%	4.74%	7.00%	0.0078%
BROWN-FORMAN CORP-CLASS B	BF/B	19,330.35	0.11%	1.46%	8.28%	9.80%	0.0109%
BAKER HUGHES INC	BHI	17,395.50	0.10%	1.68%	-0.20%	1.48%	0.0015%
BIOGEN INC	BIIB	60,926.11	0.35%	0.00%	11.55%	11.55%	0.0403%
BANK OF NEW YORK MELLON CORP	BK	39,105.84	0.22%	1.90%	12.57%	14.59%	0.0327%
BLACKROCK INC	BLK	49,270.13	0.28%	3.19%	11.36%	14.73%	0.0416%
BALL CORP	BLL	9,402.12	0.05%	0.74%	7.33%	8.10%	0.0044%
BRISTOL-MYERS SQUIBB CO	BMY	104,735.01	0.60%	2.37%	18.90%	21.49%	0.1291%
BROADCOM CORP-CL A	BRCM	32,240.46	0.18%	1.06%	12.36%	13.49%	0.0249%
BERKSHIRE HATHAWAY INC-CL B	BRK/B	311,582.52	1.79%	0.00%	5.00%	5.00%	0.0894%
BOSTON SCIENTIFIC CORP	BSX	24,038.64	0.14%	0.00%	10.51%	10.51%	0.0145%
BORGWARNER INC	BWA	6,964.19	0.04%	1.66%	10.19%	11.94%	0.0048%
BAXALTA INC	BXLT	27,227.71	0.16%	0.24%	5.15%	5.40%	0.0084%
BOSTON PROPERTIES INC	BXP	18,191.11	0.10%	2.62%	6.05%	8.75%	0.0091%
CITIGROUP INC	C	128,517.72	0.73%	1.00%	25.29%	26.42%	0.1917%
CA INC	CA	11,639.82	0.07%	3.78%	5.50%	9.38%	0.0063%
CONAGRA FOODS INC	CAG	16,948.42	0.10%	2.56%	8.17%	10.83%	0.0105%
CARDINAL HEALTH INC	CAH	26,726.42	0.15%	1.96%	12.36%	14.44%	0.0221%
CAMERON INTERNATIONAL CORP	CAM	11,182.28	N/A	0.00%	N/A	N/A	N/A
CATERPILLAR INC	CAT	34,858.34	0.20%	4.93%	9.00%	14.15%	0.0283%
CHUBB LTD	CB	50,438.72	0.29%	2.43%	11.20%	13.77%	0.0398%
CBRE GROUP INC - A	CBG	9,670.78	0.06%	0.00%	12.50%	12.50%	0.0069%
CBS CORP-CLASS B NON VOTING	CBS	21,789.63	0.12%	1.34%	13.28%	14.71%	0.0184%
COCA-COLA ENTERPRISES	CCE	10,417.11	0.06%	2.40%	4.87%	7.33%	0.0044%
CROWN CASTLE INTL CORP	CCI	26,407.99	0.15%	4.22%	22.80%	27.50%	0.0417%

CARNIVAL CORP	CCL	39,242.17	0.23%	2.50%	18.35%	21.07%	0.0474%
CELGENE CORP	CELG	80,989.56	0.46%	0.00%	21.39%	21.39%	0.0994%
CERNER CORP	CERN	19,421.29	0.11%	0.00%	17.28%	17.28%	0.0192%
CF INDUSTRIES HOLDINGS INC	CF	7,358.19	0.04%	3.80%	20.00%	24.18%	0.0102%
CHURCH & DWIGHT CO INC	CHD	10,349.53	0.06%	1.69%	9.55%	11.33%	0.0067%
CHESAPEAKE ENERGY CORP	CHK	2,367.65	0.01%	5.06%	-2.46%	2.53%	0.0003%
C.H. ROBINSON WORLDWIDE INC	CHRW	9,128.80	0.05%	2.44%	10.63%	13.20%	0.0069%
CIGNA CORP	CI	35,092.84	0.20%	0.03%	10.90%	10.93%	0.0220%
CINCINNATI FINANCIAL CORP	CINF	9,031.52	N/A	N/A	N/A	N/A	N/A
COLGATE-PALMOLIVE CO	CL	56,820.01	0.33%	2.43%	8.46%	10.99%	0.0358%
CLOROX COMPANY	CLX	16,376.50	0.09%	2.45%	6.88%	9.42%	0.0088%
COMERICA INC	CMA	6,371.29	0.04%	2.31%	7.32%	9.70%	0.0035%
COMCAST CORP-CLASS A	CMCSA	131,810.10	0.76%	1.85%	12.66%	14.63%	0.1106%
CME GROUP INC	CME	28,652.00	0.16%	5.14%	12.48%	17.94%	0.0295%
CHIPOTLE MEXICAN GRILL INC	CMG	14,843.38	0.09%	0.00%	19.23%	19.23%	0.0164%
CUMMINS INC	CMI	14,982.35	0.09%	4.26%	5.92%	10.31%	0.0089%
CMS ENERGY CORP	CMS	10,056.46	0.06%	3.21%	6.25%	9.56%	0.0055%
CENTERPOINT ENERGY INC	CNP	7,443.54	0.04%	5.72%	4.50%	10.35%	0.0044%
CONSOL ENERGY INC	CNX	1,142.98	0.01%	2.81%	20.55%	23.71%	0.0016%
CAPITAL ONE FINANCIAL CORP	COF	33,439.04	0.19%	2.41%	5.57%	8.05%	0.0154%
CABOT OIL & GAS CORP	COG	6,791.68	0.04%	0.49%	41.53%	42.12%	0.0164%
COACH INC	COH	8,722.39	0.05%	4.30%	10.67%	15.19%	0.0076%
ROCKWELL COLLINS INC	COL	11,272.60	0.06%	1.56%	7.97%	9.59%	0.0062%
CONOCOPHILLIPS	COP	48,595.51	0.28%	7.45%	6.00%	13.88%	0.0381%
COSTCO WHOLESALE CORP	COST	66,138.10	0.38%	1.11%	9.55%	10.71%	0.0406%
CAMPBELL SOUP CO	CPB	16,428.52	0.09%	2.58%	4.48%	7.09%	0.0067%
COLUMBIA PIPELINE GROUP	CPGX	6,653.89	N/A	2.11%	N/A	N/A	N/A
SALESFORCE.COM INC	CRM	47,051.04	0.27%	0.00%	27.72%	27.72%	0.0748%
CISCO SYSTEMS INC	CSCO	119,896.99	0.69%	3.65%	7.86%	11.65%	0.0801%
CSRA INC	CSRA	4,658.94	N/A	N/A	N/A	N/A	N/A
CSX CORP	CSX	22,189.74	0.13%	3.32%	5.96%	9.38%	0.0119%
CINTAS CORP	CTAS	9,086.20	0.05%	1.24%	12.18%	13.50%	0.0070%
CENTURYLINK INC	CTL	12,786.31	0.07%	9.27%	0.40%	9.69%	0.0071%
COGNIZANT TECH SOLUTIONS-A	CTSH	35,699.72	0.20%	0.00%	16.27%	16.27%	0.0333%
CITRIX SYSTEMS INC	CTXS	10,198.56	0.06%	0.00%	18.58%	18.58%	0.0109%
CABLEVISION SYSTEMS-NY GRP-A	CVC	8,563.81	0.05%	1.65%	8.40%	10.12%	0.0050%
CVS HEALTH CORP	CVS	103,977.08	0.60%	1.48%	14.50%	16.09%	0.0960%
CHEVRON CORP	CVX	157,470.01	0.90%	5.12%	-1.56%	3.52%	0.0318%
DOMINION RESOURCES INC/A	D	41,006.58	0.24%	3.76%	6.50%	10.38%	0.0244%
DELTA AIR LINES INC	DAL	34,998.08	0.20%	1.01%	23.40%	24.53%	0.0492%
DU PONT (E.I.) DE NEMOURS	DD	47,404.85	0.27%	3.20%	5.45%	8.74%	0.0238%
DEERE & CO	DE	23,122.30	0.13%	3.35%	5.52%	8.97%	0.0119%
DISCOVER FINANCIAL SERVICES	DFS	21,015.10	0.12%	2.20%	7.62%	9.90%	0.0119%
DOLLAR GENERAL CORP	DG	20,039.57	0.11%	1.28%	12.80%	14.15%	0.0163%
QUEST DIAGNOSTICS INC	DGX	9,428.11	0.05%	2.31%	12.89%	12.89%	0.0070%
DR HORTON INC	DHI	9,849.06	0.06%	1.20%	15.90%	17.19%	0.0097%
DANAHER CORP	DHR	58,379.46	0.33%	0.62%	12.90%	13.56%	0.0454%
WALT DISNEY CO/THE	DIS	154,149.70	0.88%	1.53%	9.20%	10.80%	0.0955%
DISCOVERY COMMUNICATIONS-A	DISCA	16,638.82	0.10%	0.00%	15.50%	15.50%	0.0148%
DELPHI AUTOMOTIVE PLC	DLPH	18,897.55	0.11%	1.54%	10.61%	12.23%	0.0133%
DOLLAR TREE INC	DLTR	17,680.13	0.10%	0.00%	22.00%	22.00%	0.0223%
DUN & BRADSTREET CORP	DNB	3,446.73	0.02%	1.94%	10.00%	12.04%	0.0024%
DIAMOND OFFSHORE DRILLING	DO	2,319.35	0.01%	2.96%	13.40%	16.56%	0.0022%
DOVER CORP	DOV	8,197.68	0.05%	3.10%	11.33%	14.61%	0.0069%
DOW CHEMICAL CO/THE	DOW	49,774.08	0.29%	3.97%	6.48%	10.57%	0.0302%
DR PEPPER SNAPPLE GROUP INC	DPS	16,841.62	0.10%	2.10%	7.70%	9.88%	0.0095%
DARDEN RESTAURANTS INC	DRI	7,723.68	0.04%	3.40%	12.22%	15.83%	0.0070%
DTE ENERGY COMPANY	DTE	14,454.97	0.08%	3.52%	5.04%	8.65%	0.0072%
DUKE ENERGY CORP	DUK	49,615.14	0.28%	4.55%	4.09%	8.73%	0.0248%
DAVITA HEALTHCARE PARTNERS I	DVA	14,025.17	0.08%	0.00%	13.03%	13.03%	0.0105%
DEVON ENERGY CORP	DVN	10,065.39	0.06%	3.92%	5.40%	9.43%	0.0054%
ELECTRONIC ARTS INC	EA	20,531.97	0.12%	0.00%	14.33%	14.33%	0.0169%
EBAY INC	EBAY	30,328.52	0.17%	0.00%	7.25%	7.25%	0.0126%
ECOLAB INC	ECL	30,292.23	0.17%	1.27%	13.22%	14.57%	0.0253%
CONSOLIDATED EDISON INC	ED	19,843.25	0.11%	3.83%	3.08%	6.97%	0.0079%
EQUIFAX INC	EFX	12,186.40	0.07%	1.13%	10.00%	11.18%	0.0078%
EDISON INTERNATIONAL	EIX	19,261.96	0.11%	2.85%	4.58%	7.50%	0.0083%
ESTEE LAUDER COMPANIES-CL A	EL	30,406.67	0.17%	1.36%	12.36%	13.81%	0.0241%
EMC CORP/MA	EMC	48,512.65	0.28%	1.88%	8.53%	10.49%	0.0292%
EASTMAN CHEMICAL CO	EMN	9,175.03	0.05%	2.63%	6.95%	9.67%	0.0051%
EMERSON ELECTRIC CO	EMR	28,067.37	0.16%	4.46%	7.38%	12.00%	0.0193%
ENDO INTERNATIONAL PLC	ENDP	11,895.38	0.07%	0.00%	12.13%	12.13%	0.0083%
EOG RESOURCES INC	EOG	34,616.72	0.20%	1.06%	0.98%	2.05%	0.0041%
EQUINIX INC	EQIX	18,158.00	0.10%	1.98%	17.00%	19.15%	0.0199%
EQUITY RESIDENTIAL	EQR	28,623.70	0.16%	2.81%	5.99%	8.88%	0.0146%
EQT CORP	EQT	8,008.35	0.05%	4.49%	25.00%	30.06%	0.0138%
EVERSOURCE ENERGY	ES	16,300.46	0.09%	3.26%	6.60%	9.96%	0.0093%
EXPRESS SCRIPTS HOLDING CO	ESRX	50,443.43	0.29%	0.00%	16.17%	16.17%	0.0468%
ESSEX PROPERTY TRUST INC	ESS	15,197.99	0.09%	2.50%	6.27%	8.84%	0.0077%
ENSCO PLC-CL A	ESV	2,425.39	0.01%	5.83%	-4.00%	1.72%	0.0002%
E*TRADE FINANCIAL CORP	ETFC	7,341.78	0.04%	0.00%	16.38%	16.38%	0.0069%
EATON CORP PLC	ETN	22,149.61	0.13%	4.60%	8.36%	13.15%	0.0167%
ENERGY CORP	ETR	12,146.36	0.07%	4.92%	1.56%	6.51%	0.0045%
EDWARDS LIFESCIENCES CORP	EW	16,111.35	0.09%	0.00%	16.40%	16.40%	0.0152%
EXELON CORP	EXC	25,251.24	0.14%	4.52%	4.88%	9.51%	0.0138%
EXPEDITORS INTL WASH INC	EXPD	7,866.64	0.05%	1.69%	8.73%	10.49%	0.0047%
EXPEDIA INC	EXPE	15,441.48	0.09%	0.83%	19.93%	20.84%	0.0185%
FORD MOTOR CO	F	47,504.50	0.27%	4.79%	12.75%	17.27%	0.0471%
FASTENAL CO	FAST	10,912.82	0.06%	3.30%	-13.79%	17.27%	0.0108%
FACEBOOK INC-A	FB	268,574.60	1.54%	0.00%	29.26%	29.26%	0.4507%
FREEMONT-MCMORAN INC	FCX	5,029.04	0.03%	9.45%	-59.00%	-52.34%	-0.0151%
FEDEX CORP	FDX	34,981.09	0.20%	0.79%	13.80%	14.64%	0.0294%
FIRSTENERGY CORP	FE	13,465.42	0.08%	4.52%	2.64%	7.22%	0.0056%
F5 NETWORKS INC	FFIV	6,640.30	0.04%	0.00%	14.55%	14.55%	0.0055%
FIDELITY NATIONAL INFO SERV	FIS	16,494.70	0.09%	1.77%	12.75%	14.64%	0.0138%
FISERV INC	FISV	19,960.57	0.11%	0.00%	12.80%	12.80%	0.0147%
FIFTH THIRD BANCORP	FITB	13,596.95	0.08%	3.05%	4.58%	7.69%	0.0060%
FLIR SYSTEMS INC	FLIR	4,384.16	0.03%	1.41%	15.00%	16.51%	0.0042%

FLUOR CORP	FLR	5,940.64	0.03%	2.00%	5.73%	7.79%	0.0027%
FLOWSERVE CORP	FLS	4,712.60	0.03%	1.99%	6.47%	8.51%	0.0023%
FMC CORP	FMC	4,682.15	0.03%	1.84%	6.47%	8.37%	0.0022%
TWENTY-FIRST CENTURY FOX-A	FOXA	51,453.92	0.30%	1.23%	13.94%	15.26%	0.0450%
FIRST SOLAR INC	FSLR	6,188.42	0.04%	0.00%	2.01%	2.01%	0.0007%
FMC TECHNOLOGIES INC	FTI	5,546.76	0.03%	0.00%	-11.80%	-11.80%	-0.0038%
FRONTIER COMMUNICATIONS CORP	FTR	4,953.22	0.03%	9.91%	3.00%	13.05%	0.0037%
AGL RESOURCES INC	GAS	7,644.86	0.04%	3.21%	7.00%	10.32%	0.0045%
GENERAL DYNAMICS CORP	GD	39,828.99	0.23%	2.15%	9.02%	11.27%	0.0257%
GENERAL ELECTRIC CO	GE	268,884.98	1.54%	3.24%	8.58%	11.96%	0.1844%
GENERAL GROWTH PROPERTIES	GGP	23,853.83	0.14%	2.60%	7.05%	9.75%	0.0133%
GILEAD SCIENCES INC	GILD	132,357.99	0.76%	1.40%	7.78%	9.24%	0.0702%
GENERAL MILLS INC	GIS	32,479.72	0.19%	3.27%	7.54%	10.93%	0.0204%
CORNING INC	GLW	19,956.95	0.11%	2.83%	5.29%	8.20%	0.0094%
GENERAL MOTORS CO	GM	46,016.15	0.26%	4.72%	12.08%	17.09%	0.0451%
KEURIG GREEN MOUNTAIN INC	GMCR	13,432.56	0.08%	1.43%	12.08%	13.60%	0.0105%
GAMESTOP CORP-CLASS A	GME	2,683.75	0.02%	3.74%	11.78%	15.74%	0.0024%
ALPHABET INC-CL C	GOOG	482,671.80	2.77%	0.00%	17.63%	17.63%	0.4880%
GENUINE PARTS CO	GPC	11,830.39	0.07%	3.09%	6.62%	9.81%	0.0067%
GAP INC/THE	GPS	9,348.24	0.05%	3.95%	8.34%	12.46%	0.0067%
GARMIN LTD	GRMN	6,189.92	0.04%	6.18%	5.07%	11.40%	0.0040%
GOLDMAN SACHS GROUP INC	GS	69,299.84	0.40%	1.64%	9.15%	10.86%	0.0432%
GOODYEAR TIRE & RUBBER CO	GT	7,408.42	0.04%	0.91%	7.00%	7.94%	0.0034%
WW GRAINGER INC	GWV	11,893.40	0.07%	2.42%	10.08%	12.63%	0.0086%
HALLIBURTON CO	HAL	26,401.84	0.15%	2.33%	6.70%	9.11%	0.0138%
HARMAN INTERNATIONAL	HAR	5,546.41	0.03%	1.83%	16.00%	17.97%	0.0057%
HASBRO INC	HAS	8,981.62	0.05%	2.55%	12.22%	12.22%	0.0063%
HUNTINGTON BANCSHARES INC	HBAN	7,632.00	0.04%	2.61%	7.20%	9.90%	0.0043%
HANESBRANDS INC	HBI	11,382.42	0.07%	1.38%	16.04%	17.53%	0.0114%
HCA HOLDINGS INC	HCA	26,200.80	0.15%	0.00%	10.33%	10.33%	0.0155%
WELLTOWER INC	HCN	23,469.29	0.13%	4.98%	4.51%	9.60%	0.0129%
HCP INC	HCP	16,853.13	0.10%	6.24%	3.53%	9.88%	0.0095%
HOME DEPOT INC	HD	151,169.48	0.87%	1.97%	14.07%	16.18%	0.1403%
HES CORP	HES	11,077.68	0.06%	2.59%	-15.54%	-13.15%	-0.0084%
HARTFORD FINANCIAL SVCS GRP	HIG	16,007.56	0.09%	2.00%	9.25%	11.34%	0.0104%
HARLEY-DAVIDSON INC	HOG	7,758.82	0.04%	3.05%	10.58%	13.79%	0.0061%
HONEYWELL INTERNATIONAL INC	HON	74,957.45	0.43%	2.22%	9.74%	12.07%	0.0519%
STARWOOD HOTELS & RESORTS	HOT	10,109.25	0.06%	2.52%	8.35%	10.97%	0.0064%
HELMERICH & PAYNE	HP	4,866.59	0.03%	6.10%	1.10%	7.23%	0.0020%
HEWLETT PACKARD ENTERPRIS	HPE	21,851.20	0.13%	1.75%	3.01%	4.79%	0.0060%
HP INC	HPQ	18,115.59	0.10%	4.88%	2.43%	7.36%	0.0077%
H&R BLOCK INC	HRB	7,519.73	0.04%	2.53%	11.00%	13.66%	0.0059%
HORMEL FOODS CORP	HRL	20,113.09	0.12%	1.51%	7.15%	8.71%	0.0100%
HARRIS CORP	HRS	10,481.80	N/A	2.39%	N/A	N/A	N/A
HENRY SCHEIN INC	HSIC	12,166.87	0.07%	0.00%	10.23%	10.23%	0.0071%
HOST HOTELS & RESORTS INC	HST	9,891.20	0.06%	6.18%	5.67%	12.02%	0.0068%
HERSHEY CO/THE	HSY	18,063.22	0.10%	2.65%	8.43%	11.19%	0.0116%
HUMANA INC	HUM	24,035.99	0.14%	0.71%	12.66%	13.41%	0.0185%
INTL BUSINESS MACHINES CORP	IBM	126,143.42	0.72%	3.76%	6.48%	10.36%	0.0749%
INTERCONTINENTAL EXCHANGE INC	ICE	29,145.69	0.17%	1.18%	15.75%	17.02%	0.0285%
INTL FLAVORS & FRAGRANCES	IFF	9,253.65	0.05%	1.79%	9.40%	11.27%	0.0060%
ILLUMINA INC	ILMN	25,056.36	0.14%	0.00%	19.38%	19.38%	0.0278%
INTEL CORP	INTC	140,437.44	0.81%	3.44%	8.69%	12.28%	0.0989%
INTUIT INC	INTU	24,153.76	0.14%	1.31%	17.21%	18.63%	0.0258%
INTERNATIONAL PAPER CO	IP	15,098.53	0.09%	4.50%	9.10%	13.81%	0.0120%
INTERPUBLIC GROUP OF COS INC	IPG	8,825.88	0.05%	2.20%	6.50%	8.77%	0.0044%
INGERSOLL-RAND PLC	IR	13,506.68	0.08%	2.25%	10.11%	12.47%	0.0097%
IRON MOUNTAIN INC	IRM	5,245.04	0.03%	7.70%	7.30%	15.28%	0.0046%
INTUITIVE SURGICAL INC	ISRG	20,821.76	0.12%	0.00%	14.53%	14.53%	0.0173%
ILLINOIS TOOL WORKS	ITW	29,533.71	0.17%	2.48%	6.93%	9.50%	0.0161%
INVESCO LTD	IVZ	12,190.28	0.07%	3.74%	9.46%	13.37%	0.0093%
HUNT (JB) TRANSPRT SVCS INC	JBHT	7,470.90	0.04%	1.29%	14.13%	15.51%	0.0066%
JOHNSON CONTROLS INC	JCI	22,488.90	0.13%	3.29%	11.50%	14.98%	0.0193%
JACOBS ENGINEERING GROUP INC	JEC	4,632.38	0.03%	0.00%	7.22%	7.22%	0.0019%
JOHNSON & JOHNSON	JNJ	268,393.53	1.54%	3.04%	6.03%	9.17%	0.1411%
JUNIPER NETWORKS INC	JNPR	9,931.84	0.06%	1.55%	11.38%	13.01%	0.0074%
JPMORGAN CHASE & CO	JPM	209,971.64	1.20%	3.25%	7.70%	11.08%	0.1334%
NORDSTROM INC	JWN	8,356.80	0.05%	13.82%	7.95%	22.32%	0.0107%
KELLOGG CO	K	25,045.29	0.14%	2.83%	4.54%	7.44%	0.0107%
KEYCORP	KEY	9,615.07	0.06%	2.53%	6.56%	9.17%	0.0051%
KRAFT HEINZ CO/THE	KHC	83,971.14	0.48%	2.87%	15.87%	18.96%	0.0913%
KIMCO REALTY CORP	KIM	10,498.08	0.06%	3.87%	4.78%	8.75%	0.0053%
KLA-TENCOR CORP	KLAC	10,048.15	0.06%	3.19%	13.47%	16.88%	0.0097%
KIMBERLY-CLARK CORP	KMB	45,504.98	0.26%	2.80%	8.22%	11.13%	0.0291%
KINDER MORGAN INC	KMI	29,009.69	0.17%	12.38%	6.13%	18.89%	0.0314%
CARMAX INC	KMX	8,811.73	0.05%	0.00%	13.53%	13.53%	0.0068%
COCA-COLA CO/THE	KO	180,482.88	1.04%	3.18%	5.79%	9.06%	0.0938%
MICHAEL KORS HOLDINGS LTD	KORS	6,546.68	0.04%	0.00%	7.11%	7.11%	0.0027%
KROGER CO	KR	37,517.08	0.22%	1.07%	10.39%	11.51%	0.0248%
KOHL'S CORP	KSS	9,139.84	0.05%	3.74%	7.52%	11.40%	0.0060%
KANSAS CITY SOUTHERN	KSU	7,384.17	0.04%	1.95%	8.80%	10.84%	0.0046%
LOEWS CORP	L	12,561.45	N/A	0.71%	N/A	N/A	N/A
L BRANDS INC	LB	26,726.37	0.15%	4.34%	11.18%	15.76%	0.0242%
LEGGETT & PLATT INC	LEG	5,268.26	N/A	3.25%	N/A	N/A	N/A
LENNAR CORP-A	LEN	8,381.72	0.05%	0.39%	18.50%	18.93%	0.0091%
LABORATORY CRP OF AMER HLDGS	LH	11,229.18	0.06%	0.00%	10.26%	10.26%	0.0066%
L-3 COMMUNICATIONS HOLDINGS	LLL	8,755.13	0.05%	2.35%	4.00%	6.40%	0.0032%
LINEAR TECHNOLOGY CORP	LLTC	9,314.70	0.05%	3.12%	6.76%	9.98%	0.0053%
ELI LILLY & CO	LLY	90,020.14	0.52%	2.46%	12.59%	15.20%	0.0785%
LEGG MASON INC	LM	3,447.32	0.02%	2.54%	18.45%	21.22%	0.0042%
LOCKHEED MARTIN CORP	LMT	66,372.75	0.38%	2.84%	7.80%	10.75%	0.0409%
LINCOLN NATIONAL CORP	LNC	10,002.78	0.06%	2.04%	10.30%	12.45%	0.0071%
LOWE'S COS INC	LOW	63,133.07	0.36%	1.54%	16.97%	18.64%	0.0675%
LAM RESEARCH CORP	LRCX	10,797.72	0.06%	1.77%	5.48%	7.29%	0.0045%
LEUCADIA NATIONAL CORP	LUK	5,703.20	0.03%	1.59%	18.00%	19.73%	0.0065%
SOUTHWEST AIRLINES CO	LUV	25,864.62	0.15%	0.75%	19.72%	20.54%	0.0305%
LEVEL 3 COMMUNICATIONS INC	LVL3	16,641.24	0.10%	0.00%	30.00%	30.00%	0.0286%
LYONDELLBASELL INDU-CL A	LYB	33,699.30	0.19%	3.98%	5.33%	9.41%	0.0182%

MACY'S INC	M	11,908.24	0.07%	3.64%	6.60%	10.36%	0.0071%
MASTERCARD INC-CLASS A	MA	99,600.82	0.57%	0.71%	16.83%	17.80%	0.1006%
MACERICH CO/THE	MAC	12,069.32	0.07%	5.22%	5.45%	10.82%	0.0075%
MARRIOTT INTERNATIONAL -CL A	MAR	15,312.03	0.09%	1.59%	12.22%	13.91%	0.0122%
MASCO CORP	MAS	8,351.24	0.05%	1.47%	14.53%	16.11%	0.0077%
MATTEL INC	MAT	8,718.01	0.05%	5.92%	9.43%	15.63%	0.0078%
MCDONALD'S CORP	MCD	105,761.71	0.61%	3.00%	9.10%	12.23%	0.0742%
MICROCHIP TECHNOLOGY INC	MCHP	8,230.52	0.05%	3.54%	6.84%	10.50%	0.0050%
MCKESSON CORP	MCK	37,968.00	0.22%	0.62%	13.53%	14.19%	0.0309%
MOODY'S CORP	MCO	17,000.22	0.10%	1.54%	13.00%	14.64%	0.0143%
MONDELEZ INTERNATIONAL INC-A	MDLZ	64,059.34	0.37%	1.59%	10.90%	12.57%	0.0462%
MEDTRONIC PLC	MDT	103,943.03	0.60%	2.06%	8.07%	10.21%	0.0609%
METLIFE INC	MET	47,888.87	0.27%	3.44%	8.50%	12.08%	0.0332%
MCGRAW HILL FINANCIAL INC	MHFI	22,494.37	0.13%	1.59%	11.17%	12.85%	0.0166%
MOHAWK INDUSTRIES INC	MHK	12,230.44	0.07%	0.00%	11.55%	11.55%	0.0081%
MEAD JOHNSON NUTRITION CO	MJN	13,748.06	0.08%	2.35%	9.27%	11.72%	0.0092%
MCCORMICK & CO-NON VGT SHRS	MKC	10,721.04	0.06%	1.89%	6.50%	8.46%	0.0052%
MARTIN MARIETTA MATERIALS	MLM	8,247.07	0.05%	1.28%	23.61%	25.05%	0.0118%
MARSH & MCLENNAN COS	MMC	27,235.25	0.16%	2.28%	11.92%	14.33%	0.0224%
3M CO	MMM	85,393.23	0.49%	2.96%	9.10%	12.19%	0.0597%
MALLINCKRODT PLC	MNK	7,629.32	0.04%	0.00%	11.28%	11.28%	0.0049%
MONSTER BEVERAGE CORP	MNST	28,817.80	0.17%	0.00%	19.38%	19.38%	0.0320%
ALTRIA GROUP INC	MO	112,150.86	0.64%	3.83%	7.71%	11.68%	0.0751%
MONSANTO CO	MON	40,015.10	0.23%	2.39%	9.74%	12.25%	0.0281%
MOSAIC CO/THE	MOS	8,978.56	0.05%	4.28%	15.37%	19.97%	0.0103%
MARATHON PETROLEUM CORP	MPC	22,075.79	0.13%	2.79%	4.63%	7.48%	0.0095%
MARCK & CO. INC.	MRK	142,861.80	0.82%	3.53%	6.76%	10.40%	0.0852%
MARATHON OIL CORP	MRO	5,512.90	0.03%	8.35%	-0.78%	7.55%	0.0024%
MORGAN STANLEY	MS	50,283.74	0.29%	2.13%	17.07%	19.38%	0.0559%
MICROSOFT CORP	MSFT	407,303.69	2.34%	2.79%	9.93%	12.86%	0.3005%
MOTOROLA SOLUTIONS INC	MSI	10,874.43	0.06%	2.26%	9.00%	11.36%	0.0071%
M & T BANK CORP	MTB	18,575.21	0.11%	2.68%	6.07%	8.83%	0.0094%
MICRON TECHNOLOGY INC	MU	11,495.01	0.07%	0.00%	-0.14%	-0.14%	-0.0001%
MURPHY OIL CORP	MUR	2,951.94	0.02%	8.14%	13.00%	21.67%	0.0037%
MYLAN NV	MYL	24,444.74	0.14%	0.00%	10.80%	10.80%	0.0151%
NAVIENT CORP	NAVI	3,260.78	N/A	7.07%	N/A	N/A	N/A
NOBLE ENERGY INC	NBL	11,826.58	0.07%	2.62%	1.21%	3.85%	0.0026%
NASDAQ INC	NDAQ	9,277.72	0.05%	1.61%	6.85%	8.52%	0.0045%
NEXTERA ENERGY INC	NEE	48,476.01	0.28%	2.93%	6.72%	9.74%	0.0271%
NEWMONT MINING CORP	NEM	9,365.38	0.05%	0.54%	1.43%	1.97%	0.0011%
NETFLIX INC	NFLX	44,465.48	0.26%	0.00%	28.06%	28.06%	0.0716%
NEWFIELD EXPLORATION CO	NFX	4,286.31	0.02%	0.00%	5.48%	5.48%	0.0013%
NISOURCE INC	NI	6,290.57	0.04%	4.20%	4.00%	8.29%	0.0030%
NIKE INC -CL B	NKE	98,033.22	0.56%	1.06%	13.98%	15.12%	0.0850%
NIELSEN HOLDINGS PLC	NLSN	16,269.75	0.09%	2.46%	12.33%	14.94%	0.0139%
NORTHROP GRUMMAN CORP	NOC	33,596.78	0.19%	1.67%	8.69%	10.43%	0.0201%
NATIONAL OILWELL VARCO INC	NOV	11,253.64	0.06%	6.14%	-7.65%	-1.75%	-0.0011%
NRG ENERGY INC	NRG	3,176.32	0.02%	5.77%	26.60%	33.13%	0.0060%
NORFOLK SOUTHERN CORP	NSC	21,428.35	0.12%	3.29%	5.58%	8.95%	0.0110%
NETAPP INC	NTAP	6,504.66	0.04%	3.24%	11.20%	14.62%	0.0055%
NORTHERN TRUST CORP	NTRS	14,747.23	0.08%	2.21%	13.71%	16.07%	0.0136%
NUCOR CORP	NUE	11,234.46	0.06%	4.24%	9.00%	13.43%	0.0087%
NVIDIA CORP	NVDA	14,585.18	0.08%	1.45%	8.53%	10.04%	0.0084%
NEWELL RUBBERMAID INC	NWL	9,917.42	0.06%	2.02%	9.42%	11.54%	0.0066%
NEWS CORP - CLASS A	NWSA	7,330.39	0.04%	1.60%	6.00%	7.65%	0.0032%
REALTY INCOME CORP	O	13,032.55	0.07%	4.36%	4.58%	9.04%	0.0068%
OWENS-ILLINOIS INC	OI	2,105.37	0.01%	0.00%	5.02%	5.02%	0.0006%
ONEOK INC	OKE	4,591.55	0.03%	11.14%	7.17%	18.71%	0.0049%
OMNICOM GROUP	OMC	16,877.92	0.10%	2.89%	5.33%	8.29%	0.0080%
ORACLE CORP	ORCL	143,345.63	0.82%	1.78%	8.24%	10.10%	0.0830%
O'REILLY AUTOMOTIVE INC	ORLY	22,900.25	0.13%	0.00%	18.12%	18.12%	0.0238%
OCCIDENTAL PETROLEUM CORP	OXY	47,954.98	0.28%	4.73%	8.00%	12.92%	0.0355%
PAYCHEX INC	PAYX	16,856.19	0.10%	3.60%	9.33%	13.10%	0.0127%
PEOPLE'S UNITED FINANCIAL	PBCT	4,492.18	N/A	4.63%	N/A	N/A	N/A
PITNEY BOWES INC	PBI	3,635.58	0.02%	4.07%	14.00%	18.35%	0.0038%
PACCAR INC	PCAR	16,015.08	0.09%	3.34%	6.93%	10.39%	0.0095%
P G & E CORP	PG	25,734.11	0.15%	3.48%	6.33%	9.91%	0.0146%
PLUM CREEK TIMBER CO	PCL	7,188.44	0.04%	4.26%	22.82%	27.57%	0.0114%
PRICELINE GROUP INC/THE	PCLN	54,102.14	0.31%	0.00%	18.71%	18.71%	0.0581%
PRECISION CASTPARTS CORP	PCP	31,935.61	0.18%	0.06%	12.50%	12.56%	0.0230%
PATTERSON COS INC	PDCO	4,001.06	0.02%	2.28%	9.93%	12.33%	0.0028%
PUBLIC SERVICE ENTERPRISE GP	PEG	20,036.09	0.11%	3.94%	3.80%	7.82%	0.0090%
PEPSICO INC	PEP	136,841.99	0.78%	2.94%	6.04%	9.07%	0.0712%
PFIZER INC	PFE	190,190.19	1.09%	3.64%	5.09%	8.81%	0.0961%
PRINCIPAL FINANCIAL GROUP	PFG	11,098.20	0.06%	3.96%	7.93%	12.04%	0.0077%
PROCTER & GAMBLE CO/THE	PG	203,988.54	1.17%	3.61%	8.25%	12.01%	0.1406%
PROGRESSIVE CORP	PGR	17,483.72	0.10%	2.55%	8.66%	11.32%	0.0114%
PARKER HANNIFIN CORP	PH	11,964.88	0.07%	2.92%	8.37%	11.41%	0.0078%
PULTEGROUP INC	PHM	5,565.25	0.03%	2.08%	17.50%	19.77%	0.0063%
PERKINELMER INC	PKI	5,306.80	0.03%	0.59%	6.14%	6.75%	0.0021%
PROLOGIS INC	PLD	20,338.26	0.12%	3.93%	4.77%	8.80%	0.0103%
PHILIP MORRIS INTERNATIONAL	PM	133,688.73	0.77%	4.68%	6.54%	11.37%	0.0872%
PNC FINANCIAL SERVICES GROUP	PNC	43,838.87	0.25%	2.48%	7.72%	10.29%	0.0259%
PENTAIR PLC	PNR	8,042.92	0.05%	2.87%	15.28%	18.36%	0.0085%
PINNACLE WEST CAPITAL	PNW	7,095.49	0.04%	3.77%	4.97%	8.83%	0.0036%
PEPCO HOLDINGS INC	POM	6,637.16	0.04%	4.13%	6.00%	10.25%	0.0039%
PPG INDUSTRIES INC	PPG	24,745.84	0.14%	1.52%	7.03%	8.60%	0.0122%
PPL CORP	PPL	22,399.03	0.13%	4.51%	4.69%	9.30%	0.0120%
PERRIGO CO PLC	PRGO	21,229.76	0.12%	0.35%	12.98%	13.35%	0.0163%
PRUDENTIAL FINANCIAL INC	PRU	31,506.33	0.18%	3.48%	10.67%	14.33%	0.0259%
PUBLIC STORAGE	PSA	43,037.82	0.25%	2.64%	4.88%	7.58%	0.0187%
PHILLIPS 66	PSX	41,859.06	0.24%	2.77%	6.93%	9.80%	0.0235%
PVH CORP	PVH	5,601.02	0.03%	0.22%	7.87%	8.10%	0.0026%
QUANTA SERVICES INC	PWR	2,896.41	0.02%	0.00%	8.00%	8.00%	0.0013%
PRAXAIR INC	PX	27,741.10	0.16%	2.94%	6.85%	9.89%	0.0157%
PIONEER NATURAL RESOURCES CO	PXD	18,272.98	0.10%	0.07%	0.15%	0.22%	0.0002%
PAYPAL HOLDINGS INC	PYPL	39,472.81	0.23%	0.00%	16.33%	16.33%	0.0370%
QUALCOMM INC	QCOM	68,871.77	0.40%	4.20%	11.12%	15.55%	0.0614%

QORVO INC	QORVO	5,173.08	0.03%	0.00%	14.74%	14.74%	0.0044%
RYDER SYSTEM INC	R	2,631.19	0.02%	3.01%	9.70%	12.85%	0.0019%
REYNOLDS AMERICAN INC	RAI	66,681.87	0.38%	3.02%	5.90%	12.85%	0.0345%
ROYAL CARIBBEAN CRUISES LTD	RCL	18,242.02	0.10%	1.60%	19.45%	21.20%	0.0222%
REGENERON PHARMACEUTICALS	REGN	48,176.91	0.28%	0.00%	22.47%	22.47%	0.0621%
REGIONS FINANCIAL CORP	RF	10,704.84	0.06%	3.24%	5.32%	8.65%	0.0053%
ROBERT HALF INTL INC	RHI	5,633.86	0.03%	1.89%	15.15%	17.19%	0.0056%
RED HAT INC	RHT	13,435.73	0.08%	0.00%	18.03%	18.03%	0.0139%
TRANSOCEAN LTD	RIG	3,657.74	0.02%	10.59%	26.29%	38.26%	0.0080%
RALPH LAUREN CORP	RL	8,527.04	0.05%	2.00%	14.40%	16.54%	0.0081%
ROCKWELL AUTOMATION INC	ROK	12,103.17	0.07%	3.15%	7.67%	10.94%	0.0076%
ROPER TECHNOLOGIES INC	ROP	17,079.42	0.10%	0.59%	11.77%	12.39%	0.0121%
ROSS STORES INC	ROST	21,177.71	0.12%	0.90%	10.63%	11.58%	0.0141%
RANGE RESOURCES CORP	RRC	3,700.73	0.02%	0.74%	9.54%	10.32%	0.0022%
REPUBLIC SERVICES INC	RSG	15,025.00	0.09%	2.68%	6.77%	9.54%	0.0082%
RAYTHEON COMPANY	RTN	36,219.08	0.21%	2.21%	7.41%	9.70%	0.0201%
STARBUCKS CORP	SBUX	86,118.40	0.49%	1.41%	18.16%	19.70%	0.0973%
SCANA CORP	SCG	8,650.76	0.05%	3.60%	5.55%	9.25%	0.0046%
SCHWAB (CHARLES) CORP	SCHW	35,572.46	0.20%	0.89%	19.58%	20.55%	0.0419%
SPECTRA ENERGY CORP	SE	16,462.99	0.09%	6.04%	6.40%	12.63%	0.0119%
SEALED AIR CORP	SEE	8,082.53	0.05%	1.27%	10.01%	11.34%	0.0053%
SHERWIN-WILLIAMS CO/THE	SHW	22,539.63	0.13%	1.10%	17.55%	18.75%	0.0242%
SIGNET JEWELERS LTD	SIG	9,664.72	0.06%	0.70%	12.50%	13.24%	0.0073%
JM SMUCKER CO/THE	SJM	14,152.75	0.08%	2.27%	11.43%	13.83%	0.0112%
SCHLUMBERGER LTD	SLB	79,462.14	0.46%	3.09%	12.60%	15.88%	0.0724%
SL GREEN REALTY CORP	SLG	10,114.10	0.06%	2.46%	5.14%	7.66%	0.0044%
SNAP-ON INC	SNA	9,130.65	0.05%	1.33%	3.30%	4.65%	0.0024%
SANDISK CORP	SNDK	14,345.43	0.08%	1.68%	6.25%	7.98%	0.0066%
SCRIPPS NETWORKS INTER-CL A	SNI	7,199.74	0.04%	1.64%	9.84%	11.56%	0.0048%
SOUTHERN CO/THE	SO	42,874.65	0.25%	4.58%	3.93%	8.60%	0.0211%
SIMON PROPERTY GROUP INC	SPG	56,985.53	0.33%	3.30%	6.79%	10.19%	0.0333%
STAPLES INC	SPLS	5,811.91	0.03%	5.32%	3.46%	8.87%	0.0030%
STERICYCLE INC	SRCL	9,786.85	0.06%	0.00%	15.69%	15.69%	0.0088%
SEMPRA ENERGY	SRE	22,832.88	0.13%	3.04%	9.00%	12.18%	0.0159%
SUNTRUST BANKS INC	STI	19,079.91	0.11%	2.46%	6.54%	9.08%	0.0099%
ST JUDE MEDICAL INC	STJ	15,512.40	0.09%	2.10%	11.22%	13.44%	0.0120%
STATE STREET CORP	STT	22,179.63	0.13%	2.40%	8.15%	10.64%	0.0135%
SEAGATE TECHNOLOGY	STX	9,237.09	0.05%	7.61%	7.06%	14.94%	0.0079%
CONSTELLATION BRANDS INC-A	STZ	28,436.31	0.16%	0.87%	13.68%	14.61%	0.0238%
STANLEY BLACK & DECKER INC	SWK	14,328.81	0.08%	2.23%	10.67%	13.01%	0.0107%
SKYWORKS SOLUTIONS INC	SWKS	11,597.14	0.07%	1.75%	18.29%	20.20%	0.0134%
SOUTHWESTERN ENERGY CO	SWN	2,576.01	0.01%	0.00%	5.30%	5.30%	0.0008%
SYNCHRONY FINANCIAL	SYF	23,046.95	0.13%	0.00%	4.63%	4.63%	0.0061%
STRYKER CORP	SYK	34,213.83	0.20%	1.52%	11.14%	12.75%	0.0250%
SYMANTEC CORP	SYM	13,328.13	0.08%	3.06%	6.47%	9.63%	0.0074%
SYSCO CORP	SY	22,501.57	0.13%	3.14%	9.18%	12.47%	0.0161%
AT&T INC	T	209,106.48	1.20%	5.55%	4.42%	10.10%	0.1211%
MOLSON COORS BREWING CO -B	TAP	15,864.32	0.09%	1.91%	12.10%	14.12%	0.0128%
TERADATA CORP	TDC	3,053.68	0.02%	0.00%	8.22%	8.22%	0.0014%
TECO ENERGY INC	TE	6,330.06	0.04%	3.34%	5.50%	8.94%	0.0032%
TE CONNECTIVITY LTD	TEL	20,610.78	0.12%	2.39%	10.00%	12.51%	0.0148%
TGNA INC	TGNA	5,325.06	0.03%	2.75%	5.00%	7.82%	0.0024%
TARGET CORP	TGT	43,172.90	0.25%	3.06%	9.82%	13.03%	0.0323%
TENET HEALTHCARE CORP	THC	2,300.37	0.01%	0.00%	18.95%	18.95%	0.0025%
TIFFANY & CO	TIF	8,673.53	0.05%	2.33%	10.39%	12.84%	0.0064%
TJX COMPANIES INC	TJX	45,199.91	0.26%	1.24%	10.89%	12.20%	0.0316%
TORCHMARK CORP	TMK	6,530.34	0.04%	1.00%	7.56%	8.60%	0.0032%
THERMO FISHER SCIENTIFIC INC	TMO	52,984.21	0.30%	0.45%	11.50%	11.98%	0.0384%
TRIPADVISOR INC	TRIP	10,183.91	0.06%	0.00%	17.34%	17.34%	0.0101%
T ROWE PRICE GROUP INC	TROW	16,308.64	0.09%	6.05%	9.33%	15.66%	0.0147%
TRAVELERS COS INC/THE	TRV	31,973.40	0.18%	2.26%	7.30%	9.65%	0.0177%
TRACTOR SUPPLY COMPANY	TSCO	10,946.87	0.06%	0.93%	15.31%	16.31%	0.0102%
TYSON FOODS INC-CL A	TSN	20,382.90	0.12%	1.17%	8.73%	9.95%	0.0116%
TESORO CORP	TSO	11,161.40	0.06%	2.01%	18.28%	20.47%	0.0131%
TOTAL SYSTEM SERVICES INC	TSS	8,331.04	0.05%	0.88%	11.00%	11.93%	0.0057%
TIME WARNER CABLE	TWC	50,134.46	0.29%	1.70%	6.90%	8.66%	0.0249%
TIME WARNER INC	TWX	55,683.78	0.32%	2.01%	12.37%	14.50%	0.0463%
TEXAS INSTRUMENTS INC	TXN	48,722.21	0.28%	2.89%	9.48%	12.50%	0.0349%
TEXTRON INC	TXT	10,221.59	0.06%	0.21%	9.26%	9.48%	0.0056%
TYCO INTERNATIONAL PLC	TYC	12,848.53	0.07%	2.84%	10.60%	13.59%	0.0100%
UNDER ARMOUR INC-CLASS A	UA	14,811.44	0.08%	0.00%	22.87%	22.87%	0.0194%
UNITED CONTINENTAL HOLDINGS	UAL	17,446.01	0.10%	0.00%	20.25%	20.25%	0.0203%
UNIVERSAL HEALTH SERVICES-B	UHS	10,751.89	0.06%	0.37%	10.35%	10.74%	0.0066%
UNITEDHEALTH GROUP INC	UNH	104,146.16	0.60%	1.72%	12.22%	14.05%	0.0839%
UNUM GROUP	UNM	6,918.78	0.04%	2.46%	9.00%	11.57%	0.0046%
UNION PACIFIC CORP	UNP	63,298.88	0.36%	3.10%	8.04%	11.27%	0.0409%
UNITED PARCEL SERVICE-CL B	UPS	80,172.94	0.46%	3.24%	11.44%	14.87%	0.0684%
URBAN OUTFITTERS INC	URBN	2,483.69	0.01%	0.00%	12.68%	12.68%	0.0018%
UNITED RENTALS INC	URI	5,096.28	0.03%	0.00%	12.39%	12.39%	0.0036%
US BANCORP	USB	68,477.87	0.39%	2.75%	6.16%	8.99%	0.0353%
UNITED TECHNOLOGIES CORP	UTX	75,955.60	0.44%	2.99%	8.44%	11.55%	0.0503%
VISA INC-CLASS A SHARES	V	158,081.48	0.91%	0.79%	16.53%	17.39%	0.1577%
VARIAN MEDICAL SYSTEMS INC	VAR	7,303.36	0.04%	0.00%	9.78%	9.78%	0.0041%
VF CORP	VFC	23,438.47	0.13%	2.42%	11.02%	13.58%	0.0183%
VIACOM INC-CLASS B	VIAB	15,931.41	0.09%	4.07%	9.28%	13.54%	0.0124%
VALERO ENERGY CORP	VLO	31,976.64	0.18%	2.54%	4.77%	7.37%	0.0135%
VULCAN MATERIALS CO	VMC	11,177.46	0.06%	0.48%	44.64%	45.22%	0.0290%
VORNADO REALTY TRUST	VNO	17,127.05	0.10%	2.77%	4.87%	7.71%	0.0076%
VERISK ANALYTICS INC	VRSK	12,209.01	0.07%	0.00%	12.00%	12.00%	0.0084%
VERISIGN INC	VRSN	8,279.41	0.05%	0.00%	8.70%	8.70%	0.0041%
VERTEX PHARMACEUTICALS INC	VRTX	24,058.18	0.14%	0.00%	33.59%	33.59%	0.0463%
VERTAS INC	VTR	18,210.83	0.10%	5.58%	2.60%	8.25%	0.0086%
VERIZON COMMUNICATIONS INC	VZ	180,780.03	1.04%	5.00%	7.28%	12.46%	0.1291%
WATERS CORP	WAT	10,309.24	0.06%	0.00%	9.76%	9.76%	0.0058%
WALGREENS BOOTS ALLIANCE INC	WBA	86,224.24	0.49%	1.82%	12.93%	14.87%	0.0735%
WESTERN DIGITAL CORP	WDC	10,946.26	0.06%	4.34%	5.10%	9.54%	0.0060%
WEC ENERGY GROUP INC	WEC	16,652.35	0.10%	3.40%	6.10%	9.60%	0.0092%
WELLS FARGO & CO	WFC	249,363.42	1.43%	3.21%	9.52%	12.88%	0.1843%

WHOLE FOODS MARKET INC	WFM	10,190.27	0.06%	1.83%	9.85%	11.77%	0.0069%
WHIRLPOOL CORP	WHR	10,058.93	0.06%	2.70%	16.65%	19.57%	0.0113%
WILLIS TOWERS WATSON PLC	WLTW	15,538.73	0.09%	1.20%	10.00%	11.26%	0.0100%
WASTE MANAGEMENT INC	WM	23,003.44	0.13%	2.97%	8.00%	11.09%	0.0146%
WILLIAMS COS INC	WMB	12,071.21	0.07%	15.27%	10.00%	26.03%	0.0180%
WAL-MART STORES INC	WMT	198,293.25	1.14%	3.16%	-0.08%	3.08%	0.0351%
WESTROCK CO	WRK	9,520.83	0.05%	4.04%	5.72%	9.88%	0.0054%
WESTERN UNION CO	WU	8,407.88	0.05%	3.73%	6.66%	10.51%	0.0051%
WEYERHAEUSER CO	WY	13,180.54	0.08%	4.69%	3.60%	8.37%	0.0063%
WYNDHAM WORLDWIDE CORP	WYN	7,594.49	0.04%	2.59%	9.00%	11.71%	0.0051%
WYNN RESORTS LTD	WYNN	5,928.55	0.03%	5.14%	8.93%	14.30%	0.0049%
CIMAREX ENERGY CO	XEC	7,973.27	0.05%	0.76%	-5.56%	-4.82%	-0.0022%
XCEL ENERGY INC	XEL	18,523.64	0.11%	3.48%	-4.67%	8.23%	0.0087%
XL GROUP PLC	XL	10,570.46	0.06%	2.04%	9.50%	11.64%	0.0071%
XILINX INC	XLNX	11,001.10	0.06%	2.89%	8.12%	11.13%	0.0070%
EXXON MOBIL CORP	XOM	322,960.77	1.85%	3.71%	-0.14%	3.57%	0.0661%
DENTSPLY INTERNATIONAL INC	XRAY	7,910.60	0.05%	0.50%	9.07%	9.59%	0.0043%
XEROX CORP	XRX	9,212.87	0.05%	3.07%	8.55%	11.75%	0.0062%
XYLEM INC	XYL	5,915.50	0.03%	1.69%	11.30%	13.09%	0.0044%
YAHOO! INC	YHOO	27,518.51	0.16%	0.00%	11.76%	11.76%	0.0186%
YUM! BRANDS INC	YUM	28,932.00	0.17%	2.55%	11.85%	14.55%	0.0241%
ZIMMER BIOMET HOLDINGS INC	ZBH	20,598.07	0.12%	0.87%	10.48%	11.40%	0.0135%
ZIONS BANCORPORATION	ZION	4,563.94	0.03%	0.97%	7.15%	8.16%	0.0021%
ZOETIS INC	ZTS	21,599.79	0.12%	0.76%	10.23%	11.03%	0.0137%
		17,435,002					13.63%

[1] Equals sum of Col. [9]

[2] Source: Bloomberg Professional

[3] Equals [1] - [2]

[4] Source: Bloomberg Professional

[5] Equals weight in S&P 500 based on market capitalization

[6] Source: Bloomberg Professional

[7] Source: Bloomberg Professional

[8] Equals ([6] x (1 + (0.5 x [7]))) + [7]

[9] Equals Col. [5] x Col. [8]

Ex-Ante Market Risk Premium
Market DCF Method Based - Value Line

[1]	[2]	[3]
S&P 500 Est. Required Market Return	Current 30-Year Treasury (30-day average)	Implied Market Risk Premium
12.82%	2.96%	9.87%

Company	Ticker	[4] Market Capitalization	[5] Weight in Index	[6] Estimated Dividend Yield	[7] Long-Term Growth Est.	[8] DCF Result	[9] Weighted DCF Result
AGILENT TECHNOLOGIES INC	A	12,486.52	0.08%	1.22%	-1.00%	0.21%	0.0002%
ALCOA INC	AA	9,484.57	0.06%	1.66%	17.00%	18.80%	0.0110%
AMERICAN AIRLINES GROUP INC	AAL	25,956.38	N/A	0.99%	N/A	N/A	N/A
ADVANCE AUTO PARTS INC	AAP	10,349.43	0.06%	0.17%	13.50%	13.68%	0.0087%
APPLE INC	AAPL	555,197.50	3.42%	2.24%	14.00%	16.40%	0.5604%
ABBVIE INC	ABBV	89,191.79	N/A	4.18%	N/A	N/A	N/A
AMERISOURCEBERGEN CORP	ABC	20,291.97	0.12%	1.45%	15.00%	16.56%	0.0207%
ABBOTT LABORATORIES	ABT	61,309.69	0.38%	2.53%	1.00%	3.54%	0.0134%
ACCENTURE PLC-CL A	ACN	66,074.38	0.41%	2.16%	7.50%	9.74%	0.0396%
ADOBE SYSTEMS INC	ADBE	44,783.71	0.28%	0.00%	26.50%	26.50%	0.0731%
ANALOG DEVICES INC	ADI	15,759.08	0.10%	3.17%	13.00%	16.38%	0.0159%
ARCHER-DANIELS-MIDLAND CO	ADM	20,049.36	0.12%	3.36%	8.00%	11.49%	0.0142%
AUTOMATIC DATA PROCESSING	ADP	36,603.97	0.23%	2.74%	9.00%	11.86%	0.0267%
ALLIANCE DATA SYSTEMS CORP	ADS	15,662.16	0.10%	0.00%	15.00%	15.00%	0.0145%
AUTODESK INC	ADSK	11,863.26	0.07%	0.00%	13.50%	13.50%	0.0099%
ADT CORP/THE	ADT	5,038.52	0.03%	2.90%	10.50%	13.55%	0.0042%
AMEREN CORPORATION	AEE	10,604.05	0.07%	3.94%	7.00%	11.08%	0.0072%
AMERICAN ELECTRIC POWER	AEP	29,026.21	0.18%	3.84%	5.00%	8.94%	0.0160%
AES CORP	AES	5,968.98	0.04%	4.97%	8.00%	13.17%	0.0048%
AETNA INC	AET	37,746.77	0.23%	0.92%	11.00%	11.97%	0.0278%
AFLAC INC	AFL	24,508.14	0.15%	2.90%	4.50%	7.47%	0.0113%
ALLERGAN PLC	AGN	117,853.30	0.73%	0.00%	17.00%	17.00%	0.1233%
AMERICAN INTERNATIONAL GROUP	AIG	71,441.36	0.44%	1.96%	5.00%	7.01%	0.0308%
APARTMENT INVT & MGMT CO -A	AIV	-	N/A	3.17%	N/A	N/A	N/A
ASSURANT INC	AIZ	5,295.04	0.03%	2.52%	3.50%	6.06%	0.0020%
AKAMAI TECHNOLOGIES INC	AKAM	8,347.07	0.05%	0.00%	15.50%	15.50%	0.0080%
ALLSTATE CORP	ALL	22,783.80	0.14%	2.05%	7.50%	9.63%	0.0135%
ALLEGION PLC	ALLE	5,776.78	N/A	0.66%	N/A	N/A	N/A
ALEXION PHARMACEUTICALS INC	ALXN	37,805.03	0.23%	0.00%	25.50%	25.50%	0.0593%
APPLIED MATERIALS INC	AMAT	19,499.60	0.12%	2.38%	18.50%	21.10%	0.0253%
AMETEK INC	AME	11,416.00	0.07%	0.75%	7.50%	8.28%	0.0058%
AFFILIATED MANAGERS GROUP	AMG	7,355.56	0.05%	0.00%	13.00%	13.00%	0.0059%
AMGN INC	AMGN	115,620.50	0.71%	2.61%	9.50%	12.23%	0.0871%
AMERIPRISE FINANCIAL INC	AMP	16,642.75	0.10%	2.82%	13.50%	16.51%	0.0169%
AMERICAN TOWER CORP	AMT	39,050.66	0.24%	2.21%	14.50%	16.87%	0.0406%
AMAZON.COM INC	AMZN	278,117.00	N/A	0.00%	N/A	N/A	N/A
AUTONATION INC	AN	5,281.55	0.03%	0.00%	11.50%	11.50%	0.0037%
ANTHONY INC	ANTM	36,048.11	0.22%	1.81%	9.00%	10.89%	0.0242%
ACON PLC	ACON	23,936.12	0.15%	1.37%	13.50%	14.96%	0.0220%
APACHE CORP	APA	13,997.86	N/A	2.70%	N/A	N/A	N/A
ANADARKO PETROLEUM CORP	APC	17,783.50	0.11%	3.09%	17.50%	20.86%	0.0228%
AIR PRODUCTS & CHEMICALS INC	APD	25,449.57	0.16%	2.74%	12.00%	14.90%	0.0233%
AMPHENOL CORP-CL A	APH	14,396.02	0.09%	1.20%	9.50%	10.76%	0.0095%
AIRGAS INC	ARG	9,973.74	0.06%	1.82%	10.00%	11.91%	0.0073%
ACTIVISION BLIZZARD INC	ATVI	25,875.42	0.16%	0.73%	10.00%	10.77%	0.0171%
AVALONBAY COMMUNITIES INC	AVB	-	N/A	3.07%	N/A	N/A	N/A
AVAGO TECHNOLOGIES LTD	AVGO	34,415.73	0.21%	1.41%	15.50%	17.02%	0.0361%
AVERY DENNISON CORP	AVY	5,459.74	0.03%	2.50%	7.50%	10.09%	0.0034%
AMERICAN EXPRESS CO	AXP	62,292.87	0.38%	1.93%	4.50%	6.47%	0.0248%
AUTOZONE INC	AZO	21,526.52	0.13%	0.00%	13.00%	13.00%	0.0172%
BOEING CO/THE	BA	86,688.17	0.53%	3.38%	11.00%	14.57%	0.0777%
BANK OF AMERICA CORP	BAC	156,305.30	0.96%	1.40%	28.00%	29.60%	0.2848%
BAXTER INTERNATIONAL INC	BAX	19,308.18	0.12%	1.30%	-8.50%	-7.26%	-0.0086%
BED BATH & BEYOND INC	BBBY	7,235.45	0.04%	0.00%	5.50%	5.50%	0.0024%
BB&T CORP	BBT	26,540.70	0.16%	3.35%	8.00%	11.48%	0.0188%
BEST BUY CO INC	BBY	9,114.73	0.06%	3.48%	8.00%	11.62%	0.0065%
CR BARD INC	BCR	13,074.13	0.08%	0.57%	10.00%	10.60%	0.0085%
BECTON DICKINSON AND CO	BDX	30,637.31	0.19%	1.82%	11.50%	13.42%	0.0253%
FRANKLIN RESOURCES INC	BEN	20,516.31	0.13%	2.16%	7.50%	9.74%	0.0123%
BROWN-FORMAN CORP-CLASS B	BF/B	18,672.46	0.11%	1.49%	9.00%	10.56%	0.0121%
BAKER HUGHES INC	BHI	17,953.70	0.11%	1.65%	4.00%	5.68%	0.0063%
BIOGEN INC	BIIB	62,539.89	0.38%	0.00%	16.50%	16.50%	0.0635%
BANK OF NEW YORK MELLON CORP	BK	40,515.77	0.25%	1.83%	11.50%	13.44%	0.0335%
BLACKROCK INC	BLK	50,815.82	0.31%	2.81%	8.50%	11.43%	0.0358%
BALL CORP	BLL	9,320.84	0.06%	0.76%	9.50%	10.30%	0.0059%
BRISTOL-MYERS SQUIBB CO	BMY	105,952.80	0.65%	2.39%	14.50%	17.06%	0.1113%
BROADCOM CORP-CL A	BRCM	32,886.00	0.20%	1.04%	6.50%	7.57%	0.0153%
BERKSHIRE HATHAWAY INC-CL B	BRK/B	159.83	N/A	0.00%	N/A	N/A	N/A
BOSTON SCIENTIFIC CORP	BSX	24,422.71	0.15%	0.00%	16.00%	16.00%	0.0241%
BORGWARNER INC	BWA	7,365.41	0.05%	1.58%	8.50%	10.15%	0.0046%
BAXALTA INC	BXLT	N/A	N/A	0.00%	N/A	N/A	N/A
BOSTON PROPERTIES INC	BXP	-	N/A	2.34%	N/A	N/A	N/A
CITIGROUP INC	C	135,166.60	0.83%	0.44%	13.50%	13.97%	0.1163%
CA INC	CA	11,752.32	0.07%	3.70%	4.00%	7.77%	0.0056%
CONAGRA FOODS INC	CAG	17,378.22	0.11%	2.50%	6.50%	9.08%	0.0097%
CARDINAL HEALTH INC	CAH	26,905.62	0.17%	2.02%	14.00%	16.16%	0.0268%
CAMERON INTERNATIONAL CORP	CAM	11,431.61	0.07%	0.00%	3.50%	3.50%	0.0025%

CATERPILLAR INC	CAT	36,255.71	0.22%	4.95%	3.50%	8.54%	0.0191%
CHUBB LTD	CB	28,895.14	0.18%	1.79%	5.50%	7.34%	0.0131%
CBRE GROUP INC - A	CBG	9,847.90	0.06%	0.00%	12.50%	12.50%	0.0076%
CBS CORP-CLASS B NON VOTING	CBS	22,150.02	0.14%	1.28%	12.50%	13.86%	0.0189%
COCA-COLA ENTERPRISES	CCE	10,480.64	0.06%	2.60%	5.00%	7.67%	0.0049%
CROWN CASTLE INTL CORP	CCI	28,023.41	0.17%	4.22%	23.50%	28.22%	0.0487%
CARNIVAL CORP	CCL	40,409.32	0.25%	2.31%	14.00%	16.47%	0.0410%
CELGENE CORP	CELG	83,144.06	0.51%	0.00%	16.50%	16.50%	0.0844%
CERNER CORP	CERN	19,907.03	0.12%	0.00%	17.00%	17.00%	0.0208%
CF INDUSTRIES HOLDINGS INC	CF	7,602.84	0.05%	4.29%	6.50%	10.93%	0.0051%
CHURCH & DWIGHT CO INC	CHD	10,247.58	0.06%	1.71%	8.50%	10.28%	0.0065%
CHESAPEAKE ENERGY CORP	CHK	2,461.48	0.02%	0.00%	7.00%	7.00%	0.0011%
C.H. ROBINSON WORLDWIDE INC	CHRW	9,097.54	0.06%	2.73%	6.50%	9.32%	0.0052%
CIGNA CORP	CI	35,734.13	0.22%	0.03%	14.50%	14.53%	0.0320%
CINCINNATI FINANCIAL CORP	CINF	9,203.92	0.06%	3.28%	7.50%	10.90%	0.0062%
COLGATE-PALMOLIVE CO	CL	56,981.45	0.35%	2.53%	11.00%	13.67%	0.0479%
CLOROX COMPANY	CLX	16,397.29	0.10%	2.47%	8.00%	10.57%	0.0107%
COMERICA INC	CMA	6,542.30	0.04%	2.28%	7.50%	9.87%	0.0040%
COMCAST CORP-CLASS A	CMCSA	135,270.50	0.83%	1.82%	10.00%	11.91%	0.0992%
CME GROUP INC	CME	28,521.79	0.18%	2.36%	10.00%	12.48%	0.0219%
CHIPOTLE MEXICAN GRILL INC	CMG	14,170.98	0.09%	0.00%	16.50%	16.50%	0.0144%
CUMMINS INC	CMI	15,396.19	0.09%	4.50%	10.00%	14.73%	0.0140%
CMS ENERGY CORP	CMS	10,172.34	0.06%	3.38%	5.50%	8.97%	0.0056%
CENTERPOINT ENERGY INC	CNP	7,585.52	N/A	5.84%	N/A	N/A	N/A
CONSOL ENERGY INC	CNX	1,287.28	0.01%	0.71%	8.00%	8.74%	0.0007%
CAPITAL ONE FINANCIAL CORP	COF	34,554.93	0.21%	2.48%	5.00%	7.54%	0.0160%
CABOT OIL & GAS CORP	COG	6,750.29	0.04%	0.49%	30.50%	31.06%	0.0129%
COACH INC	COH	8,813.40	0.05%	4.25%	1.50%	5.78%	0.0031%
ROCKWELL COLLINS INC	COL	11,514.05	0.07%	1.55%	7.00%	8.60%	0.0061%
CONOCOPHILLIPS	COP	50,928.98	0.31%	7.18%	2.50%	9.77%	0.0306%
COSTCO WHOLESALE CORP	COST	67,365.04	0.41%	1.05%	10.50%	11.61%	0.0481%
CAMPBELL SOUP CO	CPB	16,581.90	0.10%	2.34%	4.50%	6.89%	0.0070%
COLUMBIA PIPELINE GROUP	CPGX	N/A	N/A	0.00%	N/A	N/A	N/A
SALESFORCE.COM INC	CRM	48,518.48	N/A	0.00%	N/A	N/A	N/A
CISCO SYSTEMS INC	CSCO	125,322.10	0.77%	3.41%	6.50%	10.02%	0.0773%
CSRA INC	CSRA	N/A	N/A	0.00%	N/A	N/A	N/A
CSX CORP	CSX	22,677.20	0.14%	3.10%	9.00%	12.24%	0.0171%
CINTAS CORP	CTAS	9,411.20	0.06%	1.23%	13.50%	14.81%	0.0086%
CENTURYLINK INC	CTL	13,237.21	0.08%	9.04%	15.00%	24.72%	0.0201%
COGNIZANT TECH SOLUTIONS-A	CTSH	36,601.60	0.23%	0.00%	16.00%	16.00%	0.0360%
CITRIX SYSTEMS INC	CTXS	20,086.79	0.12%	0.00%	13.00%	13.00%	0.0161%
CABLEVISION SYSTEMS-NY GRP-A	CVC	8,632.20	0.05%	0.00%	13.00%	13.00%	0.0069%
CVS HEALTH CORP	CVS	106,016.10	0.65%	1.78%	13.00%	14.90%	0.0972%
CHEVRON CORP	CVX	160,857.70	0.99%	5.01%	2.50%	7.57%	0.0750%
DOMINION RESOURCES INC/N/A	D	41,476.85	0.26%	4.02%	8.00%	12.18%	0.0311%
DELTA AIR LINES INC	DAL	35,727.92	0.22%	1.50%	16.00%	17.62%	0.0388%
DU PONT (E.I.) DE NEMOURS	DD	50,299.96	0.31%	2.75%	6.00%	8.83%	0.0273%
DEERE & CO	DE	24,153.02	0.15%	3.26%	-1.00%	2.24%	0.0033%
DISCOVER FINANCIAL SERVICES	DFS	21,544.57	0.13%	2.23%	4.00%	6.27%	0.0083%
DOLLAR GENERAL CORP	DG	19,897.04	0.12%	1.42%	14.00%	15.52%	0.0190%
QUEST DIAGNOSTICS INC	DGX	9,633.60	0.06%	2.27%	9.00%	11.37%	0.0067%
DR HORTON INC	DHI	9,923.98	0.06%	1.19%	15.00%	16.28%	0.0099%
DANAHER CORP	DHR	59,824.81	0.37%	0.62%	13.00%	13.66%	0.0503%
WALT DISNEY CO/THE	DIS	158,576.00	0.98%	1.43%	12.50%	14.02%	0.1368%
DISCOVERY COMMUNICATIONS-A	DISCA	11,321.70	0.07%	0.00%	17.50%	17.50%	0.0122%
DELPHI AUTOMOTIVE PLC	DLPH	19,480.29	0.12%	1.67%	15.50%	17.30%	0.0207%
DOLLAR TREE INC	DLTR	17,774.36	0.11%	0.00%	17.50%	17.50%	0.0191%
DUN & BRADSTREET CORP	DNB	3,440.69	0.02%	1.94%	4.50%	6.48%	0.0014%
DIAMOND OFFSHORE DRILLING	DO	2,492.18	0.02%	2.75%	0.50%	3.26%	0.0005%
DOVER CORP	DOV	8,633.10	0.05%	3.02%	2.50%	5.56%	0.0030%
DOW CHEMICAL CO/THE	DOW	51,257.13	0.32%	4.16%	12.50%	16.92%	0.0534%
DR PEPPER SNAPPLE GROUP INC	DPS	17,061.78	0.11%	2.22%	9.00%	11.32%	0.0119%
DARDEN RESTAURANTS INC	DRI	7,908.31	0.05%	3.24%	11.50%	14.93%	0.0073%
DTE ENERGY COMPANY	DTE	14,594.99	0.09%	3.69%	5.00%	8.78%	0.0079%
DUKE ENERGY CORP	DUK	49,790.56	0.31%	4.64%	5.00%	9.76%	0.0299%
DAVITA HEALTHCARE PARTNERS I	DVA	14,232.62	0.09%	0.00%	11.50%	11.50%	0.0101%
DEVON ENERGY CORP	DVN	10,669.56	0.07%	3.70%	6.00%	9.81%	0.0064%
ELECTRONIC ARTS INC	EA	20,053.28	0.12%	0.00%	16.50%	16.50%	0.0204%
EBAY INC	EBAY	31,048.89	0.19%	0.00%	3.50%	3.50%	0.0067%
ECOLAB INC	ECL	30,953.35	0.19%	1.34%	11.00%	12.41%	0.0237%
CONSOLIDATED EDISON INC	ED	18,248.81	0.11%	3.96%	3.00%	7.02%	0.0079%
EQUIFAX INC	EFX	12,239.32	0.08%	1.12%	9.00%	10.17%	0.0077%
EDISON INTERNATIONAL	EIX	19,402.05	0.12%	3.22%	3.50%	6.78%	0.0081%
ESTEE LAUDER COMPANIES-CL A	EL	31,241.75	0.19%	1.42%	9.00%	10.48%	0.0202%
EMC CORP/MA	EMC	47,835.13	0.29%	1.87%	3.50%	5.40%	0.0159%
EASTMAN CHEMICAL CO	EMN	9,501.71	0.06%	2.88%	9.50%	12.52%	0.0073%
EMERSON ELECTRIC CO	EMR	28,691.51	0.18%	4.34%	2.00%	6.38%	0.0113%
ENDO INTERNATIONAL PLC	ENDP	12,221.99	N/A	0.00%	N/A	N/A	N/A
EOG RESOURCES INC	EOG	35,871.39	0.22%	1.12%	2.00%	3.13%	0.0069%
EQUINIX INC	EQIX	17,815.37	0.11%	2.17%	25.50%	27.95%	0.0306%
EQUITY RESIDENTIAL	EQR	-	N/A	3.03%	N/A	N/A	N/A
EQT CORP	EQT	7,938.18	0.05%	0.23%	14.00%	14.25%	0.0070%
EVERSOURCE ENERGY	ES	16,449.53	0.10%	3.43%	8.50%	12.08%	0.0122%
EXPRESS SCRIPTS HOLDING CO	ESRX	52,420.01	0.32%	0.00%	17.50%	17.50%	0.0565%
ESSEX PROPERTY TRUST INC	ESS	-	N/A	2.77%	N/A	N/A	N/A
ENSCO PLC-CL A	ESV	2,593.41	0.02%	5.45%	-2.00%	3.40%	0.0005%
E*TRADE FINANCIAL CORP	ETFC	7,548.22	0.05%	0.00%	32.50%	32.50%	0.0151%
EATON CORP PLC	ETN	22,362.50	0.14%	4.55%	5.00%	9.66%	0.0133%
ENTERGY CORP	ETR	12,326.54	0.08%	4.95%	-1.00%	3.93%	0.0030%
EDWARDS LIFESCIENCES CORP	EW	16,607.34	0.10%	0.00%	15.00%	15.00%	0.0153%
EXELON CORP	EXC	25,665.03	0.16%	4.44%	7.50%	12.11%	0.0191%
EXPEDITORS INTL WASH INC	EXPD	8,043.11	0.05%	1.67%	10.50%	12.26%	0.0061%
EXPEDIA INC	EXPE	13,976.75	0.09%	0.89%	23.00%	23.99%	0.0206%

FORD MOTOR CO	F	47,513.91	0.29%	4.92%	10.00%	15.17%	0.0444%
FASTENAL CO	FAST	11,368.92	0.07%	2.85%	8.50%	11.47%	0.0080%
FACEBOOK INC-A	FB	277,993.60	1.71%	0.00%	32.50%	32.50%	0.5562%
FREEMPORT-MCMORAN INC	FCX	4,779.60	0.03%	0.00%	-0.50%	-0.50%	-0.0001%
FEDEX CORP	FDX	36,298.50	0.22%	0.76%	15.00%	15.82%	0.0353%
FIRSTENERGY CORP	FE	13,774.21	0.08%	4.52%	7.00%	11.68%	0.0099%
F5 NETWORKS INC	FFIV	6,604.19	0.04%	0.00%	9.00%	9.00%	0.0037%
FIDELITY NATIONAL INFO SERV	FIS	17,010.63	0.10%	1.73%	11.00%	12.83%	0.0134%
FISERV INC	FISV	20,432.38	0.13%	0.00%	10.50%	10.50%	0.0132%
FIFTH THIRD BANCORP	FITB	14,039.50	0.09%	3.17%	4.00%	7.23%	0.0063%
FLIR SYSTEMS INC	FLIR	4,382.80	0.03%	1.51%	6.50%	8.06%	0.0022%
FLUOR CORP	FLR	5,984.58	0.04%	2.00%	7.50%	9.58%	0.0035%
FLOWSERVE CORP	FLS	4,844.44	0.03%	1.94%	10.00%	12.04%	0.0036%
FMC CORP	FMC	4,724.91	0.03%	2.04%	4.50%	6.59%	0.0019%
TWENTY-FIRST CENTURY FOX-A	FOXA	52,483.95	0.32%	1.13%	9.50%	10.68%	0.0345%
FIRST SOLAR INC	FSLR	6,234.78	0.04%	0.00%	7.50%	7.50%	0.0029%
FMC TECHNOLOGIES INC	FTI	5,821.11	0.04%	0.00%	5.50%	5.50%	0.0020%
FRONTIER COMMUNICATIONS CORP	FTR	5,105.11	0.03%	9.61%	18.00%	28.47%	0.0089%
AGL RESOURCES INC	GAS	7,643.03	0.05%	3.21%	6.50%	9.81%	0.0046%
GENERAL DYNAMICS CORP	GD	40,793.16	0.25%	2.14%	9.00%	11.24%	0.0282%
GENERAL ELECTRIC CO	GE	293,774.50	1.81%	3.17%	9.00%	12.31%	0.2227%
GENERAL GROWTH PROPERTIES	GGP	-	N/A	2.95%	N/A	N/A	N/A
GILEAD SCIENCES INC	GILD	134,786.00	0.83%	1.85%	22.50%	24.56%	0.2038%
GENERAL MILLS INC	GIS	32,839.15	0.20%	3.27%	5.50%	8.86%	0.0179%
CORNING INC	GLW	20,483.20	0.13%	2.78%	6.00%	8.86%	0.0112%
GENERAL MOTORS CO	GM	48,480.00	0.30%	4.75%	12.00%	17.04%	0.0508%
KEURIG GREEN MOUNTAIN INC	GMCR	13,878.83	0.09%	1.44%	8.50%	10.00%	0.0085%
GAMESTOP CORP-CLASS A	GME	2,683.34	0.02%	5.63%	11.00%	16.94%	0.0028%
ALPHABET INC-CL C	GOOG	491,507.90	3.03%	0.00%	16.50%	16.50%	0.4992%
GENUINE PARTS CO	GPC	11,834.89	0.07%	3.13%	7.00%	10.24%	0.0075%
GAP INC/THE	GPS	9,380.88	0.06%	4.05%	6.50%	10.68%	0.0062%
GARMIN LTD	GRMN	6,313.64	0.04%	6.24%	-2.00%	4.18%	0.0016%
GOLDMAN SACHS GROUP INC	GS	68,838.65	0.42%	1.61%	7.00%	8.67%	0.0367%
GOODYEAR TIRE & RUBBER CO	GT	7,642.29	0.05%	0.99%	10.50%	11.54%	0.0054%
VW GRAINGER INC	GWW	11,864.61	0.07%	2.48%	9.00%	11.59%	0.0085%
HALLIBURTON CO	HAL	27,223.20	0.17%	2.26%	5.00%	7.32%	0.0123%
HARMAN INTERNATIONAL	HAR	5,843.57	0.04%	1.70%	20.00%	21.87%	0.0079%
HASBRO INC	HAS	8,754.50	0.05%	2.62%	10.00%	12.75%	0.0069%
HUNTINGTON BANCSHARES INC	HBAN	7,847.09	0.05%	2.84%	9.00%	11.97%	0.0058%
HANESBRANDS INC	HBI	11,722.94	0.07%	1.34%	16.00%	17.45%	0.0126%
HCA HOLDINGS INC	HCA	26,870.98	0.17%	0.00%	12.50%	12.50%	0.0207%
WELLTOWER INC	HCN	-	N/A	5.18%	N/A	N/A	N/A
HCP INC	HCP	-	0.00%	6.29%	89.00%	98.09%	0.0000%
HOME DEPOT INC	HD	151,678.20	0.93%	2.11%	13.50%	15.75%	0.1471%
HESS CORP	HES	11,432.44	0.07%	2.50%	-10.00%	-7.63%	-0.0054%
HARTFORD FINANCIAL SVCS GRP	HIG	16,555.39	0.10%	2.09%	13.50%	15.73%	0.0160%
HARLEY-DAVIDSON INC	HOG	8,052.36	0.05%	2.95%	10.50%	13.60%	0.0067%
HONEYWELL INTERNATIONAL INC	HON	76,098.03	0.47%	2.41%	8.50%	11.01%	0.0516%
STARWOOD HOTELS & RESORTS	HOT	10,359.90	0.06%	2.45%	6.50%	9.03%	0.0058%
HELMERICH & PAYNE	HP	5,020.00	0.03%	5.90%	1.00%	6.93%	0.0021%
HEWLETT PACKARD ENTERPRIS	HPE	N/A	N/A	0.00%	N/A	N/A	N/A
HP INC	HPQ	N/A	N/A	0.00%	N/A	N/A	N/A
H&R BLOCK INC	HRB	7,628.23	0.05%	2.78%	9.50%	12.41%	0.0058%
HORMEL FOODS CORP	HRL	20,830.00	0.13%	1.47%	14.50%	16.08%	0.0206%
HARRIS CORP	HRS	10,491.04	0.06%	2.41%	7.00%	9.49%	0.0061%
HENRY SCHEIN INC	HSIC	12,225.07	0.08%	0.00%	8.50%	8.50%	0.0064%
HOST HOTELS & RESORTS INC	HST	-	N/A	6.02%	N/A	N/A	N/A
HERSHEY CO/THE	HSY	18,334.19	0.11%	2.76%	7.00%	9.86%	0.0111%
HUMANA INC	HUM	24,787.33	0.15%	0.69%	10.00%	10.72%	0.0164%
INTL BUSINESS MACHINES CORP	IBM	128,937.30	N/A	3.91%	N/A	N/A	N/A
INTERCONTINENTAL EXCHANGE IN	ICE	27,507.70	0.17%	1.20%	13.50%	14.78%	0.0250%
INTL FLAVORS & FRAGRANCES	IFF	9,417.72	0.06%	1.91%	6.50%	8.47%	0.0049%
ILLUMINA INC	ILMN	25,636.10	0.16%	0.00%	32.50%	32.50%	0.0513%
INTEL CORP	INTC	154,860.20	0.95%	2.93%	10.00%	13.08%	0.1247%
INTUIT INC	INTU	24,933.02	0.15%	1.27%	14.00%	15.36%	0.0236%
INTERNATIONAL PAPER CO	IP	15,147.77	0.09%	4.82%	15.50%	20.69%	0.0193%
INTERPUBLIC GROUP OF COS INC	IPG	9,312.20	0.06%	2.42%	12.50%	15.07%	0.0086%
INGERSOLL-RAND PLC	IR	13,590.21	0.08%	2.23%	9.50%	11.84%	0.0099%
IRON MOUNTAIN INC	IRM	5,300.29	0.03%	7.73%	6.50%	14.48%	0.0047%
INTUITIVE SURGICAL INC	ISRG	20,341.18	0.13%	0.00%	7.00%	7.00%	0.0088%
ILLINOIS TOOL WORKS	ITW	30,108.04	0.19%	2.66%	10.00%	12.79%	0.0237%
INVESCO LTD	IVZ	12,559.03	0.08%	3.65%	14.00%	17.91%	0.0138%
HUNT (JB) TRANSPRT SVCS INC	JBHT	7,513.31	0.05%	1.28%	12.00%	13.36%	0.0062%
JOHNSON CONTROLS INC	JCI	23,029.77	0.14%	3.30%	10.00%	13.47%	0.0191%
JACOBS ENGINEERING GROUP INC	JEC	4,726.61	0.03%	0.00%	6.00%	6.00%	0.0017%
JOHNSON & JOHNSON	JNJ	273,656.40	1.68%	3.19%	6.50%	9.79%	0.1650%
JUNIPER NETWORKS INC	JNPR	10,066.37	0.06%	1.76%	16.00%	17.90%	0.0111%
JPMORGAN CHASE & CO	JPM	214,241.80	1.32%	3.16%	8.00%	11.29%	0.1488%
NORDSTROM INC	JWN	8,489.47	0.05%	3.43%	7.00%	10.55%	0.0055%
KELLOGG CO	K	25,399.63	0.16%	2.90%	4.00%	6.96%	0.0109%
KEYCORP	KEY	9,881.42	0.06%	2.71%	6.50%	9.30%	0.0057%
KRAFT HEINZ CO/THE	KHC	28,151.69	N/A	3.25%	N/A	N/A	N/A
KIMCO REALTY CORP	KIM	-	N/A	4.11%	N/A	N/A	N/A
KLA-TENCOR CORP	KLAC	10,395.36	0.06%	3.12%	8.50%	11.75%	0.0075%
KIMBERLY-CLARK CORP	KMB	46,176.47	0.28%	2.77%	7.00%	9.87%	0.0280%
KINDER MORGAN INC	KMI	31,145.96	0.19%	3.58%	13.00%	16.81%	0.0322%
CARMAX INC	KMX	9,297.31	0.06%	0.00%	13.50%	13.50%	0.0077%
COCA-COLA CO/THE	KO	182,094.20	1.12%	3.34%	4.50%	7.92%	0.0887%
MICHAEL KORS HOLDINGS LTD	KORS	6,646.01	0.04%	0.00%	11.50%	11.50%	0.0047%
KROGER CO	KR	37,702.98	0.23%	1.18%	11.50%	12.75%	0.0296%
KOHL'S CORP	KSS	9,339.14	0.06%	3.84%	6.50%	10.46%	0.0060%
KANSAS CITY SOUTHERN	KSU	7,467.09	0.05%	1.93%	13.00%	15.06%	0.0069%
LOEWS CORP	L	12,769.59	0.08%	0.70%	12.50%	13.24%	0.0104%

L BRANDS INC	LB	27,412.20	0.17%	2.12%	9.00%	11.22%	0.0189%
LEGGETT & PLATT INC	LEG	5,279.16	0.03%	3.30%	11.50%	14.99%	0.0049%
LENNAR CORP-A	LEN	8,624.15	0.05%	0.39%	19.50%	19.93%	0.0106%
LABORATORY CRP OF AMER HLDGS	LH	11,303.03	0.07%	0.00%	9.00%	9.00%	0.0063%
L-3 COMMUNICATIONS HOLDINGS	LLL	8,970.90	0.06%	2.29%	6.00%	8.36%	0.0046%
LINEAR TECHNOLOGY CORP	LLTC	9,451.23	0.06%	3.04%	6.50%	9.64%	0.0056%
ELI LILLY & CO	LLY	91,460.67	0.56%	2.47%	8.00%	10.57%	0.0595%
LEGG MASON INC	LM	3,548.24	0.02%	2.44%	12.00%	14.59%	0.0032%
LOCKHEED MARTIN CORP	LMT	66,504.79	0.41%	3.12%	9.00%	12.26%	0.0502%
LINCOLN NATIONAL CORP	LNC	10,272.27	0.06%	2.53%	8.00%	10.63%	0.0067%
LOWE'S COS INC	LOW	64,107.47	0.39%	1.69%	15.50%	17.32%	0.0684%
LAM RESEARCH CORP	LRCX	11,375.37	0.07%	1.67%	19.50%	21.33%	0.0149%
LEUCADIA NATIONAL CORP	LUK	N/A	N/A	0.00%	N/A	N/A	N/A
SOUTHWEST AIRLINES CO	LUV	26,319.87	0.16%	0.74%	29.00%	29.85%	0.0484%
LEVEL 3 COMMUNICATIONS INC	LVLT	17,212.92	N/A	0.00%	N/A	N/A	N/A
LYONDELLBASELL INDU-CL A	LYB	34,583.77	0.21%	4.09%	10.50%	14.80%	0.0315%
MACY'S INC	M	11,832.81	0.07%	3.83%	7.00%	10.96%	0.0080%
MASTERCARD INC-CLASS A	MA	101,986.40	0.63%	0.84%	13.00%	13.89%	0.0872%
MACERICH CO/THE	MAC	-	N/A	3.58%	N/A	N/A	N/A
MARRIOTT INTERNATIONAL -CL A	MAR	15,618.01	0.10%	1.65%	16.00%	17.78%	0.0171%
MASCO CORP	MAS	8,280.91	0.05%	1.52%	18.50%	20.16%	0.0103%
MATTEL INC	MAT	8,923.59	0.05%	5.78%	4.00%	9.90%	0.0054%
MCDONALD'S CORP	MCD	107,080.50	0.66%	3.05%	4.50%	7.62%	0.0502%
MICROCHIP TECHNOLOGY INC	MCHP	8,536.31	0.05%	3.43%	9.50%	13.09%	0.0069%
MCKESSON CORP	MCK	37,917.36	0.23%	0.69%	14.00%	14.73%	0.0344%
MOODY'S CORP	MCO	17,424.85	0.11%	1.68%	10.00%	11.76%	0.0126%
MONDELEZ INTERNATIONAL INC-A	MDLZ	65,811.66	0.41%	1.74%	11.00%	12.84%	0.0520%
MEDTRONIC PLC	MDT	105,166.40	0.65%	2.14%	7.00%	9.21%	0.0597%
METLIFE INC	MET	48,492.23	0.30%	3.77%	6.00%	9.88%	0.0295%
MCGRAW HILL FINANCIAL INC	MHFI	22,948.47	N/A	1.60%	N/A	N/A	N/A
MOHAWK INDUSTRIES INC	MHK	12,607.85	0.08%	0.00%	15.50%	15.50%	0.0120%
MEAD JOHNSON NUTRITION CO	MJN	13,633.41	0.08%	2.39%	6.50%	8.97%	0.0075%
MCCORMICK & CO-NON VTG SHRS	MKC	10,887.75	0.07%	2.02%	8.50%	10.61%	0.0071%
MARTIN MARIETTA MATERIALS	MLM	8,175.69	0.05%	1.29%	26.50%	27.96%	0.0141%
MARSH & MCLENNAN COS	MMC	27,979.61	0.17%	2.32%	10.50%	12.94%	0.0223%
3M CO	MMM	86,926.36	0.54%	2.90%	8.00%	11.02%	0.0589%
MALLINCKRODT PLC	MNK	7,642.12	N/A	0.00%	N/A	N/A	N/A
MONSTER BEVERAGE CORP	MNST	28,872.95	0.18%	0.00%	16.50%	16.50%	0.0293%
ALTRIA GROUP INC	MO	114,150.70	0.70%	3.88%	9.50%	13.56%	0.0953%
MONSANTO CO	MON	40,570.79	0.25%	2.34%	7.50%	9.93%	0.0248%
MOSAIC CO/THE	MOS	8,833.45	0.05%	4.71%	5.50%	10.34%	0.0056%
MARATHON PETROLEUM CORP	MPC	23,314.44	0.14%	2.93%	9.00%	12.06%	0.0173%
MERCK & CO. INC.	MRK	145,155.70	0.89%	3.55%	4.00%	7.62%	0.0681%
MARATHON OIL CORP	MRO	6,140.39	0.04%	2.21%	1.00%	3.22%	0.0012%
MORGAN STANLEY	MS	52,568.46	0.32%	2.21%	24.50%	26.98%	0.0873%
MICROSOFT CORP	MSFT	424,136.50	2.61%	2.71%	6.50%	9.30%	0.2428%
MOTOROLA SOLUTIONS INC	MSI	11,145.23	0.07%	2.69%	4.50%	7.25%	0.0050%
M & T BANK CORP	MTB	14,292.27	0.09%	2.61%	5.50%	8.18%	0.0072%
MICRON TECHNOLOGY INC	MU	13,065.74	0.08%	0.00%	1.00%	1.00%	0.0008%
MURPHY OIL CORP	MUR	3,168.70	0.02%	7.60%	-4.00%	3.45%	0.0007%
MYLAN NV	MYL	24,931.01	0.15%	0.00%	21.00%	21.00%	0.0322%
NAVIENT CORP	NAVI	3,405.70	N/A	7.13%	N/A	N/A	N/A
NOBLE ENERGY INC	NBL	12,529.17	0.08%	2.48%	4.50%	7.04%	0.0054%
NASDAQ INC	NDAQ	9,432.79	0.06%	1.74%	9.00%	10.82%	0.0063%
NEXTERA ENERGY INC	NEE	48,723.09	0.30%	3.31%	7.50%	10.93%	0.0328%
NEWMONT MINING CORP	NEM	9,137.87	0.06%	0.58%	-12.00%	-11.45%	-0.0064%
NETFLIX INC	NFLX	45,756.16	0.28%	0.00%	23.00%	23.00%	0.0648%
NEWFIELD EXPLORATION CO	NFX	5,195.05	0.03%	0.00%	9.50%	9.50%	0.0030%
NISOURCE INC	NI	6,369.50	0.04%	3.10%	-1.50%	1.58%	0.0006%
NIKE INC -CL B	NKE	99,876.57	0.61%	1.09%	15.50%	16.67%	0.1025%
NIELSEN HOLDINGS PLC	NLSN	16,637.45	0.10%	2.45%	10.50%	13.08%	0.0134%
NORTHROP GRUMMAN CORP	NOC	33,922.80	0.21%	1.73%	7.50%	9.29%	0.0194%
NATIONAL OILWELL VARCO INC	NOV	11,463.67	0.07%	6.03%	-5.50%	0.36%	0.0003%
NRG ENERGY INC	NRG	3,350.82	0.02%	5.53%	23.50%	29.68%	0.0061%
NORFOLK SOUTHERN CORP	NSC	21,541.75	0.13%	3.27%	8.00%	11.40%	0.0151%
NETAPP INC	NTAP	6,780.24	0.04%	3.10%	5.50%	8.69%	0.0036%
NORTHERN TRUST CORP	NTRS	15,200.40	0.09%	2.19%	9.50%	11.79%	0.0110%
NUCOR CORP	NUE	11,576.42	0.07%	4.14%	22.50%	27.11%	0.0193%
NVIDIA CORP	NVDA	15,424.46	0.09%	1.60%	9.00%	10.67%	0.0101%
NEWELL RUBBERMAID INC	NWL	10,010.91	0.06%	2.03%	14.00%	16.17%	0.0100%
NEWS CORP - CLASS A	NWSA	7,389.62	0.05%	1.57%	32.00%	33.82%	0.0154%
REALTY INCOME CORP	O	-	N/A	4.38%	N/A	N/A	N/A
OWENS-ILLINOIS INC	OI	2,219.56	0.01%	0.00%	5.50%	5.50%	0.0008%
ONEOK INC	OKE	4,767.24	0.03%	11.55%	9.50%	21.60%	0.0063%
OMNICOM GROUP	OMC	17,139.54	0.11%	3.11%	9.00%	12.25%	0.0129%
ORACLE CORP	ORCL	148,970.80	0.92%	1.73%	7.00%	8.79%	0.0806%
O'REILLY AUTOMOTIVE INC	ORLY	23,295.52	0.14%	0.00%	13.00%	13.00%	0.0186%
OCCIDENTAL PETROLEUM CORP	OXY	48,879.11	0.30%	4.69%	-4.00%	0.60%	0.0018%
PAYCHEX INC	PAYX	17,077.79	0.11%	3.68%	9.50%	13.35%	0.0140%
PEOPLE'S UNITED FINANCIAL	PBCT	4,586.66	0.03%	4.59%	11.00%	15.84%	0.0045%
PITNEY BOWES INC	PBI	3,664.89	0.02%	4.03%	4.00%	8.11%	0.0018%
PACCAR INC	PCAR	16,163.06	0.10%	5.16%	9.50%	14.91%	0.0148%
P G & E CORP	PCG	26,180.41	0.16%	3.41%	10.50%	14.09%	0.0227%
PLUM CREEK TIMBER CO	PCL	7,353.70	0.05%	4.16%	9.50%	13.86%	0.0063%
PRICELINE GROUP INC/THE	PCLN	56,269.72	0.35%	0.00%	17.00%	17.00%	0.0589%
PRECISION CASTPARTS CORP	PCP	31,950.69	0.20%	0.05%	8.00%	8.05%	0.0158%
PATTERSON COS INC	PDCO	4,024.93	0.02%	2.32%	11.50%	13.95%	0.0035%
PUBLIC SERVICE ENTERPRISE GP	PEG	20,081.34	0.12%	4.08%	5.00%	9.18%	0.0114%
PEPSICO INC	PEP	140,074.20	0.86%	3.00%	6.00%	9.09%	0.0784%
PFIZER INC	PFE	192,042.10	1.18%	3.86%	9.50%	13.54%	0.1601%
PRINCIPAL FINANCIAL GROUP	PFG	11,443.56	0.07%	3.90%	7.50%	11.55%	0.0081%
PROCTER & GAMBLE CO/THE	PG	207,171.60	1.28%	3.48%	7.50%	11.11%	0.1417%
PROGRESSIVE CORP	PGR	17,666.61	0.11%	2.28%	11.50%	13.91%	0.0151%

PARKER HANNIFIN CORP	PH	12,326.59	0.08%	2.78%	6.50%	9.37%	0.0071%
PULTEGROUP INC	PHM	5,610.63	0.03%	2.24%	14.00%	16.40%	0.0057%
PERKINELMER INC	PKI	5,382.63	0.03%	0.58%	7.50%	8.10%	0.0027%
PROLOGIS INC	PLD	-	N/A	4.04%	N/A	N/A	N/A
PHILIP MORRIS INTERNATIONAL	PM	136,152.00	0.84%	4.64%	2.00%	6.69%	0.0560%
PNC FINANCIAL SERVICES GROUP	PNC	47,083.54	0.29%	2.35%	4.50%	6.90%	0.0200%
PENTAIR PLC	PNR	8,203.31	0.05%	2.90%	15.00%	18.12%	0.0091%
PINNACLE WEST CAPITAL	PNW	7,183.99	0.04%	3.86%	4.00%	7.94%	0.0035%
PEPCO HOLDINGS INC	POM	6,628.84	0.04%	4.13%	10.50%	14.85%	0.0061%
PPG INDUSTRIES INC	PPG	25,195.50	0.16%	1.54%	12.50%	14.14%	0.0219%
PPL CORP	PPL	22,948.42	0.14%	4.45%	2.00%	6.49%	0.0092%
PERRIGO CO PLC	PRGO	21,288.03	0.13%	0.34%	14.50%	14.86%	0.0195%
PRUDENTIAL FINANCIAL INC	PRU	33,112.13	0.20%	3.89%	4.50%	8.48%	0.0173%
PUBLIC STORAGE	PSA	-	N/A	2.77%	N/A	N/A	N/A
PHILLIPS 66	PSX	42,291.12	0.26%	3.02%	5.00%	8.10%	0.0211%
QVH CORP	PVH	5,645.53	0.03%	0.22%	8.50%	8.73%	0.0030%
QUANTA SERVICES INC	PWR	2,820.92	0.02%	0.00%	10.00%	10.00%	0.0017%
PRAXAIR INC	PX	28,424.78	0.17%	3.11%	7.50%	10.73%	0.0188%
PIONEER NATURAL RESOURCES CO	PXD	17,321.87	0.11%	0.07%	13.50%	13.57%	0.0145%
PAYPAL HOLDINGS INC	PYPL	40,134.27	N/A	0.00%	N/A	N/A	N/A
QUALCOMM INC	QCOM	72,740.52	0.45%	4.40%	4.50%	9.00%	0.0403%
QORVO INC	QRVO	5,557.27	N/A	0.00%	N/A	N/A	N/A
RYDER SYSTEM INC	R	2,691.02	0.02%	3.26%	11.50%	14.95%	0.0025%
REYNOLDS AMERICAN INC	RAI	67,739.39	0.42%	3.04%	13.50%	16.75%	0.0698%
ROYAL CARIBBEAN CRUISES LTD	RCL	19,336.86	0.12%	1.71%	21.50%	23.39%	0.0278%
REGENERON PHARMACEUTICALS	REGN	48,931.32	0.30%	0.00%	24.50%	24.50%	0.0738%
REGIONS FINANCIAL CORP	RF	11,249.62	0.07%	3.11%	6.00%	9.20%	0.0064%
ROBERT HALF INTL INC	RHI	5,706.69	0.04%	1.95%	12.50%	14.57%	0.0051%
RED HAT INC	RHT	13,975.83	0.09%	0.00%	15.50%	15.50%	0.0133%
TRANSOCEAN LTD	RIG	3,833.61	0.02%	0.00%	-11.50%	-11.50%	-0.0027%
RALPH LAUREN CORP	RL	8,558.09	0.05%	2.13%	7.00%	9.20%	0.0048%
ROCKWELL AUTOMATION INC	ROK	12,258.92	0.08%	3.13%	6.00%	9.22%	0.0070%
ROPER TECHNOLOGIES INC	ROP	17,221.53	0.11%	0.70%	8.00%	8.73%	0.0093%
ROSS STORES INC	ROST	21,392.36	0.13%	0.98%	9.00%	10.02%	0.0132%
RANGE RESOURCES CORP	RRC	3,917.83	0.02%	0.69%	16.50%	17.25%	0.0042%
REPUBLIC SERVICES INC	RSG	15,386.12	0.09%	2.75%	8.00%	10.86%	0.0103%
RAYTHEON COMPANY	RTN	36,580.53	0.23%	2.21%	8.50%	10.80%	0.0243%
STARBUCKS CORP	SBUX	87,591.20	0.54%	1.36%	17.00%	18.48%	0.0996%
SCANA CORP	SCG	8,738.34	0.05%	3.63%	4.50%	8.21%	0.0044%
SCHWAB (CHARLES) CORP	SCHW	37,016.80	0.23%	0.85%	14.50%	15.41%	0.0351%
SPECTRA ENERGY CORP	SE	17,029.98	0.10%	6.38%	5.00%	11.54%	0.0121%
SEALED AIR CORP	SEE	8,166.94	0.05%	1.26%	19.50%	20.88%	0.0105%
SHERWIN-WILLIAMS CO/THE	SHW	22,645.89	0.14%	1.32%	13.00%	14.41%	0.0201%
SIGNET JEWELERS LTD	SIG	9,897.75	0.06%	0.74%	14.50%	15.29%	0.0093%
JM SMUCKER CO/THE	SJM	14,397.14	0.09%	2.28%	7.50%	9.87%	0.0087%
SCHLUMBERGER LTD	SLB	81,568.20	0.50%	3.09%	9.50%	12.74%	0.0640%
SL GREEN REALTY CORP	SLG	-	N/A	2.83%	N/A	N/A	N/A
SNAP-ON INC	SNA	9,469.89	0.06%	1.50%	9.50%	11.07%	0.0065%
SANDISK CORP	SNDK	15,017.71	0.09%	0.00%	1.50%	1.50%	0.0014%
SCRIPPS NETWORKS INTER-CL A	SNI	7,341.12	0.05%	1.61%	9.00%	10.68%	0.0048%
SOUTHERN CO/THE	SO	42,836.12	0.26%	4.71%	4.50%	9.32%	0.0246%
SIMON PROPERTY GROUP INC	SPG	-	N/A	3.45%	N/A	N/A	N/A
STAPLES INC	SPLS	5,882.52	0.04%	5.25%	-2.00%	3.20%	0.0012%
STERICYCLE INC	SRCL	9,888.10	0.06%	0.00%	10.00%	10.00%	0.0061%
SEMPRA ENERGY	SRE	23,068.64	0.14%	3.14%	8.50%	11.77%	0.0167%
SUNTRUST BANKS INC	STI	19,669.70	0.12%	2.90%	9.00%	12.03%	0.0146%
ST JUDE MEDICAL INC	STJ	15,673.09	0.10%	2.20%	6.50%	8.77%	0.0085%
STATE STREET CORP	STT	23,193.81	0.14%	2.47%	7.00%	9.56%	0.0136%
SEAGATE TECHNOLOGY	STX	9,601.92	0.06%	7.85%	2.00%	9.93%	0.0059%
CONSTELLATION BRANDS INC-A	STZ	28,538.98	0.18%	0.95%	17.00%	18.03%	0.0317%
STANLEY BLACK & DECKER INC	SWK	14,646.20	0.09%	2.25%	10.00%	12.36%	0.0111%
SKYWORX SOLUTIONS INC	SWKS	12,281.96	0.08%	1.61%	21.00%	22.78%	0.0172%
SOUTHWESTERN ENERGY CO	SWN	2,549.28	0.02%	0.00%	-4.00%	-4.00%	-0.0006%
SYNCHRONY FINANCIAL	SYF	23,497.16	N/A	0.00%	N/A	N/A	N/A
STRYKER CORP	SYK	34,185.92	0.21%	1.67%	17.00%	18.81%	0.0396%
SYMANTEC CORP	SYMC	13,926.40	0.09%	2.93%	4.00%	6.99%	0.0060%
SYSO CORP	SYO	23,922.37	0.15%	3.09%	12.00%	15.28%	0.0225%
AT&T INC	T	211,021.90	1.30%	5.60%	5.50%	11.25%	0.1462%
MOLSON COORS BREWING CO-B	TAP	16,055.58	0.10%	1.89%	8.50%	10.47%	0.0103%
TERADATA CORP	TDC	3,099.79	0.02%	0.00%	3.50%	3.50%	0.0007%
TECO ENERGY INC	TE	6,331.58	0.04%	3.34%	5.50%	8.93%	0.0035%
TE CONNECTIVITY LTD	TEL	23,198.98	0.14%	2.30%	9.00%	11.40%	0.0163%
TEGNA INC	TGNA	5,384.90	0.03%	2.31%	-0.50%	1.80%	0.0006%
TARGET CORP	TGT	43,555.63	0.27%	3.18%	9.50%	12.83%	0.0344%
TENET HEALTHCARE CORP	THC	2,326.47	0.01%	0.00%	28.00%	28.00%	0.0040%
TIFFANY & CO	TIF	8,571.45	0.05%	2.45%	12.50%	15.10%	0.0080%
TJX COMPANIES INC	TJX	45,842.65	0.28%	1.23%	10.00%	11.29%	0.0319%
TORCHMARK CORP	TMK	6,669.58	0.04%	1.00%	7.50%	8.54%	0.0035%
THERMO FISHER SCIENTIFIC INC	TMO	54,193.52	0.33%	0.44%	14.50%	14.97%	0.0499%
TRIPADVISOR INC	TRIP	10,368.56	0.06%	0.00%	21.00%	21.00%	0.0134%
T ROWE PRICE GROUP INC	TROW	16,506.75	0.10%	3.31%	9.50%	12.97%	0.0132%
TRAVELERS COS INC/THE	TRV	32,543.31	0.20%	2.28%	4.50%	6.83%	0.0137%
TRACTOR SUPPLY COMPANY	TSCO	11,175.54	0.07%	1.11%	15.50%	16.70%	0.0115%
TYSON FOODS INC-CL A	TSN	19,523.79	0.12%	1.13%	12.50%	13.70%	0.0165%
TESORO CORP	TSO	11,652.52	0.07%	2.07%	12.50%	14.70%	0.0105%
TOTAL SYSTEM SERVICES INC	TSS	8,437.23	0.05%	0.87%	11.00%	11.92%	0.0062%
TIME WARNER CABLE	TWC	51,531.07	0.32%	1.65%	6.00%	7.70%	0.0244%
TIME WARNER INC	TWX	56,651.65	0.35%	1.98%	12.00%	14.10%	0.0492%
TEXAS INSTRUMENTS INC	TXN	51,012.09	0.31%	3.04%	11.50%	14.71%	0.0462%
TEXTRON INC	TXT	10,395.80	0.06%	0.21%	17.00%	17.23%	0.0110%
TYCO INTERNATIONAL PLC	TYC	12,762.54	0.08%	2.71%	11.50%	14.37%	0.0113%
UNDER ARMOUR INC-CLASS A	UA	15,079.06	0.09%	0.00%	25.50%	25.50%	0.0237%
UNITED CONTINENTAL HOLDINGS	UAL	17,875.51	0.11%	0.00%	24.50%	24.50%	0.0270%

UNIVERSAL HEALTH SERVICES-B	UHS	10,948.23	0.07%	0.36%	12.00%	12.38%	0.0083%
UNITEDHEALTH GROUP INC	UNH	105,554.30	0.65%	1.81%	12.50%	14.42%	0.0937%
UNUM GROUP	UNM	7,176.08	0.04%	2.51%	11.00%	13.65%	0.0060%
UNION PACIFIC CORP	UNP	64,538.18	0.40%	2.92%	10.00%	13.07%	0.0519%
UNITED PARCEL SERVICE-CL B	UPS	81,214.65	0.50%	3.47%	10.50%	14.15%	0.0708%
URBAN OUTFITTERS INC	URBN	2,584.07	0.02%	0.00%	15.00%	15.00%	0.0024%
URTI RENTALS INC	URI	5,304.14	0.03%	0.00%	16.00%	16.00%	0.0052%
US BANCORP	USB	70,021.05	0.43%	2.55%	5.50%	8.12%	0.0350%
UNITED TECHNOLOGIES CORP	UTX	78,953.73	0.49%	2.88%	7.00%	9.98%	0.0485%
VISA INC-CLASS A SHARES	V	163,467.00	1.01%	0.76%	13.50%	14.31%	0.1440%
VARIAN MEDICAL SYSTEMS INC	VAR	7,568.81	0.05%	0.00%	6.50%	6.50%	0.0030%
VF CORP	VFC	23,678.19	0.15%	2.66%	12.00%	14.82%	0.0216%
VIACOM INC-CLASS B	VIAB	16,485.00	0.10%	3.86%	11.00%	15.07%	0.0153%
VALERO ENERGY CORP	VLO	32,517.11	0.20%	2.97%	10.00%	13.12%	0.0263%
VULCAN MATERIALS CO	VMC	11,373.10	0.07%	0.47%	47.50%	48.08%	0.0337%
VORNADO REALTY TRUST	VNO	17,447.58	0.11%	2.72%	6.50%	9.31%	0.0100%
VERISK ANALYTICS INC	VRSK	12,234.67	0.08%	0.00%	12.50%	12.50%	0.0094%
VERISIGN INC	VRSN	8,464.55	0.05%	0.00%	11.00%	11.00%	0.0057%
VERTEX PHARMACEUTICALS INC	VRTX	25,033.79	N/A	0.00%	N/A	N/A	N/A
VENTAS INC	VTR	-	N/A	5.78%	N/A	N/A	N/A
VERIZON COMMUNICATIONS INC	VZ	182,576.00	1.12%	5.04%	5.50%	10.68%	0.1200%
WATERS CORP	WAT	10,372.51	0.06%	0.00%	8.50%	8.50%	0.0054%
WALGREENS BOOTS ALLIANCE INC	WBA	88,882.65	0.55%	1.76%	15.00%	16.89%	0.0924%
WESTERN DIGITAL CORP	WDC	11,376.75	0.07%	4.06%	2.00%	6.10%	0.0043%
WEC ENERGY GROUP INC	WEC	16,731.25	0.10%	3.74%	6.00%	9.85%	0.0101%
WELLS FARGO & CO	WFC	258,693.10	1.59%	3.06%	5.50%	8.64%	0.1377%
WHOLE FOODS MARKET INC	WFM	10,665.87	0.07%	1.77%	8.50%	10.35%	0.0068%
WHIRLPOOL CORP	WHR	10,454.34	0.06%	2.69%	13.50%	16.37%	0.0105%
WILLIS TOWERS WATSON PLC	WLTW	N/A	N/A	0.00%	N/A	N/A	N/A
WASTE MANAGEMENT INC	WM	23,564.37	0.15%	2.98%	7.00%	10.08%	0.0146%
WILLIAMS COS INC	WMB	13,699.21	0.08%	14.00%	16.00%	31.12%	0.0262%
WAL-MART STORES INC	WMT	202,422.60	1.25%	3.11%	1.50%	4.63%	0.0577%
WESTROCK CO	WRK	9,894.50	N/A	3.90%	N/A	N/A	N/A
WESTERN UNION CO	WU	8,667.78	0.05%	3.62%	6.00%	9.73%	0.0052%
WEYERHAEUSER CO	WY	13,496.38	0.08%	4.70%	12.50%	17.49%	0.0145%
WYNDHAM WORLDWIDE CORP	WYN	7,741.37	0.05%	2.52%	8.50%	11.13%	0.0053%
WYNN RESORTS LTD	WYNN	5,229.47	0.03%	3.88%	5.50%	9.49%	0.0031%
CIMAREX ENERGY CO	XEC	8,033.73	0.05%	0.75%	4.00%	4.77%	0.0024%
XCEL ENERGY INC	XEL	18,621.77	0.11%	3.65%	4.50%	8.23%	0.0094%
XL GROUP PLC	XL	9,048.79	0.06%	2.26%	9.00%	11.36%	0.0063%
XILINX INC	XLNX	10,898.31	0.07%	2.92%	17.00%	20.17%	0.0135%
EXXON MOBIL CORP	XOM	329,376.50	2.03%	3.69%	2.50%	6.24%	0.1264%
DENTSPLY INTERNATIONAL INC	XRAY	7,893.11	0.05%	0.51%	9.00%	9.53%	0.0046%
XEROX CORP	XRX	9,293.86	0.06%	3.27%	1.50%	4.79%	0.0027%
XYLEM INC	XYL	6,021.32	0.04%	1.67%	9.50%	11.25%	0.0042%
YAHOO! INC	YHOO	28,607.77	0.18%	0.00%	4.50%	4.50%	0.0079%
YUM! BRANDS INC	YUM	30,174.31	0.19%	2.69%	8.50%	11.30%	0.0210%
ZIMMER BIOMET HOLDINGS INC	ZBH	20,848.10	0.13%	0.94%	14.50%	15.51%	0.0199%
ZIONS BANCORPORATION	ZION	4,696.38	0.03%	1.13%	11.50%	12.69%	0.0037%
ZOETIS INC	ZTS	21,991.43	N/A	0.86%	N/A	N/A	N/A
		16,245,080					12.82%

- [1] Equals sum of Col. [9]
[2] Source: Bloomberg Professional
[3] Equals [1] - [2]
[4] Source: Value Line
[5] Equals weight in S&P 500 based on market capitalization
[6] Source: Value Line
[7] Source: Value Line
[8] Equals ([6] x (1 + (0.5 x [7]))) + [7]
[9] Equals Col. [5] x Col. [8]

Bloomberg and Value Line Beta Coefficients

Company	Ticker	[1]	[2]
		Bloomberg	Value Line
ALLETE, Inc.	ALE	0.588	0.800
Alliant Energy Corporation	LNT	0.620	0.800
Ameren Corporation	AEE	0.590	0.750
American Electric Power Company, Inc.	AEP	0.550	0.700
Avista Corporation	AVA	0.594	0.800
CMS Energy Corporation	CMS	0.529	0.750
Dominion Resources, Inc.	D	0.573	0.700
DTE Energy Company	DTE	0.602	0.750
Great Plains Energy Inc.	GXP	0.595	0.850
IDACORP, Inc.	IDA	0.683	0.800
NorthWestern Corporation	NWE	0.632	0.700
OGE Energy Corp.	OGE	0.700	0.950
Otter Tail Corporation	OTTR	0.723	0.850
Pinnacle West Capital Corporation	PNW	0.598	0.750
PNM Resources, Inc.	PNM	0.622	0.850
Portland General Electric Company	POR	0.653	0.800
SCANA Corporation	SCG	0.578	0.750
Westar Energy, Inc.	WR	0.640	0.750
Xcel Energy Inc.	XEL	0.489	0.650
Mean		0.608	0.78

Notes:

[1] Source: Bloomberg Professional

[2] Source: Value Line

Change in Net Plant and Asset Turnover
Proxy Group - Annual Average

Year	Average		
	Average Revenue/Net Plant	Change in Net Plant	Cumulative Change in Net Plant
2003	61.30%	11.63%	11.63%
2004	63.47%	6.96%	19.40%
2005	74.66%	3.35%	23.39%
2006	69.80%	6.57%	31.50%
2007	67.50%	6.20%	39.66%
2008	60.67%	14.34%	59.68%
2009	50.39%	7.77%	72.09%
2010	50.56%	6.02%	82.45%
2011	48.61%	5.62%	92.71%
2012	43.24%	5.79%	103.86%
2013	42.48%	4.59%	113.23%
2014	40.34%	9.89%	134.31%
2015	36.80%	7.34%	151.52%
3-5 Year Projection	37.56%	19.94%	201.67%

Change in Net Plant and Asset Turnover
Proxy Group - Individual Company Results

Ticker	Year	Revenue	Net Plant	Revenue/Net Plant	Change in Net Plant	Change in Revenue/Net Plant
ALE	2002	NA	NA			
ALE	2003	NA	NA			
ALE	2004	\$ 751.40	\$ 883.10	85.09%		
ALE	2005	737.40	860.40	85.70%	-2.57%	0.73%
ALE	2006	767.10	921.60	83.24%	7.11%	-2.88%
ALE	2007	841.70	1,104.50	76.21%	19.85%	-8.44%
ALE	2008	801.00	1,387.30	57.74%	25.60%	-24.23%
ALE	2009	759.10	1,622.70	46.78%	16.97%	-18.98%
ALE	2010	907.00	1,805.60	50.23%	11.27%	7.38%
ALE	2011	928.20	1,982.70	46.81%	9.81%	-6.80%
ALE	2012	961.20	2,347.60	40.94%	18.40%	-12.54%
ALE	2013	1,018.40	2,576.50	39.53%	9.75%	-3.46%
ALE	2014	1,136.80	3,286.40	34.59%	27.55%	-12.49%
ALE	2015	1,500.00	3,675.00	40.82%	11.82%	18.00%
ALE	2018-2020	1,675.00	4,075.00	41.10%	10.88%	0.71%
LNT	2002	\$ 2,608.80	\$ 3,729.20	69.96%		
LNT	2003	3,128.20	4,432.60	70.57%	18.86%	0.88%
LNT	2004	2,958.70	5,284.60	55.99%	19.22%	-20.67%
LNT	2005	3,279.60	4,866.20	67.40%	-7.92%	20.38%
LNT	2006	3,359.40	4,944.90	67.94%	1.62%	0.80%
LNT	2007	3,437.60	4,679.90	73.45%	-5.36%	8.12%
LNT	2008	3,681.70	5,353.50	68.77%	14.39%	-6.38%
LNT	2009	3,432.80	6,203.00	55.34%	15.87%	-19.53%
LNT	2010	3,416.10	6,730.60	50.75%	8.51%	-8.29%
LNT	2011	3,665.30	7,037.10	52.09%	4.55%	2.62%
LNT	2012	3,094.50	7,838.00	39.48%	11.38%	-24.20%
LNT	2013	3,276.80	7,147.30	45.85%	-8.81%	16.12%
LNT	2014	3,350.30	6,442.00	52.01%	-9.87%	13.44%
LNT	2015	3,400.00	7,800.00	43.59%	21.08%	-16.19%
LNT	2018-2020	4,000.00	9,000.00	44.44%	15.38%	1.96%
AEE	2002	\$ 3,841.00	\$ 8,914.00	43.09%		
AEE	2003	4,593.00	10,917.00	42.07%	22.47%	-2.36%
AEE	2004	5,160.00	13,297.00	38.81%	21.80%	-7.76%
AEE	2005	6,780.00	13,572.00	49.96%	2.07%	28.73%
AEE	2006	6,880.00	14,286.00	48.16%	5.26%	-3.60%
AEE	2007	7,546.00	15,069.00	50.08%	5.48%	3.98%
AEE	2008	7,839.00	16,567.00	47.32%	9.94%	-5.51%
AEE	2009	7,090.00	17,610.00	40.26%	6.30%	-14.91%
AEE	2010	7,638.00	17,853.00	42.78%	1.38%	6.26%
AEE	2011	7,531.00	18,127.00	41.55%	1.53%	-2.89%
AEE	2012	6,828.00	16,096.00	42.42%	-11.20%	2.11%

Change in Net Plant and Asset Turnover
Proxy Group - Individual Company Results

Ticker	Year	Revenue	Net Plant	Revenue/Net Plant	Change in Net Plant	Change in Revenue/Net Plant
AEE	2013	5,838.00	16,205.00	36.03%	0.68%	-15.07%
AEE	2014	6,053.00	17,424.00	34.74%	7.52%	-3.57%
AEE	2015	6,150.00	18,525.00	33.20%	6.32%	-4.44%
AEE	2018-2020	7,250.00	21,400.00	33.88%	15.52%	2.05%
AEP	2002 \$	14,555.00	\$ 21,684.00	67.12%		
AEP	2003	14,545.00	22,029.00	66.03%	1.59%	-1.63%
AEP	2004	14,057.00	22,801.00	61.65%	3.50%	-6.63%
AEP	2005	12,111.00	24,284.00	49.87%	6.50%	-19.11%
AEP	2006	12,622.00	26,781.00	47.13%	10.28%	-5.50%
AEP	2007	13,380.00	29,870.00	44.79%	11.53%	-4.96%
AEP	2008	14,440.00	32,987.00	43.77%	10.44%	-2.28%
AEP	2009	13,489.00	34,344.00	39.28%	4.11%	-10.28%
AEP	2010	14,427.00	35,674.00	40.44%	3.87%	2.97%
AEP	2011	15,116.00	36,971.00	40.89%	3.64%	1.10%
AEP	2012	14,945.00	38,763.00	38.55%	4.85%	-5.70%
AEP	2013	15,357.00	40,997.00	37.46%	5.76%	-2.84%
AEP	2014	17,020.00	44,117.00	38.58%	7.61%	2.99%
AEP	2015	16,700.00	46,725.00	35.74%	5.91%	-7.36%
AEP	2018-2020	18,850.00	54,900.00	34.34%	17.50%	-3.93%
AVA	2002 \$	980.40	\$ 1,563.70	62.70%		
AVA	2003	1,123.40	1,944.60	57.77%	24.36%	-7.86%
AVA	2004	1,151.60	1,956.10	58.87%	0.59%	1.91%
AVA	2005	1,359.60	2,126.40	63.94%	8.71%	8.61%
AVA	2006	1,506.30	2,215.00	68.00%	4.17%	6.36%
AVA	2007	1,417.80	2,351.30	60.30%	6.15%	-11.33%
AVA	2008	1,676.80	2,492.20	67.28%	5.99%	11.58%
AVA	2009	1,512.60	2,607.00	58.02%	4.61%	-13.76%
AVA	2010	1,558.70	2,714.20	57.43%	4.11%	-1.02%
AVA	2011	1,619.80	2,860.80	56.62%	5.40%	-1.41%
AVA	2012	1,547.00	3,023.70	51.16%	5.69%	-9.64%
AVA	2013	1,618.50	3,202.40	50.54%	5.91%	-1.22%
AVA	2014	1,472.60	3,620.00	40.68%	13.04%	-19.51%
AVA	2015	1,525.00	3,860.00	39.51%	6.63%	-2.88%
AVA	2018-2020	1,875.00	4,625.00	40.54%	27.76%	-0.34%
CMS	2002 \$	8,687.00	\$ 5,234.00	165.97%		
CMS	2003	5,513.00	6,944.00	79.39%	32.67%	-52.17%
CMS	2004	5,472.00	8,636.00	63.36%	24.37%	-20.19%
CMS	2005	6,288.00	7,845.00	80.15%	-9.16%	26.50%
CMS	2006	6,810.00	7,976.00	85.38%	1.67%	6.52%
CMS	2007	6,519.00	8,728.00	74.69%	9.43%	-12.52%
CMS	2008	6,821.00	9,190.00	74.22%	5.29%	-0.63%
CMS	2009	6,205.00	9,682.00	64.09%	5.35%	-13.65%
CMS	2010	6,432.00	10,069.00	63.88%	4.00%	-0.33%
CMS	2011	6,503.00	10,633.00	61.16%	5.60%	-4.26%
CMS	2012	6,312.00	11,551.00	54.64%	8.63%	-10.65%
CMS	2013	6,566.00	12,246.00	53.62%	6.02%	-1.88%
CMS	2014	7,179.00	13,412.00	53.53%	9.52%	-0.17%
CMS	2015	6,550.00	14,300.00	45.80%	6.62%	-14.43%
CMS	2018-2020	7,500.00	16,800.00	44.64%	17.48%	-2.54%
D	2002 \$	10,218.00	\$ 20,257.00	50.44%		
D	2003	12,078.00	25,850.00	46.72%	27.61%	-7.37%
D	2004	13,972.00	26,716.00	52.30%	3.35%	11.93%
D	2005	18,041.00	28,940.00	62.34%	8.32%	19.20%
D	2006	16,482.00	29,382.00	56.10%	1.53%	-10.02%
D	2007	15,674.00	21,352.00	73.41%	-27.33%	30.86%
D	2008	16,290.00	23,274.00	69.99%	9.00%	-4.65%
D	2009	15,131.00	25,592.00	59.12%	9.96%	-15.53%
D	2010	15,197.00	26,713.00	56.89%	4.38%	-3.78%
D	2011	14,379.00	29,670.00	48.46%	11.07%	-14.81%
D	2012	13,093.00	30,773.00	42.55%	3.72%	-12.21%
D	2013	13,120.00	32,628.00	40.21%	6.03%	-5.49%
D	2014	12,436.00	36,270.00	34.29%	11.16%	-14.73%
D	2015	12,000.00	40,425.00	29.68%	11.46%	-13.42%
D	2018-2020	13,250.00	51,700.00	25.63%	27.89%	-13.66%
DTE	2002 \$	6,749.00	\$ 9,813.00	68.78%		
DTE	2003	7,041.00	10,324.00	68.20%	5.21%	-0.84%
DTE	2004	7,114.00	10,491.00	67.81%	1.62%	-0.57%
DTE	2005	9,022.00	10,830.00	83.31%	3.23%	22.85%
DTE	2006	9,022.00	11,451.00	78.79%	5.73%	-5.42%
DTE	2007	8,861.00	11,408.00	77.67%	-0.38%	-1.41%

Change in Net Plant and Asset Turnover
Proxy Group - Individual Company Results

Ticker	Year	Revenue	Net Plant	Revenue/Net Plant	Change in Net Plant	Change in Revenue/Net Plant
DTE	2008	9,329.00	12,231.00	76.27%	7.21%	-1.80%
DTE	2009	8,014.00	12,431.00	64.47%	1.64%	-15.48%
DTE	2010	8,557.00	12,992.00	65.86%	4.51%	2.17%
DTE	2011	8,897.00	13,746.00	64.72%	5.80%	-1.73%
DTE	2012	8,791.00	14,684.00	59.87%	6.82%	-7.50%
DTE	2013	9,661.00	15,800.00	61.15%	7.60%	2.13%
DTE	2014	12,301.00	16,820.00	73.13%	6.46%	19.61%
DTE	2015	10,700.00	18,375.00	58.23%	9.24%	-20.38%
DTE	2018-2020	13,000.00	23,500.00	55.32%	27.89%	-5.00%
GXP	2002	\$ 1,861.90	\$ 2,604.10	71.50%		
GXP	2003	2,149.50	2,700.90	79.58%	3.72%	11.31%
GXP	2004	2,464.00	2,734.50	90.11%	1.24%	13.22%
GXP	2005	2,604.90	2,765.60	94.19%	1.14%	4.53%
GXP	2006	2,675.30	3,066.20	87.25%	10.87%	-7.37%
GXP	2007	3,267.10	3,444.50	94.85%	12.34%	8.71%
GXP	2008	1,670.10	6,081.30	27.46%	76.55%	-71.05%
GXP	2009	1,965.00	6,651.10	29.54%	9.37%	7.58%
GXP	2010	2,255.50	6,892.30	32.72%	3.63%	10.77%
GXP	2011	2,318.00	7,053.50	32.86%	2.34%	0.42%
GXP	2012	2,309.90	7,402.10	31.21%	4.94%	-5.04%
GXP	2013	2,446.30	7,746.40	31.58%	4.65%	1.20%
GXP	2014	2,568.20	8,279.60	31.02%	6.88%	-1.78%
GXP	2015	2,450.00	8,690.00	28.19%	4.96%	-9.11%
GXP	2018-2020	3,000.00	9,050.00	33.15%	4.14%	17.58%
IDA	2002	\$ 928.80	\$ 1,906.50	48.72%		
IDA	2003	782.70	2,088.30	37.48%	9.54%	-23.07%
IDA	2004	844.50	2,209.50	38.22%	5.80%	1.98%
IDA	2005	859.50	2,314.30	37.14%	4.74%	-2.83%
IDA	2006	926.30	2,419.10	38.29%	4.53%	3.10%
IDA	2007	879.40	2,616.60	33.61%	8.16%	-12.23%
IDA	2008	960.40	2,758.20	34.82%	5.41%	3.60%
IDA	2009	1,049.80	2,917.00	35.99%	5.76%	3.36%
IDA	2010	1,036.00	3,161.40	32.77%	8.38%	-8.94%
IDA	2011	1,026.80	3,406.60	30.14%	7.76%	-8.02%
IDA	2012	1,080.70	3,536.00	30.56%	3.80%	1.40%
IDA	2013	1,246.20	3,665.00	34.00%	3.65%	11.26%
IDA	2014	1,282.50	3,833.50	33.46%	4.60%	-1.61%
IDA	2015	1,280.00	4,095.00	31.26%	6.82%	-6.57%
IDA	2018-2020	1,405.00	4,975.00	28.24%	29.78%	-15.58%
NWE	2002	NA	NA			
NWE	2003	NA	NA			
NWE	2004	\$ 1,039.00	\$ 1,379.10	75.34%		
NWE	2005	1,165.80	1,409.20	82.73%	2.18%	9.81%
NWE	2006	1,132.70	1,491.90	75.92%	5.87%	-8.23%
NWE	2007	1,200.10	1,770.90	67.77%	18.70%	-10.74%
NWE	2008	1,260.80	1,839.70	68.53%	3.89%	1.13%
NWE	2009	1,141.90	1,964.10	58.14%	6.76%	-15.17%
NWE	2010	1,110.70	2,118.00	52.44%	7.84%	-9.80%
NWE	2011	1,117.30	2,213.30	50.48%	4.50%	-3.74%
NWE	2012	1,070.30	2,435.60	43.94%	10.04%	-12.95%
NWE	2013	1,154.50	2,690.10	42.92%	10.45%	-2.34%
NWE	2014	1,204.90	3,758.00	32.06%	39.70%	-25.29%
NWE	2015	1,200.00	4,060.00	29.56%	8.04%	-7.81%
NWE	2018-2020	1,475.00	4,525.00	32.60%	20.41%	1.67%
OGE	2005	5,948.20	3,567.40	166.74%		
OGE	2006	4,005.60	3,867.50	103.57%	8.41%	-37.88%
OGE	2007	3,797.60	4,246.30	89.43%	9.79%	-13.65%
OGE	2008	4,070.70	5,249.80	77.54%	23.63%	-13.30%
OGE	2009	2,869.70	5,911.60	48.54%	12.61%	-37.40%
OGE	2010	3,716.90	6,464.40	57.50%	9.35%	18.45%
OGE	2011	3,915.90	7,474.00	52.39%	15.62%	-8.88%
OGE	2012	3,671.20	8,344.80	43.99%	11.65%	-16.03%
OGE	2013	2,867.70	6,672.80	42.98%	-20.04%	-2.31%
OGE	2014	2,453.10	6,979.90	35.15%	4.60%	-18.22%
OGE	2015	2,250.00	7,265.00	30.97%	4.08%	-11.88%
OGE	2018-2020	2,800.00	8,275.00	33.84%	18.55%	-3.72%
OTTR	2002	\$ 710.10	\$ 587.90	120.79%		
OTTR	2003	753.20	633.30	118.93%	7.72%	-1.53%
OTTR	2004	882.30	682.10	129.35%	7.71%	8.76%
OTTR	2005	1,046.40	697.10	150.11%	2.20%	16.05%

Change in Net Plant and Asset Turnover
Proxy Group - Individual Company Results

Ticker	Year	Revenue	Net Plant	Revenue/Net Plant	Change in Net Plant	Change in Revenue/Net Plant
OTTR	2006	1,105.00	718.60	153.77%	3.08%	2.44%
OTTR	2007	1,238.90	854.00	145.07%	18.84%	-5.66%
OTTR	2008	1,311.20	1,037.60	126.37%	21.50%	-12.89%
OTTR	2009	1,039.50	1,098.60	94.62%	5.88%	-25.12%
OTTR	2010	1,119.10	1,108.70	100.94%	0.92%	6.68%
OTTR	2011	1,077.90	1,077.50	100.04%	-2.81%	-0.89%
OTTR	2012	859.20	1,049.50	81.87%	-2.60%	-18.16%
OTTR	2013	893.30	1,167.00	76.55%	11.20%	-6.50%
OTTR	2014	799.30	1,268.50	63.01%	8.70%	-17.68%
OTTR	2015	800.00	1,400.00	57.14%	10.37%	-9.31%
OTTR	2018-2020	1,225.00	1,750.00	70.00%	25.00%	22.50%
PNW	2002 \$	2,637.30	\$ 6,479.40	40.70%		
PNW	2003	2,817.90	7,480.10	37.67%	15.44%	-7.45%
PNW	2004	2,899.70	7,535.50	38.48%	0.74%	2.15%
PNW	2005	2,988.00	7,577.10	39.43%	0.55%	2.48%
PNW	2006	3,401.70	7,881.90	43.16%	4.02%	9.44%
PNW	2007	3,523.60	8,436.40	41.77%	7.04%	-3.22%
PNW	2008	3,367.10	8,916.70	37.76%	5.69%	-9.59%
PNW	2009	3,297.10	9,257.80	35.61%	3.83%	-5.69%
PNW	2010	3,263.60	9,578.80	34.07%	3.47%	-4.33%
PNW	2011	3,241.40	9,962.30	32.54%	4.00%	-4.50%
PNW	2012	3,301.80	10,396.00	31.76%	4.35%	-2.39%
PNW	2013	3,454.60	10,889.00	31.73%	4.74%	-0.11%
PNW	2014	3,491.60	11,194.00	31.19%	2.80%	-1.68%
PNW	2015	3,500.00	11,750.00	29.79%	4.97%	-4.50%
PNW	2018-2020	4,300.00	14,175.00	30.34%	26.63%	-2.75%
PNM	2002 \$	1,169.00	\$ 1,867.30	62.60%		
PNM	2003	1,455.70	2,194.40	66.34%	17.52%	5.96%
PNM	2004	1,604.80	2,324.60	69.04%	5.93%	4.07%
PNM	2005	2,076.80	2,984.10	69.60%	28.37%	0.81%
PNM	2006	2,471.70	3,761.90	65.70%	26.06%	-5.59%
PNM	2007	1,914.00	2,935.40	65.20%	-21.97%	-0.76%
PNM	2008	1,959.50	3,192.00	61.39%	8.74%	-5.85%
PNM	2009	1,647.70	3,332.40	49.44%	4.40%	-19.45%
PNM	2010	1,673.50	3,444.40	48.59%	3.36%	-1.74%
PNM	2011	1,700.60	3,627.10	46.89%	5.30%	-3.50%
PNM	2012	1,342.40	3,746.50	35.83%	3.29%	-23.58%
PNM	2013	1,387.90	3,933.90	35.28%	5.00%	-1.54%
PNM	2014	1,435.90	4,270.00	33.63%	8.54%	-4.68%
PNM	2015	1,460.00	4,335.00	33.68%	1.52%	0.15%
PNM	2018-2020	1,625.00	5,270.00	30.83%	23.42%	-8.30%
POR	2002	NA	NA			
POR	2003	NA	NA			
POR	2004	1,454.00	2,275.00	63.91%		
POR	2005	1,446.00	2,436.00	59.36%	7.08%	-7.12%
POR	2006	1,520.00	2,718.00	55.92%	11.58%	-5.79%
POR	2007	1,743.00	3,066.00	56.85%	12.80%	1.66%
POR	2008	1,745.00	3,301.00	52.86%	7.66%	-7.01%
POR	2009	1,804.00	3,858.00	46.76%	16.87%	-11.54%
POR	2010	1,783.00	4,133.00	43.14%	7.13%	-7.74%
POR	2011	1,813.00	4,285.00	42.31%	3.68%	-1.92%
POR	2012	1,805.00	4,392.00	41.10%	2.50%	-2.87%
POR	2013	1,810.00	4,880.00	37.09%	11.11%	-9.75%
POR	2014	1,900.00	5,679.00	33.46%	16.37%	-9.80%
POR	2015	1,875.00	6,000.00	31.25%	5.65%	-6.60%
POR	2018-2020	2,175.00	6,000.00	36.25%	5.65%	8.35%
SCG	2002 \$	2,954.00	\$ 5,474.00	53.96%		
SCG	2003	3,416.00	6,417.00	53.23%	17.23%	-1.35%
SCG	2004	3,885.00	6,762.00	57.45%	5.38%	7.93%
SCG	2005	4,777.00	6,734.00	70.94%	-0.41%	23.47%
SCG	2006	4,563.00	7,007.00	65.12%	4.05%	-8.20%
SCG	2007	4,621.00	7,538.00	61.30%	7.58%	-5.86%
SCG	2008	5,319.00	8,305.00	64.05%	10.18%	4.47%
SCG	2009	4,237.00	9,009.00	47.03%	8.48%	-26.57%
SCG	2010	4,601.00	9,662.00	47.62%	7.25%	1.25%
SCG	2011	4,409.00	10,047.00	43.88%	3.98%	-7.85%
SCG	2012	4,176.00	10,896.00	38.33%	8.45%	-12.66%
SCG	2013	4,495.00	11,643.00	38.61%	8.86%	0.73%
SCG	2014	4,951.00	12,232.00	40.48%	5.06%	4.84%
SCG	2015	4,550.00	12,975.00	35.07%	6.07%	-13.36%

Change in Net Plant and Asset Turnover
Proxy Group - Individual Company Results

Ticker	Year	Revenue	Net Plant	Revenue/Net Plant	Change in Net Plant	Change in Revenue/Net Plant
SCG	2018-2020	5,500.00	17,325.00	31.75%	33.53%	-9.47%
WR	2002	\$ 1,771.10	\$ 3,995.40	44.33%		
WR	2003	1,461.10	3,909.50	37.37%	-2.15%	-15.69%
WR	2004	1,464.50	3,911.00	37.45%	0.04%	0.19%
WR	2005	1,583.30	3,947.70	40.11%	0.94%	7.11%
WR	2006	1,605.70	4,071.60	39.44%	3.14%	-1.67%
WR	2007	1,726.80	4,803.70	35.95%	17.98%	-8.85%
WR	2008	1,839.00	5,533.50	33.23%	15.19%	-7.55%
WR	2009	1,858.20	5,771.70	32.20%	4.30%	-3.13%
WR	2010	2,056.20	6,309.50	32.59%	9.32%	1.22%
WR	2011	2,171.00	6,745.40	32.18%	6.91%	-1.24%
WR	2012	2,261.50	7,335.70	30.83%	8.75%	-4.21%
WR	2013	2,370.70	7,848.50	30.21%	6.99%	-2.02%
WR	2014	2,601.70	8,441.50	30.82%	7.56%	2.03%
WR	2015	2,580.00	8,500.00	30.35%	0.69%	-1.52%
WR	2018-2020	2,900.00	9,000.00	32.22%	5.88%	6.16%
XEL	2002	\$ 9,524.40	\$ 18,816.00	50.62%		
XEL	2003	7,937.50	13,667.00	58.08%	-27.37%	14.74%
XEL	2004	8,345.30	14,096.00	59.20%	3.14%	1.94%
XEL	2005	9,625.50	14,696.00	65.50%	4.26%	10.63%
XEL	2006	9,840.30	15,549.00	63.29%	5.80%	-3.38%
XEL	2007	10,034.00	16,676.00	60.17%	7.25%	-4.92%
XEL	2008	11,203.00	17,689.00	63.33%	6.07%	5.26%
XEL	2009	9,644.30	18,508.00	52.11%	4.63%	-17.72%
XEL	2010	10,311.00	20,663.00	49.90%	11.64%	-4.24%
XEL	2011	10,655.00	22,353.00	47.67%	8.18%	-4.48%
XEL	2012	10,128.00	23,809.00	42.54%	6.51%	-10.76%
XEL	2013	10,915.00	26,122.00	41.78%	9.71%	-1.77%
XEL	2014	11,686.00	28,757.00	40.64%	10.09%	-2.75%
XEL	2015	10,900.00	30,850.00	35.33%	7.28%	-13.05%
XEL	2018-2020	12,500.00	36,100.00	34.63%	25.53%	-14.79%

Source: Value Line Investment Reports as of January 15, 2016

Change in Net Plant and Asset Turnover
 Regression Analysis

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.504560553
R Square	0.254581352
Adjusted R Square	0.251669560
Standard Error	0.100555624
Observations	258

ANOVA					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.884054481	0.884054481	87.431172006	0.000000000
Residual	256	2.588526973	0.010111433		
Total	257	3.472581454			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0.011213295	0.008226399	1.363086772	0.174052842	-0.004986737	0.027413327
Change in Net Plant	-0.605429010	0.064748554	-9.350463732	0.000000000	-0.732936648	-0.477921372

Flotation Cost Adjustment

Two most recent open market common stock issuances per company, if available

Company	Date	Shares Issued	Offering Price	Underwriting Discount	Offering Expense	Net Proceeds Per Share	Total Flotation Costs	Gross Equity Issue Before Costs	Net Proceeds	Flotation Cost Percentage
ALLETE, Inc.	2/26/2014	3,220,000	\$49.75	\$1.7413	\$450,000	\$47.87	\$6,056,825	\$160,195,000	\$154,138,175	3.781%
ALLETE, Inc.	5/25/2001	7,475,000	\$23.68	\$0.9472	\$350,000	\$22.69	\$7,430,320	\$177,008,000	\$169,577,680	4.198%
Alliant Energy Corporation	7/1/2003	17,250,000	\$19.25	\$0.7700	\$370,000	\$18.46	\$13,652,500	\$332,062,500	\$318,410,000	4.111%
Alliant Energy Corporation	11/8/2001	9,775,000	\$28.00	\$1.0500	\$425,000	\$26.91	\$10,688,750	\$273,700,000	\$263,011,250	3.905%
Ameren Corp.	9/9/2009	21,850,000	\$25.25	\$0.7575	\$450,000	\$24.47	\$17,001,375	\$551,712,500	\$534,711,125	3.082%
Ameren Corp.	6/30/2004	10,925,000	\$42.00	\$1.2600	\$400,000	\$40.70	\$14,165,500	\$458,850,000	\$444,684,500	3.087%
American Electric Power Company, Inc.	4/1/2009	69,000,000	\$24.50	\$0.7350	\$400,000	\$23.76	\$51,115,000	\$1,690,500,000	\$1,639,385,000	3.024%
American Electric Power Company, Inc.	2/27/2003	57,500,000	\$20.95	\$0.6285	\$550,000	\$20.31	\$36,688,750	\$1,204,625,000	\$1,167,936,250	3.046%
Avista Corporation	12/11/2006	3,162,500	\$25.05	\$0.4800	\$300,000	\$24.48	\$1,818,000	\$79,220,625	\$77,402,625	2.295%
CMS Energy Corporation	3/30/2005	23,000,000	\$12.25	\$0.4288	\$325,000	\$11.81	\$10,187,400	\$281,750,000	\$271,562,600	3.616%
CMS Energy Corporation	10/7/2004	32,775,000	\$9.10	\$0.3185	\$325,000	\$8.77	\$10,763,838	\$298,252,500	\$287,488,663	3.609%
Dominion Resources, Inc.	5/20/2015	2,800,000	\$71.99	\$0.0300	\$200,000	\$71.99	\$284,000	\$201,572,000	\$201,288,000	0.141%
Dominion Resources, Inc.	9/7/2004	11,000,000	\$65.20	\$0.0800	\$200,000	\$65.10	\$1,080,000	\$717,200,000	\$716,120,000	0.151%
DTE Energy Company	6/19/2002	6,325,000	\$43.25	\$1.4056	\$250,000	\$41.80	\$9,140,420	\$273,556,250	\$264,415,830	3.341%
Great Plains Energy Inc.	5/12/2009	11,500,000	\$14.00	\$0.4900	\$500,000	\$13.47	\$6,135,000	\$161,000,000	\$154,865,000	3.811%
Great Plains Energy Inc.	5/17/2006	7,002,450	\$27.50	\$0.8938	\$500,000	\$26.53	\$6,758,790	\$192,567,375	\$185,808,585	3.510%
IDACORP, Inc.	12/9/2004	4,025,000	\$30.00	\$1.2000	\$300,000	\$28.73	\$5,130,000	\$120,750,000	\$115,620,000	4.248%
NorthWestern Corporation	9/29/2015	1,100,000	\$51.81	\$1.3300	\$1,000,000	\$49.57	\$2,463,000	\$56,991,000	\$54,528,000	4.322%
NorthWestern Corporation	11/4/2014	7,766,990	\$51.50	\$1.8025	\$1,000,000	\$49.57	\$14,999,999	\$399,999,985	\$384,999,986	3.750%
OGE Energy Corp.	8/21/2003	5,324,074	\$21.60	\$0.7900	\$325,000	\$20.75	\$4,531,018	\$114,999,998	\$110,468,980	3.940%
Otter Tail Corporation	9/18/2008	5,175,000	\$30.00	\$1.0875	\$400,000	\$28.84	\$6,027,813	\$155,250,000	\$149,222,188	3.883%
Otter Tail Corporation	12/7/2004	3,335,000	\$25.45	\$0.9500	\$300,000	\$24.41	\$3,468,250	\$84,875,750	\$81,407,500	4.086%
Pinnacle West Capital Corporation	4/8/2010	6,900,000	\$38.00	\$1.3300	\$190,000	\$36.64	\$9,367,000	\$262,200,000	\$252,833,000	3.572%
Pinnacle West Capital Corporation	4/27/2005	6,095,000	\$42.00	\$1.3650	\$250,000	\$40.59	\$8,569,675	\$255,990,000	\$247,420,325	3.348%
PNM Resources, Inc.	12/6/2006	5,750,000	\$30.79	\$1.0780	\$250,000	\$29.67	\$6,448,500	\$177,042,500	\$170,594,000	3.642%
PNM Resources, Inc.	3/23/2005	3,910,000	\$26.76	\$0.8697	\$200,000	\$25.84	\$3,600,527	\$104,631,600	\$101,031,073	3.441%
Portland General Electric Company	6/11/2013	12,765,000	\$29.50	\$0.9588	\$600,000	\$28.49	\$12,838,444	\$376,567,500	\$363,729,056	3.409%
Portland General Electric Company	3/5/2009	12,477,500	\$14.10	\$0.4935	\$375,000	\$13.58	\$6,532,646	\$175,932,750	\$169,400,104	3.713%
SCANA Corporation	5/11/2010	8,222,500	\$37.00	\$1.2950	\$350,000	\$35.66	\$10,998,138	\$304,232,500	\$293,234,363	3.615%
SCANA Corporation	12/31/2008	2,875,000	\$35.50	\$0.5325	\$350,000	\$34.85	\$1,880,938	\$102,062,500	\$100,181,563	1.843%
Westar Energy, Inc.	9/24/2013	9,200,000	\$31.15	\$1.0903	\$250,000	\$30.03	\$10,280,300	\$286,580,000	\$276,299,700	3.587%
Westar Energy, Inc.	11/4/2010	8,625,000	\$25.54	\$0.8939	\$250,000	\$24.62	\$7,959,888	\$220,282,500	\$212,322,613	3.613%
Xcel Energy Inc.	8/3/2010	21,850,000	\$21.50	\$0.6450	\$600,000	\$20.83	\$14,693,250	\$469,775,000	\$455,081,750	3.128%
Xcel Energy Inc.	9/9/2008	17,250,000	\$20.25	\$0.1500	\$600,000	\$20.07	\$3,187,500	\$349,312,500	\$346,125,000	0.913%
Mean							\$9,880,687	\$325,624,936		
							WEIGHTED AVERAGE FLOTATION COSTS:		3.034%	

Constant Growth Discounted Cash Flow Model Adjusted for Flotation Costs - 30 Day Average Stock Price

Company	Ticker	[1]	[2]	[3]	[4]		[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Annualized Dividend	Average Stock Price	Dividend Yield	Expected Dividend Yield		Zacks Earnings Growth	First Call Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	DCF k(e)	Flotation Adjusted DCF k(e)	
ALLETE, Inc.	ALE	\$2.02	\$50.12	4.03%	4.14%	4.27%	5.00%	5.00%	6.50%	5.50%	9.64%	9.77%	
Alliant Energy Corporation	LNT	\$2.35	\$61.59	3.82%	3.92%	4.05%	5.40%	5.55%	6.00%	5.65%	9.57%	9.70%	
Ameren Corporation	AEE	\$1.70	\$43.18	3.94%	4.06%	4.19%	6.30%	6.00%	7.00%	6.43%	10.50%	10.62%	
American Electric Power Company, Inc.	AEP	\$2.24	\$57.34	3.91%	4.00%	4.12%	4.70%	4.43%	5.00%	4.71%	8.71%	8.83%	
Avista Corporation	AVA	\$1.32	\$34.97	3.77%	3.87%	3.99%	5.00%	5.00%	5.00%	5.00%	8.87%	8.99%	
CMS Energy Corporation	CMS	\$1.16	\$35.77	3.24%	3.34%	3.45%	6.10%	6.72%	5.50%	6.11%	9.45%	9.55%	
Dominion Resources, Inc.	D	\$2.59	\$67.46	3.84%	3.96%	4.09%	6.10%	5.49%	8.00%	6.53%	10.49%	10.62%	
DTE Energy Company	DTE	\$2.92	\$79.78	3.66%	3.76%	3.87%	5.60%	5.12%	5.00%	5.24%	9.00%	9.11%	
Great Plains Energy Inc.	GXP	\$1.05	\$26.91	3.90%	4.01%	4.13%	5.80%	5.07%	5.00%	5.29%	9.30%	9.42%	
IDACORP, Inc.	IDA	\$2.04	\$67.89	3.00%	3.05%	3.15%	4.00%	4.00%	1.00%	3.00%	6.05%	6.15%	
NorthWestern Corporation	NWE	\$1.92	\$54.03	3.55%	3.66%	3.78%	5.00%	6.81%	6.50%	6.10%	9.77%	9.88%	
OGE Energy Corp.	OGE	\$1.10	\$25.52	4.31%	4.39%	4.53%	5.70%	2.17%	3.00%	3.62%	8.01%	8.15%	
Otter Tail Corporation	OTTR	\$1.23	\$26.51	4.64%	4.81%	4.97%	NA	6.00%	9.00%	7.50%	12.31%	12.47%	
Pinnacle West Capital Corporation	PNW	\$2.50	\$63.57	3.93%	4.02%	4.15%	4.80%	4.95%	4.00%	4.58%	8.61%	8.73%	
PNM Resources, Inc.	PNM	\$0.88	\$29.89	2.94%	3.07%	3.17%	7.70%	9.30%	9.00%	8.67%	11.74%	11.83%	
Portland General Electric Company	POR	\$1.20	\$36.42	3.29%	3.37%	3.48%	4.40%	4.14%	6.00%	4.85%	8.22%	8.33%	
SCANA Corporation	SCG	\$2.18	\$60.15	3.62%	3.71%	3.82%	4.50%	4.45%	4.50%	4.48%	8.19%	8.30%	
Westar Energy, Inc.	WR	\$1.44	\$41.90	3.44%	3.51%	3.62%	3.60%	3.50%	6.00%	4.37%	7.88%	7.99%	
Xcel Energy Inc.	XEL	\$1.28	\$35.81	3.57%	3.66%	3.77%	5.00%	4.68%	4.50%	4.73%	8.39%	8.50%	
PROXY GROUP MEAN											9.19%	9.31%	

Notes:

The proxy group DCF result is adjusted for flotation costs by dividing each company's expected dividend yield by (1 - flotation cost). The flotation cost adjustment is derived as the difference between the unadjusted DCF result and the DCF result adjusted for flotation costs.

[1] Source: Bloomberg Professional

[2] Source: Bloomberg Professional

[3] Equals [1] / [2]

[4] Equals [3] x (1 + 0.5 x [9])

[5] Equals [4] / (1 - 0.0303)

[6] Source: Zacks

[7] Source: Yahoo! Finance

[8] Source: Value Line

[9] Equals Average([6], [7], [8])

[10] Equals [4] + [9]

[11] Equals [5] + [9]

[12] Equals average [11] - average [10]

DCF Result Adjusted For Flotation Costs:	9.31%
DCF Result Unadjusted For Flotation Costs:	9.19%
Difference (Flotation Cost Adjustment):	0.12% [12]

Proxy Group Capital Structure

Company	Ticker	% Common Equity								
		2015Q3	2015Q2	2015Q1	2014Q4	2014Q3	2014Q2	2014Q1	2013Q4	Average
ALLETE, Inc.	ALE	58.01%	58.93%	58.70%	56.98%	56.18%	55.83%	56.79%	56.37%	57.22%
Alliant Energy Corporation	LNT	51.27%	51.18%	50.32%	50.11%	54.23%	52.94%	52.81%	52.36%	51.90%
Ameren Corporation	AEE	53.40%	52.44%	52.88%	52.82%	54.54%	53.83%	56.09%	54.78%	53.85%
American Electric Power Company, Inc.	AEP	49.13%	49.63%	52.23%	52.11%	52.27%	52.31%	52.34%	52.36%	51.55%
Avista Corporation	AVA	54.95%	54.98%	54.81%	51.39%	52.62%	51.19%	49.76%	49.15%	52.36%
CMS Energy Corporation	CMS	51.44%	51.15%	51.35%	50.21%	49.99%	53.44%	52.63%	51.35%	51.44%
Dominion Resources, Inc.	D	52.22%	51.68%	53.24%	52.94%	53.47%	53.18%	53.17%	54.95%	53.11%
DTE Energy Company	DTE	50.32%	49.81%	48.42%	50.39%	49.32%	50.30%	50.54%	50.25%	49.92%
Great Plains Energy Inc.	GXP	52.26%	53.19%	53.21%	53.30%	53.42%	52.67%	52.56%	52.49%	52.89%
IDACORP, Inc.	IDA	52.25%	51.61%	49.38%	52.94%	52.92%	52.03%	51.72%	51.61%	51.81%
NorthWestern Corporation	NWE	46.01%	46.97%	47.54%	47.06%	47.78%	47.45%	48.19%	47.15%	47.27%
OGE Energy Corp.	OGE	54.38%	53.31%	52.98%	53.08%	55.43%	52.94%	52.53%	55.16%	53.73%
Otter Tail Corporation	OTTR	52.51%	52.32%	51.13%	49.80%	49.32%	47.60%	47.20%	53.72%	50.45%
Pinnacle West Capital Corporation	PNW	57.11%	55.72%	55.86%	57.54%	58.43%	57.32%	55.67%	57.39%	56.88%
PNM Resources, Inc.	PNM	44.76%	45.63%	46.11%	45.86%	47.43%	47.14%	46.70%	48.39%	46.50%
Portland General Electric Company	POR	50.31%	49.57%	44.11%	43.31%	44.86%	46.64%	49.21%	48.70%	47.09%
SCANA Corporation	SCG	52.55%	52.08%	53.72%	53.46%	53.47%	52.85%	54.36%	53.90%	53.30%
Westar Energy, Inc.	WR	68.96%	67.60%	66.54%	65.73%	65.95%	66.62%	63.45%	63.22%	66.01%
Xcel Energy Inc.	XEL	53.02%	53.88%	54.97%	54.62%	54.54%	53.41%	54.88%	54.92%	54.28%
Mean		52.89%	52.72%	52.50%	52.30%	52.96%	52.61%	52.66%	53.06%	52.71%

Operating Company Capital Structure

Operating Company	Parent	% Common Equity								
		2015Q3	2015Q2	2015Q1	2014Q4	2014Q3	2014Q2	2014Q1	2013Q4	Average
Ameren Illinois Company	AEE	55.55%	54.67%	54.39%	53.90%	56.91%	56.19%	59.29%	56.48%	55.92%
Union Electric Company	AEE	51.25%	50.21%	51.37%	51.74%	52.17%	51.48%	52.89%	53.08%	51.77%
AEP Texas Central Company	AEP	43.32%	47.46%	45.01%	42.39%	43.93%	43.18%	47.56%	46.75%	44.95%
AEP Texas North Company	AEP	45.03%	48.87%	47.15%	46.96%	47.06%	46.79%	46.82%	46.68%	46.92%
Appalachian Power Company	AEP	46.66%	46.50%	46.52%	45.83%	46.29%	46.00%	44.13%	43.52%	45.68%
Indiana Michigan Power Company	AEP	52.41%	52.08%	51.94%	51.36%	51.45%	51.39%	51.63%	50.80%	51.63%
Kentucky Power Company	AEP	43.72%	43.87%	44.19%	44.74%	46.25%	48.23%	50.30%	52.83%	46.77%
Kingsport Power Company	AEP	59.76%	60.44%	60.77%	61.00%	60.55%	60.91%	58.88%	60.85%	60.39%
Ohio Power Company	AEP	50.36%	50.33%	49.30%	48.96%	46.03%	44.79%	42.54%	39.71%	46.50%
Public Service Company of Oklahoma	AEP	46.30%	45.29%	44.66%	49.69%	49.43%	48.30%	47.51%	48.51%	47.46%
Southwestern Electric Power Company	AEP	49.88%	47.62%	46.25%	50.46%	50.60%	51.26%	51.18%	51.21%	49.81%
Wheeling Power Company	AEP	53.89%	53.82%	86.56%	79.75%	81.14%	82.27%	82.89%	82.79%	75.39%
ALLETE (Minnesota Power)	ALE	55.62%	57.67%	57.56%	55.24%	53.98%	53.01%	55.16%	55.93%	55.52%
Superior Water, Light and Power Company	ALE	60.40%	60.19%	59.83%	58.72%	58.39%	58.65%	58.42%	56.81%	58.93%
Alaska Electric Light and Power Company	AVA	58.09%	58.07%	57.83%	NA	NA	NA	NA	NA	58.00%
Avista Corporation	AVA	51.80%	51.90%	51.78%	51.39%	52.62%	51.19%	49.76%	49.15%	51.20%
Consumers Energy Company	CMS	51.44%	51.15%	51.35%	50.21%	49.99%	53.44%	52.63%	51.35%	51.44%
Virginia Electric and Power Company	D	52.22%	51.68%	53.24%	52.94%	53.47%	53.18%	53.17%	54.95%	53.11%
DTE Electric Company	DTE	50.32%	49.81%	48.42%	50.39%	49.32%	50.30%	50.54%	50.25%	49.92%
Kansas City Power & Light Company	GXP	48.24%	50.18%	49.84%	49.53%	49.54%	48.67%	48.46%	48.46%	49.12%
KCP&L Greater Missouri Operations Company	GXP	56.27%	56.20%	56.57%	57.07%	57.30%	56.68%	56.66%	56.52%	56.66%
Idaho Power Co.	IDA	52.25%	51.61%	49.38%	52.94%	52.92%	52.03%	51.72%	51.61%	51.81%
Interstate Power and Light Company	LNT	50.90%	51.72%	50.09%	49.90%	54.01%	52.05%	51.88%	51.35%	51.49%
Wisconsin Power and Light Company	LNT	51.63%	50.65%	50.54%	50.32%	54.45%	53.82%	53.74%	53.37%	52.32%
NorthWestern Corporation	NWE	46.01%	46.97%	47.54%	47.06%	47.78%	47.45%	48.19%	47.15%	47.27%
Oklahoma Gas and Electric Company	OGE	54.38%	53.31%	52.98%	53.08%	55.43%	52.94%	52.53%	55.16%	53.73%
Otter Tail Power Company	OTTR	52.51%	52.32%	51.13%	49.80%	49.32%	47.60%	47.20%	53.72%	50.45%
Public Service Company of New Mexico	PNM	44.76%	45.63%	46.11%	45.86%	47.43%	47.14%	46.70%	48.39%	46.50%
Texas-New Mexico Power Company	PNM	NA	NA	NA	NA	NA	NA	NA	NA	NA
Arizona Public Service Company	PNW	57.11%	55.72%	55.86%	57.54%	58.43%	57.32%	55.67%	57.39%	56.88%
Portland General Electric Company	POR	50.31%	49.57%	44.11%	43.31%	44.86%	46.64%	49.21%	48.70%	47.09%
South Carolina Electric & Gas Co.	SCG	52.55%	52.08%	53.72%	53.46%	53.47%	52.85%	54.36%	53.90%	53.30%
Kansas Gas and Electric Company	WR	72.91%	72.43%	72.15%	71.99%	72.65%	77.67%	69.73%	69.54%	72.38%
Westar Energy (KPL)	WR	65.01%	62.76%	60.94%	59.48%	59.26%	55.58%	57.17%	56.90%	59.64%
Northern States Power Company - MN	XEL	51.95%	53.34%	53.03%	52.89%	52.84%	52.49%	54.32%	53.54%	53.05%
Northern States Power Company - WI	XEL	52.92%	52.53%	56.36%	55.18%	55.01%	52.92%	57.06%	56.42%	54.80%
Public Service Company of Colorado	XEL	56.00%	55.55%	56.94%	56.79%	56.51%	56.12%	54.21%	56.53%	56.08%
Southwestern Public Service Company	XEL	51.20%	54.08%	53.54%	53.62%	53.81%	52.10%	53.92%	53.20%	53.18%
Mean		52.57%	52.66%	53.22%	52.93%	53.46%	53.13%	53.28%	53.43%	53.16%

Source: SNL Financial

Proxy Group Capital Structure

Company	Ticker	% Long-Term Debt								
		2015Q3	2015Q2	2015Q1	2014Q4	2014Q3	2014Q2	2014Q1	2013Q4	Average
ALLETE, Inc.	ALE	41.99%	41.07%	41.30%	43.02%	43.82%	44.17%	43.21%	43.63%	42.78%
Alliant Energy Corporation	LNT	48.73%	48.82%	49.68%	49.89%	45.77%	47.06%	47.19%	47.64%	48.10%
Ameren Corporation	AEE	46.60%	47.56%	47.12%	47.18%	45.46%	46.17%	43.91%	45.22%	46.15%
American Electric Power Company, Inc.	AEP	50.87%	50.37%	47.77%	47.89%	47.73%	47.69%	47.66%	47.64%	48.45%
Avista Corporation	AVA	45.05%	45.02%	45.19%	48.61%	47.38%	48.81%	50.24%	50.85%	47.64%
CMS Energy Corporation	CMS	48.56%	48.85%	48.65%	49.79%	50.01%	46.56%	47.37%	48.65%	48.56%
Dominion Resources, Inc.	D	47.78%	48.32%	46.76%	47.06%	46.53%	46.82%	46.83%	45.05%	46.89%
DTE Energy Company	DTE	49.68%	50.19%	51.58%	49.61%	50.68%	49.70%	49.46%	49.75%	50.08%
Great Plains Energy Inc.	GXP	47.74%	46.81%	46.79%	46.70%	46.58%	47.33%	47.44%	47.51%	47.11%
IDACORP, Inc.	IDA	47.75%	48.39%	50.62%	47.06%	47.08%	47.97%	48.28%	48.39%	48.19%
NorthWestern Corporation	NWE	53.99%	53.03%	52.46%	52.94%	52.22%	52.55%	51.81%	52.85%	52.73%
OGE Energy Corp.	OGE	45.62%	46.69%	47.02%	46.92%	44.57%	47.06%	47.47%	44.84%	46.27%
Otter Tail Corporation	OTTR	47.49%	47.68%	48.87%	50.20%	50.68%	52.40%	52.80%	46.28%	49.55%
Pinnacle West Capital Corporation	PNW	42.89%	44.28%	44.14%	42.46%	41.57%	42.68%	44.33%	42.61%	43.12%
PNM Resources, Inc.	PNM	55.24%	54.37%	53.89%	54.14%	52.57%	52.86%	53.30%	51.61%	53.50%
Portland General Electric Company	POR	49.69%	50.43%	55.89%	56.69%	55.14%	53.36%	50.79%	51.30%	52.91%
SCANA Corporation	SCG	47.45%	47.92%	46.28%	46.54%	46.53%	47.15%	45.64%	46.10%	46.70%
Westar Energy, Inc.	WR	31.04%	32.40%	33.46%	34.27%	34.05%	33.38%	36.55%	36.78%	33.99%
Xcel Energy Inc.	XEL	46.98%	46.12%	45.03%	45.38%	45.46%	46.59%	45.12%	45.08%	45.72%
Mean		47.11%	47.28%	47.50%	47.70%	47.04%	47.39%	47.34%	46.94%	47.29%

Operating Company Capital Structure

Operating Company	Parent	% Long-Term Debt								
		2015Q3	2015Q2	2015Q1	2014Q4	2014Q3	2014Q2	2014Q1	2013Q4	Average
Ameren Illinois Company	AEE	44.45%	45.33%	45.61%	46.10%	43.09%	43.81%	40.71%	43.52%	44.08%
Union Electric Company	AEE	48.75%	49.79%	48.63%	48.26%	47.83%	48.52%	47.11%	46.92%	48.23%
AEP Texas Central Company	AEP	56.68%	52.54%	54.99%	57.61%	56.07%	56.82%	52.44%	53.25%	55.05%
AEP Texas North Company	AEP	54.97%	51.13%	52.85%	53.04%	52.94%	53.21%	53.18%	53.32%	53.08%
Appalachian Power Company	AEP	53.34%	53.50%	53.48%	54.17%	53.71%	54.00%	55.87%	56.48%	54.32%
Indiana Michigan Power Company	AEP	47.59%	47.92%	48.06%	48.64%	48.55%	48.61%	48.37%	49.20%	48.37%
Kentucky Power Company	AEP	56.28%	56.13%	55.81%	55.26%	53.75%	51.77%	49.70%	47.17%	53.23%
Kingsport Power Company	AEP	40.24%	39.56%	39.23%	39.00%	39.45%	39.09%	41.12%	39.15%	39.61%
Ohio Power Company	AEP	49.64%	49.67%	50.70%	51.04%	53.97%	55.21%	57.46%	60.29%	53.50%
Public Service Company of Oklahoma	AEP	53.70%	54.71%	55.34%	50.31%	50.57%	51.70%	52.49%	51.49%	52.54%
Southwestern Electric Power Company	AEP	50.12%	52.38%	53.75%	49.54%	49.40%	48.74%	48.82%	48.79%	50.19%
Wheeling Power Company	AEP	46.11%	46.18%	13.44%	20.25%	18.86%	17.73%	17.11%	17.21%	24.61%
ALLETE (Minnesota Power)	ALE	44.38%	42.33%	42.44%	44.76%	46.02%	46.99%	44.84%	44.07%	44.48%
Superior Water, Light and Power Company	ALE	39.60%	39.81%	40.17%	41.28%	41.61%	41.35%	41.58%	43.19%	41.07%
Alaska Electric Light and Power Company	AVA	41.91%	41.93%	42.17%	NA	NA	NA	NA	NA	42.00%
Avista Corporation	AVA	48.20%	48.10%	48.22%	48.61%	47.38%	48.81%	50.24%	50.85%	48.80%
Consumers Energy Company	CMS	48.56%	48.85%	48.65%	49.79%	50.01%	46.56%	47.37%	48.65%	48.56%
Virginia Electric and Power Company	D	47.78%	48.32%	46.76%	47.06%	46.53%	46.82%	46.83%	45.05%	46.89%
DTE Electric Company	DTE	49.68%	50.19%	51.58%	49.61%	50.68%	49.70%	49.46%	49.75%	50.08%
Kansas City Power & Light Company	GXP	51.76%	49.82%	50.16%	50.47%	50.46%	51.33%	51.54%	51.54%	50.88%
KCP&L Greater Missouri Operations Company	GXP	43.73%	43.80%	43.43%	42.93%	42.70%	43.32%	43.34%	43.48%	43.34%
Idaho Power Co.	IDA	47.75%	48.39%	50.62%	47.06%	47.08%	47.97%	48.28%	48.39%	48.19%
Interstate Power and Light Company	LNT	48.10%	48.28%	49.91%	50.10%	45.99%	47.95%	48.12%	48.65%	48.51%
Wisconsin Power and Light Company	LNT	48.37%	49.35%	49.46%	49.68%	45.55%	46.18%	46.26%	46.63%	47.68%
NorthWestern Corporation	NWE	53.99%	53.03%	52.46%	52.94%	52.22%	52.55%	51.81%	52.85%	52.73%
Oklahoma Gas and Electric Company	OGE	45.62%	46.69%	47.02%	46.92%	44.57%	47.06%	47.47%	44.84%	46.27%
Otter Tail Power Company	OTTR	47.49%	47.68%	48.87%	50.20%	50.68%	52.40%	52.80%	46.28%	49.55%
Public Service Company of New Mexico	PNM	55.24%	54.37%	53.89%	54.14%	52.57%	52.86%	53.30%	51.61%	53.50%
Texas-New Mexico Power Company	PNM	NA	NA	NA	NA	NA	NA	NA	NA	NA
Arizona Public Service Company	PNW	42.89%	44.28%	44.14%	42.46%	41.57%	42.68%	44.33%	42.61%	43.12%
Portland General Electric Company	POR	49.69%	50.43%	55.89%	56.69%	55.14%	53.36%	50.79%	51.30%	52.91%
South Carolina Electric & Gas Co.	SCG	47.45%	47.92%	46.28%	46.54%	46.53%	47.15%	45.64%	46.10%	46.70%
Kansas Gas and Electric Company	WR	27.09%	27.57%	27.85%	28.01%	27.35%	22.33%	30.27%	30.46%	27.62%
Westar Energy (KPL)	WR	34.99%	37.24%	39.06%	40.52%	40.74%	44.42%	42.83%	43.10%	40.36%
Northern States Power Company - MN	XEL	48.05%	46.66%	46.97%	47.11%	47.16%	47.51%	45.68%	46.46%	46.95%
Northern States Power Company - WI	XEL	47.08%	47.47%	43.64%	44.82%	44.99%	47.08%	42.94%	43.58%	45.20%
Public Service Company of Colorado	XEL	44.00%	44.45%	43.06%	43.21%	43.49%	43.88%	45.79%	43.47%	43.92%
Southwestern Public Service Company	XEL	48.80%	45.92%	46.48%	46.38%	46.19%	47.90%	46.08%	46.80%	46.82%
Mean		47.43%	47.34%	46.78%	47.07%	46.54%	46.87%	46.72%	46.57%	46.84%

Source: SNL Financial