CAPM Page 1 of 2 Schedule 7

CURRENT BOND YIELD

CONNEINT BOIND TIELL										
	(a)	(b)		(c)		(d)		(d)	(e)	
	Marl	Market Return (R _m)	1 (R _m)							
	Div	Proj.	Cost of	Risk-Free	Risk		Unadjusted Market	Market	Size	CAPM
Company	Yield	Growth	Equity	Rate	Premium	Beta	\mathbf{K}_{e}	Cap	Adjustment Result	Result
1 Algonquin Pwr & Util.	2.5%	10.7%	13.2%	3.1%	10.1%	n/a	n/a	\$5,520	0.82%	n/a
2 ALLETE	2.5%	10.7%	13.2%	3.1%	10.1%	0.65	9.7%	\$4,200	1.26%	10.9%
3 Ameren Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.60	9.2%	\$17,000	0.50%	9.7%
4 Avangrid, Inc.	2.5%	10.7%	13.2%	3.1%	10.1%	0.40	7.1%	\$15,000	0.50%	7.6%
5 Avista Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.65	9.7%	\$2,700	1.54%	11.2%
6 Black Hills Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.80	11.2%	\$4,300	1.26%	12.4%
7 CenterPoint Energy	2.5%	10.7%	13.2%	3.1%	10.1%	0.80	11.2%	\$15,000	0.50%	11.7%
8 CMS Energy Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$15,000	0.50%	9.2%
9 Dominion Energy	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$60,000	-0.29%	8.4%
10 DTE Energy Co.	2.5%	10.7%	13.2%	3.1%	10.1%	0.55		\$22,000	0.50%	9.2%
11 El Paso Electric Co.	2.5%	10.7%	13.2%	3.1%	10.1%	0.70	_	\$2,400	1.54%	11.7%
12 Emera Inc.	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$11,500	0.84%	9.5%
13 Entergy Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.60	9.2%	\$17,000	0.50%	9.7%
14 Exelon Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.70	10.2%	\$48,000	-0.29%	9.9%
15 FirstEnergy Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.65	9.7%	\$22,000	0.50%	10.2%
16 Hawaiian Elec. Ind.	2.5%	10.7%	13.2%	3.1%	10.1%	0.60	9.2%	\$4,500	1.26%	10.4%
17 IDACORP, Inc.	2.5%	10.7%	13.2%	3.1%	10.1%	0.60	9.2%	\$4,900	0.82%	10.0%
18 NorthWestern Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.60	9.2%	\$3,500	1.26%	10.4%
19 OGE Energy Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.85	11.7%	\$8,400	0.84%	12.5%
20 Otter Tail Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.70	10.2%	\$2,000	1.54%	11.7%
21 PNM Resources	2.5%	10.7%	13.2%	3.1%	10.1%	0.65	9.7%	\$3,600	1.26%	10.9%
22 Sempra Energy	2.5%	10.7%	13.2%	3.1%	10.1%	0.75	10.7%	\$35,000	-0.29%	10.4%
Average										10.4%
Midpoint (f)										10.1%

⁽a) Weighted average for dividend-paying stocks in the S&P 500 based on data from www.zacks.com (retrieved Mar. 11, 2019).

(b) Average of weighted average earnings growth rates from Value Line Investment Survey, IBES, and Zacks Investment Research for dividend-paying stocks in (retrieved Mar. 11, 2019). the S&P 500 based on data from www.valueline.com (retrieved Mar. 11, 2019), http://finance.yahoo.com (retrieved Mar. 11, 2019), and www.zacks.com

⁽c) Average yield on 30-year Treasury bonds for the six-months ending Apr. 2019 based on data from the Federal Reserve at https://fred.stlouisfed.org/. (d) The Value Line Investment Survey (Feb. 15, Mar. 15, Mar. 22, & Apr. 26, 2019).

⁽e) Duff & Phelps, 2019 CRSP Deciles Size Study -- Supplementary Data Exhibits, Cost of Capital Navigator. (f) Average of low and high values.

PROJECTED BOND YIELD

Market Return (R_m)

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(c)

(d)

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Proj.

Risk-Free

Risk

Unadjusted Market

Size

CAPM

- (g) Average of low and high values.
 - (f) Duff & Phelps, 2019 CRSP Deciles Size Study -- Supplementary Data Exhibits, Cost of Capital Navigator
- (c) The Value Line Investment Survey (Feb. 15, Mar. 15 & Apr. 26, 2019)
- (d) The Value Line Investment Survey (Feb. 15, Mar. 15, Mar. 22, & Apr. 26, 2019)..
 - (c) Average yield on 30-year Treasury bonds for 2019-23 based on data from the Value Line Investment Survey, Forecast for the U.S. Economy (Mar. 1, 2019); IHS Global Insight, Long-Term Macro Forecast - Baseline (Apr. 30, 2019); & Wolters Kluwer, Blue Chip Financial Forecasts, (Dec. 1, 2018).
- the S&P 500 based on data from www.valueline.com (retrieved Mar. 11, 2019), http://finance.yahoo.com (retrieved Mar. 11, 2019), and www.zacks.com

Midpoint (g)
10.

21 PNM Resources 20 Otter Tail Corp. 19 OGE Energy Corp. 18 NorthWestern Corp. 17 IDACORP, Inc. 16 Hawaiian Elec. Ind. 15 FirstEnergy Corp. 14 Exelon Corp. 13 Entergy Corp 12 Emera Inc.

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0.65 0.70 0.60

\$22,000 \$48,000

0.50%-0.29% 0.50%0.84%

\$4,500

1.26%

\$4,900

0.82%

3.6%

Sempra Energy

Average

11 El Paso Electric Co. 10 DTE Energy Co.

Dominion Energy CMS Energy Corp. CenterPoint Energy

2.5%

2.5%

9.6%

0.70 0.55 0.55

> \$22,000 \$60,000 \$15,000

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\$2,400

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Ameren Corp. ALLETE

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\$17,000 \$4,200 \$5,520

0.50%

1.26% 0.82%

2.5%

Black Hills Corp.

Algonquin Pwr & Util.

2.5% Yield

Growth 10.7%

> Equity Cost of

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Adjustment Result

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 (b) Average of weighted average earnings growth rates from Value Line Investment Survey, IBES, and Zacks Investment Research for dividend-paying stocks in
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