

CAPM

Schedule 7
Page 1 of 2**CURRENT BOND YIELD**

Company	(a)		(b)		(c)		(d)		(e)		
	Market Return (R _m)				Risk-Free Rate	Risk Premium	Beta	Unadjusted K _e	Market Cap	Size Adjustment	CAPM Result
	Div Yield	Proj. Growth	Cost of Equity	Risk-Free Rate							
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	8.7%	\$22,000	0.50%	9.2%	
11 El Paso Electric Co.	2.5%	10.7%	13.2%	3.1%	10.1%	0.70	10.2%	\$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 the S&P 500 based on data from www.value-line.com (retrieved Mar. 11, 2019), <http://finance.yahoo.com> (retrieved Mar. 11, 2019), and www.zacks.com (retrieved Mar. 11, 2019).(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.

CAPM

Schedule 7
Page 2 of 2PROJECTED BOND YIELD

	Company	(a)		(b)		(c)	(d)		(e)	(f)	
		Market Return (R_m)					Unadjusted K_e	Market Cap		Size Adjustment	CAPM Result
		Div Yield	Proj. Growth	Cost of Equity	Risk-Free Rate						
1	Algonquin Pwr & Util.	2.5%	10.7%	13.2%	3.6%	9.6%	n/a	n/a	\$5,520	0.82%	n/a
2	ALLETE	2.5%	10.7%	13.2%	3.6%	9.6%	0.65	9.8%	\$4,200	1.26%	11.1%
3	Ameren Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.60	9.4%	\$17,000	0.50%	9.9%
4	Avangrid, Inc.	2.5%	10.7%	13.2%	3.6%	9.6%	0.40	7.4%	\$15,000	0.50%	7.9%
5	Avista Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.65	9.8%	\$2,700	1.54%	11.4%
6	Black Hills Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.80	11.3%	\$4,300	1.26%	12.5%
7	CenterPoint Energy	2.5%	10.7%	13.2%	3.6%	9.6%	0.80	11.3%	\$15,000	0.50%	11.8%
8	CMS Energy Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.55	8.9%	\$15,000	0.50%	9.4%
9	Dominion Energy	2.5%	10.7%	13.2%	3.6%	9.6%	0.55	8.9%	\$60,000	-0.29%	8.6%
10	DTE Energy Co.	2.5%	10.7%	13.2%	3.6%	9.6%	0.55	8.9%	\$22,000	0.50%	9.4%
11	El Paso Electric Co.	2.5%	10.7%	13.2%	3.6%	9.6%	0.70	10.3%	\$2,400	1.54%	11.9%
12	Emera Inc.	2.5%	10.7%	13.2%	3.6%	9.6%	0.55	8.9%	\$11,500	0.84%	9.7%
13	Entergy Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.60	9.4%	\$17,000	0.50%	9.9%
14	Exelon Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.70	10.3%	\$48,000	-0.29%	10.0%
15	FirstEnergy Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.65	9.8%	\$22,000	0.50%	10.3%
16	Hawaiian Elec. Ind.	2.5%	10.7%	13.2%	3.6%	9.6%	0.60	9.4%	\$4,500	1.26%	10.6%
17	IDACORP, Inc.	2.5%	10.7%	13.2%	3.6%	9.6%	0.60	9.4%	\$4,900	0.82%	10.2%
18	NorthWestern Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.60	9.4%	\$3,500	1.26%	10.6%
19	OGE Energy Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.85	11.8%	\$8,400	0.84%	12.6%
20	Otter Tail Corp.	2.5%	10.7%	13.2%	3.6%	9.6%	0.70	10.3%	\$2,000	1.54%	11.9%
21	PNM Resources	2.5%	10.7%	13.2%	3.6%	9.6%	0.65	9.8%	\$3,600	1.26%	11.1%
22	Sempra Energy	2.5%	10.7%	13.2%	3.6%	9.6%	0.75	10.8%	\$35,000	-0.29%	10.5%
Average											10.5%
Midpoint (g)											10.3%

(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 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 (retrieved Mar. 11, 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).

(d) The Value Line Investment Survey (Feb. 15, Mar. 15, Mar. 22, & Apr. 26, 2019).

(e) The Value Line Investment Survey (Feb. 15, Mar. 15 & Apr. 26, 2019).

(f) Duff & Phelps, 2019 CRSP Deciles Size Study -- Supplementary Data Exhibits, Cost of Capital Navigator.

(g) Average of low and high values.