

Case No. PAC-E-21-07
Exhibit No. 16
Witness: Ann E. Bulkley

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Ann E. Bulkley

Expected Earnings Analysis

May 2021

EXPECTED EARNINGS ANALYSIS

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Company	Value Line ROE 2024-2026	Value Line Total Capital 2020	Value Line Common Equity Ratio 2020	Total Equity 2020	Value Line Total Capital 2024-2026	Value Line Common Equity Ratio 2024-2026	Total Equity 2024-2026	Compound Annual Growth Rate	Adjustment Factor	Adjusted Return on Common Equity
ALLETE, Inc.	9.00%	3,632.80	59.00%	2,143	4,725	57.00%	2,693	4.67%	1.023	9.21%
Alliant Energy Corporation	10.50%	11,362.00	45.70%	5,192	14,500	46.00%	6,670	5.14%	1.025	10.76%
Ameren Corporation	10.00%	20,158.00	44.30%	8,930	27,100	49.00%	13,279	8.26%	1.040	10.40%
American Electric Power Company, Inc.	11.00%	49,537.00	41.50%	20,558	75,500	40.00%	30,200	8.00%	1.038	11.42%
Avista Corporation	8.00%	3,834.60	50.60%	1,940	4,750	49.50%	2,351	3.92%	1.019	8.15%
CMS Energy Corporation	14.00%	19,223.00	28.60%	5,498	25,600	33.00%	8,448	8.97%	1.043	14.60%
DTE Energy Company	11.00%	31,426.00	39.50%	12,413	42,400	40.00%	16,960	6.44%	1.031	11.34%
Duke Energy Corporation	8.50%	103,825.00	44.50%	46,202	121,600	43.50%	52,896	2.74%	1.014	8.61%
Energy Corporation	11.00%	32,386.00	33.70%	10,914	40,500	35.50%	14,378	5.67%	1.028	11.30%
Energy, Inc.	9.00%	17,924.00	49.00%	8,783	21,500	48.50%	10,428	3.49%	1.017	9.15%
NextEra Energy, Inc.	12.50%	78,450.00	46.50%	36,479	110,500	48.00%	53,040	7.77%	1.037	12.97%
NorthWestern Corporation	9.00%	4,289.80	47.50%	2,038	4,675	52.00%	2,431	3.59%	1.018	9.16%
OGE Energy Corporation	13.00%	7,126.20	51.00%	3,634	8,375	51.00%	4,271	3.28%	1.016	13.21%
Otter Tail Corporation	12.50%	1,495.40	58.20%	870	1,825	59.50%	1,086	4.52%	1.022	12.78%
Pinnacle West Capital Corporation	10.50%	10,263.00	52.90%	5,429	16,025	43.00%	6,891	4.88%	1.024	10.75%
Portland General Electric Company	9.50%	5,323.00	48.70%	2,592	6,475	46.00%	2,979	2.82%	1.014	9.63%
Southern Company	13.00%	74,525.00	37.50%	27,947	88,700	39.00%	34,593	4.36%	1.021	13.28%
Xcel Energy Inc.	10.50%	30,646.00	43.20%	13,239	41,500	44.50%	18,468	6.88%	1.033	10.85%
Mean										10.98%
Median										10.81%

Notes:

- [1] Source: Value Line, dated January 22, 2021, February 12, 2021, and March 12, 2021. Due to the timing of the release of the Value Line Reports, Year 0 and Years 4-6 are 2019 and 2023-2025 for AVE, NWE, PNW, POR, and XEL, and Year 0 and Years 4-6 are 2020 and 2024-2026 for all other proxy group companies
- [2] Source: Value Line, dated January 22, 2021, February 12, 2021, and March 12, 2021. Due to the timing of the release of the Value Line Reports, Year 0 and Years 4-6 are 2019 and 2023-2025 for AVE, NWE, PNW, POR, and XEL, and Year 0 and Years 4-6 are 2020 and 2024-2026 for all other proxy group companies
- [3] Source: Value Line, dated January 22, 2021, February 12, 2021, and March 12, 2021. Due to the timing of the release of the Value Line Reports, Year 0 and Years 4-6 are 2019 and 2023-2025 for AVE, NWE, PNW, POR, and XEL, and Year 0 and Years 4-6 are 2020 and 2024-2026 for all other proxy group companies
- [4] Equals [2] x [3]
- [5] Source: Value Line, dated January 22, 2021, February 12, 2021, and March 12, 2021. Due to the timing of the release of the Value Line Reports, Year 0 and Years 4-6 are 2019 and 2023-2025 for AVE, NWE, PNW, POR, and XEL, and Year 0 and Years 4-6 are 2020 and 2024-2026 for all other proxy group companies
- [6] Source: Value Line, dated January 22, 2021, February 12, 2021, and March 12, 2021. Due to the timing of the release of the Value Line Reports, Year 0 and Years 4-6 are 2019 and 2023-2025 for AVE, NWE, PNW, POR, and XEL, and Year 0 and Years 4-6 are 2020 and 2024-2026 for all other proxy group companies
- [7] Equals [5] x [6]
- [8] Equals $([7] / [4]) \wedge (1/5) - 1$
- [9] Equals $2 \times (1 + [8]) / (2 + [8])$
- [10] Equals [1] x [9]