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July 9, 2025

**VIA ELECTRONIC FILING**

Adam Teitzman, Commission Clerk  
Division of Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Docket No. 20250011-EI  
Petition by Florida Power & Light Company for Base Rate Increase

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Power & Light Company ("FPL") in the above-referenced docket are the rebuttal testimony and exhibits of FPL witness James M. Coyne.

Please let me know if you have any questions regarding this submission.

Sincerely,

s/ Maria Jose Moncada

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Assistant General Counsel  
Florida Power & Light Company

(Document 5 of 16)

## **CERTIFICATE OF SERVICE**

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*s/ Maria Jose Moncada*

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**BEFORE THE**  
**FLORIDA PUBLIC SERVICE COMMISSION**  
**DOCKET NO. 20250011-EI**  
  
**FLORIDA POWER & LIGHT COMPANY**  
  
**REBUTTAL TESTIMONY OF JAMES M. COYNE**

**Filed: July 9, 2025**

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1 **I. INTRODUCTION**

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

3 A. My name is James M. Coyne, and I am employed by Concentric Energy Advisors,  
4 Inc. ("Concentric") as a Senior Vice President. My business address is 293 Boston  
5 Post Road West, Suite 500, Marlborough, MA 01752.

6 **Q. Did you previously file testimony in this proceeding?**

7 A. Yes.

8 **Q. Are you sponsoring any rebuttal exhibits in this case?**

9 A. Yes. My analyses and recommendations are supported by the data presented in  
10 Exhibits JMC-12 through JMC-21, which have been prepared by me or under my  
11 direction. I am sponsoring the following exhibits:

- 12 • Exhibit JMC-12 – Comprehensive Summary of ROE Results
- 13 • Exhibit JMC-13 – Proxy Group Selection
- 14 • Exhibit JMC-14 – Constant Growth DCF Analysis
- 15 • Exhibit JMC-15.1 – Market Risk Premium
- 16 • Exhibit JMC-15.2 – CAPM Analysis
- 17 • Exhibit JMC-16 – Risk Premium Analysis
- 18 • Exhibit JMC-17 – Expected Earnings Analysis
- 19 • Exhibit JMC-18 – Capital Structure Analysis
- 20 • Exhibit JMC-19 – Weather Analysis
- 21 • Exhibit JMC-20 – Revised Mr. Lawton CAPM Analysis
- 22 • Exhibit JMC-21 – Revised Mr. Walters Risk Premium Analysis

1     **Q.     What is the purpose of your rebuttal testimony?**

2     A.     The purpose of my rebuttal testimony is to respond to the direct testimonies of Daniel  
3           J. Lawton on behalf of the Florida Office of Public Counsel (“OPC”), Christopher C.  
4           Walters on behalf of the Federal Executive Agencies (“FEA”), Frederick Bryant on  
5           behalf of Floridians Against Increased Rates, Inc. (“FAIR”), Jeffrey Pollock on behalf  
6           of the Florida Industrial Power Users Group (“FIPUG”), Karl R. Rábago on behalf of  
7           Florida Rising, League of United Latin American Citizens of Florida, and  
8           Environmental Confederation of Southwest Florida, Inc. (“FEL”), and Lisa V. Perry  
9           on behalf of Walmart Inc. (“Walmart”) as it relates to the appropriate return on equity  
10          (“ROE”) and capital structure for FPL for the 2026-2029 rate period. I collectively  
11          refer to these witnesses as “Intervenor Witnesses.”

12    **Q.     How is the remainder of your rebuttal testimony organized?**

13    A.     My rebuttal testimony is organized by topic/issue, starting in Section II with an  
14          overview and summary of the results and recommendations presented by the various  
15          ROE witnesses in this proceeding. Section III responds to the Intervenor Witnesses  
16          regarding their views of the utility industry’s credit outlook and the importance of  
17          financial strength so that FPL has access to capital on reasonable terms and conditions  
18          under a variety of economic and financial market conditions. Section IV discusses the  
19          flaws associated with using authorized returns for electric utilities in other  
20          jurisdictions as a benchmark for establishing the return for FPL in this proceeding, and  
21          the importance of placing those authorized returns in the proper context. Section V  
22          presents the results of my updated ROE analyses based on market data through May  
23          30, 2025. Section VI discusses economic and capital market conditions and how those



1 conditions are affecting the various models used to estimate the cost of equity. In  
2 Section VII, I address the proper application of the Discounted Cash Flow (“DCF”)  
3 model, and I discuss areas of disagreement in the application of the DCF model. In  
4 Section VIII, I discuss areas of disagreement in the application of the Capital Asset  
5 Pricing Model (“CAPM”), and in particular the appropriate inputs to that model. In  
6 Section IX, I respond to comments and concerns with regard to my application of the  
7 Bond Yield Plus Risk Premium (“Risk Premium”) model, as well as provide a critique  
8 of their Risk Premium models. In Section X, I address concerns regarding the use of  
9 an Expected Earnings model to estimate the cost of equity. In Section XI, I address  
10 comments related to the inclusion of flotation costs in the authorized ROE. In Section  
11 XII, I discuss the unique business risk of FPL and how those risks differentiate the  
12 Company from the proxy group, and I respond to comments concerning the credit  
13 ratings of FPL relative to those for the proxy group companies. In Section XIII, I  
14 respond to concerns raised by certain witnesses with respect to the proposed capital  
15 structure, and I explain why that capital structure is reasonable by comparison to the  
16 proxy group and given the business risks of FPL. Lastly, in Section XIV, I summarize  
17 my key conclusions and recommendations.

## 18 19 **II. COMPARISON OF COST OF CAPITAL RECOMMENDATIONS**

20 **Q. Please summarize the cost of capital recommendations presented by the various**  
21 **witnesses in this proceeding.**

22 A. The Intervenor Witnesses who perform an ROE analysis (Mr. Lawton, Mr. Walters)  
23 recommend an authorized ROE for FPL between 9.20 percent and 9.50 percent. Other

1 Intervenor Witnesses (Mr. Rábago, Mr. Bryant, Mr. Pollock and Ms. Perry) do not  
2 perform their own ROE analysis, but reference authorized returns for electric utilities  
3 in Florida and other U.S. jurisdictions and argue that FPL's authorized ROE should  
4 be set at or below those levels. As it relates to capital structure, several of the  
5 Intervenor Witnesses recommend a reduction in FPL's proposed equity ratio from  
6 59.60 percent to somewhere within a range from 50.52 percent 53.20 percent.

7  
8 As is evident, there is a broad array of recommendations from multiple witnesses.  
9 Some are supported by analytical approaches while others are more judgmental or  
10 based on decisions from other jurisdictions. At the outset, I submit that the only  
11 reliable method for determining the cost of capital is through the application of  
12 rigorous analysis using financial models and market data from reliable sources,  
13 coupled with a comprehensive risk assessment of the regulated utility.

14

15 **III. UTILITY INDUSTRY CREDIT OUTLOOK AND**  
16 **THE IMPORTANCE OF FINANCIAL STRENGTH**

17 **Q. Certain Intervenor Witnesses (Walters, Rábago) contend that utilities, including**  
18 **FPL, have been able to consistently access capital markets (both equity and debt)**  
19 **to finance investments.<sup>1</sup> What is your response?**

20 **A.** I agree that utilities have been able to access debt and equity markets, but the important  
21 distinction is that they must be prepared to do so in all capital market conditions. The  
22 obligation to serve places constraints on utilities that drive their financing

---

<sup>1</sup> See, for example, Direct Testimony of FEA witness Christopher C. Walters, at 10, Direct Testimony of FEL witness Karl R. Rábago, at 19.

1 requirements, most notably the need for continuous access to capital regardless of the  
2 prevailing capital market environment. Utilities require access to capital not only  
3 when markets are strong, but also when markets are constrained. Financial strength  
4 is especially critical during periods of market dislocation, such as those experienced  
5 in 2020 and during the financial crisis and Great Recession of 2008-2009. A 2009  
6 report by EEI documented similar findings regarding the impact of the 2008 Financial  
7 Crisis on utilities' access to capital. EEI notes, for example, that when Lehman  
8 Brothers collapsed, "the commercial paper market literally evaporated."<sup>2</sup> The depth  
9 and duration of the pandemic beginning in 2020 could have been even more severe,  
10 and utilities must be prepared for these events with a margin of safety. In the  
11 Company's last rate case, FPL witness Barrett explained in his rebuttal testimony that  
12 several companies were unable to access debt markets in 2020, while several other  
13 companies were able to access debt markets but at very elevated spreads against  
14 Treasury bonds.<sup>3</sup>

15  
16 Mr. Walters observes that more utilities have been downgraded than upgraded by  
17 credit rating agencies in the past five years.<sup>4</sup> Many of these utilities had credit metrics  
18 that did not provide sufficient financial flexibility to maintain and support their ratings  
19 and withstand significantly higher inflation and interest rates. Another important  
20 consideration is that, as discussed in my direct testimony, FPL has a higher ratio of

---

<sup>2</sup> Edison Electric Institute, "The Financial Crisis and Its Impact On the Electric Utility Industry," at 5 (February 2009).

<sup>3</sup> Rebuttal Testimony of FPL witness Robert E. Barrett, docket no. 20210015-EI, July 14, 2021, at 22-25.

<sup>4</sup> Direct Testimony of FEA witness Christopher C. Walters, at 18.

1 projected capital expenditures to net plant than 12 of 15 companies in the proxy group.  
2 FPL will require continued access to capital on reasonable terms and conditions in  
3 order to finance the investment necessary to continue providing safe and reliable  
4 electric utility service to its customers.<sup>5</sup> In summary, the authorized ROE and capital  
5 structure for FPL should be set at levels that enable the Company to maintain access  
6 to capital under a variety of economic and financial market conditions. Never was  
7 this more important than in 2020 when financial markets were under extreme stress  
8 due to an external shock to the economy that no one could have predicted. In  
9 retrospect, it is easy to say that utilities have been able to access capital, but those  
10 without sufficient financial strength faced more challenges and obtained capital at  
11 higher costs to customers.

12 **Q. Mr. Walters refers to several reports by S&P, Moody's, and Fitch, concluding**  
13 **that the current rating outlook for regulated utilities is under pressure primarily**  
14 **due to affordability concerns.<sup>6</sup> Please respond.**

15 A. First, the Moody's and Fitch rating agency credit outlooks for the sector that Mr.  
16 Walters cites are outdated and do not reflect the most current outlooks. In its sector  
17 outlook for 2025, for example, Fitch states that its "neutral outlook reflects moderation  
18 in inflationary conditions and a continued subdued commodity environment that eases  
19 near-term pressure on customer bills."<sup>7</sup> The Moody's report cited by Mr. Walters is  
20 the rating agency's outlook from 2023. In its January 2025 report, S&P notes that  
21 "[t]he average electric customer bill is about 2 percent of U.S. median household

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<sup>5</sup> Direct Testimony of James M. Coyne, at 48.

<sup>6</sup> Direct Testimony of FEA witness Christopher C. Walters, at 18-22.

<sup>7</sup> Fitch Ratings, "Neutral Outlook for North American Utilities in 2025," December 5, 2024.

1 income, which represents good value for customers relative to other typical household  
2 bills,”<sup>8</sup> which Mr. Walters acknowledges. Additionally, S&P notes that “common  
3 equity issuance has been weak and consistently below our expectations since 2021,  
4 pressuring the industry’s financial measures.”<sup>9</sup> Finally, S&P reiterates that it expects  
5 regulatory jurisdictions will support credit quality by “allowing for the *full recovery*  
6 *cf all their operating and capital costs in a timely manner*” and will “provide a  
7 consistent and predictable regulatory framework that results in cash flow stability.”<sup>10</sup>  
8 On the contrary, the Intervenor Witnesses’ ROE and capital structure  
9 recommendations, if adopted, will undermine Florida’s constructive regulatory  
10 environment.

11

#### 12 IV. COMPARABLE RETURNS FOR ELECTRIC UTILITIES

13 **Q. The Intervenor Witnesses reference authorized ROEs for electric utilities in**  
14 **Florida and other jurisdictions.<sup>11</sup> Do you agree that these returns are relevant**  
15 **for establishing the ROE for FPL in this proceeding?**

16 A. National average returns must be placed in the proper context in order to be useful.  
17 While I agree that investors consider authorized returns in other states in assessing the  
18 reasonableness of the authorized ROE for FPL, I have several concerns with the

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<sup>8</sup> S&P Global Ratings, “Industry Credit Outlook 2025 North America Regulated Utilities: Capex and climate change pressures credit quality,” January 14, 2025, at 11.

<sup>9</sup> S&P Global Ratings, “Industry Credit Outlook 2025 North America Regulated Utilities: Capex and climate change pressures credit quality,” January 14, 2025, at 7.

<sup>10</sup> S&P Global Ratings, “Industry Credit Outlook 2025 North America Regulated Utilities: Capex and climate change pressures credit quality,” January 14, 2025, at 8.

<sup>11</sup> See, for example, Direct Testimony of Walmart witness Lisa V. Perry, at 11-12, Direct Testimony of OPC witness Daniel J. Lawton, at 32, Direct Testimony of FEL witness Karl R. Rábago, at 18, Direct Testimony of FIPUG witness Jeffry Pollock, at 3, Exhibit JP-1; Direct Testimony of FAIR witness Frederick M. Bryant, at 17; and Direct Testimony of FEA witness Christopher C. Walters, at 3-4.

1 nationwide average ROE information presented by certain Intervenor Witnesses.  
2 First, several witnesses (Mr. Walters, Mr. Lawton, Mr. Rábago, Mr. Bryant) present  
3 average return data for all electric utilities instead of focusing on those with regulated  
4 electric generation. Vertically-integrated electric utilities have a different, higher level  
5 of business risk than Transmission and Distribution (“T&D”) utility companies.<sup>12</sup>  
6 This higher risk profile differentiates integrated electric utilities from T&D utilities  
7 and supports a higher authorized ROE and equity ratio in the capital structure.

8  
9 Second, market conditions at the time the authorized returns were established may be  
10 very different than conditions expected going forward. For example, equity returns  
11 set when interest rates were very low in 2020 and 2021 are not a reasonable basis of  
12 comparison for evaluating the authorized ROE when bond yields have increased 200  
13 to 300 basis points since the Company’s last rate case.<sup>13</sup> Recommendations to reduce  
14 FPL’s authorized return run counter to the increasing trend in capital costs that FPL  
15 faces. Mr. Walters’ Table CCW-1 illustrates two key points: (1) authorized ROEs  
16 have increased since 2021 and (2) two-thirds to three-quarters of all returns authorized  
17 for electric utilities in 2024 and 2025 were higher than Mr. Walters’ 9.50 percent ROE  
18 recommendation, and at least 60 percent were above 9.70 percent. Again, Mr. Walters  
19 includes authorized ROEs for wires-only utilities in his analysis, so the statistics in his  
20 Table CCW-1 understate the authorized returns for a vertically integrated electric  
21 utility like FPL. Since 2022, the annual average authorized ROE for vertically  
22 integrated electric utilities has been approximately 9.81 percent, within a range of

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<sup>12</sup> Moody’s Investors Service, Rating Methodology for Electric and Gas Utilities, August 6, 2024, at 14.

<sup>13</sup> See, e.g., Direct Testimony of James M. Coyne, at 19-21.

1        9.25 percent to 11.45 percent, above Mr. Walters’ and Mr. Lawton’s  
2        recommendations in this proceeding.<sup>14</sup> Notably, every authorized ROE for vertically  
3        integrated electric utilities has been above Mr. Lawton’s 9.20 percent ROE  
4        recommendation and approximately 74 percent have been above Mr. Walters’ 9.50  
5        percent.

6  
7        Third, FPL has a different risk profile than other electric utility companies for which  
8        returns were set in other jurisdictions. This means that FPL’s cost of equity is higher  
9        than the average for other integrated electric utilities. For another perspective, I  
10       reviewed the ROEs authorized between 2022 and 2025 for vertically integrated  
11       electric utilities that own nuclear generation, and the average is 9.90 percent. While  
12       this 9.90 percent understates FPL’s cost of equity due to its unique risk profile, and  
13       includes ROEs authorized during a period where interest rates were much lower than  
14       they currently are, it further emphasizes how Mr. Lawton’s and Mr. Walters’ ROE  
15       recommendations would fail to meet the basic *Hope* and *Bluefield* “comparable  
16       return” standard.

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<sup>14</sup> Source: Regulatory Research Associates. Excluding ROEs authorized for Green Mountain Power because Green Mountain Power operates under an Alternative Rate Plan in which the authorized ROE is set by an automatic adjustment formula that adjusts the authorized ROE based on changes in the 10-year Treasury bond yield. Therefore, Green Mountain Power’s ROEs are not based on a cost of equity analysis.

1 **Q. Several Intervenor Witnesses (Bryant, Pollock, Lawton, Perry) refer to the 2024**  
2 **decisions for Duke Energy Florida (“DEF”) and Tampa Electric Company**  
3 **(“Tampa Electric” or “TECO”) in which the Commission approved ROEs of**  
4 **10.30 percent and 10.50 percent, respectively, and common equity ratios of**  
5 **53.0 percent and 54.0 percent, respectively.<sup>15</sup> What is your response?**

6 A. First, neither Duke Energy Florida nor Tampa Electric own nuclear generation, which  
7 distinguishes FPL’s risk from these companies. Second, FPL’s coastal exposure to  
8 hurricane and storm risk is greater than other Florida utilities. Third, Duke Energy  
9 Florida’s ROE was approved in a Settlement Agreement that includes several  
10 components including general base rate increases, depreciation rates, DEF’s storm  
11 reserve and cost recovery of storm costs, federal and state corporate income tax  
12 changes, matters pertaining to tax credits, and continuation of the Electric Vehicle  
13 (“EV”) Charging Program, among others. The cost of capital is just one element of a  
14 comprehensive settlement that should not be viewed in isolation. Lastly, DEF’s parent  
15 holding company, Duke Energy Corporation, is included in my proxy group for FPL,  
16 so the ROE results already reflect the risk of this company.

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<sup>15</sup> See, for example, Direct Testimony of OPC witness Daniel J. Lawton, at 15, Direct Testimony of Walmart witness Lisa V. Perry, at 10, Direct Testimony of FIPUG witness Jeffry Pollock, at 3, and Direct Testimony of FAIR witness Frederick M. Bryant, at 17-18.



1   **Q.     Mr. Rábago cites to three articles that suggest that authorized ROEs exceed the**  
2       **cost of equity.<sup>16</sup> Do you agree with the conclusions of the authors of those**  
3       **articles?**

4   A.    No, I do not. The referenced articles contain serious flaws in the logic that would not  
5       withstand the scrutiny of a Commission proceeding. For example, two of the articles<sup>17</sup>  
6       reference a 2021 study by Karl Dunkle Werner and Stephen Jarvis entitled “Rate of  
7       Return Regulation Revisited” that asserts that authorized ROEs were above levels that  
8       historical relationships would suggest. The first flaw is that authors Dunkle Werner  
9       and Jarvis only rely on the CAPM to estimate the cost of equity, whereas most  
10      regulatory commissions consider multiple models when determining the appropriate  
11      ROE. Additionally, the CAPM as specified by Dunkle Werner and Jarvis has certain  
12      limitations for measuring the cost of equity and relies on assumptions that are  
13      inconsistent with current market data. The authors assume a constant Market Risk  
14      Premium (“MRP”) and a constant unlevered Beta coefficient. Therefore, both  
15      measures of equity risk are held constant and thus do not incorporate changes in  
16      market risk premia or changes in industry risk that have occurred over the study  
17      period. A more complete CAPM, as well as outputs from alternative models, such as  
18      the DCF and Bond Yield Plus Risk Premium models, demonstrate that regulators’  
19      authorized ROEs are consistent with evidence of investors’ return requirements and  
20      are not-overcompensating utilities. This highlights the importance of considering the

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<sup>16</sup> Direct Testimony of FEL witness Karl R. Rábago, at 19-21.

<sup>17</sup> Pearl Street Station Finance Lab blog post by Albert Lin, “Electricity Bills Too High? Then Get the ROE in Line,” <https://www.ourfinancelab.com/post/electricity-bills-too-high-then-get-the-roe-in-line>; Mark Ellis, *Rate of Return Equals Cost of Capital* at 5-6 (January 2025);

1 evidence produced by multiple methodologies provided in the context of capital  
2 market conditions at the time.

3

4 Next, two of the papers point to utility market-to-book (“M/B”) ratios in excess of 1.0  
5 as evidence that regulators are authorizing ROEs above the cost of equity.<sup>18</sup> There are  
6 several flaws with this oversimplified argument. First, the publicly traded utility  
7 holding companies are the entities with a publicly available market value. The  
8 regulated utility operating companies to which the authorized ROEs apply are not  
9 publicly traded and thus their market value is not observable. Second, the publicly  
10 traded holding companies are diversified companies, many of which operate both  
11 regulated and unregulated business segments across multiple jurisdictions. The stock  
12 prices of the publicly traded holding companies therefore reflect investors’ return  
13 requirements for the consolidated entity on a sum-of-the-parts basis.

14

15 Third, the market value of most publicly traded companies, both regulated and  
16 unregulated, exceed book value and this has been historically true for decades. As Dr.  
17 Roger Morin notes, “M/B ratios are determined by the marketplace, and utilities  
18 cannot be expected to compete for and attract capital in an environment where  
19 industrials are commanding M/B ratios well in excess of 1.0 while regulation reduces  
20 their M/B toward 1.0.”<sup>19</sup> To enable utilities the ability to attract capital that is not  
21 dilutive, the market price must be sufficiently above book value.

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<sup>18</sup> See, Mark Ellis, *Rate of Return Equals Cost of Capital* at 5-6 (January 2025); Rocky Mountain Institute, *Rebalancing “Return on Equity” to Accelerate an Affordable Clean Energy Future* (February 21, 2025), at 6-7.

<sup>19</sup> Roger A. Morin, Ph.D., *New Regulatory Finance*, at 377 (2006)

1        Additionally, the Rocky Mountain Institute (“RMI”) article incorrectly asserts that the  
2        geometric average market return should be used in the CAPM.<sup>20</sup> However, geometric  
3        returns are not the proper measurement for estimating the cost of equity. The  
4        geometric return is backward-looking, equating a beginning value to an ending value,  
5        and is often reported by investment banks and asset managers as a standardized metric  
6        to assess past performance across investments or investment managers. However,  
7        geometric returns do not reflect forward-looking uncertainty. The arithmetic return,  
8        on the other hand, assumes that each observation is independent from another and,  
9        therefore, incorporates uncertainty into the calculation of the long-term average.

10  
11        Many financial textbooks and investor publications advise against the use of geometric  
12        averages as a basis for a forward-looking estimate of expected returns.<sup>21</sup> For example,  
13        Ibbotson explains:

14                The geometric average is more appropriate for reporting *past*  
15                *performance*, since it represents the compound average return... The  
16                best estimate of the expected value of a variable that has behaved  
17                randomly in the past is the average (or arithmetic mean) of its past  
18                values.<sup>22</sup>

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<sup>20</sup>        Rocky Mountain Institute, *Rebalancing “Return on Equity” to Accelerate an Affordable Clean Energy Future* (February 21, 2025), at 11.

<sup>21</sup>        See, e.g., Roger A. Morin, Ph.D., *New Regulatory Finance*, at 133-138 (2006); Kroll, *2023 SBBI Yearbook*, at 193.

<sup>22</sup>        Ibbotson *Stocks, Bonds, Bills, and Inflation, 2005 Yearbook, Valuation Edition*, at 75. [*italics added*]

1 Dr. Roger Morin adds,

2 Because valuation is forward looking, the appropriate average is the  
3 one that most accurately approximates the expected future rate of  
4 return. The best estimate of expected returns over a given future  
5 holding period is the arithmetic average. Only arithmetic means are  
6 correct for forecasting purposes and for estimating the cost of capital.  
7 There is no theoretical or empirical justification for the use of  
8 geometric mean rates of returns as a measure of the appropriate  
9 discount rate in computing the cost of capital or in computing present  
10 values.<sup>23</sup>

11  
12 Lastly, the RMI paper attempts to illustrate mathematically that an increase in the cost  
13 of debt as a result of a credit downgrade from a below market authorized ROE is offset  
14 by the lower authorized ROE.<sup>24</sup> This presumes that a credit downgrade only affects  
15 the cost of debt and not the cost of equity. An authorized return below what the market  
16 expects, as presumed by a credit downgrade, indicates higher regulatory risk and  
17 greater uncertainty in returns to the equity investor. Equity investors will require a  
18 higher return to compensate them for greater risk. Thus the required cost of equity  
19 *increases* in response.

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<sup>23</sup> Roger A. Morin, Ph.D., *New Regulatory Finance*, at 116-117 (2006).

<sup>24</sup> Rocky Mountain Institute, *Rebalancing "Return on Equity" to Accelerate an Affordable Clean Energy Future* (February 21, 2025), at 14.

1 **Q. Mr. Rábago applies NextEra Energy's M/B ratio to estimate FPL's cost of equity,**  
2 **concluding that FPL's authorized ROE is above its cost of equity.<sup>25</sup> What is your**  
3 **response to Mr. Rábago's analysis?**

4 A. Mr. Rábago's calculation is flawed and misplaced. FPL is not publicly traded and  
5 does not have a stock price. FPL is not the entirety of NextEra Energy's business and  
6 the market price of its equity reflects the entirety of NextEra Energy's business  
7 operations, both regulated and unregulated. It is simply inappropriate to apply NextEra  
8 Energy's M/B ratio to FPL.

9  
10 Lastly, for the reasons discussed earlier, the use of M/B ratios to evaluate the cost of  
11 equity is an outdated and oversimplified view that does not consider that most publicly  
12 traded companies trade above book value and utilities compete for capital among all  
13 companies, both regulated and nonregulated.

14

15 **V. UPDATED ROE AND CAPITAL STRUCTURE RESULTS**

16 **Q. Have you updated your ROE analyses?**

17 A. Yes, I have updated the results of the financial models used to estimate the cost of  
18 equity for FPL in my direct testimony (data as of December 31, 2024) to include  
19 market data through May 30, 2025. I have updated the proxy group to remove TXNM  
20 Energy Inc. ("TXNM"), as TXNM announced its agreement to be acquired by  
21 Blackstone Infrastructure on May 19, 2025.<sup>26</sup> I have added FirstEnergy Corp. and

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<sup>25</sup> Direct testimony of FEL witness Karl R. Rábago, at 21-22.

<sup>26</sup> <https://tnmp.com/about-us/news-media/tnmp-parent-company-txnm-energy-enters-agreement-be-acquired-blackstone>.

1 Dominion Energy Resources back to my proxy group, as their recent merger &  
2 acquisition activity occurred more than six months prior to my updated analysis. The  
3 results of those updated analyses are shown in Figure 1.

4 **Figure 1: Updated Base ROE Results**

	<b>Dec 31 '24 Data</b>	<b>May 30 '25 Data</b>
DCF	10.28%	10.43%
CAPM	15.65%	12.53%
Risk Premium	10.51%	10.59%
Expected Earnings	10.91%	11.29%
Range	10.28% - 15.65%	10.43-12.53%
Recommended Base ROE	11.83%	11.83%
Flotation Costs	0.09%	0.09%
Recommended ROE <sup>27</sup>	11.90%	11.90%

5

6 **Q. How do these updated results compare with those presented in your direct**  
7 **testimony?**

8 A. Three of the models (the DCF, Risk Premium, and Expected Earnings Models)  
9 increased since the end of December 2024. The mean DCF results have increased by  
10 15 basis points, the Risk Premium results have increased by 8 basis points, and the  
11 mean Expected Earnings results have increased by 38 basis points. The CAPM results  
12 however, decreased by 312 basis points. These results emphasize the importance of  
13 using multiple models to estimate the cost of equity.

---

<sup>27</sup> Recommended ROE is the base ROE of 11.83 percent plus 9 basis points for flotation, rounded down to 11.90 percent.

1   **Q.     What caused the DCF results to increase?**

2   A.     Three factors led to the 15 basis point increase in the DCF results. The dividend yields  
3           for the proxy group went up in both the 30 and 90-day periods, but declined slightly  
4           over 180 days. Projected earnings growth increased slightly. The change in the proxy  
5           group for merger activity was also a factor; removing TXNM eliminated a low-end  
6           result; including First Energy added back a below-average result, but including  
7           Dominion added an above-average result.

8   **Q.     What caused the Risk Premium results to increase?**

9   A.     One primary factor caused the 8 basis point increase in the Risk Premium results.  
10          Interest rates are higher for all periods: the current 30-day, near-term and long-term  
11          forecast. The change in the proxy group composition had no impact on this model.

12   **Q.     What caused the Expected Earnings results to increase?**

13   A.     Two factors led to the 38 basis point increase in the Expected Earnings results. The  
14          change in the proxy group for merger activity was a factor; removing TXNM  
15          eliminated a low-end result, including First Energy added back an above-average  
16          result, and Dominion was near the average. Second, the Value Line ROEs had  
17          increased for some of the proxy group companies.

18   **Q.     What caused the CAPM results to decrease?**

19   A.     The CAPM results declined due to reductions in the betas and market risk premiums,  
20          offsetting the increase in interest rates. The change in proxy group companies had  
21          little impact. These changes are summarized in Figure 2 below. The reduction in  
22          betas is primarily due to the movement away from the post-COVID period and  
23          inclusion of April 2025 data, where utility stocks were not as volatile as the overall

1 market. The forward-looking market risk premiums decreased due to updated data  
2 provided by S&P, Bloomberg, and Value Line. Dividend yields for the S&P 500  
3 increased modestly while earnings growth projections declined, reflecting greater  
4 uncertainty in the economic outlook.

5 **Figure 2: Updated CAPM Inputs<sup>28</sup>**

	<b>Dec 31 '24 Data</b>	<b>May 30 '25 Data</b>
Value Line Betas	0.940	0.847
Bloomberg 5-Year Betas	0.892	0.623
<b>Average Beta</b>	<b>0.916</b>	<b>0.735</b>
S&P MRP	17.08%	15.39%
Bloomberg MRP	17.44%	15.66%
Value Line MRP	15.50%	15.10%
<b>Average MRP</b>	<b>16.68%</b>	<b>15.38%</b>

6

7 **Q. Does this change your recommendation?**

8 A. No. Inclusive of 9 basis points of flotation costs, and with rounding, my model results  
9 and the subsequent recommendation remains 11.90 percent. In reaching this  
10 conclusion, I consider that three of the four models produce higher results than those  
11 I estimated based on December market data. My recommendation also remains within  
12 the range of estimates produced based on both December and May market data. I  
13 continue to consider this recommendation a just and reasonable estimate of FPL's  
14 required ROE, given the Company's risk profile and economic and capital market  
15 conditions.

---

<sup>28</sup> See Exhibits JMC-5 and JMC-15 for more detail.



**Q. Have you also updated your capital structure analysis?**

A. Yes, I have updated my capital structure analysis (Exhibit JMC-18) to include 2024 data (while still using three years of data – 2022 through 2024). This update reinforces the results of my original capital structure analysis; the proxy group three-year average common equity ratio ranges from 40.49 percent to 58.91 percent, the upper end of which is in line with FPL’s proposed 59.6 percent common equity ratio. As such, my conclusion that FPL’s proposed capital structure of 59.6 percent common equity and 40.4 percent long-term debt is reasonable remains unchanged.

## VI. CAPITAL MARKET CONDITIONS

**Q. What changes have occurred in the capital market environment since you prepared your direct testimony?**

A. Since I prepared my direct testimony using market data as of December 31, 2024, several changes have occurred. First, the 30-day average on government and utility bond yields have increased by 36 and 41 basis points, respectively, as shown in Figure 3.

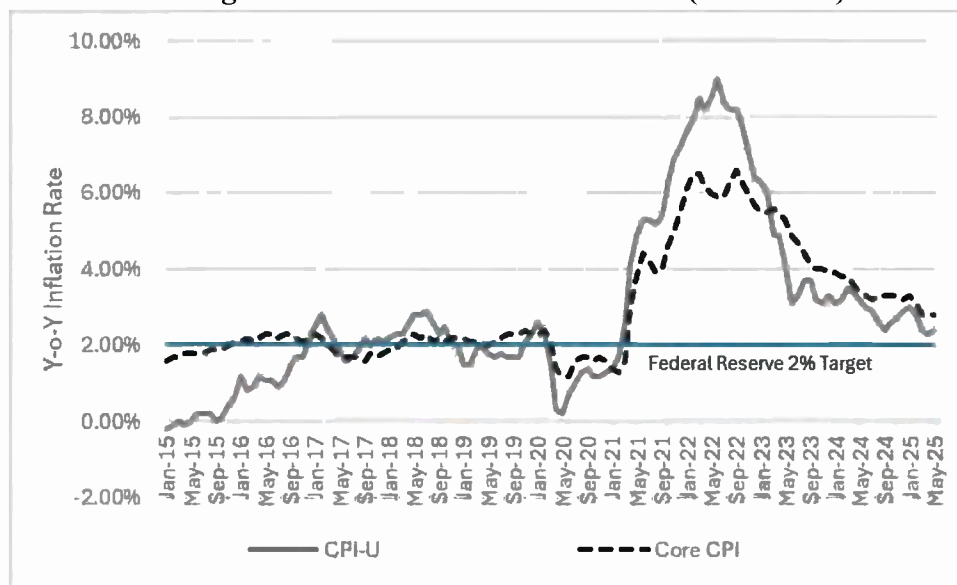
**Figure 3: Government and Utility Bond Yields (30-Day Averages)<sup>29</sup>**

	12/31/2024	6/30/2025	Change (basis points)
30-Year Treasury Bond	4.56%	4.92%	+36
Moody's Utility 'A' Index	5.57%	5.98%	+41
Moody's Utility 'Baa' Index	5.76%	6.17%	+41

<sup>29</sup> Sources: Federal Reserve Bank of St. Louis FRED Economic Data and Bloomberg Professional.

1 Further, although the effects of higher tariffs announced earlier in 2025 have yet to  
2 appear in the monthly inflation statistics, consumers' expectations for inflation have  
3 increased. Expectations for long-run inflation, defined as the next five to ten years,  
4 rose to 4.2 percent in May 2025.<sup>30</sup> As shown in Figure 4, the pace of inflation (both  
5 the overall inflation rate and core inflation rate) has stalled, but remains elevated  
6 above the Federal Reserve's 2.0 percent target.

7 **Figure 4: Year-Over-Year Inflation (2015-2025)<sup>31</sup>**



8  
9 Persistent inflation and the effects from uncertain federal trade policy are complicating  
10 the Federal Reserve's (the "Fed") unwinding of restrictive monetary policy as the Fed  
11 takes a "wait and see" approach. In his press conference after the June 18, 2025  
12 Federal Open Market Committee ("FOMC") meeting in which it maintained the  
13 current federal funds rate at 4.25 percent to 4.50 percent, Chair Powell explained that

<sup>30</sup> Source, University of Michigan Surveys of Consumers, May 2025 Update: Current versus Pre-Pandemic Long-Run Inflation Expectations, <https://data.sca.isr.umich.edu/fetchdoc.php?docid=78838>

<sup>31</sup> Source: U.S. Bureau of Labor Statistics.

1 the FOMC is anticipating inflation to increase with tariff increases but there is  
2 significant uncertainty with how tariffs will affect inflation.

3 What we're waiting for to reduce rates is to understand what will  
4 happen with, with really the tariff inflation. And there's a lot of  
5 uncertainty about that. Every forecaster you can name who, you know  
6 -- who is a professional, you know, forecaster with, with adequate  
7 resources and forecasts for a living, is forecasting, you know a pretty  
8 significant-- everyone that I know is forecasting a meaningful increase  
9 in inflation in coming months from tariffs, because someone has to pay  
10 for the tariffs...So we know that's coming. And we just want to see,  
11 see a little bit of that before we make judgments prematurely.<sup>32</sup>

12 **Q. How will the Trump administration's tax and spending cut legislation impact the**  
13 **economy and financial markets?**

14 A. The "One Big Beautiful Bill" was signed into law by President Trump on July 4, 2025.  
15 A key element of the bill is extension of President Trump's 2017 Tax Cuts and Jobs  
16 Act, which was due to expire at the end of the year. The Bill makes most of the tax  
17 cuts permanent, while increasing spending on border security, defense and energy  
18 production. The Bill is partially paid for by cuts to health care programs and terminate  
19 tax incentives from the 2022 Inflation Reduction Act for clean energy, electric  
20 vehicles and energy efficiency programs. The Congressional Budget Office estimates  
21 the bill would add \$3.4 trillion to federal deficits over the next 10 years.<sup>33</sup> In the near-

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<sup>32</sup> Federal Reserve Board, Transcript of Chair Powell's Press Conference, June 18, 2025, page 18-19.  
<https://www.federalreserve.gov/mediacenter/files/FOMCpresconf20250618.pdf>

<sup>33</sup> <https://www.cbo.gov/system/files/2025-07/61537-hr1-Senate-passed-additional-info7-1-25.pdf>

1 term, these provisions are expected to promote economic growth, but the impacts of  
2 larger deficits are a concern in the longer run. Expanding the national debt risks  
3 sustained elevated interest rates, increasing the costs of financing for consumers and  
4 businesses, and higher rates require the federal government to increase spending to  
5 finance its growing debt. On balance, this latest development in federal policy  
6 suggests that capital costs for businesses, including utilities, are likely to remain at or  
7 near current levels for the next several years.

8 **Q. What is your response to Mr. Walters' assertion that utilities have outperformed**  
9 **the S&P 500 since the second half of 2021?**<sup>34</sup>

10 A. It is unclear what the significance of June 30, 2021 is and why Mr. Walters chose that  
11 date as the starting point of his analysis. Had Mr. Walters chosen a different starting  
12 point, his conclusion would be quite different. For example, as shown in Figure 5  
13 below, looking back over the last five years, utilities underperformed in the wake of  
14 COVID-19 pandemic, and while the sector narrowed the gap in late 2022 and early  
15 2023, utilities have underperformed since.

---

<sup>34</sup> Direct Testimony of FEA witness Christopher C. Walters, at 22-23.

**Figure 5: Total Return of the S&P 500 Index vs. S&P 500 Utilities and Electric Utilities Sub Index (January 2020 – June 2025)<sup>35</sup>**



Looking to a more recent time period based on a starting point of March 2022, when the Federal Reserve began its aggressively restrictive monetary policy also shows that utilities have generally underperformed the market since the second half of 2023.

<sup>35</sup>

Source: S&P Capital IQ.

1 **Figure 6: Total Return of the S&P 500 Index vs. S&P 500 Utilities and Electric**  
2 **Utilities Sub Index (March 2022 – June 2025)<sup>36</sup>**



3  
4 Nevertheless, the Beta coefficients that Mr. Walters and I rely on reflect the return  
5 performance of utilities relative to the S&P 500 Index. Thus, it is captured in the  
6 analysis.

## 7 8 VII. DCF MODEL

9 **Q. Please describe the proxy groups used by Witnesses Lawton and Walters.**

10 A. Mr. Lawton used the same proxy group as I did, with the exception of removing  
11 TXNM due to its announced acquisition,<sup>37</sup> similar to what I have done in this rebuttal  
12 testimony. Mr. Walters used the same proxy group that I did.

<sup>36</sup> Source: S&P Capital IQ.

<sup>37</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 39.

1   **Q.     Do you have any significant concerns with Mr. Lawton’s or Mr. Walters’ proxy**  
2       **groups?**

3   A.     I do not.

4   **Q.     Please summarize how witnesses Lawton and Walters employ the DCF model.**

5   A.     Mr. Lawton uses DCF models with a dividend yield calculation similar to mine. He  
6       uses multiple sources of earnings growth rates, specifically Value Line (historical and  
7       forecasted growth rates of earnings per share, dividends per share, and book value per  
8       share), Zacks forecasted earnings growth rates, and the sustainable growth estimate  
9       (also known as the retention ratio growth estimate or  $b \cdot r + s \cdot v$  when extended to  
10      include the impact of external equity financing). Specifically, Mr. Lawton uses the  
11      historical growth rates as a starting point for his analysis and employs three DCF  
12      models, one using the sustainable growth estimates, a second constant growth model  
13      that uses the average of the Value Line, Zacks, and sustainable growth estimates  
14      (which I’ll refer to as the “combined growth rates”), and a third two-stage DCF model  
15      that uses the combined growth rates. Mr. Lawton obtains a midpoint result of  
16      8.70 percent for his sustainable growth DCF model and a 9.80 percent midpoint for  
17      the DCF model that uses the combined growth rates.<sup>38</sup> I cover Mr. Lawton’s (and Mr.  
18      Walters’) two/multi-stage DCF model later in this section.

19  
20      Mr. Walters also uses DCF models with a dividend yield calculation similar to mine.  
21      Mr. Walters used the average of analysts’ growth rate estimates from three sources:  
22      Zacks, S&P Capital IQ, and Institutional Brokers’ Estimate System (IBES), which are

---

<sup>38</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 41-45.

1 conceptually similar to the analyst growth rates that I used. His constant growth DCF  
2 model average ROE for his proxy group is 10.43 percent.<sup>39</sup>

3 **Q. Do you agree with the use of growth rates in the DCF model other than forecast**  
4 **earnings per share growth rates from equity analysts?**

5 A. No, I do not. Mr. Lawton considers a variety of growth rates including both historical  
6 and projected earnings per share, dividends per share, and book value per share, and  
7 presents DCF models using sustainable growth rates. As explained in my direct  
8 testimony, over the long term, dividend growth can only be sustained by earnings  
9 growth,<sup>40</sup> while short-term dividend growth can depend on management decisions  
10 regarding the dividend payout ratio over the near-term, which do not reflect the long-  
11 term growth prospects of the company.

12  
13 Further, I do not consider it reasonable to use the sustainable growth rates in the DCF  
14 analysis. Mr. Lawton's sustainable growth rate calculations rely on Value Line's  
15 projected ROE data for the proxy group companies. Those projected ROEs are  
16 substantially higher than the results of the DCF model using sustainable growth rates  
17 presented by Mr. Lawton, and demonstrate that investors are expecting to earn higher  
18 returns on equity from the proxy group companies than those calculated by Mr.  
19 Lawton in his sustainable growth rate DCF model. Finally, the 8.70 percent midpoint  
20 of Mr. Lawton's sustainable growth rate DCF model is not reasonable, since it is over  
21 110 basis points below the average authorized ROE of U.S. vertically integrated  
22 electric utilities in 2024 (9.84 percent) and lower than any authorized ROE in Florida

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<sup>39</sup> Direct Testimony of FEA witness Christopher C. Walters at 34-36.

<sup>40</sup> Direct Testimony of James M. Coyne, at 35.



1 for an electric utility since at least 1980 (9.85 percent).<sup>41</sup> As such, I would recommend  
2 that the Commission not give weight to Mr. Lawton's sustainable growth DCF model  
3 and remove these sustainable growth rates from his other DCF models to the extent  
4 that any weight is given to those.

5 **Q. Witnesses Lawton and Walters have also presented the results of a Multi-Stage**  
6 **DCF model.<sup>42</sup> Do you agree that the results of those analyses are reasonable?**

7 A. No, I do not. In general, a multi-stage DCF model is best utilized for companies that  
8 are in the early growth stages, whereby they may be growing faster at their current  
9 stage than they may grow in later years, as the company enters the mature stage. This  
10 does not apply to regulated utility companies, most if not all of which have been in  
11 business for decades and are in the mature phase of their growth cycle. Consequently,  
12 a single-stage constant growth model, as I have applied, is more appropriate for  
13 estimating the ROE for regulated utilities, such as FPL.

14  
15 Specific to this case, first, Mr. Lawton uses a multi-stage DCF analysis with the first  
16 stage (years 1-5) using Value Line forecasted growth in dividends and a combination  
17 of Value Line, Zacks, and the forecast sustainable growth estimate ("b\*r" + "s\*v").<sup>43</sup>  
18 The issues with using a dividend growth rate, as well as the sustainable growth  
19 method, that I noted above also apply here.

20

---

<sup>41</sup> Source: S&P Capital IQ Pro. Based on data since 1980.

<sup>42</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 45-47, and Direct Testimony of FEA witness Christopher C. Walters at 38-43.

<sup>43</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 46.

1 Second, Mr. Walters uses a GDP growth rate of 4.14 percent in the terminal stage of  
2 his multi-stage DCF analysis, and incorporates it as a bridge (from his short-term  
3 growth rates, which are the same he uses in his constant growth DCF model) in years  
4 6 through 10 of his analysis.<sup>44</sup> The GDP growth rate itself is not unreasonable;  
5 however, using it as a limit on the earnings growth of utilities that exhibit stronger  
6 growth historically is not appropriate.

7 **Q. Is there evidence to support the position that utility growth is not limited by GDP**  
8 **growth?**

9 A. Yes, I will present three analyses that show this. First, from 2010 through the end of  
10 May 2025, the S&P 500 Utilities Index had a compound annual growth rate (“CAGR”)  
11 of 6.45 percent, when looking at price-only growth (excluding dividends, as would be  
12 comparable to the analyst growth rates used in my DCF analysis as stock prices are  
13 driven by earnings growth over the long-term).<sup>45</sup> This CAGR is much more  
14 comparable to the analyst growth rates that I use in my analysis (which average  
15 6.52 percent)<sup>46</sup> than Mr. Walters’ 4.14 percent terminal growth rate.

16  
17 Second, the GDP growth rate is an approximate average of the growth rates of all  
18 public and private U.S. sectors. As such, some sectors will grow faster than the  
19 average, and some will grow slower. As shown in Figure 7 below, from 1947 through  
20 2024, the utility sector as a component of GDP has grown at a faster compound  
21 average annual rate (6.47 percent) than the overall GDP growth rate (6.38 percent).

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<sup>44</sup> Direct Testimony of FEA witness Christopher C. Walters, at 39.

<sup>45</sup> Source: S&P Capital IQ Pro.

<sup>46</sup> Exhibit JMC-14, column [8].

1 Here again, Mr. Walters' premise that GDP growth is an upper limit on an individual  
2 utility company's growth or the utility sector's growth expectations is unproven.  
3 Notably, the analyst earnings growth rate projections included in my, Mr. Lawton's,  
4 and Mr. Walters' DCF analyses are consistent with the long-term historical compound  
5 annual GDP growth rate for the utility sector. From that perspective, the projected  
6 EPS growth rates in our respective Constant Growth DCF analyses are not excessive.

7 **Figure 7: GDP Growth by Industry<sup>47</sup>**

<b>Industry</b>	<b>1947</b>	<b>2024</b>	<b>CAGR</b>
Agriculture, forestry, fishing, and hunting	19.9	248.4	3.33%
Mining	5.8	393.7	5.63%
<b>Utilities</b>	<b>3.5</b>	<b>437.3</b>	<b>6.47%</b>
Construction	8.9	1,312.3	6.70%
Manufacturing	63.4	2,913.1	5.10%
Wholesale trade	15.6	1,706.8	6.29%
Retail trade	23.2	1,841.7	5.85%
Transportation and warehousing	14.1	969.2	5.65%
Information	7.7	1,569.5	7.15%
Finance, insurance, real estate, rental, and leasing	25.8	6,190.0	7.38%
Professional and business services	8.2	3,847.4	8.32%
Educational services, health care, and social assistance	4.6	2,542.0	8.55%
Arts, entertainment, recreation, accommodation, and food services	8.0	1,293.2	6.83%
Other services, except government	7.5	626.7	5.92%
Government	33.5	3,293.7	6.14%
<b>Total Gross Domestic Product</b>	<b>249.7</b>	<b>29,185.0</b>	<b>6.38%</b>

8

<sup>47</sup> In billions of dollars. Source: Bureau of Economic Analysis, GDP by Industry, Tables Only (XLSX), table 14, <https://www.bea.gov/data/gdp/gdp-industry>.

1 Finally, Mr. Walters notes that “[a] utility’s earnings and dividend growth is created  
2 by increased utility investment in its rate base.”<sup>48</sup> I agree with this statement and  
3 emphasize that utility capital expenditures have been growing at a rate that far exceeds  
4 GDP, both over the past 10 years and especially over the past 3 years, as can be seen  
5 in Figure 8 below.

6 **Figure 8: Compound Annual Growth in Capital Expenditures (2014-2024)**<sup>49</sup>

	<b>3-yr CAGR (2021-2024)</b>	<b>5-yr CAGR (2019-2024)</b>	<b>10-yr CAGR (2014-2024)</b>
FPL Proxy Group	11.04%	7.20%	6.74%
Total Electric Utility Sector	10.53%	7.19%	7.54%

7  
8 The proxy group analyst average projected earnings growth rates used in my, Mr.  
9 Lawton’s, and Mr. Walters’ Constant Growth DCF analyses (6.52 percent,<sup>50</sup>  
10 6.72 percent,<sup>51</sup> and 6.60 percent,<sup>52</sup> respectively), are lower than growth rates in utility  
11 capital expenditures, and therefore are not overstated. Rather, they are highly  
12 consistent with the rate base growth, as would be expected. Moreover, these capital  
13 expenditure growth rates are much higher than Mr. Walters’ 4.14 percent GDP growth,  
14 which indicates that utility growth is not constrained by economic growth. Given the  
15 substantial amount of capital that is expected to be invested to facilitate the energy  
16 transition,<sup>53</sup> it is unlikely that electric utilities are nearing the end of their investment  
17 cycles; rather it is likely the beginning.

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<sup>48</sup> Direct Testimony of FEA witness Christopher C. Walters, at 39.

<sup>49</sup> S&P Global Market Intelligence, *Utility Capex Capital Expenditures Update, H1 2025*, March 24, 2025.

<sup>50</sup> Exhibit JMC-14, column [8].

<sup>51</sup> Exhibit DJL-7, Page 1, Column L.

<sup>52</sup> Exhibit CCW-3, Column (4).

<sup>53</sup> See Exhibit JMC-8 of my direct testimony.

1 **Q. Do you have any concluding thoughts on the appropriateness of using the GDP**  
2 **growth rate in the DCF model?**

3 A. I do. No company, or investor, would be satisfied with growth that simply tracks the  
4 broader economy. Investors would shift capital to more attractive investments.  
5 Companies are constantly searching for new avenues of growth and have levers such  
6 as capital resource allocation to achieve growth greater than GDP. There is no reason  
7 to expect that an individual corporation competing for capital as a going concern will  
8 limit earnings or dividend growth to GDP. Limiting growth in the DCF model to long-  
9 term GDP is an unfounded constraint.

10  
11 Additionally, the results of Mr. Walters' multi-stage DCF analysis, a mean of  
12 8.51 percent and median of 8.31 percent,<sup>54</sup> are not reasonable, as they are over 130  
13 and 150 basis points (respectively) below the average authorized ROE of U.S.  
14 vertically integrated electric utilities in 2024 (9.84 percent) and lower than any  
15 authorized for an electric utility in Florida since at least 1980 (9.85 percent).<sup>55</sup>

16 **Q. Has the Commission recognized the limitations of the multi-stage DCF analysis**  
17 **for electric utilities in prior orders?**

18 A. Yes, in its recent decision for Tampa Electric Company, the Commission concluded  
19 that the multi-stage DCF model "is not appropriate for electric utility companies  
20 because they are mature firms in the constant growth business cycle."<sup>56</sup>

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<sup>54</sup> Direct Testimony of FEA witness Christopher C. Walters, at 43.

<sup>55</sup> Source: S&P Capital IQ Pro. Based on data since 1980.

<sup>56</sup> Docket No. 20240026-EI, Order No. PSC 2025-0038-FOF-EI, at 86.

1   **Q.     Mr. Lawton noted that you should have considered the low growth DCF results**  
2       **given the potential for a slower growing economy.<sup>57</sup> Do you agree with him?**

3   A.    No, I do not. First, as discussed earlier, utility earnings growth is driven by rate base  
4       investment, not GDP growth. Second shown in Figure 2 of my Direct Testimony, the  
5       economy had been consistently growing, and one recent quarter of a small real GDP  
6       decline<sup>58</sup> does not necessarily mean that the economy is slowing. Forecasts generally  
7       point to a continually growing economy as well.<sup>59</sup> Even if the economy were to be  
8       slowing, that assumption would be factored into the analyst growth rate projections  
9       that I use in my DCF analysis.

10   **Q.    Mr. Rábago contends that “a straightforward calculation of the cost of equity**  
11       **under a DCF model that focuses on observable market data reveals a cost of**  
12       **equity well below 10 percent.”<sup>60</sup> Do you agree with him?**

13   A.    No, I do not. First, Mr. Rábago does not present a DCF model to substantiate his  
14       statement. Second, both my and Mr. Walters’ Constant Growth DCF models, which  
15       are straightforward and focus on observable market data, yield results over 10 percent.

16

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<sup>57</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 63.

<sup>58</sup> Real GDP had declined by 0.2 percent in Q1 of 2025 (second estimate). Source: Source: U.S. Bureau of Economic Analysis.

<sup>59</sup> See, e.g., the Federal Reserve’s projection of real GDP growth to be 1.7 to 1.8 percent over the next few years. Source: <https://www.federalreserve.gov/monetarypolicy/fomcprojtabl20250319.htm>

<sup>60</sup> Direct Testimony of FEL witness Karl R. Rábago, at 26.

1 **VIII. CAPITAL ASSET PRICING MODEL**

2 **Q. Please summarize how witnesses Lawton and Walters employ the CAPM**  
3 **analysis.**

4 A. Mr. Lawton employs a basic CAPM with a 30-year Treasury yield risk-free rate  
5 similar to what I used. He used Value Line betas, as I have, though he did make an  
6 error, using 1.1 for PPL Corporation's ("PPL") beta instead of 0.9. The main  
7 difference from my CAPM is that Mr. Lawton uses a MRP derived from his utility  
8 Risk Premium analysis as opposed to a forward-looking approach. Mr. Lawton also  
9 includes an Empirical CAPM ("ECAPM") analysis, which puts less weight on beta  
10 coefficients than a traditional CAPM does. Mr. Lawton's CAPM analyses yield ROE  
11 results of 9.70 percent and 9.90 percent for the CAPM and ECAPM, respectively.<sup>61</sup>

12  
13 Mr. Walters also used similar 30-year Treasury risk-free rates and Value Line betas.  
14 He also used beta estimates adjusted with the Vasicek method, that uses a different  
15 adjustment methodology than Value Line's, resulting in lower beta estimates for the  
16 proxy group companies. Mr. Walters used two MRP methodologies – one that uses  
17 historical market return data and expected inflation, and a second that uses two  
18 versions of FERC's approach to estimate the expected return of the S&P 500. Mr.  
19 Walters then uses these inputs with four sets of betas – current Value Line, historical  
20 Value Line, his Vasicek method betas, and the proxy group's three-year beta estimate,  
21 which calculate the ROE to be in the range of 9.38 percent to 11.12 percent,

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<sup>61</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 48-50.

1 9.04 percent to 10.63 percent, 7.24 percent to 8.04 percent, and 8.66 percent to  
2 10.09 percent, respectively.<sup>62</sup>

3 **Q. Do you agree with how Mr. Lawton calculates his MRP?**

4 A. No, I do not. Mr. Lawton calculates the MRP based on the difference between the  
5 average authorized ROEs for electric utilities (11.38 percent) and the 30-year U.S.  
6 Treasury yields (5.93 percent) for 1981 through 2024, producing an average electric  
7 utility risk premium of 5.45 percent,<sup>63</sup> which he then divides by his proxy group  
8 median Beta coefficient of 0.875 to arrive at an imputed MRP of 6.23 percent.

9  
10 As Mr. Lawton understands, the risk premium is inversely related to the Treasury bond  
11 yield. According to his Risk Premium analysis in Exhibit DJL-11, the 4.25 percent  
12 risk-free rate that Mr. Lawton relies on in his CAPM analysis corresponds to a utility  
13 equity risk premium of 6.14 percent, not 5.45 percent. If the utility equity risk  
14 premium of 6.14 percent were divided by his mean Beta coefficient of 0.875, the  
15 resulting MRP in his CAPM analysis would be 7.02 percent, not 6.23 percent.  
16 Adjusting Mr. Lawton's CAPM analysis to use an MRP of 7.02 percent, along with  
17 fixing PPL's beta error that I mentioned earlier, produces mean CAPM and ECAPM  
18 results of 10.29 percent and 10.54 percent, respectively. Using the same approach but  
19 instead applying Mr. Lawton's 4.66 percent current 30-year Treasury yield and  
20 corresponding MRP of 6.83 percent produces mean CAPM and ECAPM results of  
21 10.54 percent and 10.78 percent, respectively (see Exhibit JMC-20).<sup>64</sup>

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<sup>62</sup> Direct Testimony of FEA witness Christopher C. Walters, at 49-60.

<sup>63</sup> See Exhibit DJL-10.

<sup>64</sup> All other inputs were kept the same. Note that this does not mean that I agree with all of Mr. Lawton's other inputs and assumptions.



1 If the Commission places weight on Mr. Lawton's CAPM and ECAPM analyses, I  
2 recommend using these adjusted versions, not the versions he submitted in his direct  
3 testimony.

4 **Q. Do you agree with Mr. Walters' reliance on Kroll's normalized Market Risk**  
5 **Premium method?**

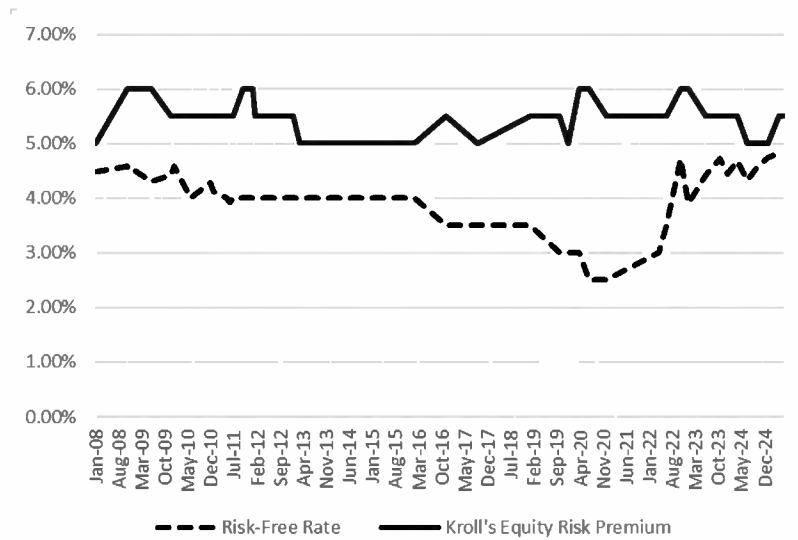
6 A. No, I do not. It is not clear that Kroll develops its market risk premium in relation to  
7 its normalized risk-free rate. The market risk premium is calculated as the difference  
8 between the expected market return and risk-free rate; therefore, it is a function of the  
9 expected market return and risk-free rate at a point in time. Consequently, the market  
10 risk premium and risk-free rate are not independent of each other, they are interrelated.  
11 In fact, academic studies have shown that the two are inversely related.<sup>65</sup> As the risk-  
12 free rate decreases, the market risk premium increases and vice versa. However, as  
13 shown in Figure 9 below, there is no clear relationship between Kroll's recommended  
14 Equity Risk Premium and risk-free rate. Whereas academic studies indicate that the  
15 two lines should move in opposite directions, Figure 9 shows they do not.

16  
17  
18  
19  
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21  
22

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<sup>65</sup> See, e.g., Robert S. Harris and Felicia C. Marston, *Estimating Shareholder Risk Premia Using Analysts' Growth Forecasts*, Financial Management, (Summer 1992), at 63-70.

**Figure 9: Kroll Recommended Equity Risk Premium and Risk-Free Rate (2008-May 2025)<sup>66</sup>**



The conclusion - that there is no clear relationship between the two variables provided by Kroll - is supported by statistical analysis. The R-squared is 0.001 percent, which indicates that Kroll's Risk-Free Rate explains less than 0.10 percent of the change in the Equity Risk Premium. This runs counter to the fundamental fact that the market risk premium is a function of the risk-free rate, as noted earlier. Additionally, the risk-free rate is not statistically significant.

Furthermore, the results of Mr. Walters' CAPM that use the Kroll Normalized MRP range from 7.24 percent to 9.38 percent, depending on which beta he uses.<sup>67</sup> These results are not reasonable, as they are over 250 and 40 basis points (respectively) below the average authorized ROE of U.S. vertically integrated electric utilities in 2024 (9.84 percent) and below any authorized return for an electric utility in Florida

<sup>66</sup> Sources: Kroll Cost of Capital Navigator, Federal Reserve Bank of St. Louis FRED Economic Data.  
<sup>67</sup> Direct Testimony of FEA witness Christopher C. Walters, Exhibit CCW-15, Page 1, Column (1).

1       since at least 1980 (9.85 percent).<sup>68</sup> In Order No. PSC-2023-0177-FOF-GU, the  
2       Commission found that the use of Kroll’s ERP and the results of the CAPM using  
3       Kroll’s ERP to be unreasonable.<sup>69</sup> The finding remains true regarding Mr. Walters’  
4       analysis in this proceeding.

5       **Q. Does Mr. Walters exclude a large portion of the S&P 500 companies when**  
6       **calculating his S&P 500 market return?**

7       A. Yes. In his S&P 500 MRP calculations, for both dividend paying companies and “all  
8       companies”, Mr. Walters excludes companies with growth rates that were negative or  
9       greater than 20 percent.<sup>70</sup> Upon examining his workpaper,<sup>71</sup> it was evident that this  
10      screen excluded a large portion of the market cap of the S&P 500, as is summarized  
11      below on Figure 10. Mr. Walters’ growth rate and dividend exclusions eliminate  
12      roughly 10 and 14 trillion dollars of additional market cap, or roughly 20 and 28  
13      percent of the total market cap, reducing the S&P 500 to 387 and 330 companies,  
14      respectively. Acknowledging that this is FERC’s methodology, I do not find it  
15      appropriate to exclude these companies, as there are numerous companies that  
16      experience growth rates outside of the 0 to 20 percent threshold; doing so artificially  
17      restricts the market and biases the MRP calculation, as the risk premium is no longer  
18      based on the *market* but instead based on a subset of the market. Making this  
19      adjustment brings the MRP in line with the MRPs that I used.

---

<sup>68</sup> Source: S&P Capital IQ Pro. Based on data since 1980.

<sup>69</sup> Florida Public Service Commission Docket No. 20220069-GU, *In re: Petition for rate increase by Florida City Gas*, Order No. PSC-2023-0177-FOF-GU, at 43 (June 9, 2023).

<sup>70</sup> Direct Testimony of FEA witness Christopher C. Walters, at 56.

<sup>71</sup> FEA witness Walters’ workpaper “CCW Public WP 7”, “SP 500 dcf of all cos” and “SP 500 dcf excl no divs” tabs.

**Figure 10: Market Cap in Mr. Walters' MRP Calculation<sup>72</sup>**

<b>Description</b>	<b>All Companies</b>	<b>Mr. Walters' "All Companies"</b>	<b>Mr. Walters' "All Companies, No Dividend"</b>
Market Cap \$M	\$48,386,810	\$38,488,417	\$34,228,186
% of Market Cap	95.5%	75.9%	67.5%
Number of Companies	467	387	330
Resultant MRP	15.80%	12.48%	12.09%

**Q. Are the betas that Mr. Walters used appropriate?**

A. With the exception of the current, 5-year Value Line beta, no, they are not. The fundamental risk profile of a company can change over time, and using historical betas that incorporate over 15 years of data<sup>73</sup> diminishes the proxy group company's recent risk profile and is likely influenced by the Great Recession.

Conversely, using only three-year betas can be too short of window. Regulated utilities have the obligation to serve, and raise capital if necessary, in all market conditions. As such, having just three years of data can yield results that are not robust enough to provide a stable estimate of the cost of equity capital.

Finally, Mr. Walters' estimate of the Beta coefficient includes Vasicek-adjusted beta coefficients from S&P Global Market Intelligence ("MI") for his proxy companies. While I agree MI is a reliable source of utility financial and rate case data, I disagree with Mr. Walters' position that beta coefficients calculated using the Vasicek

<sup>72</sup> All variations exclude companies without projected growth rates.

<sup>73</sup> Mr. Walters' historical betas are calculated with data from the third quarter of 2014 to the first quarter of 2025 using 5-year Value Line betas. Value Line's five-year betas from 2014 would reflect data from 2009-2014. Hence, this incorporates 15.5 years of data.

1 adjustment are “superior”<sup>74</sup> to those calculated using the Blume adjustment. The  
2 conclusion as to which approach is “superior” remains open to debate and there is no  
3 consensus on that issue. As Duff & Phelps explains, “[w]hether betas tend to move  
4 toward market averages or industry averages over time is an issue open to debate.”<sup>75</sup>  
5 Moreover, if there was consensus in the financial community that the Vasicek  
6 adjustment methodology was “superior” to the Blume adjustment methodology, it  
7 would be more widely adopted by well-known investor data resources, such as Value  
8 Line and Bloomberg. However, that is not the case. In my experience, the vast  
9 majority of beta coefficients used by ROE witnesses in regulatory proceedings employ  
10 the Blume adjustment methodology. I am not aware of any regulatory commission  
11 that has accepted the use of Vasicek adjusted beta coefficients. On the contrary, this  
12 Commission has explicitly concluded that the use of MI beta coefficients “is  
13 questionable and subject to analyst bias.”<sup>76</sup> Further, the Vasicek adjustment  
14 methodology requires more inputs and calculations and is more susceptible to  
15 subjective judgment than are the beta coefficients independently reported by Value  
16 Line, or other sources such as Bloomberg that use the Blume adjustment methodology.  
17  
18 As S&P notes (as highlighted by Mr. Walters), the Vasicek adjustment “adjusts the  
19 raw beta via weights determined by the variance of the individual security versus the  
20 variance of a larger sample of comparable companies.”<sup>77</sup> Because S&P’s Beta

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<sup>74</sup> Direct Testimony of FEA witness Christopher C. Walters, at 51, quoting S&P.

<sup>75</sup> Duff & Phelps 2020 Valuation Handbook, at 9.

<sup>76</sup> Florida Public Service Commission Docket No. 20220069-GU, *In re: Petition for rate increase by Florida City Gas*, Order No. PSC-2023-0177-FOF-GU, at 43 (June 9, 2023).

<sup>77</sup> Direct Testimony of FEA witness Christopher C. Walters, at 51-52.

1 Generator model allows the analyst to select up to nine companies in the sample group,  
2 the size and makeup of the chosen sample group is highly subjective and could  
3 substantially affect the results. As a consequence, S&P's Beta Generator model – and  
4 the Vasicek adjustment generally – is susceptible to the size and selection of the  
5 comparable group used in the adjustment. Adjusted beta coefficients from Value Line,  
6 however, are well understood, independently reported, and easily verifiable; they are  
7 therefore not exposed to these criticisms.

8 **Q. Mr. Walters observes that current Beta coefficients from Value Line are higher**  
9 **than the historical average for the electric utility industry.<sup>78</sup> Do you view this as**  
10 **a reason to adjust or question the current Beta coefficients?**

11 A. No, I do not. Beta is the measure of relative risk in the CAPM analysis. The utility  
12 industry has typically had lower than average Beta coefficients because utilities tend  
13 to be less volatile than the broad market. However, that was not the case during the  
14 market dislocation that occurred in response to the COVID-19 pandemic. Five-year  
15 Beta coefficients from both Value Line and Bloomberg increased substantially in  
16 February and March 2020 to levels not seen since the financial crisis of 2008/2009  
17 and remained at those elevated levels until just recently. Utilities were less volatile  
18 than the overall market during the tariff-related market volatility in April 2025. This  
19 five year period included multiple years after the COVID-19 period, which suggests  
20 that the proxy group beta coefficients were being affected by factors other than the  
21 pandemic. Further, as I noted above, utilities have the obligation to serve and raise  
22 capital in all market conditions.

---

<sup>78</sup> Direct Testimony of FEA witness Christopher C. Walters, at 69-70.

1   **Q.     Some Intervenor Witnesses challenge the forward-looking market risk premium**  
2       **you have used in your CAPM analysis.<sup>79</sup> Can you please respond to their**  
3       **concerns?**

4   **A.**   First, the cost of equity is forward looking, therefore the inputs to the ROE models  
5       should also be forward looking. Second, the method I have used to calculate the  
6       forward-looking MRP is similar to the methodology used by FERC in their October  
7       17, 2024 Order.<sup>80</sup> Specifically, the forward-looking MRP in my CAPM analysis is  
8       derived by calculating the expected total return for the companies in the S&P 500  
9       Index less the projected risk-free rate. It is appropriate to include growth rates for  
10      non-dividend paying companies because when investors purchase the Index or a  
11      mutual fund or exchange traded fund that mirrors the Index, their total return is based  
12      on the returns for all 500 companies in the Index, not only those companies that pay  
13      dividends, or those with positive EPS growth rates or growth rates less than 20 percent.  
14      Further, my MRP calculation is internally consistent because the betas used in my  
15      CAPM analysis are calculated against all companies in the S&P 500 Index or the  
16      NYSE Composite Index, not just against those companies that pay dividends, or have  
17      positive growth rates, or growth rates less than 20 percent.

18  
19      In addition, I have analyzed the annual performance of the S&P 500 from 1926-2024.

20      As shown in Figure 11 below, the actual return on the S&P 500 Index has exceeded

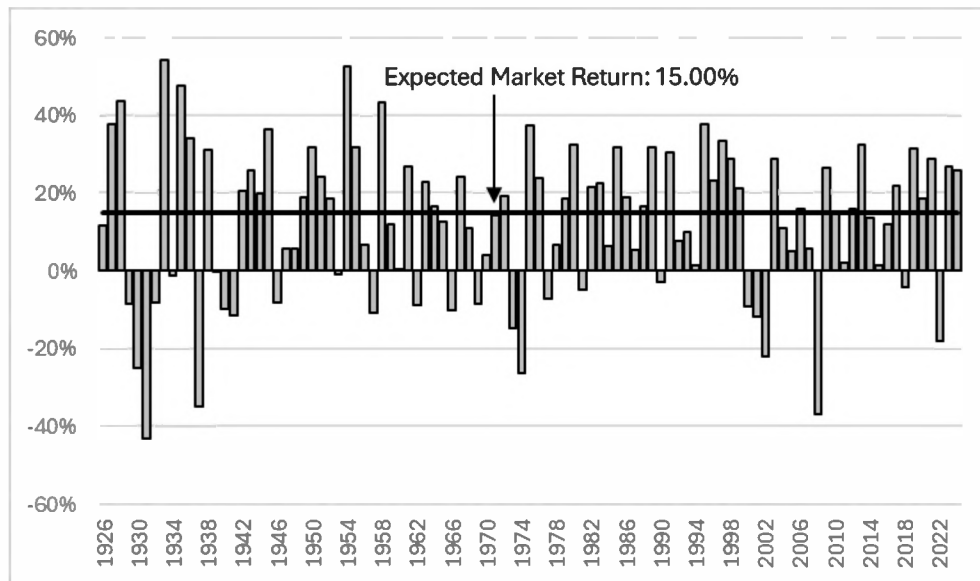
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<sup>79</sup> Direct Testimony of OPC witness Daniel J. Lawton at 63-64; Direct Testimony of FEA witness Christopher C. Walters at 70-73; Direct Testimony of FEL witness Karl R. Rábago, at 21.

<sup>80</sup> Federal Energy Regulatory Commission, Docket Nos. EL14-12-016 and EL15-45-015, Order on Remand, issued October 17, 2024, at paras. 28, 38.

1 15 percent in 50.51 percent (50 out of 99) of the years from 1926-2024.<sup>81</sup> These data  
2 demonstrate that actual total returns for the broad market greater than 15 percent are  
3 not uncommon.

4 **Figure 11: Total Returns of S&P 500 Index – 1926-2024**



5  
6  
7 **IX. RISK PREMIUM MODEL**

8 **Q. Please summarize how witnesses Lawton and Walters employ the Risk Premium**  
9 **model.**

10 A. Mr. Lawton employs a bond yield equity risk premium analysis, similar to my  
11 analysis. He uses over 40 years of 30-year Treasury bond yields and authorized  
12 electric utility equity returns to estimate the relationship between the MRP and 30-  
13 year Treasury bond yields. He then applies that relationship to the current and  
14 projected 30-year Treasury bond yields to calculate ROEs of 10.64 percent and

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<sup>81</sup> Kroll, 2025 SBBI Yearbook, Appendix A-1, A-7 (years 1926-2024); Cost of Capital Navigator (2024 data).



1        10.39 percent, respectively.<sup>82</sup> Most importantly, he notes that, “These risk premium  
2        results exceed all other model results and were not considered in the final analysis”  
3        without additional explanation.<sup>83</sup>

4  
5        Mr. Walters takes a slightly different approach. While he uses nearly 40 years of bond  
6        yields and authorized returns, instead of conducting a statistical analysis, he instead  
7        takes an average of the risk premium (both over the entire sample and the most recent  
8        two years) to obtain his risk premium. He does this for 30-year Treasury yields, A-  
9        rated utility bonds, and Baa-rated utility bonds to obtain ROE estimates that range  
10       from 9.98 percent to 10.23 percent.<sup>84</sup>

11    **Q.    Why did Mr. Lawton not consider his Risk Premium analysis results in his final**  
12    **analysis?**

13    A.    Mr. Lawton did not give an explanation as to why he did not consider his risk premium  
14       results in his final analysis. Presumably it was because they “exceed[ed] all other  
15       model results”<sup>85</sup> and consequently would have raised his ROE recommendation had  
16       he included them. Risk Premium analysis results of 10.39 percent and 10.64 percent  
17       are not unreasonable; they are in-line with my Risk Premium analysis results,<sup>86</sup> in line  
18       with electric utility ROEs that have been authorized in Florida, and below FPL’s  
19       current ROE, which the Commission authorized in 2021 when interest rates were  
20       much lower than they currently are, as shown in Figure 4 of my Direct Testimony. As

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<sup>82</sup> Direct Testimony of OPC witness Daniel J. Lawton, Exhibit DJL-11.

<sup>83</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 50.

<sup>84</sup> Direct Testimony of FEA witness Christopher C. Walters, at 48-49, Exhibit CCW-10, and Exhibit CCW-11.

<sup>85</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 50.

<sup>86</sup> See Exhibit JMC-16.

1 shown in Mr. Lawton's Table 14,<sup>87</sup> including his Risk Premium results would increase  
2 his model midpoint to 9.70 percent.

3 **Q. What is your primary concern with Mr. Walters' Risk Premium analysis?**

4 A. Mr. Walters did not conduct a statistical analysis when performing his Risk Premium  
5 analysis, instead opting to take simple averages. Failing to do so does not accurately  
6 capture the relationship between bond yields and risk premiums. As an illustrative  
7 exercise, I have re-done Mr. Walters' analysis, keeping all other inputs and  
8 assumptions the same, only using a statistical relationship rather than a straight  
9 average.<sup>88</sup> See Exhibit JMC-21, which shows this analysis, which is also summarized  
10 below in Figure 12. The resulting ROEs are 44 to 9 basis points above Mr. Walters'  
11 Risk Premium ROEs<sup>89</sup> and are in line with the Risk Premium ROEs that I calculated.  
12 If the Commission is to place weight on Mr. Walters' Risk Premium analysis, I  
13 recommend it rely on this version.

14 **Figure 12: Mr. Walters' Risk Premium ROE Using Statistical Modeling**

Description	Yield	Risk Premium	ROE
Projected Treasury Yield	4.40%	6.02%	10.42%
<b><u>3-Month Average Yields</u></b>			
A-Rated Utility Bond	5.79%	4.66%	10.45%
Baa-Rated Utility Bond	5.97%	4.35%	10.32%
<b><u>6-Month Average Yields</u></b>			
A-Rated Utility Bond	5.73%	4.68%	10.41%
Baa-Rated Utility Bond	5.92%	4.37%	10.29%

15

<sup>87</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 51.

<sup>88</sup> Note that this does not mean that I agree with all of Mr. Walters' other inputs and assumptions.

<sup>89</sup> Direct Testimony of FEA witness Christopher C. Walters, at 49.

1   **Q.     What issues does Mr. Walters have with your Risk Premium analysis?**

2   A.     Mr. Walters has two main issues with my Risk Premium analysis. First, he notes that  
3           the results of my Risk Premium analysis are higher than 56 of the 57 authorized ROEs  
4           for electric utilities since 2024.<sup>90</sup> This statement overlooks the key facts that  
5           authorized ROEs are often the result of a comprehensive settlement (as was the case  
6           with 27 of the 57 companies Mr. Walters had referenced), and the fact that Florida has  
7           greater investment risk than many other areas of the country due to its heightened  
8           weather risk. Second, Mr. Walters notes that the recent average equity risk premium  
9           is lower than what I had calculated.<sup>91</sup> As I noted above, taking a simple average of  
10          the past two years is both overly simplistic and not robust.

11  
12         More importantly, my Risk Premium results are consistent with ROEs that were  
13         authorized when interest rates were similar to today's rates. Mr. Walters' Exhibit  
14         CCW-10 shows that when the 30-year Treasury yields were last in the range of  
15         4.40 percent to 4.86 percent in 2005 to 2008 (as presented in my updated Risk  
16         Premium analysis in Exhibit JMC-16), authorized ROEs were in the range of  
17         10.30 percent to 10.54 percent, which supports my Risk Premium results. The same  
18         conclusion holds for utility bond yields shown in Mr. Walters Exhibit CCW-11.  
19         During this same time period, utility bond yields were similar to current levels, and  
20         my Risk Premium results correspond to authorized ROEs during those years.

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<sup>90</sup> Direct Testimony of FEA witness Christopher C. Walters, at 74.

<sup>91</sup> *Id.*

1 **Q. Mr. Rábago notes that FERC prohibited the use of the Risk Premium model.<sup>92</sup>**

2 **Do you agree with him?**

3 A. No, I do not. In its most recent Order on the ROE topic, FERC noted that, “Therefore,  
4 while we do not adopt the Risk Premium model here for the reasons discussed above,  
5 we do not foreclose the use of a Risk Premium model in future proceedings if parties  
6 can demonstrate the concerns discussed above have been addressed.”<sup>93</sup> In my view,  
7 the Risk Premium model presents a straightforward and intuitive relationship between  
8 interest rates and ROE, which adds robustness in estimating a company’s ROE.  
9 Further, the Commission has previously relied on the Risk Premium model in  
10 determining the appropriate ROE for utility companies.<sup>94</sup>

11  
12 **X. EXPECTED EARNINGS ANALYSIS**

13 **Q. Mr. Lawton claims that you “ignored” your 10.27 percent Expected Earnings**  
14 **median estimate and “relied solely on the much higher 10.91 percent mean.”<sup>95</sup>**

15 **Do you agree with him?**

16 A. No, I do not. My ROE recommendation, for all three of the DCF, CAPM, and  
17 Expected Earnings methodologies, uses the average of the proxy group companies,  
18 not the median. I find the average to be the appropriate measure of central tendency

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<sup>92</sup> Direct Testimony of FEL witness Karl R. Rábago, at 21.

<sup>93</sup> Federal Energy Regulatory Commission, Docket Nos. EL14-12-016 and EL15-45-015, Order on Remand, issued October 17, 2024, at para. 24.

<sup>94</sup> See, for example, Tampa Electric Company, Docket Nos. 20230090-EI, 20230139-EI, and 20240026-EI, Order No. PSC-2025-0038-FOF-EI, issued February 3, 2025, at 90-91, 94-95.

<sup>95</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 64.

1 in this case; I'm not "ignoring" the median result because it's lower as Mr. Lawton  
2 implies.

3 **Q. What concerns does Mr. Walters have with your Expected Earnings analysis?**

4 A. Mr. Walters contends that there are three issues with the Expected Earnings approach,  
5 claiming 1) it does not measure the return an investor requires in order to make an  
6 investment; 2) the Federal Energy Regulatory Committee ("FERC") recently found  
7 that the Expected Earnings model does not satisfy the requirements of *Hope*; and 3)  
8 the historical and projected earned ROE for these holding companies can be  
9 significantly influenced by the financial performance of nonregulated operations.<sup>96</sup> I  
10 do not agree with these contentions.

11

12 In response to Mr. Walters' concerns, the *Hope* and *Bluefield* standards establish that  
13 a utility should be granted the opportunity to earn a return that is commensurate with  
14 the return on other investments of similar risk. Therefore, it is reasonable to consider  
15 the returns that investors expect to earn on the common equity of the electric utility  
16 companies in the proxy group as a benchmark for a just and reasonable return because  
17 that is the expected earned ROE that an investor will consider in determining whether  
18 to purchase shares in the company or to seek alternative investments with a better  
19 risk/reward profile. As Dr. Morin notes:

20 The Comparable Earnings standard has a long and rich history in  
21 regulatory proceedings, and finds its origins in the fair return doctrine  
22 enunciated by the U.S. Supreme Court in the landmark *Hope* case. The

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<sup>96</sup> Direct Testimony of FEA witness Christopher C. Walters, at 76-77.

1 governing principle for setting a fair return decreed in Hope is that the  
2 allowable return on equity should be commensurate with returns on  
3 investments in other firms having comparable risks, and that the  
4 allowed return should be sufficient to assure confidence in the financial  
5 integrity of the firm, in order to maintain creditworthiness and ability  
6 to attract capital on reasonable terms. Two distinct standards emerge  
7 from this basic premise: a standard of Capital Attraction and a standard  
8 of Comparable Earnings. The Capital Attraction standard focuses on  
9 investors' return requirements, and is applied through market value  
10 methods described in prior chapters, such as DCF, CAPM, or Risk  
11 Premium. The Comparable Earnings standard uses the return earned on  
12 book equity investment by enterprises of comparable risks as the  
13 measure of fair return.<sup>97</sup>

14  
15 Mr. Walters fails to consider in his critique of the Expected Earnings analysis that the  
16 authorized ROE that is established in this case will be applied to the net book value of  
17 the Company's rate base (subject to certain regulatory adjustments). In this regard,  
18 the Expected Earnings approach provides valuable insight into the opportunity cost of  
19 investing in FPL's electric utility operations. If investors are to devote capital to the  
20 Company, they must consider the foregone opportunity to invest that same capital in  
21 the other proxy companies (or other market alternatives). The Expected Earnings

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<sup>97</sup> New Regulatory Finance, Roger A. Morin Ph.D., Public Utility Reports, 2006, at 381.

1 approach is informative because it provides a measure of the return on book value that  
2 is available to investors in other proxy companies with comparable risk to FPL.

3

4 Similar to the Risk Premium model, FERC has left the door open for presentation of  
5 an Expected Earnings analysis on a case-by-case basis.<sup>98</sup> In my view, the Expected  
6 Earnings analysis provides an informed picture of the returns that investors are  
7 expecting for companies in the Electric Utility sector based on Value Line data. This  
8 stability is due to Value Line's analysis and projections that change when updated, in  
9 contrast to the CAPM and DCF results, which shift with more volatile market data.  
10 Moreover, as explained in this section, the use of accounting returns is appropriate  
11 because the authorized ROE is being applied to an accounting rate base in order to  
12 determine the net income a company is authorized to recover in rates.

13

14 Finally, in selecting my proxy group, I screened on companies whose regulated  
15 revenue and net operating income from regulated electric operations make up at least  
16 80 percent of the consolidated company's regulated revenue and net operating income.  
17 As such, Mr. Walters' third contention is moot. For all of these reasons, I continue to  
18 support the use of an Expected Earnings analysis to estimate the cost of equity for FPL  
19 in this proceeding.

---

<sup>98</sup> Federal Energy Regulatory Commission, Opinion No. 569-A, Order on Rehearing, issued May 21, 2020, at para. 132.

1 **XI. FLOTATION COSTS**

2 **Q. Mr. Walters notes that your flotation cost adjustment is flawed.<sup>99</sup> What is your**  
3 **response?**

4 A. Mr. Walters contends that it is not appropriate to consider flotation costs when  
5 determining the authorized ROE for FPL because I have not identified any actual  
6 flotation costs that have been paid by the Company. The proposed flotation cost  
7 adjustment of 9 basis points is based on an analysis of the two most recent equity  
8 issuances for the companies in the proxy group, as shown in Exhibit JMC-10. NextEra  
9 Energy, the parent company of FPL, also issues common equity and incurs costs  
10 applicable to its subsidiaries, including FPL. The fact that FPL itself does not issue  
11 equity does not mean that FPL (or its parent company on its behalf) does not incur  
12 flotation costs and should not be allowed to recover them. Flotation costs are a  
13 legitimate cost of issuing common stock. The great majority of a utility's flotation  
14 costs are incurred prior to the test year but remain part of the cost structure that exists  
15 during the test year and beyond. For this reason, the Commission has a "long-standing  
16 policy to recognize flotation costs in the cost of equity models used to estimate the  
17 ROE for utilities."<sup>100,101</sup> This cost is appropriate regardless of whether an equity  
18 issuance occurs before, during, or is planned for, the test year. To the extent FPL is  
19 denied the opportunity to recover prudently incurred flotation costs, the Company's

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<sup>99</sup> Direct Testimony of FEA witness Christopher C. Walters, at 66.

<sup>100</sup> Tampa Electric Company, Docket Nos. 20230090-EI, 20230139-EI, and 20240026-EI, Order No. PSC-2025-0038-FOF-EI, issued February 3, 2025, at 92.

<sup>101</sup> See, for example, Florida Public Utilities Company, Docket Nos. 070300-EI and 070304-EI, Order No. PSC-08-0327-FOF-EI, issued May 19, 2008, at 37; *Id.*; Florida Public Utilities Company Docket No. 20240099-EI, Order No. PSC-2025-01 14-PAA-EI, issued April 7, 2025, at 44.



1 actual returns will fall short of expected (or required) returns, thereby diminishing  
2 FPL's ability to attract adequate capital on reasonable terms.

3 **Q. Mr. Rábago contends that FPL should pay for flotation costs from the “potential**  
4 **uplift in earnings” from the 100-basis point ROE band.<sup>102</sup> Do you agree with**  
5 **him?**

6 A. No, I do not. Whether it be flotation costs or any other costs, denying a utility the  
7 opportunity to recover such prudently incurred costs is in stark contrast to the  
8 regulatory compact doctrine established in numerous regulatory orders.

9 **Q. Has the Commission recognized flotation costs in prior orders?**

10 A. Yes, in Order No. PSC-2025-0038-FOF-EI for Tampa Electric Company, the  
11 Commission reiterated its longstanding policy to recognize flotation costs in the cost  
12 of equity models.<sup>103</sup>

13 **XII. BUSINESS RISK**

14 **Q. Mr. Walters asserts that FPL's credit ratings are “two and four notches higher**  
15 **than the proxy group” supporting his position that FPL is less risky than the**  
16 **proxy group.<sup>104</sup> What is your response?**

17 A. Credit ratings, while important, are not the only consideration in assessing business or  
18 financial risk, and the risks for equity investors are not the same as the risks for  
19 bondholders. Credit ratings evaluate a company's risk from the perspective of  
20 bondholders and measure a company's ability to meet its debt obligations. Equity  
21 investors are more concerned with earnings and rate base growth, regulatory support

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<sup>102</sup> Direct Testimony of FEL witness Karl R. Rábago, at 26.

<sup>103</sup> Order No. PSC-2025-0038-FOF-EI, at 92.

<sup>104</sup> Direct Testimony of FEA witness Christopher C. Walters, at 65.

1 for recovery of prudently-incurred costs, the strength of the local economy and  
2 housing markets, capital spending, changes in interest rates, changes in long-term  
3 weather patterns, fleet specific risks such as nuclear generation, and more recently  
4 exposure related to decarbonization of the industry. Bondholders focus more on  
5 stability and predictability of cash flows and timeliness of cost recovery. As discussed  
6 in my direct testimony, FPL has unique business risks that differentiate it from the  
7 proxy group. These risks include elevated capital spending, ownership of nuclear  
8 generation assets, and severe weather risk.<sup>105</sup> Further, while I have considered these  
9 business risks, it is important to recognize that I did not make an adjustment to my  
10 ROE recommendation for business risk even though my testimony demonstrates that  
11 FPL has higher business risk than the proxy group on certain important factors.  
12 Instead, I relied on the mean results of the four financial models I used to estimate the  
13 cost of equity for FPL, plus 9 basis points for flotation costs.

14 **Q. The Intervenor Witnesses (Lawton, Walters, Bryant, Rabago, Pollock) discuss**  
15 **aspects of FPL's regulatory framework and imply that its regulatory framework**  
16 **reduces FPL's business risk.<sup>106</sup> What is your response?**

17 A. Risk analysis is performed on a relative or comparative basis to the proxy group. In  
18 that regard, I compared FPL's cost recovery mechanisms and components of its  
19 regulatory construct. As shown in Exhibit JMC-9, FPL's mechanisms that the  
20 Intervenor asserts lowers its risk are similar to those of the proxy group. FPL does not

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<sup>105</sup> Direct Testimony of James M. Coyne, at 44.

<sup>106</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 34; Direct Testimony of FEA witness Christopher C. Walters, at 78; Direct Testimony of FAIR witness Frederick M. Bryant, at 19-20; Direct Testimony of FEL witness Karl R. Rábago, at 24-25; Direct Testimony of FIPUG witness Jeffry Pollock, at 13-14.

1 have lower risk than the proxy group companies as a result of its regulatory  
2 framework.

3 **Q. Mr. Lawton, Mr. Walters, and Mr. Rábago challenge your conclusions that FPL**  
4 **has greater business risk than the proxy group companies on the factors**  
5 **discussed in your direct testimony.<sup>107</sup> What is your response?**

6 A. First, as a point of clarification, my ROE recommendation does not depend on the  
7 Commission finding that FPL has greater business risk than the proxy group. While  
8 my research and analysis shows FPL has elevated capital spending risk relative to the  
9 proxy group, generates a higher percentage of electricity from nuclear plants than the  
10 average company in the proxy group, and has more exposure to severe weather and  
11 storms than other companies in the proxy group, my ROE recommendation is based  
12 on the range of results from the four financial models I have used to estimate the cost  
13 of equity. Contrary to Mr. Rábago's insinuation, I have not made an adjustment to  
14 ROE for FPL's higher risk profile.<sup>108</sup>

15 **Q. Mr. Rábago, Mr. Bryant, Mr. Pollock, and Mr. Walters, assert that FPL's**  
16 **exposure to severe weather is mitigated by its storm cost recovery mechanisms.**  
17 **Do you agree?**

18 A. Mitigated, yes, but not eliminated. As I understand it, the mechanism approved in  
19 FPL's 2021 settlement provides that FPL's future storm costs would be recoverable  
20 on an interim basis beginning 60 days from the filing of a cost recovery petition but  
21 in some cases its interim recovery for the first 12 months could be capped at an amount

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<sup>107</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 61; Direct Testimony of FEA witness Christopher C. Walters, at 78; and Direct Testimony of FEL witness Karl R. Rábago, at 24-25.

<sup>108</sup> Direct Testimony of FEL witness Karl R. Rábago, at 23.

1 that falls far short of what the Company incurs to complete restoration after a major  
2 hurricane. If storm restoration costs exceed \$800 million in a given calendar year, the  
3 Company is authorized to request an increase to the surcharge limit.

4 **Q. Does FPL face significantly higher severe weather risk than its peers?**

5 A. Yes, it does. In my direct testimony I described FPL's exposure to severe weather as  
6 a result of its geographic location that is predisposed to severe hurricane activity.<sup>109</sup>  
7 In response to the Intervenor Witnesses, I prepared an additional analysis based on  
8 data from FEMA's National Risk Index and S&P Capital IQ that quantifies FPL's  
9 exposure to severe weather compared to the proxy group companies on a scale of 0-  
10 100. FEMA's National Risk Index is a dataset that quantifies severe weather risks  
11 communities are exposed to according to 18 natural hazards.<sup>110</sup>

12  
13 As shown in Exhibit JMC-19, FPL faces significantly higher weather risk than the  
14 proxy group operating companies. FPL's risk index is 94.4 on a scale of 100,  
15 compared to the proxy group operating company average of 58.8. In other words,  
16 FPL's exposure to severe weather risk is 61 percent higher than the proxy group on  
17 average.

18 **Q. Has the Commission acknowledged the severe weather risk that Florida utilities**  
19 **face?**

20 A. Yes. In Order No. PSC-2025-0038-FOF-EI for Tampa Electric Company, the  
21 Commission found that Tampa Electric Company had higher business and weather

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<sup>109</sup> Direct Testimony of James M. Coyne, at 52-57.

<sup>110</sup> [https://www.fema.gov/sites/default/files/documents/fema\\_national-risk-index\\_technical-documentation.pdf](https://www.fema.gov/sites/default/files/documents/fema_national-risk-index_technical-documentation.pdf)

1 risk compared to the proxy group that was not offset by its lower financial risk and  
2 that an additional adjustment to the average ROE model results was appropriate.<sup>111</sup>  
3 The Commission also acknowledged that the ability to recover storm costs outside of  
4 a rate case does not entirely mitigate weather risk.<sup>112</sup> The Commission upheld its  
5 findings regarding Tampa Electric Company's risks, including weather risk, in its  
6 Order No. PSC-2025-0203-FOF-EI.<sup>113</sup>  
7

### 8 XIII. CAPITAL STRUCTURE

9 **Q. Some Intervenor Witnesses (Lawton, Walters, Rábago, Bryant, and Pollock)**  
10 **contend that FPL's proposed equity ratio is unjustifiably higher than the**  
11 **national, state, and/or proxy group averages.<sup>114</sup> What is your response?**

12 A. The Intervenor Witnesses have compared FPL's proposed common equity ratio of  
13 59.60 percent to the equity ratios of the proxy group companies at the holding  
14 company level. However, the appropriate equity ratio should reflect the relative  
15 business and operating risks of the utility for which the authorized return is being set,  
16 in this case FPL; thus, comparison to equity ratios at the holding company level is not  
17 appropriate. The Company's proposed equity ratio of 59.60 percent takes into  
18 consideration the Company's unique business and operating risks, including elevated  
19 capital spending, ownership of nuclear generation assets, and severe weather and  
20 storm cost risk. As explained in my direct testimony, FPL's equity ratio is at the

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<sup>111</sup> Order No. PSC-2025-0038-FOF-EI, at 95.

<sup>112</sup> *Id.*, at 93.

<sup>113</sup> Order No. PSC-2025-0203-FOF-EI, at 15.

<sup>114</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 56, Direct Testimony of FEA witness Christopher C. Walters, at 24-25, Direct Testimony of FEL witness Karl R. Rábago, at 18, Direct Testimony of FAIR witness Frederick M. Bryant, at 22.

1 high end of the range for the operating companies held by the proxy group.<sup>115</sup> This  
2 capital structure has been maintained for decades and has enabled FPL to maintain its  
3 financial strength, as discussed in my direct testimony and the testimony of FPL  
4 witness Bores, under a variety of economic and financial market conditions. Without  
5 this higher than average equity ratio, FPL may not have the necessary financial  
6 flexibility in the event one of these business risks (e.g., nuclear ownership, storms,  
7 etc.) becomes a material factor in the Company's financial performance.

8  
9 As to the national comparison, as explained previously, FPL has unique business and  
10 operating risks that distinguish the Company from the average electric utility and  
11 warrant a higher authorized equity ratio than the industry average. In addition, the  
12 range of authorized equity ratios from 2022 through May 2025 (after FPL's 2021  
13 settlement) has been from 41.25 percent to 60.70 percent.<sup>116</sup> FPL's proposed equity  
14 ratio of 59.60 percent is within this range.

15  
16 As to the comparison to other Florida utilities, i.e., DEF and Tampa Electric Company,  
17 the Commission has a long-standing policy of setting a company's authorized capital  
18 structure equal to its actual capital structure, as long as it is within the range of 40 to  
19 60 percent.<sup>117</sup>

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<sup>115</sup> Direct Testimony of James M. Coyne, at 62.

<sup>116</sup> Source: S&P Capital IQ. I have excluded decisions in Arkansas, Florida, Indiana and Michigan, which include zero cost capital items that are not part of investor-provided capital.

<sup>117</sup> See, for example, Tampa Electric Company, Docket Nos. 20230090-EI, 20230139-EI, and 20240026-EI, Order No. PSC-2025-0038-FOF-EI, issued February 3, 2025, at 79-80; Florida Public Utilities Company Docket No. 20240099-EI, Order No. PSC-2025-01 14-PAA-EI, issued April 7, 2025, at 31.

1   **Q.     Mr. Lawton makes an adjustment to his ROE to account for FPL’s equity**  
2       **ratio.<sup>118</sup> Do you agree with this adjustment?**

3   A.    No, I do not. First, Mr. Lawton’s suggestion to reduce FPL’s ROE due to its equity  
4       ratio that “substantially exceeds the comparable group equity average”<sup>119</sup> would  
5       circumvent the Commission’s longstanding policy of setting a company’s authorized  
6       equity ratio equal to its actual equity ratio. Second, FPL’s equity ratio satisfies the  
7       three-prong reasonableness standard widely applied by regulators for equity ratios –  
8       FPL has access to capital markets and issues debt, has its own investment-grade credit  
9       rating, and its equity ratio is within industry standards (as noted above). Ultimately,  
10      lowering FPL’s ROE would harm its longstanding policy of maintaining financial  
11      resiliency and conservatively managing financial risk. It would also discourage  
12      utilities from maintaining strong credit metrics and prudently managing their financial  
13      risk, which could be especially problematic in Florida, given its unique risks.

14   **Q.     Are there any other relevant considerations with regard to capital structure?**

15   A.    None of the Intervenor Witnesses has argued that FPL has lower business risk now  
16      than when the Commission approved the settlement agreement in 2021 that reflected  
17      a common equity ratio of 59.60 percent. Moreover, extreme weather risk continues  
18      to be a factor with increasing frequency of hurricanes, as I noted in my direct  
19      testimony.<sup>120</sup> As demonstrated earlier, FPL’s severe weather risk index is 61 percent  
20      higher than the proxy group operating companies.

---

<sup>118</sup> Direct Testimony of OPC witness Daniel J. Lawton, at 55-60.

<sup>119</sup> *Id.*, at 58.

<sup>120</sup> Direct Testimony of James M. Coyne, at 52-53.

1    **Q.     What is your conclusion with regard to FPL’s proposed capital structure?**

2    A.     My conclusion is that FPL’s proposed capital structure, including a common equity  
3           ratio of 59.60 percent, takes into account the unique business and operating risks of  
4           FPL, and is reasonable compared to the range of equity ratios for the operating  
5           companies held by the proxy group and compared to the authorized equity ratios for  
6           electric utilities in other jurisdictions. Further, FPL’s proposed capital structure  
7           enables FPL to maintain its financial strength, which translates into favorable access  
8           for capital for the benefit of customers. For all of these reasons, I agree with Company  
9           witness Bores that the proposed capital structure for FPL is appropriate and should be  
10          approved by the Commission.

11  
12                   **XIV.     CONCLUSIONS AND RECOMMENDATIONS**

13   **Q.     Please summarize your key conclusions and recommendations.**

14   A.     The Commission has been presented with a broad array of recommendations from  
15          multiple witnesses. Some include proposed analytical approaches, while others are  
16          more judgmental or based on decisions from other jurisdictions. The only reliable  
17          method for determining the cost of capital is through the application of rigorous  
18          analysis using financial models and market data from reliable sources, coupled with a  
19          comprehensive risk assessment of the regulated utility.

20  
21          The Commission’s cost of capital determination should consider the general economic  
22          and capital market environment, and the influence capital market conditions exert over  
23          the results of the ROE estimation models. Interest rates on government and corporate



1 bonds increased by approximately 300 basis points since the Company's last rate case  
2 was decided in 2021 and increased further since I filed my direct testimony. The level  
3 of interest rates does not suggest that the cost of equity for FPL has declined to the  
4 level proposed by the Intervenor Witnesses. On the contrary, other risk factors and  
5 fluctuating federal trade policy and the recent spending and tax cut bill are contributing  
6 to expectations of higher inflation (and capital costs) in the near and longer-term.

7  
8 I have updated the results of the financial models used to estimate the cost of equity  
9 for FPL in my direct testimony (data as of December 31, 2024) to include market data  
10 through May 30, 2025, which continue to support an ROE of 11.90 percent for FPL.  
11 Three of the four models produce higher results than those estimated based on  
12 December market data, and this recommendation remains within the range of  
13 estimates produced based on both December and May market data. I continue to  
14 consider this recommendation a just and reasonable estimate of FPL's required ROE,  
15 given the Company's risk profile and economic and capital market conditions.

16  
17 As discussed in my direct testimony, FPL has higher than average risk in comparison  
18 to a proxy group of utility peers and its return should reflect that risk.<sup>121</sup> The  
19 Company's equity ratio is consistent with the range of capital structures approved by  
20 the Commission.

21  

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<sup>121</sup> Direct Testimony of James M. Coyne, at 44.

1       The recommended ROE of 11.90 percent and capital structure with a common equity  
2       ratio of 59.60 percent is fair and reasonable for FPL. This capital structure is  
3       consistent with the Company's actual equity ratio, and combined with the authorized  
4       ROE range will support continued financial strength and access to debt and equity  
5       capital to meet the Company's operating requirements.

6       **Q. Does this conclude your rebuttal testimony?**

7       A. Yes, it does.

COMBINED DCF, CAPM, RISK PREMIUM, AND EXPECTED EARNINGS RESULTS  
CURRENT RISK FREE RATE

Company		30-Day DCF	90-Day DCF	180-Day DCF	AVG DCF	CAPM VL Beta	CAPM BB Beta	AVG CAPM	Risk Premium	Expected Earnings	4-model Average
Alliant Energy Corporation	LNT	9.82%	9.80%	9.84%	9.82%	14.86%	11.45%	13.15%	10.69%	12.19%	11.46%
Ameren Corporation	AEE	9.84%	9.84%	9.98%	9.89%	14.33%	11.58%	12.95%	10.69%	10.22%	10.94%
American Electric Power Company, Inc.	AEP	10.59%	10.62%	10.74%	10.65%	13.81%	10.77%	12.29%	10.69%	11.14%	11.19%
Dominion Resources, Inc.	D	12.75%	12.76%	12.67%	12.73%	12.75%	11.16%	11.96%	10.69%	11.76%	11.78%
Duke Energy Corporation	DUK	9.88%	9.93%	10.00%	9.94%	12.23%	10.24%	11.23%	10.69%	10.70%	10.64%
Edison International	EIX	13.22%	13.33%	12.16%	12.90%	14.33%	12.61%	13.47%	10.69%	14.51%	12.89%
Entergy Corporation	ETR	10.36%	10.36%	10.58%	10.43%	15.38%	12.07%	13.73%	10.69%	9.79%	11.16%
Evergy, Inc.	EVRG	10.45%	10.48%	10.64%	10.52%	14.86%	11.14%	13.00%	10.69%	10.05%	11.07%
FirstEnergy Corporation	FE	10.10%	10.27%	10.21%	10.19%	12.75%	11.41%	12.08%	10.69%	12.80%	11.44%
IDACORP, Inc.	IDA	10.53%	10.57%	10.66%	10.59%	12.75%	11.01%	11.88%	10.69%	9.71%	10.72%
OGE Energy Corporation	OGE	10.17%	10.19%	10.32%	10.23%	15.91%	12.22%	14.07%	10.69%	13.11%	12.02%
Pinnacle West Capital Corporation	PNW	7.81%	7.86%	7.93%	7.87%	13.28%	11.84%	12.56%	10.69%	9.24%	10.09%
Portland General Electric Company	POR	9.88%	9.82%	9.63%	9.78%	13.28%	11.21%	12.24%	10.69%	9.77%	10.62%
PPL Corporation	PPL	10.67%	10.72%	10.82%	10.73%	14.33%	11.68%	13.00%	10.69%	9.66%	11.02%
Southern Company	SO	9.76%	9.81%	9.84%	9.80%	12.75%	11.12%	11.94%	10.69%	14.66%	11.77%
Xcel Energy Inc.	XEL	10.78%	10.83%	10.90%	10.84%	12.75%	11.13%	11.94%	10.69%	11.31%	11.19%
Average		10.41%	10.45%	10.43%	10.43%	13.77%	11.41%	12.59%	10.69%	11.29%	11.25%

COMBINED DCF, CAPM, RISK PREMIUM, AND EXPECTED EARNINGS RESULTS  
PROJECTED RISK FREE RATE

Company		30-Day DCF	90-Day DCF	180-Day DCF	AVG DCF	CAPM VL Beta	CAPM BB Beta	AVG CAPM	Risk Premium	Expected Earnings	4-model Average (Forward MRP)
Alliant Energy Corporation	LNT	9.82%	9.80%	9.84%	9.82%	14.83%	11.27%	13.05%	10.48%	12.19%	11.39%
Ameren Corporation	AEE	9.84%	9.84%	9.98%	9.89%	14.29%	11.41%	12.85%	10.48%	10.22%	10.86%
American Electric Power Company, Inc.	AEP	10.59%	10.62%	10.74%	10.65%	13.74%	10.56%	12.15%	10.48%	11.14%	11.11%
Dominion Resources, Inc.	D	12.75%	12.76%	12.67%	12.73%	12.64%	10.98%	11.81%	10.48%	11.76%	11.70%
Duke Energy Corporation	DUK	9.88%	9.93%	10.00%	9.94%	12.09%	10.01%	11.05%	10.48%	10.70%	10.54%
Edison International	EIX		13.33%	12.16%	12.90%	14.29%	12.49%	13.39%	10.48%	14.51%	12.82%
Entergy Corporation	ETR	10.36%	10.36%	10.58%	10.43%	15.38%	11.92%	13.65%	10.48%	9.79%	11.09%
Evergy, Inc.	EVRG	10.45%	10.48%	10.64%	10.52%	14.83%	10.95%	12.89%	10.48%	10.05%	10.99%
FirstEnergy Corporation	FE	10.10%	10.27%	10.21%	10.19%	12.64%	11.23%	11.93%	10.48%	12.80%	11.35%
IDACORP, Inc.	IDA	10.53%	10.57%	10.66%	10.59%	12.64%	10.82%	11.73%	10.48%	9.71%	10.63%
OGE Energy Corporation	OGE	10.17%	10.19%	10.32%	10.23%	15.93%	12.08%	14.01%	10.48%	13.11%	11.96%
Pinnacle West Capital Corporation	PNW	7.81%	7.86%	7.93%	7.87%	13.19%	11.68%	12.43%	10.48%	9.24%	10.00%
Portland General Electric Company	POR	9.88%	9.82%	9.63%	9.78%	13.19%	11.02%	12.10%	10.48%	9.77%	10.54%
PPL Corporation	PPL	10.67%	10.72%	10.82%	10.73%	14.29%	11.51%	12.90%	10.48%	9.66%	10.95%
Southern Company	SO	9.76%	9.81%	9.84%	9.80%	12.64%	10.93%	11.78%	10.48%	14.66%	11.68%
Xcel Energy Inc.	XEL	10.78%	10.83%	10.90%	10.84%	12.64%	10.94%	11.79%	10.48%	11.31%	11.11%
Average		13.22%	10.41%	10.45%	10.43%	13.70%	11.24%	12.47%	10.48%	11.29%	11.17%

PROXY GROUP SCREENING DATA AND RESULTS - FINAL PROXY GROUP

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
									%	%	
			S&P Credit Rating Between BBB- and AAA	Covered by More Than 1 Analyst	Positive Growth Rates From At Least 2 Sources	Company- Owned Generation Assets Included in Rate Base	% Regulated Revenue of Total Utility Revenue > 60%	% Regulated Operating Income of Total Income > 60%	Regulated Electric Revenue of Total Regulated Revenue > 80%	Regulated Electric Income of Total Regulated Income > 80%	Announced Merger within 180 days from 5/31/25
Company	Ticker	Dividends									
Alliant Energy Corporation	LNT	Yes	BBB+	Yes	Yes	Yes	98%	98%	85%	85%	No
Ameren Corporation	AEE	Yes	BBB+	Yes	Yes	Yes	100%	100%	85%	84%	No
American Electric Power Company, Inc.	AEP	Yes	BBB+	Yes	Yes	Yes	98%	97%	100%	100%	No
Dominion Resources, Inc.	D	Yes	BBB+	Yes	Yes	Yes	92%	94%	100%	100%	No
Duke Energy Corporation	DUK	Yes	BBB+	Yes	Yes	Yes	100%	100%	92%	90%	No
Edison International	EIX	Yes	BBB	Yes	Yes	Yes	100%	100%	100%	100%	No
Entergy Corporation	ETR	Yes	BBB+	Yes	Yes	Yes	99%	99%	98%	99%	No
Eversource Energy, Inc.	EVERG	Yes	BBB+	Yes	Yes	Yes	100%	100%	100%	100%	No
FirstEnergy Corporation	FE	Yes	BBB	Yes	Yes	Yes	100%	100%	100%	100%	No
IDACORP, Inc.	IDA	Yes	BBB	Yes	Yes	Yes	100%	100%	100%	100%	No
OGE Energy Corporation	OGE	Yes	BBB+	Yes	Yes	Yes	100%	100%	100%	100%	No
Pinnacle West Capital Corporation	PNW	Yes	BBB+	Yes	Yes	Yes	100%	100%	100%	100%	No
Portland General Electric Company	POR	Yes	BBB+	Yes	Yes	Yes	100%	100%	100%	100%	No
PPL Corporation	PPL	Yes	A-	Yes	Yes	Yes	100%	100%	94%	94%	No
Southern Company	SO	Yes	A-	Yes	Yes	Yes	91%	96%	80%	85%	No
Xcel Energy Inc.	XEL	Yes	BBB+	Yes	Yes	Yes	99%	100%	81%	85%	No

Notes:

[1] Source: Bloomberg Professional

[2] Source: SNL Financial

[3] Source: S&P Capital IQ and Zacks

[4] Source: S&P Capital IQ, Value Line Investment Survey, and Zacks

[5] Source: SNL Financial

[6] - [9] Source: Form 10-Ks for 2022, 2023 & 2024, three-year average

[10] SNL Financial News Releases

30-DAY CONSTANT GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Earnings Growth	S&P Capital IQ Earnings Growth	Zacks Earnings Growth	Average Growth	Low DCF ROE	Mean DCF ROE	High DCF ROE
Alliant Energy Corporation	LNT	\$2.03	\$61.33	3.31%	3.42%	6.00%	6.60%	6.60%	6.40%	9.41%	9.82%	10.02%
Ameren Corporation	AEE	\$2.84	\$97.64	2.91%	3.01%	6.50%	7.00%	7.00%	6.83%	9.50%	9.84%	10.01%
American Electric Power Company, Inc.	AEP	\$3.72	\$104.76	3.55%	3.67%	6.50%	6.90%	7.35%	6.92%	10.17%	10.59%	11.03%
Dominion Resources, Inc.	D	\$2.67	\$54.88	4.87%	5.05%	6.00%	9.40%	Removed	7.70%	11.01%	12.75%	14.49%
Duke Energy Corporation	DUK	\$4.18	\$118.69	3.52%	3.63%	6.00%	6.45%	6.30%	6.25%	9.63%	9.88%	10.09%
Edison International	EIX	\$3.31	\$56.61	5.85%	6.06%	6.50%	8.00%	7.00%	7.17%	12.54%	13.22%	14.08%
Entergy Corporation	ETR	\$2.40	\$83.04	2.89%	3.00%	3.00%	9.60%	9.50%	7.37%	5.93%	10.36%	12.63%
Evergy, Inc.	EVERG	\$2.67	\$67.28	3.97%	4.09%	7.50%	5.85%	5.70%	6.35%	9.78%	10.45%	11.62%
FirstEnergy Corporation	FE	\$1.78	\$42.35	4.20%	4.32%	4.50%	6.42%	6.40%	5.77%	8.80%	10.10%	10.76%
IDACORP, Inc.	IDA	\$3.44	\$116.16	2.96%	3.07%	6.00%	8.28%	8.10%	7.46%	9.05%	10.53%	11.36%
OGE Energy Corporation	OGE	\$1.69	\$44.56	3.78%	3.90%	6.50%	6.00%	6.30%	6.27%	9.89%	10.17%	10.40%
Pinnacle West Capital Corporation	PNW	\$3.58	\$92.44	3.87%	3.95%	5.00%	4.50%	2.10%	3.87%	6.01%	7.81%	8.97%
Portland General Electric Company	POR	\$2.10	\$42.29	4.97%	5.08%	6.50%	4.50%	3.40%	4.80%	8.45%	9.88%	11.63%
PPL Corporation	PPL	\$1.09	\$35.34	3.08%	3.20%	7.50%	7.40%	7.50%	7.47%	10.60%	10.67%	10.70%
The Southern Company	SO	\$2.96	\$89.93	3.29%	3.40%	6.50%	6.10%	6.50%	6.37%	9.49%	9.76%	9.90%
Xcel Energy Inc.	XEL	\$2.28	\$70.26	3.25%	3.37%	7.00%	7.75%	7.50%	7.42%	10.36%	10.78%	11.12%
PROXY GROUP MEAN				3.77%	3.89%	6.09%	6.92%	6.48%	6.52%	9.41%	10.41%	11.18%

Notes

[1] Source: Bloomberg Professional

[2] Source: Bloomberg Professional, equals 30-day average as of May 30, 2025

[3] Equals [1] / [2]

[4] Equals [3] x (1 + 0.50 x [8])

[5] Source: Value Line

[6] Source: S&P Capital IQ

[7] Source: Zacks

[8] Equals Average ([5], [6], [7])

[9] Equals [3] x (1 + 0.50 x Minimum ([5], [6], [7]) + Minimum ([5], [6], [7]))

[10] Equals [4] + [8]

[11] Equals [3] x (1 + 0.50 x Maximum ([5], [6], [7]) + Maximum ([5], [6], [7]))

90-DAY CONSTANT GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Earnings Growth	S&P Capital IQ Earnings Growth	Zacks Earnings Growth	Average Growth	Low DCF ROE	Mean DCF ROE	High DCF ROE
Alliant Energy Corporation	LNT	\$2.03	\$61.63	3.29%	3.40%	6.00%	6.60%	6.60%	6.40%	9.39%	9.80%	10.00%
Ameren Corporation	AEE	\$2.84	\$97.74	2.91%	3.00%	6.50%	7.00%	7.00%	6.83%	9.50%	9.84%	10.01%
American Electric Power Company, Inc.	AEP	\$3.72	\$103.95	3.58%	3.70%	6.50%	6.90%	7.35%	6.92%	10.19%	10.62%	11.06%
Dominion Resources, Inc.	D	\$2.67	\$54.82	4.87%	5.06%	6.00%	9.40%	Removed	7.70%	11.02%	12.76%	14.50%
Duke Energy Corporation	DUK	\$4.18	\$117.10	3.57%	3.68%	6.00%	6.45%	6.30%	6.25%	9.68%	9.93%	10.13%
Edison International	EIX	\$3.31	\$55.66	5.95%	6.16%	6.50%	8.00%	7.00%	7.17%	12.64%	13.33%	14.18%
Entergy Corporation	ETR	\$2.40	\$83.12	2.89%	2.99%	3.00%	9.60%	9.50%	7.37%	5.93%	10.36%	12.63%
Evergy, Inc.	EVERG	\$2.67	\$66.77	4.00%	4.13%	7.50%	5.85%	5.70%	6.35%	9.81%	10.48%	11.65%
FirstEnergy Corporation	FE	\$1.78	\$40.74	4.37%	4.50%	4.50%	6.42%	6.40%	5.77%	8.97%	10.27%	10.93%
IDACORP, Inc.	IDA	\$3.44	\$114.53	3.00%	3.12%	6.00%	8.28%	8.10%	7.46%	9.09%	10.57%	11.40%
OGE Energy Corporation	OGE	\$1.69	\$44.28	3.81%	3.92%	6.50%	6.00%	6.30%	6.27%	9.92%	10.19%	10.43%
Pinnacle West Capital Corporation	PNW	\$3.58	\$91.42	3.92%	3.99%	5.00%	4.50%	2.10%	3.87%	6.06%	7.86%	9.01%
Portland General Electric Company	POR	\$2.10	\$42.81	4.91%	5.02%	6.50%	4.50%	3.40%	4.80%	8.39%	9.82%	11.56%
PPL Corporation	PPL	\$1.09	\$34.73	3.14%	3.26%	7.50%	7.40%	7.50%	7.47%	10.65%	10.72%	10.76%
Southern Company	SO	\$2.96	\$88.67	3.34%	3.44%	6.50%	6.10%	6.50%	6.37%	9.54%	9.81%	9.95%
Xcel Energy Inc.	XEL	\$2.28	\$69.30	3.29%	3.41%	7.00%	7.75%	7.50%	7.42%	10.41%	10.83%	11.17%
PROXY GROUP MEAN				3.80%	3.92%	6.09%	6.92%	6.48%	6.52%	9.45%	10.45%	11.21%

Notes

[1] Source: Bloomberg Professional

[2] Source: Bloomberg Professional, equals 90-day average as of May 30, 2025

[3] Equals [1] / [2]

[4] Equals [3] x (1 + 0.50 x [8])

[5] Source: Value Line

[6] Source: S&P Capital IQ

[7] Source: Zacks

[8] Equals Average ([5], [6], [7])

[9] Equals [3] x (1 + 0.50 x Minimum ([5], [6], [7]) + Minimum ([5], [6], [7]))

[10] Equals [4] + [8]

[11] Equals [3] x (1 + 0.50 x Maximum ([5], [6], [7]) + Maximum ([5], [6], [7]))

180-DAY CONSTANT GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Earnings Growth	S&P Capital IQ Earnings Growth	Zacks Earnings Growth	Average Growth	Low DCF ROE	Mean DCF ROE	High DCF ROE
Alliant Energy Corporation	LNT	\$2.03	\$60.87	3.33%	3.44%	6.00%	6.60%	6.60%	6.40%	9.44%	9.84%	10.05%
Ameren Corporation	AEE	\$2.84	\$93.36	3.04%	3.15%	6.50%	7.00%	7.00%	6.83%	9.64%	9.98%	10.15%
American Electric Power Company, Inc.	AEP	\$3.72	\$100.63	3.70%	3.82%	6.50%	6.90%	7.35%	6.92%	10.32%	10.74%	11.18%
Dominion Resources, Inc.	D	\$2.67	\$55.80	4.78%	4.97%	6.00%	9.40%	Removed	7.70%	10.93%	12.67%	14.41%
Duke Energy Corporation	DUK	\$4.18	\$115.05	3.63%	3.75%	6.00%	6.45%	6.30%	6.25%	9.74%	10.00%	10.20%
Edison International	EIX	\$3.31	\$68.73	4.82%	4.99%	6.50%	8.00%	7.00%	7.17%	11.47%	12.16%	13.01%
Entergy Corporation	ETR	\$2.40	\$77.43	3.10%	3.21%	3.00%	9.60%	9.50%	7.37%	6.15%	10.58%	12.85%
Evergy, Inc.	EVRG	\$2.67	\$64.26	4.15%	4.29%	7.50%	5.85%	5.70%	6.35%	9.97%	10.64%	11.81%
FirstEnergy Corporation	FE	\$1.78	\$41.29	4.31%	4.44%	4.50%	6.42%	6.40%	5.77%	8.91%	10.21%	10.87%
IDACORP, Inc.	IDA	\$3.44	\$111.60	3.08%	3.20%	6.00%	8.28%	8.10%	7.46%	9.17%	10.66%	11.49%
OGE Energy Corporation	OGE	\$1.69	\$42.85	3.93%	4.06%	6.50%	6.00%	6.30%	6.27%	10.05%	10.32%	10.56%
Pinnacle West Capital Corporation	PNW	\$3.58	\$89.86	3.98%	4.06%	5.00%	4.50%	2.10%	3.87%	6.13%	7.93%	9.08%
Portland General Electric Company	POR	\$2.10	\$44.48	4.72%	4.83%	6.50%	4.50%	3.40%	4.80%	8.20%	9.63%	11.37%
PPL Corporation	PPL	\$1.09	\$33.76	3.23%	3.35%	7.50%	7.40%	7.50%	7.47%	10.75%	10.82%	10.85%
Southern Company	SO	\$2.96	\$87.98	3.36%	3.47%	6.50%	6.10%	6.50%	6.37%	9.57%	9.84%	9.97%
Xcel Energy Inc.	XEL	\$2.28	\$67.87	3.36%	3.48%	7.00%	7.75%	7.50%	7.42%	10.48%	10.90%	11.24%
PROXY GROUP MEAN				3.78%	3.91%	6.09%	6.92%	6.48%	6.52%	9.43%	10.43%	11.19%

Notes

- [1] Source: Bloomberg Professional  
[2] Source: Bloomberg Professional, equals 180-day average as of May 30, 2025  
[3] Equals [1] / [2]  
[4] Equals [3] x (1 + 0.50 x [8])  
[5] Source: Value Line  
[6] Source: S&P Capital IQ  
[7] Source: Zacks  
[8] Equals Average ([5], [6], [7])  
[9] Equals [3] x (1 + 0.50 x Minimum ([5], [6], [7]) + Minimum ([5], [6], [7])  
[10] Equals [4] + [8]  
[11] Equals [3] x (1 + 0.50 x Maximum ([5], [6], [7]) + Maximum ([5], [6], [7])

MARKET RISK PREMIUM DERIVED FROM S&P EARNINGS AND ESTIMATE REPORT

[1] S&P's estimate of the S&P 500 Dividend Yield	1.30%
[2] S&P's estimate of the S&P 500 Growth Rate	14.00%
[3] S&P 500 Estimated Required Market Return	15.39%

Notes:

[1] Source: S&P Global, S&P 500 Earnings and Estimate Report, June 3, 2025

[2] Source: S&P Global, S&P 500 Earnings and Estimate Report, June 3, 2025

[3] Equals  $([1] \times (1 + (0.5 \times [2]))) + [2]$



MARKET RISK PREMIUM CALCULATION USING CAP. WEIGHTED BLOOMBERG GROWTH RATES

[4] Cap. Weighted Estimate of the S&P 500 Dividend Yield	1.33%
[5] Cap. Weighted Estimate of the S&P 500 Growth Rate	14.23%
[6] Cap. Weighted S&P 500 Estimated Required Market Return	15.66%

Notes:

[4] Source: Bloomberg Professional, as of May 30, 2025

[5] Source: Bloomberg Professional, as of May 30, 2025

[6] Equals ([4] x (1 + (0.5 x [5]))) + [5]

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Bloomberg Long-Term Growth Estimate (%)	Market Cap Excl. n/a Growth	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
LyondellBasell Industries NV	LYB	321.40	56.49	9.70	6.30	18,155.89	0.04%	0.38%	0.24%
American Express Co	AXP	700.59	294.05	1.12	14.67	206,008.16	0.44%	0.49%	6.45%
Verizon Communications Inc	VZ	4216.25	43.96	6.16	2.62	185,346.57	0.40%	2.44%	1.04%
Texas Pacific Land Corp	TPL	22.99	1114.03	0.57	n/a	0.00	0.00%	0.00%	
Broadcom Inc	AVGO	4701.95	242.07	0.97	23.48	1,138,200.73	2.43%	2.37%	57.04%
Boeing Co/The	BA	754.01	207.32	n/a	31.75	156,320.41	0.33%		10.59%
Solventum Corp	SOLV	173.01	73.09	n/a	-0.25	12,645.51	0.03%		-0.01%
Caterpillar Inc	CAT	470.31	348.03	1.62	3.10	163,683.72	0.35%	0.57%	1.08%
JPMorgan Chase & Co	JPM	2779.09	264.00	2.12	6.34	733,680.95	1.57%	3.32%	9.93%
Chevron Corp	CVX	1746.39	136.70	5.00	11.58	238,732.05	0.51%	2.55%	5.90%
Coca-Cola Co/The	KO	4304.27	72.10	2.83	5.69	310,337.63	0.66%	1.87%	3.77%
AbbVie Inc	ABBV	1766.40	186.11	3.52	12.90	328,745.27	0.70%	2.47%	9.05%
Walt Disney Co/The	DIS	1797.75	113.04	0.88	12.81	203,217.24	0.43%	0.38%	5.56%
Corpay Inc	CPAY	70.49	325.11	n/a	11.99	22,918.13	0.05%		0.59%
Extra Space Storage Inc	EXR	212.21	151.15	4.29	3.10	32,075.67	0.07%	0.29%	0.21%
Exxon Mobil Corp	XOM	4309.64	102.30	3.87	11.37	440,876.05	0.94%	3.64%	10.70%
Phillips 66	PSX	407.44	113.48	4.23	25.92	46,235.98	0.10%	0.42%	2.56%
General Electric Co	GE	1066.39	245.91	0.59	18.48	262,235.14	0.56%	0.33%	10.34%
HP Inc	HPQ	939.27	24.90	4.65	n/a	0.00	0.00%	0.00%	
Home Depot Inc/The	HD	994.93	368.29	2.50	5.00	366,422.03	0.78%	1.95%	3.91%
Monolithic Power Systems Inc	MPWR	47.88	661.90	0.94	n/a	0.00	0.00%	0.00%	
International Business Machines Corp	IBM	929.40	259.06	2.59	3.70	240,769.48	0.51%	1.33%	1.90%
Johnson & Johnson	JNJ	2406.07	155.21	3.35	7.00	373,446.63	0.80%	2.67%	5.58%
Lululemon Athletica Inc	LULU	115.03	316.67	n/a	n/a	0.00	0.00%		
McDonald's Corp	MCD	715.03	313.85	2.26	8.40	224,413.02	0.48%	1.08%	4.02%
Merck & Co Inc	MRK	2511.03	76.84	4.22	14.62	192,947.64	0.41%	1.74%	6.02%
3M Co	MMM	538.18	148.35	1.97	6.18	79,839.20	0.17%	0.34%	1.05%
American Water Works Co Inc	AWK	195.01	142.97	2.32	8.00	27,880.81	0.06%	0.14%	0.48%
Bank of America Corp	BAC	7531.88	44.13	2.36	n/a	0.00	0.00%	0.00%	
Pfizer Inc	PFE	5685.37	23.49	7.32	0.85	133,549.24	0.29%	2.09%	0.24%
Procter & Gamble Co/The	PG	2344.54	169.89	2.49	3.76	398,314.25	0.85%	2.12%	3.20%

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Bloomberg Long-Term Growth Estimate (%)	Market Cap Excl. n/a	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
AT&T Inc	T	7195.60	27.80	3.99	3.95	200,037.74	0.43%	1.70%	1.69%
Travelers Cos Inc/The	TRV	226.57	275.70	1.60	2.44	62,465.02	0.13%	0.21%	0.33%
RTX Corp	RTX	1335.95	136.48	1.99	7.41	182,330.97	0.39%	0.78%	2.88%
Analog Devices Inc	ADI	496.25	213.98	1.85	16.72	106,187.19	0.23%	0.42%	3.79%
Walmart Inc	WMT	8000.89	98.72	0.95	8.01	789,847.56	1.69%	1.61%	13.50%
Cisco Systems Inc	CSCO	3960.00	63.04	2.60	5.02	249,638.29	0.53%	1.39%	2.67%
Intel Corp	INTC	4362.00	19.55	n/a	15.96	85,277.10	0.18%		2.91%
General Motors Co	GM	961.43	49.61	1.21	0.47	47,696.78	0.10%	0.12%	0.05%
Microsoft Corp	MSFT	7432.54	460.36	0.72	13.38	3,421,645.90	7.30%	5.27%	97.72%
Dollar General Corp	DG	219.95	97.25	2.43	5.74	21,389.85	0.05%	0.11%	0.26%
Cigna Group/The	CI	267.14	316.64	1.91	10.86	84,588.03	0.18%	0.34%	1.96%
Kinder Morgan Inc	KMI	2222.07	28.04	4.17	n/a	0.00	0.00%	0.00%	
Citigroup Inc	C	1867.73	75.32	2.97	23.17	140,677.70	0.30%	0.89%	6.96%
American International Group Inc	AIG	576.33	84.64	2.13	14.77	48,780.59	0.10%	0.22%	1.54%
Altria Group Inc	MO	1684.45	60.61	6.73	4.37	102,094.62	0.22%	1.47%	0.95%
HCA Healthcare Inc	HCA	240.57	381.39	0.76	9.24	91,752.48	0.20%	0.15%	1.81%
International Paper Co	IP	527.90	47.81	3.87	54.45	25,238.97	0.05%	0.21%	2.93%
Hewlett Packard Enterprise Co	HPE	1313.58	17.28	3.01	4.02	22,698.63	0.05%	0.15%	0.19%
Abbott Laboratories	ABT	1739.84	133.58	1.77	9.85	232,407.36	0.50%	0.88%	4.89%
Aflac Inc	AFL	540.65	103.54	2.24	4.59	55,978.39	0.12%	0.27%	0.55%
Air Products and Chemicals Inc	APD	222.54	278.91	2.57	4.61	62,069.81	0.13%	0.34%	0.61%
Super Micro Computer Inc	SMCI	596.82	40.02	n/a	n/a	0.00	0.00%		
Royal Caribbean Cruises Ltd	RCL	271.56	256.97	1.17	21.82	69,782.87	0.15%	0.17%	3.25%
Hess Corp	HES	309.27	132.19	1.51	n/a	0.00	0.00%	0.00%	
Lennox International Inc	LII	35.48	564.45	0.92	n/a	0.00	0.00%	0.00%	
Archer-Daniels-Midland Co	ADM	480.45	48.27	4.23	4.44	23,191.32	0.05%	0.21%	0.22%
Automatic Data Processing Inc	ADP	405.92	325.53	1.89	9.70	132,140.03	0.28%	0.53%	2.74%
Verisk Analytics Inc	VRSK	139.88	314.14	0.57	10.35	43,943.18	0.09%	0.05%	0.97%
AutoZone Inc	AZO	16.73	3733.04	n/a	8.70	62,448.76	0.13%		1.16%
Linde PLC	LIN	470.72	467.58	1.28	6.94	220,101.35	0.47%	0.60%	3.26%
Avery Dennison Corp	AVY	78.18	177.73	2.12	6.53	13,894.14	0.03%	0.06%	0.19%
Enphase Energy Inc	ENPH	131.21	41.39	n/a	42.49	5,430.66	0.01%		0.49%
MSCI Inc	MSCI	77.60	564.02	1.28	9.73	43,768.87	0.09%	0.12%	0.91%
Ball Corp	BALL	277.42	53.58	1.49	10.58	14,864.03	0.03%	0.05%	0.34%
Axon Enterprise Inc	AXON	77.85	750.36	n/a	n/a	0.00	0.00%		
Dayforce Inc	DAY	159.88	59.08	n/a	n/a	0.00	0.00%		
Carrier Global Corp	CARR	857.31	71.20	1.26	13.47	61,040.46	0.13%	0.16%	1.75%
Bank of New York Mellon Corp/The	BK	715.43	88.61	2.12	13.11	63,394.63	0.14%	0.29%	1.77%
Otis Worldwide Corp	OTIS	394.68	95.35	1.76	n/a	0.00	0.00%	0.00%	
Baxter International Inc	BAX	513.17	30.50	2.23	13.59	15,651.83	0.03%	0.07%	0.45%
Becton Dickinson & Co	BDX	286.61	172.59	2.41	8.66	49,465.57	0.11%	0.25%	0.91%
Berkshire Hathaway Inc	BRK/B	1339.91	503.96	n/a	n/a	0.00	0.00%		
Best Buy Co Inc	BBY	211.69	66.28	5.73	4.17	14,030.52	0.03%	0.17%	0.12%
Boston Scientific Corp	BSX	1479.45	105.26	n/a	12.56	155,726.52	0.33%		4.17%
Bristol-Myers Squibb Co	BMJ	2035.08	48.28	5.14	80.00	98,253.70	0.21%	1.08%	16.78%
Brown-Forman Corp	BF/B	303.54	33.34	2.72	-2.71	10,120.02	0.02%	0.06%	-0.06%
Coterra Energy Inc	CTRA	763.26	24.31	3.62	29.09	18,554.87	0.04%	0.14%	1.15%
Hilton Worldwide Holdings Inc	HLT	237.70	248.44	0.24	12.38	59,054.12	0.13%	0.03%	1.56%
Carnival Corp	CCL	1166.61	23.22	n/a	22.81	27,088.61	0.06%		1.32%
Builders FirstSource Inc	BLDR	110.51	107.68	n/a	1.84	11,900.24	0.03%		0.05%
UDR Inc	UDR	331.30	41.43	4.15	1.20	13,725.59	0.03%	0.12%	0.04%

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Clorox Co/The	CLX	123.25	131.88	3.70	6.13	16,254.58	0.03%	0.13%	0.21%
Paycom Software Inc	PAYC	57.82	259.09	0.58	9.16	14,980.52	0.03%	0.02%	0.29%
CMS Energy Corp	CMS	299.12	70.23	3.09	7.60	21,007.46	0.04%	0.14%	0.34%
Colgate-Palmolive Co	CL	810.42	92.94	2.24	4.43	75,320.45	0.16%	0.36%	0.71%
EPAM Systems Inc	EPAM	56.65	174.49	n/a	8.81	9,885.33	0.02%		0.19%
Conagra Brands Inc	CAG	477.36	22.89	6.12	-3.22	10,926.83	0.02%	0.14%	-0.08%
Airbnb Inc	ABNB	433.03	129.00	n/a	9.86	55,861.50	0.12%		1.18%
Consolidated Edison Inc	ED	360.30	104.49	3.25	4.89	37,647.34	0.08%	0.26%	0.39%
Corning Inc	GLW	856.47	49.59	2.26	17.67	42,472.42	0.09%	0.20%	1.60%
GoDaddy Inc	GDDY	142.49	182.15	n/a	n/a	0.00	0.00%		
Cummins Inc	CMI	137.75	321.48	2.26	8.11	44,285.45	0.09%	0.21%	0.77%
Caesars Entertainment Inc	CZR	207.97	26.88	n/a	58.74	5,590.18	0.01%		0.70%
Danaher Corp	DHR	715.67	189.90	0.67	8.67	135,905.66	0.29%	0.20%	2.52%
Target Corp	TGT	454.37	94.01	4.77	n/a	0.00	0.00%	0.00%	
Williams-Sonoma Inc	WSM	123.00	161.76	1.63	4.50	19,896.17	0.04%	0.07%	0.19%
Deere & Co	DE	270.83	506.26	1.28	n/a	0.00	0.00%	0.00%	
Dominion Energy Inc	D	852.79	56.67	4.71	23.30	48,327.64	0.10%	0.49%	2.40%
Dover Corp	DOV	137.10	177.75	1.16	10.05	24,370.30	0.05%	0.06%	0.52%
Alliant Energy Corp	LNT	256.88	62.23	3.26	6.09	15,985.41	0.03%	0.11%	0.21%
Steel Dynamics Inc	STLD	148.45	123.07	1.63	n/a	0.00	0.00%	0.00%	
Duke Energy Corp	DUK	777.02	117.72	3.55	8.00	91,470.99	0.20%	0.69%	1.56%
Regency Centers Corp	REG	181.53	72.15	3.91	4.52	13,097.34	0.03%	0.11%	0.13%
Eaton Corp PLC	ETN	391.30	320.20	1.30	12.42	125,294.26	0.27%	0.35%	3.32%
Ecolab Inc	ECL	283.51	265.62	0.98	13.24	75,306.62	0.16%	0.16%	2.13%
Revvity Inc	RVTY	117.87	90.42	0.31	8.52	10,657.77	0.02%	0.01%	0.19%
Dell Technologies Inc	DELL	344.35	111.27	1.89	13.18	38,315.50	0.08%	0.15%	1.08%
Emerson Electric Co	EMR	562.50	119.38	1.77	9.10	67,151.25	0.14%	0.25%	1.30%
EOG Resources Inc	EOG	545.79	108.57	3.76	-7.26	59,256.10	0.13%	0.48%	-0.92%
Aon PLC	AON	215.94	372.08	0.80	9.99	80,346.93	0.17%	0.14%	1.71%
Entergy Corp	ETR	430.77	83.28	2.88	5.80	35,874.87	0.08%	0.22%	0.44%
Equifax Inc	EFX	124.20	264.19	0.76	14.23	32,812.14	0.07%	0.05%	1.00%
EQT Corp	EQT	598.63	55.13	1.14	46.31	33,002.25	0.07%	0.08%	3.26%
IQVIA Holdings Inc	IQV	173.00	140.33	n/a	9.22	24,277.09	0.05%		0.48%
Gartner Inc	IT	76.97	436.42	n/a	n/a	0.00	0.00%		
FedEx Corp	FDX	239.60	218.10	2.53	11.06	52,256.52	0.11%	0.28%	1.23%
Brown & Brown Inc	BRO	286.61	112.90	0.53	8.98	32,357.99	0.07%	0.04%	0.62%
Ford Motor Co	F	3905.70	10.38	5.78	0.18	40,541.13	0.09%	0.50%	0.02%
NextEra Energy Inc	NEE	2058.63	70.64	3.21	7.40	145,421.70	0.31%	1.00%	2.30%
Franklin Resources Inc	BEN	525.52	21.64	5.91	-3.45	11,372.28	0.02%	0.14%	-0.08%
Garmin Ltd	GRMN	192.54	202.97	1.77	11.16	39,080.14	0.08%	0.15%	0.93%
Freeport-McMoRan Inc	FCX	1436.20	38.48	1.56	16.50	55,264.99	0.12%	0.18%	1.95%
Expand Energy Corp	EXE	237.98	116.13	1.98	62.31	27,636.55	0.06%	0.12%	3.68%
Dexcom Inc	DXCM	392.11	85.80	n/a	21.20	33,642.82	0.07%		1.52%
General Dynamics Corp	GD	268.40	278.49	2.15	13.82	74,745.65	0.16%	0.34%	2.20%
General Mills Inc	GIS	547.60	54.26	4.42	-2.42	29,712.80	0.06%	0.28%	-0.15%
Genuine Parts Co	GPC	138.79	126.52	3.26	n/a	0.00	0.00%	0.00%	
Atmos Energy Corp	ATO	158.84	154.68	2.25	7.14	24,568.89	0.05%	0.12%	0.37%
WW Grainger Inc	GWV	48.04	1087.56	0.83	5.89	52,245.52	0.11%	0.09%	0.66%
Halliburton Co	HAL	859.72	19.59	3.47	-2.39	16,841.82	0.04%	0.12%	-0.09%
L3Harris Technologies Inc	LHX	186.95	244.34	1.96	11.51	45,678.30	0.10%	0.19%	1.12%
Healthpeak Properties Inc	DOC	694.73	17.41	7.01	4.74	12,095.29	0.03%	0.18%	0.12%

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Insulet Corp	PODD	70.37	325.03	n/a	25.86	22,873.96	0.05%		1.26%
Fortive Corp	FTV	339.88	70.19	0.46	6.28	23,856.34	0.05%	0.02%	0.32%
Hershey Co/The	HSY	147.99	160.69	3.41	-9.26	23,780.56	0.05%	0.17%	-0.47%
Synchrony Financial	SYF	380.66	57.65	2.08	17.55	21,944.88	0.05%	0.10%	0.82%
Hormel Foods Corp	HRL	549.89	30.68	3.78	5.97	16,870.77	0.04%	0.14%	0.21%
Arthur J Gallagher & Co	AJG	256.10	347.44	0.75	n/a	0.00	0.00%	0.00%	
Mondelez International Inc	MDLZ	1294.82	67.49	2.79	n/a	0.00	0.00%	0.00%	
CenterPoint Energy Inc	CNP	677.59	37.24	2.36	8.05	25,233.57	0.05%	0.13%	0.43%
Humana Inc	HUM	120.69	233.13	1.52	10.76	28,137.27	0.06%	0.09%	0.65%
Willis Towers Watson PLC	WTW	99.15	316.55	1.16	7.08	31,385.87	0.07%	0.08%	0.47%
Illinois Tool Works Inc	ITW	293.00	245.08	2.45	2.25	71,808.44	0.15%	0.38%	0.34%
CDW Corp/DE	CDW	131.69	180.36	1.39	6.38	23,750.73	0.05%	0.07%	0.32%
Trane Technologies PLC	TT	223.02	430.27	0.87	10.09	95,957.96	0.20%	0.18%	2.07%
Interpublic Group of Cos Inc/The	IPG	369.73	23.96	5.51	n/a	0.00	0.00%	0.00%	
International Flavors & Fragrances Inc	IFF	255.79	76.56	2.09	4.29	19,583.31	0.04%	0.09%	0.18%
Generac Holdings Inc	GNRC	59.08	122.13	n/a	17.92	7,215.64	0.02%		0.28%
NXP Semiconductors NV	NXPI	252.63	191.13	2.12	4.83	48,284.92	0.10%	0.22%	0.50%
Kellanova	K	346.94	82.63	2.76	3.02	28,667.58	0.06%	0.17%	0.18%
Broadridge Financial Solutions Inc	BR	117.46	242.83	1.45	n/a	0.00	0.00%	0.00%	
Kimberly-Clark Corp	KMB	331.82	143.77	3.51	3.40	47,705.19	0.10%	0.36%	0.35%
Kimco Realty Corp	KIM	679.50	21.26	4.70	3.80	14,446.14	0.03%	0.15%	0.12%
Oracle Corp	ORCL	2804.23	165.53	1.21	8.44	464,184.85	0.99%	1.20%	8.36%
Kroger Co/The	KR	665.85	68.23	1.88	6.11	45,431.15	0.10%	0.18%	0.59%
Lennar Corp	LEN	232.18	106.08	1.89	-4.18	24,630.13	0.05%	0.10%	-0.22%
Eli Lilly & Co	LLY	947.74	737.67	0.81	19.30	699,116.16	1.49%	1.21%	28.80%
Charter Communications Inc	CHTR	140.36	396.27	n/a	20.49	55,622.13	0.12%		2.43%
Loews Corp	L	209.70	89.29	0.28	n/a	0.00	0.00%	0.00%	
Lowe's Cos Inc	LOW	560.44	225.73	2.13	6.22	126,507.59	0.27%	0.57%	1.68%
Hubbell Inc	HUBB	53.37	389.58	1.36	n/a	0.00	0.00%	0.00%	
IDEX Corp	IEX	75.54	180.91	1.57	n/a	0.00	0.00%	0.00%	
Marsh & McLennan Cos Inc	MMC	492.90	233.66	1.40	8.52	115,171.74	0.25%	0.34%	2.09%
Masco Corp	MAS	210.94	62.42	1.99	7.38	13,167.00	0.03%	0.06%	0.21%
S&P Global Inc	SPGI	313.90	512.86	0.75	14.70	160,986.75	0.34%	0.26%	5.05%
Medtronic PLC	MDT	1282.54	82.98	3.42	5.30	106,425.46	0.23%	0.78%	1.20%
Viatis Inc	VTRS	1173.68	8.79	5.46	-3.79	10,316.66	0.02%	0.12%	-0.08%
CVS Health Corp	CVS	1265.02	64.04	4.15	14.85	81,011.84	0.17%	0.72%	2.57%
DuPont de Nemours Inc	DD	418.50	66.80	2.46	6.89	27,955.71	0.06%	0.15%	0.41%
Micron Technology Inc	MU	1117.57	94.46	0.49	n/a	0.00	0.00%	0.00%	
Motorola Solutions Inc	MSI	166.92	415.38	1.05	7.41	69,333.49	0.15%	0.16%	1.10%
Cboe Global Markets Inc	CBOE	104.71	229.12	1.10	10.54	23,991.92	0.05%	0.06%	0.54%
Newmont Corp	NEM	1113.00	52.72	1.90	14.18	58,677.20	0.13%	0.24%	1.78%
NIKE Inc	NKE	1178.10	60.59	2.64	-6.80	71,381.25	0.15%	0.40%	-1.04%
NiSource Inc	NI	470.70	39.54	2.83	7.22	18,611.59	0.04%	0.11%	0.29%
Norfolk Southern Corp	NSC	225.44	247.12	2.19	11.89	55,711.60	0.12%	0.26%	1.41%
Principal Financial Group Inc	PFG	224.19	77.89	3.90	12.17	17,462.22	0.04%	0.15%	0.45%
Eversource Energy	ES	367.38	64.81	4.64	4.47	23,810.21	0.05%	0.24%	0.23%
Northrop Grumman Corp	NOC	143.93	484.77	1.91	4.19	69,772.07	0.15%	0.28%	0.62%
Wells Fargo & Co	WFC	3254.18	74.78	2.14	14.29	243,347.76	0.52%	1.11%	7.42%
Nucor Corp	NUE	230.75	109.36	2.01	n/a	0.00	0.00%	0.00%	
Occidental Petroleum Corp	OXY	984.13	40.78	2.35	n/a	0.00	0.00%	0.00%	
Omnicom Group Inc	OMC	195.11	73.44	3.81	4.99	14,328.84	0.03%	0.12%	0.15%

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ONEOK Inc	OKE	624.63	80.84	5.10	n/a	0.00	0.00%	0.00%	
Raymond James Financial Inc	RJF	201.75	146.98	1.36	8.07	29,653.88	0.06%	0.09%	0.51%
PG&E Corp	PCG	2197.69	16.88	0.59	n/a	0.00	0.00%	0.00%	
Parker-Hannifin Corp	PH	127.78	664.70	1.08	7.09	84,934.04	0.18%	0.20%	1.29%
Rollins Inc	ROL	484.65	57.25	1.15	n/a	0.00	0.00%	0.00%	
PPL Corp	PPL	739.26	34.75	3.14	n/a	0.00	0.00%	0.00%	
Aptiv PLC	APTIV	217.73	66.81	n/a	n/a	0.00	0.00%		
ConocoPhillips	COP	1262.41	85.35	3.66	n/a	0.00	0.00%	0.00%	
PulteGroup Inc	PHM	200.43	98.03	0.90	-1.13	19,647.88	0.04%	0.04%	-0.05%
Pinnacle West Capital Corp	PNW	119.40	91.23	3.92	n/a	0.00	0.00%	0.00%	
PNC Financial Services Group Inc/The	PNC	395.57	173.81	3.68	7.49	68,753.50	0.15%	0.54%	1.10%
PPG Industries Inc	PPG	227.00	110.80	2.45	5.76	25,151.60	0.05%	0.13%	0.31%
DoorDash Inc	DASH	398.68	208.65	n/a	150.66	83,184.69	0.18%		26.75%
Progressive Corp/The	PCR	586.22	284.93	0.14	13.88	167,032.70	0.36%	0.05%	4.95%
Veralto Corp	VLTO	247.86	101.03	0.44	n/a	0.00	0.00%	0.00%	
Public Service Enterprise Group Inc	PEG	499.00	81.03	3.11	8.56	40,433.80	0.09%	0.27%	0.74%
Cooper Cos Inc/The	COO	199.51	68.28	n/a	10.21	13,622.71	0.03%		0.30%
Edison International	EIX	384.76	55.65	5.95	9.71	21,412.10	0.05%	0.27%	0.44%
Schlumberger NV	SLB	1360.16	33.05	3.45	-0.49	44,953.34	0.10%	0.33%	-0.05%
Charles Schwab Corp/The	SCHW	1816.97	88.34	1.22	19.69	160,511.16	0.34%	0.42%	6.75%
Sherwin-Williams Co/The	SHW	250.60	358.81	0.88	5.91	89,917.99	0.19%	0.17%	1.13%
West Pharmaceutical Services Inc	WST	71.85	210.85	0.40	6.27	15,148.59	0.03%	0.01%	0.20%
J M Smucker Co/The	SJM	106.42	112.61	3.84	3.28	11,983.58	0.03%	0.10%	0.08%
Snap-on Inc	SNA	52.29	320.75	2.67	3.46	16,772.34	0.04%	0.10%	0.12%
AMETEK Inc	AME	230.88	178.74	0.69	8.18	41,267.31	0.09%	0.06%	0.72%
Uber Technologies Inc	UBER	2091.17	84.16	n/a	-5.22	175,992.71	0.38%		-1.96%
Southern Co/The	SO	1100.19	90.00	3.29	6.42	99,017.43	0.21%	0.70%	1.36%
Truist Financial Corp	TFC	1309.54	39.50	5.27	7.53	51,726.79	0.11%	0.58%	0.83%
Southwest Airlines Co	LUV	569.87	33.38	2.16	57.29	19,022.12	0.04%	0.09%	2.33%
W R Berkley Corp	WRB	379.36	74.69	0.43	6.85	28,334.09	0.06%	0.03%	0.41%
Stanley Black & Decker Inc	SWK	154.71	65.43	5.01	n/a	0.00	0.00%	0.00%	
Public Storage	PSA	175.43	308.41	3.89	3.96	54,104.78	0.12%	0.45%	0.46%
Arista Networks Inc	ANET	1255.92	86.64	n/a	14.97	108,813.03	0.23%		3.48%
Sysco Corp	SY	484.75	73.00	2.96	n/a	0.00	0.00%	0.00%	
Corteva Inc	CTVA	683.01	70.80	0.96	16.85	48,357.43	0.10%	0.10%	1.74%
Texas Instruments Inc	TXN	908.47	182.85	2.98	11.66	166,114.12	0.35%	1.05%	4.13%
Textron Inc	TXT	180.54	74.03	0.11	10.03	13,365.29	0.03%	0.00%	0.29%
Thermo Fisher Scientific Inc	TMO	377.49	402.82	0.43	8.08	152,062.10	0.32%	0.14%	2.62%
TJX Cos Inc/The	TJX	1115.62	126.90	1.34	8.16	141,571.62	0.30%	0.40%	2.47%
Globe Life Inc	GL	82.54	121.87	0.89	n/a	0.00	0.00%	0.00%	
Johnson Controls International plc	JCI	658.05	101.37	1.46	9.92	66,706.26	0.14%	0.21%	1.41%
Ulta Beauty Inc	ULTA	44.95	471.46	n/a	3.57	21,190.06	0.05%		0.16%
Union Pacific Corp	UNP	597.48	221.66	2.42	9.19	132,436.44	0.28%	0.68%	2.60%
Keysight Technologies Inc	KEYS	172.81	157.04	n/a	12.93	27,138.16	0.06%		0.75%
UnitedHealth Group Inc	UNH	907.14	301.91	2.78	6.78	273,874.77	0.58%	1.63%	3.96%
Blackstone Inc	BX	729.65	138.76	2.68	21.63	101,245.95	0.22%	0.58%	4.67%
Ventas Inc	VTR	451.30	64.28	2.99	10.12	29,009.46	0.06%	0.18%	0.63%
Labcorp Holdings Inc	LH	83.70	248.97	1.16	10.11	20,838.79	0.04%	0.05%	0.45%
Vulcan Materials Co	VMC	132.10	265.07	0.74	13.07	35,016.68	0.07%	0.06%	0.98%
Weyerhaeuser Co	WY	725.27	25.91	3.24	1.24	18,791.82	0.04%	0.13%	0.05%
Williams Cos Inc/The	WMB	1221.01	60.51	3.31	n/a	0.00	0.00%	0.00%	

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Constellation Energy Corp	CEG	315.12	306.15	0.51	12.06	96,474.28	0.21%	0.10%	2.48%
WEC Energy Group Inc	WEC	319.13	107.44	3.32	7.53	34,287.70	0.07%	0.24%	0.55%
Adobe Inc	ADBE	426.20	415.09	n/a	13.49	176,911.36	0.38%		5.09%
Vistra Corp	VST	339.33	160.57	0.56	3.01	54,486.53	0.12%	0.07%	0.35%
AES Corp/The	AES	711.92	10.09	6.98	3.46	7,183.30	0.02%	0.11%	0.05%
Expeditors International of Washington Inc	EXPD	136.95	112.73	1.37	3.54	15,438.15	0.03%	0.05%	0.12%
Amgen Inc	AMGN	537.71	288.18	3.30	4.92	154,956.15	0.33%	1.09%	1.63%
Apple Inc	AAPL	14935.83	200.85	0.52	12.77	2,999,860.65	6.40%	3.32%	81.77%
Autodesk Inc	ADSK	214.00	296.12	n/a	14.58	63,369.68	0.14%		1.97%
Cintas Corp	CTAS	403.79	226.50	0.69	14.37	91,457.75	0.20%	0.13%	2.81%
Comcast Corp	CMCSA	3724.26	34.57	3.82	3.20	128,747.65	0.27%	1.05%	0.88%
Molson Coors Beverage Co	TAP	189.84	53.59	3.51	6.21	10,173.39	0.02%	0.08%	0.13%
KLA Corp	KLAC	132.24	756.88	1.00	15.89	100,090.89	0.21%	0.21%	3.39%
Marriott International Inc/MD	MAR	273.90	263.83	1.02	10.45	72,262.01	0.15%	0.16%	1.61%
Fiserv Inc	FI	554.43	162.79	n/a	15.52	90,256.28	0.19%		2.99%
McCormick & Co Inc/MD	MKC	252.68	72.73	2.47	6.37	18,377.54	0.04%	0.10%	0.25%
PACCAR Inc	PCAR	524.96	93.85	1.41	n/a	0.00	0.00%	0.00%	
Costco Wholesale Corp	COST	443.68	1040.18	0.50	8.86	461,510.56	0.99%	0.49%	8.73%
Stryker Corp	SYK	382.16	382.64	0.88	10.33	146,231.57	0.31%	0.27%	3.22%
Tyson Foods Inc	TSN	286.23	56.16	3.56	19.57	16,074.42	0.03%	0.12%	0.67%
Lamb Weston Holdings Inc	LW	141.12	55.78	2.65	n/a	0.00	0.00%	0.00%	
Applied Materials Inc	AMAT	802.50	156.75	1.17	9.44	125,791.60	0.27%	0.32%	2.53%
Cardinal Health Inc	CAH	238.68	154.44	1.32	9.69	36,861.28	0.08%	0.10%	0.76%
Cincinnati Financial Corp	CINF	156.30	150.82	2.31	2.85	23,573.71	0.05%	0.12%	0.14%
Paramount Global	PARA	633.46	12.10	1.65	n/a	0.00	0.00%	0.00%	
DR Horton Inc	DHI	307.18	118.06	1.36	1.58	36,265.82	0.08%	0.10%	0.12%
Electronic Arts Inc	EA	250.77	143.78	0.53	10.27	36,055.13	0.08%	0.04%	0.79%
Erie Indemnity Co	ERIE	46.19	358.51	1.52	n/a	0.00	0.00%	0.00%	
Fair Isaac Corp	FICO	24.34	1726.28	n/a	27.55	42,020.57	0.09%		2.47%
Fastenal Co	FAST	1147.24	41.34	2.13	10.52	47,426.95	0.10%	0.22%	1.06%
M&T Bank Corp	MTB	160.52	182.64	2.96	11.79	29,316.65	0.06%	0.19%	0.74%
Xcel Energy Inc	XEL	576.76	70.10	3.25	n/a	0.00	0.00%	0.00%	
Fifth Third Bancorp	FITB	667.49	38.19	3.88	n/a	0.00	0.00%	0.00%	
Gilead Sciences Inc	GILD	1243.93	110.08	2.87	28.62	136,931.72	0.29%	0.84%	8.36%
Hasbro Inc	HAS	140.13	66.71	4.20	8.59	9,348.03	0.02%	0.08%	0.17%
Huntington Bancshares Inc/OH	HBAN	1456.81	15.63	3.97	12.92	22,769.97	0.05%	0.19%	0.63%
Welltower Inc	WELL	653.95	154.28	1.74	16.89	100,891.65	0.22%	0.37%	3.64%
Biogen Inc	BIIB	146.53	129.79	n/a	1.22	19,017.85	0.04%		0.05%
Northern Trust Corp	NTRS	194.54	106.74	2.81	9.64	20,765.05	0.04%	0.12%	0.43%
Packaging Corp of America	PKG	89.98	193.17	2.59	7.40	17,381.44	0.04%	0.10%	0.27%
Paychex Inc	PAYX	360.19	157.91	2.74	6.24	56,877.71	0.12%	0.33%	0.76%
QUALCOMM Inc	QCOM	1098.00	145.20	2.45	15.26	159,429.60	0.34%	0.83%	5.19%
Ross Stores Inc	ROST	328.83	140.09	1.16	5.78	46,066.38	0.10%	0.11%	0.57%
IDEXX Laboratories Inc	IDXX	80.42	513.36	n/a	11.51	41,285.40	0.09%		1.01%
Starbucks Corp	SBUX	1136.40	83.95	2.91	8.60	95,400.78	0.20%	0.59%	1.75%
KeyCorp	KEY	1095.94	15.86	5.17	19.35	17,381.65	0.04%	0.19%	0.72%
Fox Corp	FOXA	214.04	54.94	0.98	10.12	11,759.20	0.03%	0.02%	0.25%
Fox Corp	FOX	235.58	50.28	1.07	10.12	11,845.01	0.03%	0.03%	0.26%
State Street Corp	STT	285.18	96.28	3.16	10.63	27,457.29	0.06%	0.19%	0.62%
Norwegian Cruise Line Holdings Ltd	NCLH	446.81	17.65	n/a	13.70	7,886.14	0.02%		0.23%
US Bancorp	USB	1558.03	43.59	4.59	10.38	67,914.42	0.14%	0.67%	1.50%

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A O Smith Corp	AOS	116.24	64.31	2.11	n/a	0.00	0.00%	0.00%	
Gen Digital Inc	GEN	620.23	28.48	1.76	10.56	17,664.14	0.04%	0.07%	0.40%
T Rowe Price Group Inc	TROW	220.32	93.59	5.43	-4.02	20,619.38	0.04%	0.24%	-0.18%
Waste Management Inc	WM	402.41	240.97	1.37	10.48	96,968.25	0.21%	0.28%	2.17%
Constellation Brands Inc	STZ	177.99	178.29	2.29	1.36	31,734.38	0.07%	0.16%	0.09%
Invesco Ltd	IVZ	447.56	14.46	5.81	3.37	6,471.66	0.01%	0.08%	0.05%
Intuit Inc	INTU	278.95	753.47	0.55	15.57	210,178.20	0.45%	0.25%	6.98%
Morgan Stanley	MS	1604.32	128.03	2.89	10.29	205,400.98	0.44%	1.27%	4.51%
Microchip Technology Inc	MCHP	539.40	58.04	3.14	30.33	31,306.74	0.07%	0.21%	2.03%
Crowdstrike Holdings Inc	CRWD	249.06	471.37	n/a	24.67	117,400.96	0.25%		6.18%
Chubb Ltd	CB	400.73	297.20	1.31	4.24	119,095.68	0.25%	0.33%	1.08%
Hologic Inc	HOLX	222.85	62.17	n/a	6.51	13,854.29	0.03%		0.19%
Citizens Financial Group Inc	CFG	433.65	40.35	4.16	23.45	17,497.74	0.04%	0.16%	0.88%
Jabil Inc	JBL	107.35	168.01	0.19	12.83	18,035.09	0.04%	0.01%	0.49%
O'Reilly Automotive Inc	ORLY	56.99	1367.50	n/a	9.80	77,933.09	0.17%		1.63%
Allstate Corp/The	ALL	264.82	209.87	1.91	14.13	55,577.25	0.12%	0.23%	1.68%
Equity Residential	EQR	379.94	70.14	3.95	3.64	26,649.25	0.06%	0.22%	0.21%
Keurig Dr Pepper Inc	KDP	1358.18	33.67	2.73	6.20	45,729.86	0.10%	0.27%	0.61%
Host Hotels & Resorts Inc	HST	693.71	15.49	5.16	-1.61	10,745.64	0.02%	0.12%	-0.04%
Incyte Corp	INCY	193.57	65.06	n/a	25.00	12,593.66	0.03%		0.67%
Simon Property Group Inc	SPG	326.42	163.07	5.15	1.22	53,228.83	0.11%	0.59%	0.14%
Eastman Chemical Co	EMN	115.46	78.37	4.24	4.52	9,048.59	0.02%	0.08%	0.09%
AvalonBay Communities Inc	AVB	142.37	206.77	3.39	5.91	29,437.47	0.06%	0.21%	0.37%
Prudential Financial Inc	PRU	354.00	103.89	5.20	7.66	36,777.06	0.08%	0.41%	0.60%
United Parcel Service Inc	UPS	733.73	97.54	6.73	7.16	71,567.74	0.15%	1.03%	1.09%
Walgreens Boots Alliance Inc	WBA	864.74	11.25	n/a	-21.75	9,728.30	0.02%		-0.45%
STERIS PLC	STE	98.37	245.21	0.93	n/a	0.00	0.00%	0.00%	
McKesson Corp	MCK	125.11	719.51	0.39	10.84	90,019.51	0.19%	0.08%	2.08%
Lockheed Martin Corp	LMT	234.30	482.38	2.74	11.65	113,019.68	0.24%	0.66%	2.81%
Cencora Inc	COR	193.82	291.24	0.76	9.97	56,449.15	0.12%	0.09%	1.20%
Capital One Financial Corp	COF	639.62	189.15	1.27	22.43	120,984.63	0.26%	0.33%	5.79%
The Campbell's Company	CPB	298.18	34.04	4.58	1.17	10,150.11	0.02%	0.10%	0.03%
Waters Corp	WAT	59.51	349.24	n/a	8.83	20,782.95	0.04%		0.39%
Nordson Corp	NDSN	56.51	211.99	1.47	n/a	0.00	0.00%	0.00%	
Dollar Tree Inc	DLTR	210.15	90.26	n/a	8.42	18,967.94	0.04%		0.34%
Darden Restaurants Inc	DRI	117.03	214.21	2.61	9.10	25,068.19	0.05%	0.14%	0.49%
Evergy Inc	EVER	229.75	66.41	4.02	5.71	15,257.43	0.03%	0.13%	0.19%
Match Group Inc	MTCH	245.23	29.94	2.54	11.57	7,342.05	0.02%	0.04%	0.18%
NVR Inc	NVR	2.92	7115.93	n/a	4.50	20,805.77	0.04%		0.20%
NetApp Inc	NTAP	203.41	99.16	2.10	4.98	20,170.29	0.04%	0.09%	0.21%
Old Dominion Freight Line Inc	ODFL	211.33	160.17	0.70	7.72	33,847.99	0.07%	0.05%	0.56%
DaVita Inc	DVA	75.50	136.26	n/a	10.59	10,287.63	0.02%		0.23%
Hartford Insurance Group Inc/The	HIG	284.10	129.84	1.60	9.44	36,887.93	0.08%	0.13%	0.74%
Iron Mountain Inc	IRM	295.04	98.71	3.18	n/a	0.00	0.00%	0.00%	
Estee Lauder Cos Inc/The	EL	234.21	66.94	2.09	5.02	15,678.01	0.03%	0.07%	0.17%
Cadence Design Systems Inc	CDNS	273.04	287.07	n/a	13.72	78,382.17	0.17%		2.30%
Tyler Technologies Inc	TYL	43.12	576.99	n/a	n/a	0.00	0.00%		
Universal Health Services Inc	UHS	57.19	190.35	0.42	11.12	10,886.06	0.02%	0.01%	0.26%
Skyworks Solutions Inc	SWKS	150.13	69.03	4.06	-9.34	10,363.42	0.02%	0.09%	-0.21%
Quest Diagnostics Inc	DGX	111.64	173.34	1.85	8.44	19,350.89	0.04%	0.08%	0.35%
Rockwell Automation Inc	ROK	112.72	315.55	1.66	10.92	35,567.68	0.08%	0.13%	0.83%

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Kraft Heinz Co/The	KHC	1183.54	26.73	5.99	-4.68	31,636.08	0.07%	0.40%	-0.32%
American Tower Corp	AMT	468.14	214.65	3.17	25.83	100,485.88	0.21%	0.68%	5.54%
Regeneron Pharmaceuticals Inc	REGN	106.15	490.28	0.72	7.64	52,042.41	0.11%	0.08%	0.85%
Amazon.com Inc	AMZN	10616.35	205.01	n/a	13.43	2,176,458.41	4.65%		62.39%
Jack Henry & Associates Inc	JKHY	72.82	181.17	1.28	10.10	13,192.07	0.03%	0.04%	0.28%
Ralph Lauren Corp	RL	38.44	276.81	1.32	9.62	10,641.28	0.02%	0.03%	0.22%
BXP Inc	BXP	158.32	67.33	5.82	1.33	10,660.00	0.02%	0.13%	0.03%
Amphenol Corp	APH	1209.60	89.93	0.73	18.81	108,779.25	0.23%	0.17%	4.37%
Howmet Aerospace Inc	HWM	403.67	169.89	0.24	14.14	68,580.19	0.15%	0.03%	2.07%
Valero Energy Corp	VLO	313.21	128.97	3.50	n/a	0.00	0.00%	0.00%	
Synopsys Inc	SNPS	155.16	463.98	n/a	13.88	71,991.57	0.15%		2.13%
CH Robinson Worldwide Inc	CHRW	118.73	95.97	2.58	15.23	11,394.58	0.02%	0.06%	0.37%
Accenture PLC	ACN	626.03	316.82	1.87	7.12	198,337.50	0.42%	0.79%	3.01%
TransDigm Group Inc	TDG	56.17	1468.43	n/a	13.51	82,477.44	0.18%		2.38%
Yum! Brands Inc	YUM	277.96	143.94	1.97	10.40	40,010.21	0.09%	0.17%	0.89%
Prologis Inc	PLD	926.18	108.60	3.72	5.83	100,582.61	0.21%	0.80%	1.25%
FirstEnergy Corp	FE	577.13	41.94	4.24	0.83	24,204.67	0.05%	0.22%	0.04%
VeriSign Inc	VRSN	93.90	272.47	1.13	n/a	0.00	0.00%	0.00%	
Quanta Services Inc	PWR	148.20	342.56	0.12	13.51	50,766.95	0.11%	0.01%	1.46%
Henry Schein Inc	HSIC	121.72	69.99	n/a	7.63	8,519.15	0.02%		0.14%
Ameren Corp	AEE	276.42	96.88	2.93	n/a	0.00	0.00%	0.00%	
ANSYS Inc	ANSS	87.92	330.82	n/a	11.10	29,084.42	0.06%		0.69%
FactSet Research Systems Inc	FDS	37.95	458.26	0.96	n/a	0.00	0.00%	0.00%	
NVIDIA Corp	NVDA	24400.00	135.13	0.03	34.22	3,297,172.00	7.04%	0.21%	240.83%
Cognizant Technology Solutions Corp	CTSH	492.94	80.99	1.53	7.13	39,923.37	0.09%	0.13%	0.61%
Intuitive Surgical Inc	ISRG	358.42	552.34	n/a	13.49	197,968.74	0.42%		5.70%
Take-Two Interactive Software Inc	TTWO	182.61	226.28	n/a	58.00	41,320.29	0.09%		5.12%
Republic Services Inc	RSG	312.50	257.29	0.90	9.36	80,402.36	0.17%	0.15%	1.61%
eBay Inc	EBAY	461.00	73.17	1.59	8.60	33,731.37	0.07%	0.11%	0.62%
Goldman Sachs Group Inc/The	GS	306.84	600.45	2.00	13.24	184,242.76	0.39%	0.79%	5.21%
SBA Communications Corp	SBAC	107.45	231.89	1.91	10.84	24,916.99	0.05%	0.10%	0.58%
Sempra	SRE	652.17	78.59	3.28	6.51	51,254.07	0.11%	0.36%	0.71%
Moody's Corp	MCO	179.90	479.32	0.78	12.82	86,229.67	0.18%	0.14%	2.36%
ON Semiconductor Corp	ON	417.89	42.02	n/a	n/a	0.00	0.00%		
Booking Holdings Inc	BKNG	32.54	5518.93	0.70	16.03	179,587.86	0.38%	0.27%	6.14%
F5 Inc	FFIV	57.43	285.38	n/a	6.89	16,389.82	0.03%		0.24%
Akamai Technologies Inc	AKAM	146.21	75.93	n/a	-0.21	11,101.45	0.02%		0.00%
Charles River Laboratories International Inc	CRL	49.12	135.63	n/a	3.37	6,661.56	0.01%		0.05%
MarketAxess Holdings Inc	MKTX	37.50	216.41	1.40	-0.46	8,115.73	0.02%	0.02%	-0.01%
Devon Energy Corp	DVN	642.10	30.26	3.17	3.42	19,429.95	0.04%	0.13%	0.14%
Bio-Techne Corp	TECH	156.77	48.40	0.66	n/a	0.00	0.00%	0.00%	
Alphabet Inc	GOOGL	5820.00	171.74	0.49	12.96	999,526.80	2.13%	1.04%	27.65%
Allegion plc	ALLE	86.05	142.70	1.43	4.57	12,279.23	0.03%	0.04%	0.12%
Netflix Inc	NFLX	425.57	1207.23	n/a	25.26	513,762.40	1.10%		27.70%
Warner Bros Discovery Inc	WBD	2474.08	9.97	n/a	41.31	24,666.53	0.05%		2.17%
Agilent Technologies Inc	A	285.10	111.92	0.89	5.90	31,908.70	0.07%	0.06%	0.40%
Elevance Health Inc	ELV	225.93	383.84	1.78	9.30	86,722.74	0.19%	0.33%	1.72%
Trimble Inc	TRMB	238.59	71.27	n/a	n/a	0.00	0.00%		
CME Group Inc	CME	360.36	289.00	1.73	7.82	104,142.92	0.22%	0.38%	1.74%
Juniper Networks Inc	JNPR	334.38	35.93	2.45	12.36	12,014.37	0.03%	0.06%	0.32%
DTE Energy Co	DTE	207.52	136.65	3.19	5.90	28,357.30	0.06%	0.19%	0.36%



Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Bloomberg Long-Term Growth Estimate (%)	Market Cap Excl. n/a	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
Nasdaq Inc	NDAQ	574.12	83.54	1.29	12.82	47,962.12	0.10%	0.13%	1.31%
Philip Morris International Inc	PM	1556.52	180.59	2.99	11.22	281,091.44	0.60%	1.79%	6.73%
Salesforce Inc	CRM	956.00	265.37	0.63	11.67	253,693.72	0.54%	0.34%	6.32%
Ingersoll Rand Inc	IR	403.46	81.64	0.10	n/a	0.00	0.00%	0.00%	0.00%
Huntington Ingalls Industries Inc	HII	39.24	223.06	2.42	13.94	8,752.68	0.02%	0.05%	0.26%
Roper Technologies Inc	ROP	107.52	570.27	0.58	n/a	0.00	0.00%	0.00%	0.00%
MetLife Inc	MET	671.30	78.58	2.89	13.76	52,750.58	0.11%	0.33%	1.55%
Tapestry Inc	TPR	207.69	78.55	1.78	9.81	16,314.06	0.03%	0.06%	0.34%
CSX Corp	CSX	1878.55	31.59	1.65	7.13	59,343.26	0.13%	0.21%	0.90%
Edwards Lifesciences Corp	EW	586.60	78.22	n/a	7.04	45,883.85	0.10%		0.69%
Ameriprise Financial Inc	AMP	95.22	509.24	1.26	7.28	48,491.19	0.10%	0.13%	0.75%
Zebra Technologies Corp	ZBRA	50.85	289.77	n/a	n/a	0.00	0.00%		0.00%
Zimmer Biomet Holdings Inc	ZBH	197.85	92.17	1.04	2.16	18,235.64	0.04%	0.04%	0.08%
CBRE Group Inc	CBRE	298.10	125.02	n/a	n/a	0.00	0.00%		0.00%
Camden Property Trust	CPT	106.84	117.49	3.57	1.91	12,552.39	0.03%	0.10%	0.05%
Mastercard Inc	MA	901.26	585.60	0.52	13.19	527,779.71	1.13%	0.58%	14.86%
CarMax Inc	KMX	152.33	64.46	n/a	n/a	0.00	0.00%		0.00%
Intercontinental Exchange Inc	ICE	573.63	179.80	1.07	16.39	103,138.00	0.22%	0.24%	3.61%
Smurfit WestRock PLC	SW	522.01	43.33	3.98	n/a	0.00	0.00%	0.00%	0.00%
Fidelity National Information Services Inc	FIS	525.40	79.61	2.01	9.37	41,826.70	0.09%	0.18%	0.84%
Chipotle Mexican Grill Inc	CMG	1347.36	50.08	n/a	16.26	67,475.99	0.14%		2.34%
Wynn Resorts Ltd	WYNN	104.55	90.54	1.10	7.84	9,466.35	0.02%	0.02%	0.16%
Live Nation Entertainment Inc	LYV	234.09	137.19	n/a	3.98	32,114.74	0.07%		0.27%
Assurant Inc	AIZ	50.70	202.98	1.58	n/a	0.00	0.00%	0.00%	0.00%
NRG Energy Inc	NRG	195.51	155.90	1.13	3.60	30,480.08	0.07%	0.07%	0.23%
Regions Financial Corp	RF	898.93	21.44	4.66	6.18	19,273.06	0.04%	0.19%	0.25%
Monster Beverage Corp	MNST	975.25	63.95	n/a	12.95	62,366.99	0.13%		1.72%
Mosaic Co/The	MOS	317.23	36.14	2.43	n/a	0.00	0.00%	0.00%	0.00%
Baker Hughes Co	BKR	990.75	37.05	2.48	8.81	36,707.29	0.08%	0.19%	0.69%
Expedia Group Inc	EXPE	121.60	166.75	0.96	16.27	20,276.37	0.04%	0.04%	0.70%
CF Industries Holdings Inc	CF	162.01	90.71	2.20	-4.82	14,695.93	0.03%	0.07%	-0.15%
Leidos Holdings Inc	LDOS	128.72	148.52	1.08	7.40	19,117.33	0.04%	0.04%	0.30%
APA Corp	APA	360.85	17.01	5.88	1.05	6,137.98	0.01%	0.08%	0.01%
TKO Group Holdings Inc	TKO	81.75	157.81	0.96	n/a	0.00	0.00%	0.00%	0.00%
Alphabet Inc	GOOG	5459.00	172.85	0.49	12.96	943,588.15	2.01%	0.98%	26.10%
First Solar Inc	FSLR	107.24	158.08	n/a	35.90	16,953.21	0.04%		1.30%
Visa Inc	V	1710.99	365.19	0.65	13.00	624,834.63	1.33%	0.86%	17.34%
Mid-America Apartment Communities Inc	MAA	117.06	156.65	3.87	1.92	18,337.09	0.04%	0.15%	0.08%
Xylem Inc/NY	XYL	243.35	126.04	1.27	n/a	0.00	0.00%	0.00%	0.00%
Marathon Petroleum Corp	MPC	307.21	160.74	2.26	8.59	49,381.55	0.11%	0.24%	0.91%
Advanced Micro Devices Inc	AMD	1621.40	110.73	n/a	27.19	179,538.09	0.38%		10.42%
Tractor Supply Co	TSCO	530.20	48.40	1.90	8.70	25,661.82	0.05%	0.10%	0.48%
ResMed Inc	RMD	146.63	244.79	0.87	12.63	35,892.92	0.08%	0.07%	0.97%
Mettler-Toledo International Inc	MTD	20.78	1155.52	n/a	8.14	24,014.93	0.05%		0.42%
Jacobs Solutions Inc	J	120.16	126.30	1.01	12.70	15,175.73	0.03%	0.03%	0.41%
Copart Inc	CPRT	966.09	51.48	n/a	n/a	0.00	0.00%		0.00%
VICI Properties Inc	VICI	1056.70	31.71	5.46	5.05	33,508.04	0.07%	0.39%	0.36%
Fortinet Inc	FTNT	765.42	101.78	n/a	10.06	77,904.09	0.17%		1.67%
Albemarle Corp	ALB	117.66	55.76	2.91	83.76	6,560.77	0.01%	0.04%	1.17%
Moderna Inc	MRNA	386.74	26.56	n/a	22.11	10,271.86	0.02%		0.48%
Essex Property Trust Inc	ESS	64.39	283.90	3.62	3.01	18,278.95	0.04%	0.14%	0.12%

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Bloomberg Long-Term Growth Estimate (%)	Market Cap Excl. n/a	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
CoStar Group Inc	CSGP	421.89	73.56	n/a	40.81	31,033.98	0.07%		2.70%
Realty Income Corp	O	903.08	56.62	5.69	3.67	51,132.39	0.11%	0.62%	0.40%
Palantir Technologies Inc	PLTR	2262.91	131.78	n/a	32.33	298,205.79	0.64%		20.58%
Westinghouse Air Brake Technologies Corp	WAB	171.13	202.32	0.49	15.51	34,622.28	0.07%	0.04%	1.15%
Pool Corp	POOL	37.59	300.59	1.66	6.39	11,300.65	0.02%	0.04%	0.15%
Western Digital Corp	WDC	348.88	51.55	0.78	n/a	0.00	0.00%	0.00%	
PepsiCo Inc	PEP	1371.08	131.45	4.33	3.13	180,228.41	0.38%	1.67%	1.20%
TE Connectivity PLC	TEL	296.55	160.07	1.77	8.35	47,468.20	0.10%	0.18%	0.85%
Diamondback Energy Inc	FANG	292.17	134.55	2.97	-9.04	39,311.20	0.08%	0.25%	-0.76%
Palo Alto Networks Inc	PANW	666.80	192.42	n/a	14.73	128,305.66	0.27%		4.03%
ServiceNow Inc	NOW	207.00	1011.09	n/a	n/a	0.00	0.00%		
Church & Dwight Co Inc	CHD	246.28	98.31	1.20	6.71	24,211.53	0.05%	0.06%	0.35%
Federal Realty Investment Trust	FRT	86.26	95.48	4.61	3.86	8,236.18	0.02%	0.08%	0.07%
Amentum Holdings Inc	AMTM	243.32	20.66	n/a	n/a	0.00	0.00%		
MGM Resorts International	MGM	272.15	31.65	n/a	7.19	8,613.52	0.02%		0.13%
American Electric Power Co Inc	AEP	534.20	103.49	3.59	5.10	55,283.84	0.12%	0.42%	0.60%
Invitation Homes Inc	INVH	612.95	33.70	3.44	3.59	20,656.39	0.04%	0.15%	0.16%
PTC Inc	PTC	119.95	168.32	n/a	16.34	20,189.62	0.04%		0.70%
JB Hunt Transport Services Inc	JBHT	99.19	138.85	1.27	14.67	13,773.17	0.03%	0.04%	0.43%
Lam Research Corp	LRCX	1279.12	80.79	1.14	17.27	103,339.94	0.22%	0.25%	3.81%
Mohawk Industries Inc	MHK	62.52	100.61	n/a	3.61	6,290.61	0.01%		0.05%
Pentair PLC	PNR	164.53	99.18	1.01	9.53	16,317.79	0.03%	0.04%	0.33%
GE HealthCare Technologies Inc	GEHC	457.89	70.54	0.20	6.15	32,299.21	0.07%	0.01%	0.42%
Vertex Pharmaceuticals Inc	VRTX	256.80	442.05	n/a	n/a	0.00	0.00%		
Amcor PLC	AMCR	2284.89	9.11	5.60	4.99	20,815.38	0.04%	0.25%	0.22%
Meta Platforms Inc	META	2171.15	647.49	0.32	14.45	1,405,796.68	3.00%	0.97%	43.36%
T-Mobile US Inc	TMUS	1135.45	242.20	1.45	n/a	0.00	0.00%	0.00%	
United Rentals Inc	URI	65.00	708.38	1.01	6.76	46,044.02	0.10%	0.10%	0.66%
Honeywell International Inc	HON	642.68	226.67	1.99	7.57	145,676.94	0.31%	0.62%	2.35%
Alexandria Real Estate Equities Inc	ARE	172.99	70.19	7.52	1.29	12,142.09	0.03%	0.19%	0.03%
Delta Air Lines Inc	DAL	652.95	48.39	1.24	1.02	31,596.40	0.07%	0.08%	0.07%
Seagate Technology Holdings PLC	STX	212.22	117.94	2.44	111.36	25,028.93	0.05%	0.13%	5.95%
United Airlines Holdings Inc	UAL	327.70	79.45	n/a	4.96	26,034.43	0.06%		0.28%
News Corp	NWS	188.91	32.72	0.61	n/a	0.00	0.00%	0.00%	
Centene Corp	CNC	497.60	56.44	n/a	7.97	28,084.71	0.06%		0.48%
Martin Marietta Materials Inc	MLM	60.29	547.55	0.58	n/a	0.00	0.00%	0.00%	
Apollo Global Management Inc	APO	571.49	130.69	1.56	12.87	74,688.58	0.16%	0.25%	2.05%
Teradyne Inc	TER	160.42	78.60	0.61	7.23	12,609.03	0.03%	0.02%	0.19%
PayPal Holdings Inc	PYPL	972.53	70.28	n/a	12.15	68,349.61	0.15%		1.77%
Tesla Inc	TSLA	3220.96	346.46	n/a	n/a	0.00	0.00%		
Blackrock Inc	BLK	154.93	979.89	2.13	2.09	151,810.61	0.32%	0.69%	0.68%
Arch Capital Group Ltd	ACGL	374.75	95.04	n/a	1.83	35,616.67	0.08%		0.14%
KKR & Co Inc	KKR	890.64	121.46	0.61	n/a	0.00	0.00%	0.00%	
Dow Inc	DOW	705.76	27.74	10.09	14.77	19,577.91	0.04%	0.42%	0.62%
Everest Group Ltd	EG	42.53	347.19	2.30	28.16	14,767.63	0.03%	0.07%	0.89%
Teledyne Technologies Inc	TDY	46.86	498.86	n/a	9.92	23,376.26	0.05%		0.49%
GE Vernova Inc	GEV	272.93	472.98	0.21	97.71	129,092.67	0.28%	0.06%	26.92%
Domino's Pizza Inc	DPZ	34.24	473.82	1.47	9.09	16,224.30	0.03%	0.05%	0.31%
News Corp	NWSA	377.20	28.24	0.71	n/a	0.00	0.00%	0.00%	
Exelon Corp	EXC	1009.54	43.82	3.65	8.10	44,237.85	0.09%	0.34%	0.76%
Global Payments Inc	GPN	243.88	75.61	1.32	9.10	18,439.77	0.04%	0.05%	0.36%

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Bloomberg Long-Term Growth Estimate (%)	Market Cap Excl. n/a Growth	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
Crown Castle Inc	CCI	435.46	100.35	4.24	32.66	43,698.29	0.09%	0.40%	3.05%
Align Technology Inc	ALGN	72.48	180.94	n/a	11.22	13,115.41	0.03%		0.31%
Kenvue Inc	KVUE	1919.91	23.87	3.44	35.21	45,828.25	0.10%	0.34%	3.44%
Targa Resources Corp	TRGP	216.93	157.93	2.53	n/a	0.00	0.00%	0.00%	
Bunge Global SA	BG	134.40	78.15	3.58	2.61	10,503.75	0.02%	0.08%	0.06%
Deckers Outdoor Corp	DECK	149.44	105.52	n/a	16.41	15,768.47	0.03%		0.55%
LKQ Corp	LKQ	258.15	40.47	2.97	n/a	0.00	0.00%	0.00%	
Workday Inc	WDAY	216.00	247.71	n/a	n/a	0.00	0.00%		
Zoetis Inc	ZTS	445.21	168.63	1.19	8.92	75,075.43	0.16%	0.19%	1.43%
Coinbase Global Inc	COIN	211.41	246.62	n/a	-3.30	52,137.30	0.11%		-0.37%
Digital Realty Trust Inc	DLR	336.79	171.52	2.85	6.61	57,766.48	0.12%	0.35%	0.82%
Equinix Inc	EQIX	97.82	888.82	2.11	29.36	86,943.47	0.19%	0.39%	5.45%
Las Vegas Sands Corp	LVS	706.63	41.16	2.43	5.45	29,084.79	0.06%	0.15%	0.34%
Molina Healthcare Inc	MOH	54.20	305.04	n/a	11.34	16,533.17	0.04%		0.40%

MARKET RISK PREMIUM CALCULATION USING CAP. WEIGHTED VALUE LINE GROWTH RATES

[7] Cap. Weighted Estimate of the S&P 500 Dividend Yield	1.34%
[8] Cap. Weighted Estimate of the S&P 500 Growth Rate	13.66%
[9] Cap. Weighted S&P 500 Estimated Required Market Return	15.10%

Notes:

[7] Source: Bloomberg Professional, as of May 30, 2025

[8] Source: Bloomberg Professional, as of May 30, 2025, and Value Line, as of May 30, 2025

[9] Equals  $([7] \times (1 + (0.5 \times [8]))) + [8]$

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Value Line Long-Term Growth Estimate (%)	Market Cap Excl. n/a Growth	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
LyondellBasell Industries NV	LYB	321.40	56.49	9.70	-6.00	18,155.89	0.04%	0.36%	-0.22%
American Express Co	AXP	700.59	294.05	1.12	9.00	206,008.16	0.42%	0.47%	3.76%
Verizon Communications Inc	VZ	4216.25	43.96	6.16	0.50	185,346.57	0.38%	2.32%	0.19%
Texas Pacific Land Corp	TPL	22.99	1114.03	0.57	10.00	25,608.58	0.05%	0.03%	0.52%
Broadcom Inc	AVGO	4701.95	242.07	0.97	22.00	1,138,200.73	2.31%	2.25%	50.81%
Boeing Co/The	BA	754.01	207.32	n/a		0.00	0.00%		
Solventum Corp	SOLV	173.01	73.09	n/a		0.00	0.00%		
Caterpillar Inc	CAT	470.31	348.03	1.62	6.50	163,683.72	0.33%	0.54%	2.16%
JPMorgan Chase & Co	JPM	2779.09	264.00	2.12	8.50	733,680.95	1.49%	3.16%	12.65%
Chevron Corp	CVX	1746.39	136.70	5.00	4.00	238,732.05	0.48%	2.42%	1.94%
Coca-Cola Co/The	KO	4304.27	72.10	2.83	7.00	310,337.63	0.63%	1.78%	4.41%
AbbVie Inc	ABBV	1766.40	186.11	3.52	7.00	328,745.27	0.67%	2.35%	4.67%
Walt Disney Co/The	DIS	1797.75	113.04	0.88	25.00	203,217.24	0.41%	0.36%	10.31%
Corpay Inc	CPAY	70.49	325.11	n/a	12.00	22,918.13	0.05%		0.56%
Extra Space Storage Inc	EXR	212.21	151.15	4.29	-0.50	32,075.67	0.07%	0.28%	-0.03%
Exxon Mobil Corp	XOM	4309.64	102.30	3.87	-3.00	440,876.05	0.89%	3.46%	-2.68%
Phillips 66	PSX	407.44	113.48	4.23	0.00	46,235.98	0.09%	0.40%	0.00%
General Electric Co	GE	1066.39	245.91	0.59	21.00	262,235.14	0.53%	0.31%	11.17%
HP Inc	HPQ	939.27	24.90	4.65	5.50	23,387.89	0.05%	0.22%	0.26%
Home Depot Inc/The	HD	994.93	368.29	2.50	6.50	366,422.03	0.74%	1.86%	4.83%
Monolithic Power Systems Inc	MPWR	47.88	661.90	0.94	12.00	31,691.77	0.06%	0.06%	0.77%
International Business Machines Corp	IBM	929.40	259.06	2.59	3.00	240,769.48	0.49%	1.27%	1.47%
Johnson & Johnson	JNJ	2406.07	155.21	3.35	4.50	373,446.63	0.76%	2.54%	3.41%
Lululemon Athletica Inc	LULU	115.03	316.67	n/a	12.00	36,427.99	0.07%		0.89%
McDonald's Corp	MCD	715.03	313.85	2.26	8.50	224,413.02	0.46%	1.03%	3.87%
Merck & Co Inc	MRK	2511.03	76.84	4.22	13.50	192,947.64	0.39%	1.65%	5.29%
3M Co	MMM	538.18	148.35	1.97	25.50	79,839.20	0.16%	0.32%	4.13%
American Water Works Co Inc	AWK	195.01	142.97	2.32	4.50	27,880.81	0.06%	0.13%	0.25%
Bank of America Corp	BAC	7531.88	44.13	2.36	8.50	332,381.69	0.67%	1.59%	5.73%
Pfizer Inc	PFE	5685.37	23.49	7.32	7.50	133,549.24	0.27%	1.98%	2.03%
Procter & Gamble Co/The	PG	2344.54	169.89	2.49	5.00	398,314.25	0.81%	2.01%	4.04%
AT&T Inc	T	7195.60	27.80	3.99	6.50	200,037.74	0.41%	1.62%	2.64%

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Travelers Cos Inc/The	TRV	226.57	275.70	1.60	10.50	62,465.02	0.13%	0.20%	1.33%
RTX Corp	RTX	1335.95	136.48	1.99	12.00	182,330.97	0.37%	0.74%	4.44%
Analog Devices Inc	ADI	496.25	213.98	1.85	9.00	106,187.19	0.22%	0.40%	1.94%
Walmart Inc	WMT	8000.89	98.72	0.95	10.00	789,847.56	1.60%	1.53%	16.03%
Cisco Systems Inc	CSCO	3960.00	63.04	2.60	5.50	249,638.29	0.51%	1.32%	2.79%
Intel Corp	INTC	4362.00	19.55	n/a	-2.00	85,277.10	0.17%		-0.35%
General Motors Co	GM	961.43	49.61	1.21	8.50	47,696.78	0.10%	0.12%	0.82%
Microsoft Corp	MSFT	7432.54	460.36	0.72	12.00	3,421,645.90	6.94%	5.01%	83.32%
Dollar General Corp	DG	219.95	97.25	2.43	1.50	21,389.85	0.04%	0.11%	0.07%
Cigna Group/The	CI	267.14	316.64	1.91	11.00	84,588.03	0.17%	0.33%	1.89%
Kinder Morgan Inc	KMI	2222.07	28.04	4.17	8.50	62,306.81	0.13%	0.53%	1.07%
Citigroup Inc	C	1867.73	75.32	2.97	3.00	140,677.70	0.29%	0.85%	0.86%
American International Group Inc	AIG	576.33	84.64	2.13	15.00	48,780.59	0.10%	0.21%	1.48%
Altria Group Inc	MO	1684.45	60.61	6.73	6.00	102,094.62	0.21%	1.39%	1.24%
HCA Healthcare Inc	HCA	240.57	381.39	0.76	10.00	91,752.48	0.19%	0.14%	1.86%
International Paper Co	IP	527.90	47.81	3.87	8.00	25,238.97	0.05%	0.20%	0.41%
Hewlett Packard Enterprise Co	HPE	1313.58	17.28	3.01	5.50	22,698.63	0.05%	0.14%	0.25%
Abbott Laboratories	ABT	1739.84	133.58	1.77	6.00	232,407.36	0.47%	0.83%	2.83%
Aflac Inc	AFL	540.65	103.54	2.24	8.50	55,978.39	0.11%	0.25%	0.97%
Air Products and Chemicals Inc	APD	222.54	278.91	2.57	10.50	62,069.81	0.13%	0.32%	1.32%
Super Micro Computer Inc	SMCI	596.82	40.02	n/a	39.00	23,884.64	0.05%		1.89%
Royal Caribbean Cruises Ltd	RCL	271.56	256.97	1.17		0.00	0.00%	0.00%	
Hess Corp	HES	309.27	132.19	1.51	2.00	40,882.54	0.08%	0.13%	0.17%
Lennox International Inc	LII	35.48	564.45	0.92	12.50	20,029.41	0.04%	0.04%	0.51%
Archer-Daniels-Midland Co	ADM	480.45	48.27	4.23	2.50	23,191.32	0.05%	0.20%	0.12%
Automatic Data Processing Inc	ADP	405.92	325.53	1.89	8.50	132,140.03	0.27%	0.51%	2.28%
Verisk Analytics Inc	VRSK	139.88	314.14	0.57	11.00	43,943.18	0.09%	0.05%	0.98%
AutoZone Inc	AZO	16.73	3733.04	n/a	7.50	62,448.76	0.13%		0.95%
Linde PLC	LIN	470.72	467.58	1.28	6.00	220,101.35	0.45%	0.57%	2.68%
Avery Dennison Corp	AVY	78.18	177.73	2.12	2.00	13,894.14	0.03%	0.06%	0.06%
Enphase Energy Inc	ENPH	131.21	41.39	n/a	6.50	5,430.66	0.01%		0.07%
MSCI Inc	MSCI	77.60	564.02	1.28	8.00	43,768.87	0.09%	0.11%	0.71%
Ball Corp	BALL	277.42	53.58	1.49	10.50	14,864.03	0.03%	0.05%	0.32%
Axon Enterprise Inc	AXON	77.85	750.36	n/a	26.00	58,416.13	0.12%		3.08%
Dayforce Inc	DAY	159.88	59.08	n/a		0.00	0.00%		
Carrier Global Corp	CARR	857.31	71.20	1.26	13.00	61,040.46	0.12%	0.16%	1.61%
Bank of New York Mellon Corp/The	BK	715.43	88.61	2.12	10.50	63,394.63	0.13%	0.27%	1.35%
Otis Worldwide Corp	OTIS	394.68	95.35	1.76	10.00	37,632.41	0.08%	0.13%	0.76%
Baxter International Inc	BAX	513.17	30.50	2.23	0.50	15,651.83	0.03%	0.07%	0.02%
Becton Dickinson & Co	BDX	286.61	172.59	2.41	7.00	49,465.57	0.10%	0.24%	0.70%
Berkshire Hathaway Inc	BRK/B	1339.91	503.96	n/a	9.50	675,258.85	1.37%		13.02%
Best Buy Co Inc	BBY	211.69	66.28	5.73	3.00	14,030.52	0.03%	0.16%	0.09%
Boston Scientific Corp	BSX	1479.45	105.26	n/a	12.50	155,726.52	0.32%		3.95%
Bristol-Myers Squibb Co	BMJ	2035.08	48.28	5.14	2.50	98,253.70	0.20%	1.02%	0.50%
Brown-Forman Corp	BF/B	303.54	33.34	2.72	9.50	10,120.02	0.02%	0.06%	0.20%
Coterra Energy Inc	CTRA	763.26	24.31	3.62	7.00	18,554.87	0.04%	0.14%	0.26%
Hilton Worldwide Holdings Inc	HLT	237.70	248.44	0.24		0.00	0.00%	0.00%	
Carnival Corp	CCL	1166.61	23.22	n/a		0.00	0.00%		
Builders FirstSource Inc	BLDR	110.51	107.68	n/a	4.50	11,900.24	0.02%		0.11%
UDR Inc	UDR	331.30	41.43	4.15	7.50	13,725.59	0.03%	0.12%	0.21%
Clorox Co/The	CLX	123.25	131.88	3.70	10.00	16,254.58	0.03%	0.12%	0.33%
Paycom Software Inc	PAYC	57.82	259.09	0.58	12.50	14,980.52	0.03%	0.02%	0.38%

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CMS Energy Corp	CMS	299.12	70.23	3.09	6.00	21,007.46	0.04%	0.13%	0.26%
Colgate-Palmolive Co	CL	810.42	92.94	2.24	10.00	75,320.45	0.15%	0.34%	1.53%
EPAM Systems Inc	EPAM	56.65	174.49	n/a	20.50	9,885.33	0.02%		0.41%
Conagra Brands Inc	CAG	477.36	22.89	6.12	2.00	10,926.83	0.02%	0.14%	0.04%
Airbnb Inc	ABNB	433.03	129.00	n/a	23.00	55,861.50	0.11%		2.61%
Consolidated Edison Inc	ED	360.30	104.49	3.25	6.00	37,647.34	0.08%	0.25%	0.46%
Corning Inc	GLW	856.47	49.59	2.26	23.00	42,472.42	0.09%	0.19%	1.98%
GoDaddy Inc	GDDY	142.49	182.15	n/a	12.50	25,954.22	0.05%		0.66%
Cummins Inc	CMI	137.75	321.48	2.26	8.00	44,285.45	0.09%	0.20%	0.72%
Caesars Entertainment Inc	CZR	207.97	26.88	n/a		0.00	0.00%		
Danaher Corp	DHR	715.67	189.90	0.67	2.00	135,905.66	0.28%	0.19%	0.55%
Target Corp	TGT	454.37	94.01	4.77	8.00	42,714.94	0.09%	0.41%	0.69%
Williams-Sonoma Inc	WSM	123.00	161.76	1.63	5.00	19,896.17	0.04%	0.07%	0.20%
Deere & Co	DE	270.83	506.26	1.28	3.00	137,108.90	0.28%	0.36%	0.83%
Dominion Energy Inc	D	852.79	56.67	4.71	6.00	48,327.64	0.10%	0.46%	0.59%
Dover Corp	DOV	137.10	177.75	1.16	5.00	24,370.30	0.05%	0.06%	0.25%
Alliant Energy Corp	LNT	256.88	62.23	3.26	6.00	15,985.41	0.03%	0.11%	0.19%
Steel Dynamics Inc	STLD	148.45	123.07	1.63	0.50	18,270.22	0.04%	0.06%	0.02%
Duke Energy Corp	DUK	777.02	117.72	3.55	6.00	91,470.99	0.19%	0.66%	1.11%
Regency Centers Corp	REG	181.53	72.15	3.91	10.00	13,097.34	0.03%	0.10%	0.27%
Eaton Corp PLC	ETN	391.30	320.20	1.30	11.00	125,294.26	0.25%	0.33%	2.80%
Ecolab Inc	ECL	283.51	265.62	0.98	8.00	75,306.62	0.15%	0.15%	1.22%
Revvity Inc	RVTY	117.87	90.42	0.31	-1.50	10,657.77	0.02%	0.01%	-0.03%
Dell Technologies Inc	DELL	344.35	111.27	1.89	2.50	38,315.50	0.08%	0.15%	0.19%
Emerson Electric Co	EMR	562.50	119.38	1.77	11.00	67,151.25	0.14%	0.24%	1.50%
EOG Resources Inc	EOG	545.79	108.57	3.76	4.50	59,256.10	0.12%	0.45%	0.54%
Aon PLC	AON	215.94	372.08	0.80	11.50	80,346.93	0.16%	0.13%	1.87%
Entergy Corp	ETR	430.77	83.28	2.88	3.00	35,874.87	0.07%	0.21%	0.22%
Equifax Inc	EFX	124.20	264.19	0.76	6.00	32,812.14	0.07%	0.05%	0.40%
EQT Corp	EQT	598.63	55.13	1.14	7.50	33,002.25	0.07%	0.08%	0.50%
IQVIA Holdings Inc	IQV	173.00	140.33	n/a	9.00	24,277.09	0.05%		0.44%
Gartner Inc	IT	76.97	436.42	n/a	7.50	33,589.91	0.07%		0.51%
FedEx Corp	FDX	239.60	218.10	2.53	6.50	52,256.52	0.11%	0.27%	0.69%
Brown & Brown Inc	BRO	286.61	112.90	0.53	11.00	32,357.99	0.07%	0.03%	0.72%
Ford Motor Co	F	3905.70	10.38	5.78	20.50	40,541.13	0.08%	0.48%	1.69%
NextEra Energy Inc	NEE	2058.63	70.64	3.21	8.50	145,421.70	0.30%	0.95%	2.51%
Franklin Resources Inc	BEN	525.52	21.64	5.91	4.00	11,372.28	0.02%	0.14%	0.09%
Garmin Ltd	GRMN	192.54	202.97	1.77	7.00	39,080.14	0.08%	0.14%	0.56%
Freeport-McMoRan Inc	FCX	1436.20	38.48	1.56	17.50	55,264.99	0.11%	0.17%	1.96%
Expand Energy Corp	EXE	237.98	116.13	1.98		0.00	0.00%	0.00%	
Dexcom Inc	DXCM	392.11	85.80	n/a		0.00	0.00%		
General Dynamics Corp	GD	268.40	278.49	2.15	12.50	74,745.65	0.15%	0.33%	1.90%
General Mills Inc	GIS	547.60	54.26	4.42	3.00	29,712.80	0.06%	0.27%	0.18%
Genuine Parts Co	GPC	138.79	126.52	3.26	3.50	17,559.67	0.04%	0.12%	0.12%
Atmos Energy Corp	ATO	158.84	154.68	2.25	7.00	24,568.89	0.05%	0.11%	0.35%
WW Grainger Inc	GWW	48.04	1087.56	0.83	5.00	52,245.52	0.11%	0.09%	0.53%
Halliburton Co	HAL	859.72	19.59	3.47	9.50	16,841.82	0.03%	0.12%	0.32%
L3Harris Technologies Inc	LHX	186.95	244.34	1.96	9.00	45,678.30	0.09%	0.18%	0.83%
Healthpeak Properties Inc	DOC	694.73	17.41	7.01	6.00	12,095.29	0.02%	0.17%	0.15%
Insulet Corp	PODD	70.37	325.03	n/a		0.00	0.00%		
Fortive Corp	FTV	339.88	70.19	0.46	11.00	23,856.34	0.05%	0.02%	0.53%
Hershey Co/The	HSY	147.99	160.69	3.41	5.00	23,780.56	0.05%	0.16%	0.24%

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Synchrony Financial	SYF	380.66	57.65	2.08	47.00	21,944.88	0.04%	0.09%	2.09%
Hormel Foods Corp	HRL	549.89	30.68	3.78	5.00	16,870.77	0.03%	0.13%	0.17%
Arthur J Gallagher & Co	AJG	256.10	347.44	0.75	17.50	88,979.38	0.18%	0.14%	3.16%
Mondelez International Inc	MDLZ	1294.82	67.49	2.79	7.50	87,387.09	0.18%	0.49%	1.33%
CenterPoint Energy Inc	CNP	677.59	37.24	2.36	6.50	25,233.57	0.05%	0.12%	0.33%
Humana Inc	HUM	120.69	233.13	1.52	2.00	28,137.27	0.06%	0.09%	0.11%
Willis Towers Watson PLC	WTW	99.15	316.55	1.16	6.50	31,385.87	0.06%	0.07%	0.41%
Illinois Tool Works Inc	ITW	293.00	245.08	2.45	9.00	71,808.44	0.15%	0.36%	1.31%
CDW Corp/DE	CDW	131.69	180.36	1.39	6.50	23,750.73	0.05%	0.07%	0.31%
Trane Technologies PLC	TT	223.02	430.27	0.87	14.00	95,957.96	0.19%	0.17%	2.73%
Interpublic Group of Cos Inc/The	IPG	369.73	23.96	5.51	8.00	8,858.84	0.02%	0.10%	0.14%
International Flavors & Fragrances Inc	IFF	255.79	76.56	2.09	2.00	19,583.31	0.04%	0.08%	0.08%
Generac Holdings Inc	GNRC	59.08	122.13	n/a	18.00	7,215.64	0.01%		0.26%
NXP Semiconductors NV	NXPI	252.63	191.13	2.12	6.50	48,284.92	0.10%	0.21%	0.64%
Kellanova	K	346.94	82.63	2.76	2.50	28,667.58	0.06%	0.16%	0.15%
Broadridge Financial Solutions Inc	BR	117.46	242.83	1.45	9.50	28,523.65	0.06%	0.08%	0.55%
Kimberly-Clark Corp	KMB	331.82	143.77	3.51	6.50	47,705.19	0.10%	0.34%	0.63%
Kimco Realty Corp	KIM	679.50	21.26	4.70	27.50	14,446.14	0.03%	0.14%	0.81%
Oracle Corp	ORCL	2804.23	165.53	1.21	10.00	464,184.85	0.94%	1.14%	9.42%
Kroger Co/The	KR	665.85	68.23	1.88	5.00	45,431.15	0.09%	0.17%	0.46%
Lennar Corp	LEN	232.18	106.08	1.89	4.00	24,630.13	0.05%	0.09%	0.20%
Eli Lilly & Co	LLY	947.74	737.67	0.81	26.50	699,116.16	1.42%	1.15%	37.59%
Charter Communications Inc	CHTR	140.36	396.27	n/a	6.50	55,622.13	0.11%		0.73%
Loews Corp	L	209.70	89.29	0.28	13.00	18,723.80	0.04%	0.01%	0.49%
Lowe's Cos Inc	LOW	560.44	225.73	2.13	6.50	126,507.59	0.26%	0.55%	1.67%
Hubbell Inc	HUBB	53.37	389.58	1.36	6.00	20,792.90	0.04%	0.06%	0.25%
IDEX Corp	IEX	75.54	180.91	1.57	5.50	13,666.78	0.03%	0.04%	0.15%
Marsh & McLennan Cos Inc	MMC	492.90	233.66	1.40	11.50	115,171.74	0.23%	0.33%	2.69%
Masco Corp	MAS	210.94	62.42	1.99	10.00	13,167.00	0.03%	0.05%	0.27%
S&P Global Inc	SPGI	313.90	512.86	0.75	8.50	160,986.75	0.33%	0.24%	2.78%
Medtronic PLC	MDT	1282.54	82.98	3.42	6.00	106,425.46	0.22%	0.74%	1.30%
Viatis Inc	VTRS	1173.68	8.79	5.46	-2.00	10,316.66	0.02%	0.11%	-0.04%
CVS Health Corp	CVS	1265.02	64.04	4.15	0.50	81,011.84	0.16%	0.68%	0.08%
DuPont de Nemours Inc	DD	418.50	66.80	2.46	10.50	27,955.71	0.06%	0.14%	0.60%
Micron Technology Inc	MU	1117.57	94.46	0.49	39.00	105,565.81	0.21%	0.10%	8.35%
Motorola Solutions Inc	MSI	166.92	415.38	1.05	10.00	69,333.49	0.14%	0.15%	1.41%
Cboe Global Markets Inc	CBOE	104.71	229.12	1.10	12.50	23,991.92	0.05%	0.05%	0.61%
Newmont Corp	NEM	1113.00	52.72	1.90	12.50	58,677.20	0.12%	0.23%	1.49%
NIKE Inc	NKE	1178.10	60.59	2.64	2.00	71,381.25	0.14%	0.38%	0.29%
NiSource Inc	NI	470.70	39.54	2.83	9.50	18,611.59	0.04%	0.11%	0.36%
Norfolk Southern Corp	NSC	225.44	247.12	2.19	11.00	55,711.60	0.11%	0.25%	1.24%
Principal Financial Group Inc	PFG	224.19	77.89	3.90	4.00	17,462.22	0.04%	0.14%	0.14%
Eversource Energy	ES	367.38	64.81	4.64	5.50	23,810.21	0.05%	0.22%	0.27%
Northrop Grumman Corp	NOC	143.93	484.77	1.91	7.50	69,772.07	0.14%	0.27%	1.06%
Wells Fargo & Co	WFC	3254.18	74.78	2.14	9.50	243,347.76	0.49%	1.06%	4.69%
Nucor Corp	NUE	230.75	109.36	2.01		0.00	0.00%	0.00%	
Occidental Petroleum Corp	OXY	984.13	40.78	2.35	5.50	40,132.93	0.08%	0.19%	0.45%
Omnicom Group Inc	OMC	195.11	73.44	3.81	7.00	14,328.84	0.03%	0.11%	0.20%
ONEOK Inc	OKE	624.63	80.84	5.10	12.50	50,495.29	0.10%	0.52%	1.28%
Raymond James Financial Inc	RJF	201.75	146.98	1.36	10.50	29,653.88	0.06%	0.08%	0.63%
PG&E Corp	PCG	2197.69	16.88	0.59	9.50	37,096.92	0.08%	0.04%	0.72%
Parker-Hannifin Corp	PH	127.78	664.70	1.08	10.00	84,934.04	0.17%	0.19%	1.72%

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Rollins Inc	ROL	484.65	57.25	1.15	9.50	27,746.01	0.06%	0.06%	0.53%
PPL Corp	PPL	739.26	34.75	3.14	7.50	25,689.42	0.05%	0.16%	0.39%
Aptiv PLC	APTIV	217.73	66.81	n/a	28.50	14,546.57	0.03%		0.84%
ConocoPhillips	COP	1262.41	85.35	3.66	4.00	107,746.70	0.22%	0.80%	0.87%
PulteGroup Inc	PHM	200.43	98.03	0.90	8.50	19,647.88	0.04%	0.04%	0.34%
Pinnacle West Capital Corp	PNW	119.40	91.23	3.92	5.00	10,892.77	0.02%	0.09%	0.11%
PNC Financial Services Group Inc/The	PNC	395.57	173.81	3.68	7.50	68,753.50	0.14%	0.51%	1.05%
PPG Industries Inc	PPG	227.00	110.80	2.45	5.00	25,151.60	0.05%	0.13%	0.26%
DoorDash Inc	DASH	398.68	208.65	n/a		0.00	0.00%		
Progressive Corp/The	PGR	586.22	284.93	0.14	16.50	167,032.70	0.34%	0.05%	5.59%
Veralto Corp	VLTO	247.86	101.03	0.44	6.00	25,041.41	0.05%	0.02%	0.30%
Public Service Enterprise Group Inc	PEG	499.00	81.03	3.11	7.00	40,433.80	0.08%	0.26%	0.57%
Cooper Cos Inc/The	COO	199.51	68.28	n/a	8.50	13,622.71	0.03%		0.23%
Edison International	EIX	384.76	55.65	5.95	6.50	21,412.10	0.04%	0.26%	0.28%
Schlumberger NV	SLB	1360.16	33.05	3.45	14.00	44,953.34	0.09%	0.31%	1.28%
Charles Schwab Corp/The	SCHW	1816.97	88.34	1.22	10.00	160,511.16	0.33%	0.40%	3.26%
Sherwin-Williams Co/The	SHW	250.60	358.81	0.88	12.00	89,917.99	0.18%	0.16%	2.19%
West Pharmaceutical Services Inc	WST	71.85	210.85	0.40	7.50	15,148.59	0.03%	0.01%	0.23%
J M Smucker Co/The	SJM	106.42	112.61	3.84	6.50	11,983.58	0.02%	0.09%	0.16%
Snap-on Inc	SNA	52.29	320.75	2.67	4.50	16,772.34	0.03%	0.09%	0.15%
AMETEK Inc	AME	230.88	178.74	0.69	10.00	41,267.31	0.08%	0.06%	0.84%
Uber Technologies Inc	UBER	2091.17	84.16	n/a		0.00	0.00%		
Southern Co/The	SO	1100.19	90.00	3.29	6.50	99,017.43	0.20%	0.66%	1.31%
Truist Financial Corp	TFC	1309.54	39.50	5.27	5.00	51,726.79	0.10%	0.55%	0.52%
Southwest Airlines Co	LUV	569.87	33.38	2.16	14.50	19,022.12	0.04%	0.08%	0.56%
W R Berkley Corp	WRB	379.36	74.69	0.43	13.50	28,334.09	0.06%	0.02%	0.78%
Stanley Black & Decker Inc	SWK	154.71	65.43	5.01	9.50	10,122.84	0.02%	0.10%	0.20%
Public Storage	PSA	175.43	308.41	3.89	7.00	54,104.78	0.11%	0.43%	0.77%
Arista Networks Inc	ANET	1255.92	86.64	n/a	16.00	108,813.03	0.22%		3.53%
Sysco Corp	SYT	484.75	73.00	2.96	9.50	35,386.87	0.07%	0.21%	0.68%
Corteva Inc	CTVA	683.01	70.80	0.96	9.50	48,357.43	0.10%	0.09%	0.93%
Texas Instruments Inc	TXN	908.47	182.85	2.98	6.50	166,114.12	0.34%	1.00%	2.19%
Textron Inc	TXT	180.54	74.03	0.11	12.00	13,365.29	0.03%	0.00%	0.33%
Thermo Fisher Scientific Inc	TMO	377.49	402.82	0.43	6.00	152,062.10	0.31%	0.13%	1.85%
TJX Cos Inc/The	TJX	1115.62	126.90	1.34	12.50	141,571.62	0.29%	0.38%	3.59%
Globe Life Inc	GL	82.54	121.87	0.89	9.00	10,059.50	0.02%	0.02%	0.18%
Johnson Controls International plc	JCI	658.05	101.37	1.46	11.50	66,706.26	0.14%	0.20%	1.56%
Ulta Beauty Inc	ULTA	44.95	471.46	n/a	4.50	21,190.06	0.04%		0.19%
Union Pacific Corp	UNP	597.48	221.66	2.42	8.00	132,436.44	0.27%	0.65%	2.15%
Keysight Technologies Inc	KEYS	172.81	157.04	n/a	5.50	27,138.16	0.06%		0.30%
UnitedHealth Group Inc	UNH	907.14	301.91	2.78	8.00	273,874.77	0.56%	1.55%	4.45%
Blackstone Inc	BX	729.65	138.76	2.68	16.00	101,245.95	0.21%	0.55%	3.29%
Ventas Inc	VTR	451.30	64.28	2.99	23.00	29,009.46	0.06%	0.18%	1.35%
Labcorp Holdings Inc	LH	83.70	248.97	1.16	1.50	20,838.79	0.04%	0.05%	0.06%
Vulcan Materials Co	VMC	132.10	265.07	0.74	7.50	35,016.68	0.07%	0.05%	0.53%
Weyerhaeuser Co	WY	725.27	25.91	3.24	-2.00	18,791.82	0.04%	0.12%	-0.08%
Williams Cos Inc/The	WMB	1221.01	60.51	3.31	9.50	73,883.10	0.15%	0.50%	1.42%
Constellation Energy Corp	CEG	315.12	306.15	0.51	17.50	96,474.28	0.20%	0.10%	3.43%
WEC Energy Group Inc	WEC	319.13	107.44	3.32	6.00	34,287.70	0.07%	0.23%	0.42%
Adobe Inc	ADBE	426.20	415.09	n/a	13.50	176,911.36	0.36%		4.85%
Vistra Corp	VST	339.33	160.57	0.56		0.00	0.00%	0.00%	
AES Corp/The	AES	711.92	10.09	6.98	14.00	7,183.30	0.01%	0.10%	0.20%



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Expeditors International of Washington Inc	EXPD	136.95	112.73	1.37	-0.50	15,438.15	0.03%	0.04%	-0.02%
Amgen Inc	AMGN	537.71	288.18	3.30	5.50	154,956.15	0.31%	1.04%	1.73%
Apple Inc	AAPL	14935.83	200.85	0.52	11.00	2,999,860.65	6.09%	3.15%	66.96%
Autodesk Inc	ADSK	214.00	296.12	n/a	10.50	63,369.68	0.13%		1.35%
Cintas Corp	CTAS	403.79	226.50	0.69	14.00	91,457.75	0.19%	0.13%	2.60%
Comcast Corp	CMCSA	3724.26	34.57	3.82	7.50	128,747.65	0.26%	1.00%	1.96%
Molson Coors Beverage Co	TAP	189.84	53.59	3.51	11.00	10,173.39	0.02%	0.07%	0.23%
KLA Corp	KLAC	132.24	756.88	1.00	12.50	100,090.89	0.20%	0.20%	2.54%
Marriott International Inc/MD	MAR	273.90	263.83	1.02	9.00	72,262.01	0.15%	0.15%	1.32%
Fiserv Inc	FI	554.43	162.79	n/a	11.00	90,256.28	0.18%		2.01%
McCormick & Co Inc/MD	MKC	252.68	72.73	2.47	6.00	18,377.54	0.04%	0.09%	0.22%
PACCAR Inc	PCAR	524.96	93.85	1.41	14.50	49,267.44	0.10%	0.14%	1.45%
Costco Wholesale Corp	COST	443.68	1040.18	0.50	10.00	461,510.56	0.94%	0.47%	9.36%
Stryker Corp	SYK	382.16	382.64	0.88	9.50	146,231.57	0.30%	0.26%	2.82%
Tyson Foods Inc	TSN	286.23	56.16	3.56	4.00	16,074.42	0.03%	0.12%	0.13%
Lamb Weston Holdings Inc	LW	141.12	55.78	2.65	4.50	7,871.43	0.02%	0.04%	0.07%
Applied Materials Inc	AMAT	802.50	156.75	1.17	8.00	125,791.60	0.26%	0.30%	2.04%
Cardinal Health Inc	CAH	238.68	154.44	1.32	6.50	36,861.28	0.07%	0.10%	0.49%
Cincinnati Financial Corp	CINF	156.30	150.82	2.31	15.50	23,573.71	0.05%	0.11%	0.74%
Paramount Global	PARA	633.46	12.10	1.65	5.50	7,664.81	0.02%	0.03%	0.09%
DR Horton Inc	DHI	307.18	118.06	1.36	3.50	36,265.82	0.07%	0.10%	0.26%
Electronic Arts Inc	EA	250.77	143.78	0.53	12.50	36,055.13	0.07%	0.04%	0.91%
Erie Indemnity Co	ERIE	46.19	358.51	1.52	14.00	16,559.24	0.03%	0.05%	0.47%
Fair Isaac Corp	FICO	24.34	1726.28	n/a	20.50	42,020.57	0.09%		1.75%
Fastenal Co	FAST	1147.24	41.34	2.13	8.00	47,426.95	0.10%	0.20%	0.77%
M&T Bank Corp	MTB	160.52	182.64	2.96	4.50	29,316.65	0.06%	0.18%	0.27%
Xcel Energy Inc	XEL	576.76	70.10	3.25	7.00	40,430.92	0.08%	0.27%	0.57%
Fifth Third Bancorp	FITB	667.49	38.19	3.88	5.00	25,491.53	0.05%	0.20%	0.26%
Gilead Sciences Inc	GILD	1243.93	110.08	2.87	2.50	136,931.72	0.28%	0.80%	0.69%
Hasbro Inc	HAS	140.13	66.71	4.20	8.50	9,348.03	0.02%	0.08%	0.16%
Huntington Bancshares Inc/OH	HBAN	1456.81	15.63	3.97	5.00	22,769.97	0.05%	0.18%	0.23%
Welltower Inc	WELL	653.95	154.28	1.74	22.00	100,891.65	0.20%	0.36%	4.50%
Biogen Inc	BIIB	146.53	129.79	n/a	1.00	19,017.85	0.04%		0.04%
Northern Trust Corp	NTRS	194.54	106.74	2.81	5.00	20,765.05	0.04%	0.12%	0.21%
Packaging Corp of America	PKG	89.98	193.17	2.59	9.00	17,381.44	0.04%	0.09%	0.32%
Paychex Inc	PAYX	360.19	157.91	2.74	8.00	56,877.71	0.12%	0.32%	0.92%
QUALCOMM Inc	QCOM	1098.00	145.20	2.45	5.50	159,429.60	0.32%	0.79%	1.78%
Ross Stores Inc	ROST	328.83	140.09	1.16	9.50	46,066.38	0.09%	0.11%	0.89%
IDEXX Laboratories Inc	IDXX	80.42	513.36	n/a	11.00	41,285.40	0.08%		0.92%
Starbucks Corp	SBUX	1136.40	83.95	2.91	5.00	95,400.78	0.19%	0.56%	0.97%
KeyCorp	KEY	1095.94	15.86	5.17		0.00	0.00%	0.00%	
Fox Corp	FOXA	214.04	54.94	0.98	8.50	11,759.20	0.02%	0.02%	0.20%
Fox Corp	FOX	235.58	50.28	1.07		0.00	0.00%	0.00%	
State Street Corp	STT	285.18	96.28	3.16	7.00	27,457.29	0.06%	0.18%	0.39%
Norwegian Cruise Line Holdings Ltd	NCLH	446.81	17.65	n/a		0.00	0.00%		
US Bancorp	USB	1558.03	43.59	4.59	4.00	67,914.42	0.14%	0.63%	0.55%
A O Smith Corp	AOS	116.24	64.31	2.11	9.00	7,475.33	0.02%	0.03%	0.14%
Gen Digital Inc	GEN	620.23	28.48	1.76	10.50	17,664.14	0.04%	0.06%	0.38%
T Rowe Price Group Inc	TROW	220.32	93.59	5.43	5.50	20,619.38	0.04%	0.23%	0.23%
Waste Management Inc	WM	402.41	240.97	1.37	8.50	96,968.25	0.20%	0.27%	1.67%
Constellation Brands Inc	STZ	177.99	178.29	2.29	6.50	31,734.38	0.06%	0.15%	0.42%
Invesco Ltd	IVZ	447.56	14.46	5.81	10.50	6,471.66	0.01%	0.08%	0.14%

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Intuit Inc	INTU	278.95	753.47	0.55	13.50	210,178.20	0.43%	0.24%	5.76%
Morgan Stanley	MS	1604.32	128.03	2.89	13.50	205,400.98	0.42%	1.20%	5.63%
Microchip Technology Inc	MCHP	539.40	58.04	3.14	-0.50	31,306.74	0.06%	0.20%	-0.03%
CrowdStrike Holdings Inc	CRWD	249.06	471.37	n/a		0.00	0.00%		
Chubb Ltd	CB	400.73	297.20	1.31	11.00	119,095.68	0.24%	0.32%	2.66%
Hologic Inc	HOLX	222.85	62.17	n/a	2.00	13,854.29	0.03%		0.06%
Citizens Financial Group Inc	CFG	433.65	40.35	4.16	5.50	17,497.74	0.04%	0.15%	0.20%
Jabil Inc	JBL	107.35	168.01	0.19	11.50	18,035.09	0.04%	0.01%	0.42%
O'Reilly Automotive Inc	ORLY	56.99	1367.50	n/a	10.50	77,933.09	0.16%		1.66%
Allstate Corp/The	ALL	264.82	209.87	1.91	27.50	55,577.25	0.11%	0.21%	3.10%
Equity Residential	EQR	379.94	70.14	3.95	-3.50	26,649.25	0.05%	0.21%	-0.19%
Keurig Dr Pepper Inc	KDP	1358.18	33.67	2.73	12.00	45,729.86	0.09%	0.25%	1.11%
Host Hotels & Resorts Inc	HST	693.71	15.49	5.16	11.50	10,745.64	0.02%	0.11%	0.25%
Incyte Corp	INCY	193.57	65.06	n/a	33.00	12,593.66	0.03%		0.84%
Simon Property Group Inc	SPG	326.42	163.07	5.15	3.50	53,228.83	0.11%	0.56%	0.38%
Eastman Chemical Co	EMN	115.46	78.37	4.24	3.50	9,048.59	0.02%	0.08%	0.06%
AvalonBay Communities Inc	AVB	142.37	206.77	3.39	6.00	29,437.47	0.06%	0.20%	0.36%
Prudential Financial Inc	PRU	354.00	103.89	5.20	4.00	36,777.06	0.07%	0.39%	0.30%
United Parcel Service Inc	UPS	733.73	97.54	6.73	0.50	71,567.74	0.15%	0.98%	0.07%
Walgreens Boots Alliance Inc	WBA	864.74	11.25	n/a	-11.00	9,728.30	0.02%		-0.22%
STERIS PLC	STE	98.37	245.21	0.93	8.00	24,121.87	0.05%	0.05%	0.39%
McKesson Corp	MCK	125.11	719.51	0.39	10.00	90,019.51	0.18%	0.07%	1.83%
Lockheed Martin Corp	LMT	234.30	482.38	2.74	12.50	113,019.68	0.23%	0.63%	2.87%
Cencora Inc	COR	193.82	291.24	0.76	6.50	56,449.15	0.11%	0.09%	0.74%
Capital One Financial Corp	COF	639.62	189.15	1.27	9.50	120,984.63	0.25%	0.31%	2.33%
The Campbell's Company	CPB	298.18	34.04	4.58	6.00	10,150.11	0.02%	0.09%	0.12%
Waters Corp	WAT	59.51	349.24	n/a	6.50	20,782.95	0.04%		0.27%
Nordson Corp	NDSN	56.51	211.99	1.47	8.50	11,979.33	0.02%	0.04%	0.21%
Dollar Tree Inc	DLTR	210.15	90.26	n/a	22.00	18,967.94	0.04%		0.85%
Darden Restaurants Inc	DRI	117.03	214.21	2.61	10.50	25,068.19	0.05%	0.13%	0.53%
Evergy Inc	EVER	229.75	66.41	4.02	7.50	15,257.43	0.03%	0.12%	0.23%
Match Group Inc	MATCH	245.23	29.94	2.54	11.00	7,342.05	0.01%	0.04%	0.16%
NVR Inc	NVR	2.92	7115.93	n/a	1.50	20,805.77	0.04%		0.06%
NetApp Inc	NTAP	203.41	99.16	2.10	9.00	20,170.29	0.04%	0.09%	0.37%
Old Dominion Freight Line Inc	ODFL	211.33	160.17	0.70	7.00	33,847.99	0.07%	0.05%	0.48%
DaVita Inc	DVA	75.50	136.26	n/a	10.50	10,287.63	0.02%		0.22%
Hartford Insurance Group Inc/The	HIG	284.10	129.84	1.60	7.00	36,887.93	0.07%	0.12%	0.52%
Iron Mountain Inc	IRM	295.04	98.71	3.18	3.50	29,123.78	0.06%	0.19%	0.21%
Estee Lauder Cos Inc/The	EL	234.21	66.94	2.09	3.50	15,678.01	0.03%	0.07%	0.11%
Cadence Design Systems Inc	CDNS	273.04	287.07	n/a	12.00	78,382.17	0.16%		1.91%
Tyler Technologies Inc	TYL	43.12	576.99	n/a	10.50	24,881.86	0.05%		0.53%
Universal Health Services Inc	UHS	57.19	190.35	0.42	13.00	10,886.06	0.02%	0.01%	0.29%
Skyworks Solutions Inc	SKWKS	150.13	69.03	4.06		0.00	0.00%	0.00%	
Quest Diagnostics Inc	DGX	111.64	173.34	1.85	3.50	19,350.89	0.04%	0.07%	0.14%
Rockwell Automation Inc	ROK	112.72	315.55	1.66	8.00	35,567.68	0.07%	0.12%	0.58%
Kraft Heinz Co/The	KHC	1183.54	26.73	5.99	4.50	31,636.08	0.06%	0.38%	0.29%
American Tower Corp	AMT	468.14	214.65	3.17	11.00	100,485.88	0.20%	0.65%	2.24%
Regeneron Pharmaceuticals Inc	REGN	106.15	490.28	0.72	3.50	52,042.41	0.11%	0.08%	0.37%
Amazon.com Inc	AMZN	10616.35	205.01	n/a	24.50	2,176,458.41	4.42%		108.20%
Jack Henry & Associates Inc	JKHY	72.82	181.17	1.28	5.50	13,192.07	0.03%	0.03%	0.15%
Ralph Lauren Corp	RL	38.44	276.81	1.32	12.00	10,641.28	0.02%	0.03%	0.26%
BXP Inc	BXP	158.32	67.33	5.82	1.50	10,660.00	0.02%	0.13%	0.03%

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Amphenol Corp	APH	1209.60	89.93	0.73	14.00	108,779.25	0.22%	0.16%	3.09%
Howmet Aerospace Inc	HWM	403.67	169.89	0.24	12.00	68,580.19	0.14%	0.03%	1.67%
Valero Energy Corp	VLO	313.21	128.97	3.50	-8.00	40,394.19	0.08%	0.29%	-0.66%
Synopsys Inc	SNPS	155.16	463.98	n/a	12.00	71,991.57	0.15%		1.75%
CH Robinson Worldwide Inc	CHRW	118.73	95.97	2.58	5.00	11,394.58	0.02%	0.06%	0.12%
Accenture PLC	ACN	626.03	316.82	1.87	12.50	198,337.50	0.40%	0.75%	5.03%
TransDigm Group Inc	TDG	56.17	1468.43	n/a	19.00	82,477.44	0.17%		3.18%
Yum! Brands Inc	YUM	277.96	143.94	1.97	8.50	40,010.21	0.08%	0.16%	0.69%
Prologis Inc	PLD	926.18	108.60	3.72	2.50	100,582.61	0.20%	0.76%	0.51%
FirstEnergy Corp	FE	577.13	41.94	4.24	4.50	24,204.67	0.05%	0.21%	0.22%
VeriSign Inc	VRSN	93.90	272.47	1.13	10.50	25,584.93	0.05%	0.06%	0.55%
Quanta Services Inc	PWR	148.20	342.56	0.12	17.50	50,766.95	0.10%	0.01%	1.80%
Henry Schein Inc	HSIC	121.72	69.99	n/a	10.50	8,519.15	0.02%		0.18%
Ameren Corp	AEE	276.42	96.88	2.93	6.50	26,779.45	0.05%	0.16%	0.35%
ANSYS Inc	ANSS	87.92	330.82	n/a	9.50	29,084.42	0.06%		0.56%
FactSet Research Systems Inc	FDS	37.95	458.26	0.96	8.00	17,389.62	0.04%	0.03%	0.28%
NVIDIA Corp	NVDA	24400.00	135.13	0.03	41.00	3,297,172.00	6.69%	0.20%	274.31%
Cognizant Technology Solutions Corp	CTSH	492.94	80.99	1.53	9.00	39,923.37	0.08%	0.12%	0.73%
Intuitive Surgical Inc	ISRG	358.42	552.34	n/a	14.50	197,968.74	0.40%		5.82%
Take-Two Interactive Software Inc	TTWO	182.61	226.28	n/a		0.00	0.00%		
Republic Services Inc	RSG	312.50	257.29	0.90	11.00	80,402.36	0.16%	0.15%	1.79%
eBay Inc	EBAY	461.00	73.17	1.59	12.00	33,731.37	0.07%	0.11%	0.82%
Goldman Sachs Group Inc/The	GS	306.84	600.45	2.00	11.50	184,242.76	0.37%	0.75%	4.30%
SBA Communications Corp	SBAC	107.45	231.89	1.91	19.00	24,916.99	0.05%	0.10%	0.96%
Sempra	SRE	652.17	78.59	3.28	5.50	51,254.07	0.10%	0.34%	0.57%
Moody's Corp	MCO	179.90	479.32	0.78	8.00	86,229.67	0.17%	0.14%	1.40%
ON Semiconductor Corp	ON	417.89	42.02	n/a	4.50	17,559.54	0.04%		0.16%
Booking Holdings Inc	BKNG	32.54	5518.93	0.70	22.00	179,587.86	0.36%	0.25%	8.02%
F5 Inc	FFIV	57.43	285.38	n/a	10.00	16,389.82	0.03%		0.33%
Akamai Technologies Inc	AKAM	146.21	75.93	n/a	8.00	11,101.45	0.02%		0.18%
Charles River Laboratories International Inc	CRL	49.12	135.63	n/a	4.50	6,661.56	0.01%		0.06%
MarketAxess Holdings Inc	MKTX	37.50	216.41	1.40	10.00	8,115.73	0.02%	0.02%	0.16%
Devon Energy Corp	DVN	642.10	30.26	3.17	1.50	19,429.95	0.04%	0.13%	0.06%
Bio-Techne Corp	TECH	156.77	48.40	0.66	10.00	7,587.54	0.02%	0.01%	0.15%
Alphabet Inc	GOOGL	5820.00	171.74	0.49		0.00	0.00%	0.00%	
Allegion plc	ALLE	86.05	142.70	1.43	7.50	12,279.23	0.02%	0.04%	0.19%
Netflix Inc	NFLX	425.57	1207.23	n/a	16.50	513,762.40	1.04%		17.20%
Warner Bros Discovery Inc	WBD	2474.08	9.97	n/a		0.00	0.00%		
Agilent Technologies Inc	A	285.10	111.92	0.89	6.50	31,908.70	0.06%	0.06%	0.42%
Elevance Health Inc	ELV	225.93	383.84	1.78	9.50	86,722.74	0.18%	0.31%	1.67%
Trimble Inc	TRMB	238.59	71.27	n/a	6.00	17,004.09	0.03%		0.21%
CME Group Inc	CME	360.36	289.00	1.73	5.50	104,142.92	0.21%	0.37%	1.16%
Juniper Networks Inc	JNPR	334.38	35.93	2.45	7.00	12,014.37	0.02%	0.06%	0.17%
DTE Energy Co	DTE	207.52	136.65	3.19	4.50	28,357.30	0.06%	0.18%	0.26%
Nasdaq Inc	NDAQ	574.12	83.54	1.29	4.50	47,962.12	0.10%	0.13%	0.44%
Philip Morris International Inc	PM	1556.52	180.59	2.99	5.00	281,091.44	0.57%	1.71%	2.85%
Salesforce Inc	CRM	956.00	265.37	0.63	22.00	253,693.72	0.51%	0.32%	11.33%
Ingersoll Rand Inc	IR	403.46	81.64	0.10	10.50	32,938.70	0.07%	0.01%	0.70%
Huntington Ingalls Industries Inc	HII	39.24	223.06	2.42	10.00	8,752.68	0.02%	0.04%	0.18%
Roper Technologies Inc	ROP	107.52	570.27	0.58	7.50	61,312.81	0.12%	0.07%	0.93%
MetLife Inc	MET	671.30	78.58	2.89	7.50	52,750.58	0.11%	0.31%	0.80%
Tapestry Inc	TPR	207.69	78.55	1.78	9.50	16,314.06	0.03%	0.06%	0.31%

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Value Line Long-Term Growth Estimate (%)	Market Cap Excl. n/a Growth	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
CSX Corp	CSX	1878.55	31.59	1.65	6.00	59,343.26	0.12%	0.20%	0.72%
Edwards Lifesciences Corp	EW	586.60	78.22	n/a	6.50	45,883.85	0.09%		0.61%
Ameriprise Financial Inc	AMP	95.22	509.24	1.26	10.00	48,491.19	0.10%	0.12%	0.98%
Zebra Technologies Corp	ZBRA	50.85	289.77	n/a	3.00	14,736.06	0.03%		0.09%
Zimmer Biomet Holdings Inc	ZBH	197.85	92.17	1.04	6.50	18,235.64	0.04%	0.04%	0.24%
CBRE Group Inc	CBRE	298.10	125.02	n/a	6.00	37,269.07	0.08%		0.45%
Camden Property Trust	CPT	106.84	117.49	3.57	-6.50	12,552.39	0.03%	0.09%	-0.17%
Mastercard Inc	MA	901.26	585.60	0.52	11.00	527,779.71	1.07%	0.56%	11.78%
CarMax Inc	KMX	152.33	64.46	n/a	2.50	9,819.49	0.02%		0.05%
Intercontinental Exchange Inc	ICE	573.63	179.80	1.07	6.50	103,138.00	0.21%	0.22%	1.36%
Smurfit WestRock PLC	SW	522.01	43.33	3.98		0.00	0.00%	0.00%	
Fidelity National Information Services Inc	FIS	525.40	79.61	2.01	7.00	41,826.70	0.08%	0.17%	0.59%
Chipotle Mexican Grill Inc	CMG	1347.36	50.08	n/a	19.00	67,475.99	0.14%		2.60%
Wynn Resorts Ltd	WYNN	104.55	90.54	1.10	27.00	9,466.35	0.02%	0.02%	0.52%
Live Nation Entertainment Inc	LYV	234.09	137.19	n/a		0.00	0.00%		
Assurant Inc	AIZ	50.70	202.98	1.58	10.50	10,291.56	0.02%	0.03%	0.22%
NRG Energy Inc	NRG	195.51	155.90	1.13	18.50	30,480.08	0.06%	0.07%	1.14%
Regions Financial Corp	RF	898.93	21.44	4.66	5.00	19,273.06	0.04%	0.18%	0.20%
Monster Beverage Corp	MNST	975.25	63.95	n/a	12.00	62,366.99	0.13%		1.52%
Mosaic Co/The	MOS	317.23	36.14	2.43	-9.00	11,464.72	0.02%	0.06%	-0.21%
Baker Hughes Co	BKR	990.75	37.05	2.48	21.50	36,707.29	0.07%	0.18%	1.60%
Expedia Group Inc	EXPE	121.60	166.75	0.96	39.00	20,276.37	0.04%	0.04%	1.60%
CF Industries Holdings Inc	CF	162.01	90.71	2.20		0.00	0.00%	0.00%	
Leidos Holdings Inc	LDOS	128.72	148.52	1.08	10.00	19,117.33	0.04%	0.04%	0.39%
APA Corp	APA	360.85	17.01	5.88	7.00	6,137.98	0.01%	0.07%	0.09%
TKO Group Holdings Inc	TKO	81.75	157.81	0.96		0.00	0.00%	0.00%	
Alphabet Inc	GOOG	5459.00	172.85	0.49	12.50	943,588.15	1.91%	0.93%	23.93%
First Solar Inc	FSLR	107.24	158.08	n/a	34.50	16,953.21	0.03%		1.19%
Visa Inc	V	1710.99	365.19	0.65	13.50	624,834.63	1.27%	0.82%	17.12%
Mid-America Apartment Communities Inc	MAA	117.06	156.65	3.87	-13.50	18,337.09	0.04%	0.14%	-0.50%
Xylem Inc/NY	XYL	243.35	126.04	1.27	11.00	30,671.96	0.06%	0.08%	0.68%
Marathon Petroleum Corp	MPC	307.21	160.74	2.26	-8.00	49,381.55	0.10%	0.23%	-0.80%
Advanced Micro Devices Inc	AMD	1621.40	110.73	n/a	17.00	179,538.09	0.36%		6.19%
Tractor Supply Co	TSCO	530.20	48.40	1.90	10.00	25,661.82	0.05%	0.10%	0.52%
ResMed Inc	RMD	146.63	244.79	0.87	11.00	35,892.92	0.07%	0.06%	0.80%
Mettler-Toledo International Inc	MTD	20.78	1155.52	n/a	9.50	24,014.93	0.05%		0.46%
Jacobs Solutions Inc	J	120.16	126.30	1.01	8.00	15,175.73	0.03%	0.03%	0.25%
Copart Inc	CPRT	966.09	51.48	n/a	8.00	49,734.47	0.10%		0.81%
VICI Properties Inc	VICI	1056.70	31.71	5.46	9.50	33,508.04	0.07%	0.37%	0.65%
Fortinet Inc	FTNT	765.42	101.78	n/a	13.00	77,904.09	0.16%		2.06%
Albemarle Corp	ALB	117.66	55.76	2.91	-3.50	6,560.77	0.01%	0.04%	-0.05%
Moderna Inc	MRNA	386.74	26.56	n/a		0.00	0.00%		
Essex Property Trust Inc	ESS	64.39	283.90	3.62	3.00	18,278.95	0.04%	0.13%	0.11%
CoStar Group Inc	CSGP	421.89	73.56	n/a	11.50	31,033.98	0.06%		0.72%
Realty Income Corp	O	903.08	56.62	5.69	5.00	51,132.39	0.10%	0.59%	0.52%
Palantir Technologies Inc	PLTR	2262.91	131.78	n/a		0.00	0.00%		
Westinghouse Air Brake Technologies Corp	WAB	171.13	202.32	0.49	16.00	34,622.28	0.07%	0.03%	1.12%
Pool Corp	POOL	37.59	300.59	1.66	2.50	11,300.65	0.02%	0.04%	0.06%
Western Digital Corp	WDC	348.88	51.55	0.78	13.50	17,984.68	0.04%	0.03%	0.49%
PepsiCo Inc	PEP	1371.08	131.45	4.33	6.00	180,228.41	0.37%	1.58%	2.19%
TE Connectivity PLC	TEL	296.55	160.07	1.77	10.50	47,468.20	0.10%	0.17%	1.01%
Diamondback Energy Inc	FANG	292.17	134.55	2.97	1.50	39,311.20	0.08%	0.24%	0.12%

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Value Line Long-Term Growth Estimate (%)	Market Cap Excl. n/a Growth	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
Palo Alto Networks Inc	PANW	666.80	192.42	n/a	37.00	128,305.66	0.26%		9.63%
ServiceNow Inc	NOW	207.00	1011.09	n/a	26.00	209,295.63	0.42%		11.04%
Church & Dwight Co Inc	CHD	246.28	98.31	1.20	6.00	24,211.53	0.05%	0.06%	0.29%
Federal Realty Investment Trust	FRT	86.26	95.48	4.61	2.50	8,236.18	0.02%	0.08%	0.04%
Amentum Holdings Inc	AMTM	243.32	20.66	n/a		0.00	0.00%		
MGM Resorts International	MGM	272.15	31.65	n/a	25.00	8,613.52	0.02%		0.44%
American Electric Power Co Inc	AEP	534.20	103.49	3.59	6.50	55,283.84	0.11%	0.40%	0.73%
Invitation Homes Inc	INVH	612.95	33.70	3.44	7.00	20,656.39	0.04%	0.14%	0.29%
PTC Inc	PTC	119.95	168.32	n/a	29.00	20,189.62	0.04%		1.19%
JB Hunt Transport Services Inc	JBHT	99.19	138.85	1.27	7.50	13,773.17	0.03%	0.04%	0.21%
Lam Research Corp	LRCX	1279.12	80.79	1.14	11.00	103,339.94	0.21%	0.24%	2.31%
Mohawk Industries Inc	MHK	62.52	100.61	n/a	2.00	6,290.61	0.01%		0.03%
Pentair PLC	PNR	164.53	99.18	1.01	12.00	16,317.79	0.03%	0.03%	0.40%
GE HealthCare Technologies Inc	GEHC	457.89	70.54	0.20		0.00	0.00%	0.00%	
Vertex Pharmaceuticals Inc	VRTX	256.80	442.05	n/a	10.00	113,517.20	0.23%		2.30%
Amcor PLC	AMCR	2284.89	9.11	5.60	11.50	20,815.38	0.04%	0.24%	0.49%
Meta Platforms Inc	META	2171.15	647.49	0.32	17.00	1,405,796.68	2.85%	0.93%	48.49%
T-Mobile US Inc	TMUS	1135.45	242.20	1.45	18.00	275,004.81	0.56%	0.81%	10.04%
United Rentals Inc	URI	65.00	708.38	1.01	9.50	46,044.02	0.09%	0.09%	0.89%
Honeywell International Inc	HON	642.68	226.67	1.99	9.50	145,676.94	0.30%	0.59%	2.81%
Alexandria Real Estate Equities Inc	ARE	172.99	70.19	7.52	8.50	12,142.09	0.02%	0.19%	0.21%
Delta Air Lines Inc	DAL	652.95	48.39	1.24	6.50	31,596.40	0.06%	0.08%	0.42%
Seagate Technology Holdings PLC	STX	212.22	117.94	2.44	22.50	25,028.93	0.05%	0.12%	1.14%
United Airlines Holdings Inc	UAL	327.70	79.45	n/a	14.00	26,034.43	0.05%		0.74%
News Corp	NWS	188.91	32.72	0.61		0.00	0.00%	0.00%	
Centene Corp	CNC	497.60	56.44	n/a	9.50	28,084.71	0.06%		0.54%
Martin Marietta Materials Inc	MLM	60.29	547.55	0.58	10.50	33,009.28	0.07%	0.04%	0.70%
Apollo Global Management Inc	APO	571.49	130.69	1.56	23.50	74,688.58	0.15%	0.24%	3.56%
Teradyne Inc	TER	160.42	78.60	0.61	15.00	12,609.03	0.03%	0.02%	0.38%
PayPal Holdings Inc	PYPL	972.53	70.28	n/a	13.50	68,349.61	0.14%		1.87%
Tesla Inc	TSLA	3220.96	346.46	n/a	16.50	1,115,932.49	2.26%		37.36%
Blackrock Inc	BLK	154.93	979.89	2.13	9.50	151,810.61	0.31%	0.66%	2.93%
Arch Capital Group Ltd	ACGL	374.75	95.04	n/a	10.00	35,616.67	0.07%		0.72%
KKR & Co Inc	KKR	890.64	121.46	0.61	5.00	108,177.37	0.22%	0.13%	1.10%
Dow Inc	DOW	705.76	27.74	10.09	6.50	19,577.91	0.04%	0.40%	0.26%
Everest Group Ltd	EG	42.53	347.19	2.30	14.50	14,767.63	0.03%	0.07%	0.43%
Teledyne Technologies Inc	TDY	46.86	498.86	n/a	8.00	23,376.26	0.05%		0.38%
GE Vernova Inc	GEV	272.93	472.98	0.21		0.00	0.00%	0.00%	
Domino's Pizza Inc	DPZ	34.24	473.82	1.47	13.50	16,224.30	0.03%	0.05%	0.44%
News Corp	NWSA	377.20	28.24	0.71	17.00	10,652.21	0.02%	0.02%	0.37%
Exelon Corp	EXC	1009.54	43.82	3.65		0.00	0.00%	0.00%	
Global Payments Inc	GPN	243.88	75.61	1.32	11.00	18,439.77	0.04%	0.05%	0.41%
Crown Castle Inc	CCI	435.46	100.35	4.24		0.00	0.00%	0.00%	
Align Technology Inc	ALGN	72.48	180.94	n/a	17.00	13,115.41	0.03%		0.45%
Kenvue Inc	KVUE	1919.91	23.87	3.44		0.00	0.00%	0.00%	
Targa Resources Corp	TRGP	216.93	157.93	2.53	22.00	34,260.05	0.07%	0.18%	1.53%
Bunge Global SA	BG	134.40	78.15	3.58	1.50	10,503.75	0.02%	0.08%	0.03%
Deckers Outdoor Corp	DECK	149.44	105.52	n/a	16.00	15,768.47	0.03%		0.51%
LKQ Corp	LKQ	258.15	40.47	2.97	7.00	10,447.24	0.02%	0.06%	0.15%
Workday Inc	WDAY	216.00	247.71	n/a	12.00	53,505.36	0.11%		1.30%
Zoetis Inc	ZTS	445.21	168.63	1.19	7.50	75,075.43	0.15%	0.18%	1.14%
Coinbase Global Inc	COIN	211.41	246.62	n/a		0.00	0.00%		

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Value Line Long-Term Growth Estimate (%)	Market Cap Excl. n/a Growth	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
Digital Realty Trust Inc	DLR	336.79	171.52	2.85	8.00	57,766.48	0.12%	0.33%	0.94%
Equinix Inc	EQIX	97.82	888.82	2.11	15.00	86,943.47	0.18%	0.37%	2.65%
Las Vegas Sands Corp	LVS	706.63	41.16	2.43		0.00	0.00%	0.00%	
Molina Healthcare Inc	MOH	54.20	305.04	n/a	10.50	16,533.17	0.03%		0.35%

CAPITAL ASSET PRICING MODEL -- CURRENT RISK-FREE RATE & VL BETA  
 $K = R_f + \beta (R_m - R_f)$

		[1]	[2]	[3]	[4]	[5]
		Current 30-day average 30- year U.S. Treasury bond		Forward Market Return (R <sub>m</sub> )	Market Risk Premium (R <sub>m</sub> - R <sub>f</sub> )	ROE (K)
Company	Ticker	yield	Beta (β)			
Alliant Energy Corporation	LNT	4.86%	0.95	15.38%	10.52%	14.86%
Ameren Corporation	AEE	4.86%	0.90	15.38%	10.52%	14.33%
American Electric Power Company, Inc.	AEP	4.86%	0.85	15.38%	10.52%	13.81%
Dominion Resources, Inc.	D	4.86%	0.75	15.38%	10.52%	12.75%
Duke Energy Corporation	DUK	4.86%	0.70	15.38%	10.52%	12.23%
Edison International	EIX	4.86%	0.90	15.38%	10.52%	14.33%
Entergy Corporation	ETR	4.86%	1.00	15.38%	10.52%	15.38%
Eversource Energy	EVER	4.86%	0.95	15.38%	10.52%	14.86%
FirstEnergy Corporation	FE	4.86%	0.75	15.38%	10.52%	12.75%
IDACORP, Inc.	IDA	4.86%	0.75	15.38%	10.52%	12.75%
OGE Energy Corporation	OGE	4.86%	1.05	15.38%	10.52%	15.91%
Pinnacle West Capital Corporation	PNW	4.86%	0.80	15.38%	10.52%	13.28%
Portland General Electric Company	POR	4.86%	0.80	15.38%	10.52%	13.28%
PPL Corporation	PPL	4.86%	0.90	15.38%	10.52%	14.33%
Southern Company	SO	4.86%	0.75	15.38%	10.52%	12.75%
Xcel Energy Inc.	XEL	4.86%	0.75	15.38%	10.52%	12.75%
PROXY GROUP MEAN			0.847			13.77%

Notes:

[1] Source: Bloomberg Professional, as of May 30, 2025

[2] Source: Value Line, as of May 30, 2025

[3] Source: JMC-15.1 SP500 MRP 1, 2 & 3

[4] Equals [3] - [1]

[5] Equals [1] + [2] x [4]

CAPITAL ASSET PRICING MODEL -- CURRENT RISK-FREE RATE & BLOOMBERG BETA  
 $K = R_f + \beta (R_m - R_f)$

		[1]	[2]	[3]	[4]	[5]
		Current 30-day average 30- year U.S. Treasury bond		Forward Market Return	Market Risk Premium (Rm - Rf)	
Company	Ticker	yield	Beta ( $\beta$ )	(Rm)		ROE (K)
Alliant Energy Corporation	LNT	4.86%	0.63	15.38%	10.52%	11.45%
Ameren Corporation	AEE	4.86%	0.64	15.38%	10.52%	11.58%
American Electric Power Company, Inc.	AEP	4.86%	0.56	15.38%	10.52%	10.77%
Dominion Resources, Inc.	D	4.86%	0.60	15.38%	10.52%	11.16%
Duke Energy Corporation	DUK	4.86%	0.51	15.38%	10.52%	10.24%
Edison International	EIX	4.86%	0.74	15.38%	10.52%	12.61%
Entergy Corporation	ETR	4.86%	0.68	15.38%	10.52%	12.07%
Eversource Energy	EVER	4.86%	0.60	15.38%	10.52%	11.14%
FirstEnergy Corporation	FE	4.86%	0.62	15.38%	10.52%	11.41%
IDACORP, Inc.	IDA	4.86%	0.58	15.38%	10.52%	11.01%
OGE Energy Corporation	OGE	4.86%	0.70	15.38%	10.52%	12.22%
Pinnacle West Capital Corporation	PNW	4.86%	0.66	15.38%	10.52%	11.84%
Portland General Electric Company	POR	4.86%	0.60	15.38%	10.52%	11.21%
PPL Corporation	PPL	4.86%	0.65	15.38%	10.52%	11.68%
Southern Company	SO	4.86%	0.59	15.38%	10.52%	11.12%
Xcel Energy Inc.	XEL	4.86%	0.60	15.38%	10.52%	11.13%
PROXY GROUP MEAN			0.623			11.41%

Notes:

[1] Source: Bloomberg Professional, as of May 30, 2025

[2] Source: Bloomberg Professional, 5-Year Betas as of May 30, 2025

[3] Source: JMC-15.1 SP500 MRP 1, 2 & 3

[4] Equals [3] - [1]

[5] Equals [1] + [2] x [4]



CAPITAL ASSET PRICING MODEL -- LONG-TERM PROJECTED RISK-FREE RATE & VL BETA  
 $K = R_f + \beta (R_m - R_f)$

		[1]	[2]	[3]	[4]	[5]
		Projected 30- year U.S. Treasury bond yield (2027 - 2031)	Beta ( $\beta$ )	Forward Market Return ( $R_m$ )	Market Risk Premium ( $R_m$ - $R_f$ )	ROE (K)
Company	Ticker					
Alliant Energy Corporation	LNT	4.40%	0.95	15.38%	10.98%	14.83%
Ameren Corporation	AEE	4.40%	0.90	15.38%	10.98%	14.29%
American Electric Power Company, Inc.	AEP	4.40%	0.85	15.38%	10.98%	13.74%
Dominion Resources, Inc.	D	4.40%	0.75	15.38%	10.98%	12.64%
Duke Energy Corporation	DUK	4.40%	0.70	15.38%	10.98%	12.09%
Edison International	EIX	4.40%	0.90	15.38%	10.98%	14.29%
Entergy Corporation	ETR	4.40%	1.00	15.38%	10.98%	15.38%
Eversource, Inc.	EVERG	4.40%	0.95	15.38%	10.98%	14.83%
FirstEnergy Corporation	FE	4.40%	0.75	15.38%	10.98%	12.64%
IDACORP, Inc.	IDA	4.40%	0.75	15.38%	10.98%	12.64%
OGE Energy Corporation	OGE	4.40%	1.05	15.38%	10.98%	15.93%
Pinnacle West Capital Corporation	PNW	4.40%	0.80	15.38%	10.98%	13.19%
Portland General Electric Company	POR	4.40%	0.80	15.38%	10.98%	13.19%
PPL Corporation	PPL	4.40%	0.90	15.38%	10.98%	14.29%
Southern Company	SO	4.40%	0.75	15.38%	10.98%	12.64%
Xcel Energy Inc.	XEL	4.40%	0.75	15.38%	10.98%	12.64%
PROXY GROUP MEAN			0.847			13.70%

Notes:

[1] Source: Blue Chip Financial Forecasts, Vol. 44, No. 6, June 2, 2025, at 14

[2] Source: Value Line, as of May 30, 2025

[3] Source: JMC-15.1 SP500 MRP 1, 2 & 3

[4] Equals [3] - [1]

[5] Equals [1] + [2] x [4]

CAPITAL ASSET PRICING MODEL -- LONG-TERM PROJECTED RISK-FREE RATE & BLOOMBERG BETA  
 $K = R_f + \beta (R_m - R_f)$

		[1]	[2]	[3]	[4]	[5]
		Projected 30- year U.S. Treasury bond yield (2027 - 2031)	Beta ( $\beta$ )	Forward Market Return ( $R_m$ )	Market Risk Premium ( $R_m$ - $R_f$ )	ROE (K)
Company	Ticker					
Alliant Energy Corporation	LNT	4.40%	0.63	15.38%	10.98%	11.27%
Ameren Corporation	AEE	4.40%	0.64	15.38%	10.98%	11.41%
American Electric Power Company, Inc.	AEP	4.40%	0.56	15.38%	10.98%	10.56%
Dominion Resources, Inc.	D	4.40%	0.60	15.38%	10.98%	10.98%
Duke Energy Corporation	DUK	4.40%	0.51	15.38%	10.98%	10.01%
Edison International	EIX	4.40%	0.74	15.38%	10.98%	12.49%
Entergy Corporation	ETR	4.40%	0.68	15.38%	10.98%	11.92%
Eversource, Inc.	EVERG	4.40%	0.60	15.38%	10.98%	10.95%
FirstEnergy Corporation	FE	4.40%	0.62	15.38%	10.98%	11.23%
IDACORP, Inc.	IDA	4.40%	0.58	15.38%	10.98%	10.82%
OGE Energy Corporation	OGE	4.40%	0.70	15.38%	10.98%	12.08%
Pinnacle West Capital Corporation	PNW	4.40%	0.66	15.38%	10.98%	11.68%
Portland General Electric Company	POR	4.40%	0.60	15.38%	10.98%	11.02%
PPL Corporation	PPL	4.40%	0.65	15.38%	10.98%	11.51%
Southern Company	SO	4.40%	0.59	15.38%	10.98%	10.93%
Xcel Energy Inc.	XEL	4.40%	0.60	15.38%	10.98%	10.94%
PROXY GROUP MEAN			0.623			11.24%

Notes:

[1] Source: Blue Chip Financial Forecasts, Vol. 44, No. 6, June 2, 2025, at 14

[2] Source: Bloomberg Professional, 5-Year Betas as of May 30, 2025

[3] Source: JMC-15.1 SP500 MRP 1, 2 & 3

[4] Equals [3] - [1]

[5] Equals [1] + [2] x [4]

Risk Premium -- Vertically Integrated Electric  
Utilities

	[1]	[2]	[3]
	Average Authorized Electric ROE	U.S. Govt. 30-year Treasury	Risk Premium
1992.1	12.38%	7.80%	4.58%
1992.2	11.83%	7.89%	3.93%
1992.3	12.03%	7.45%	4.59%
1992.4	12.14%	7.52%	4.62%
1993.1	11.84%	7.07%	4.77%
1993.2	11.64%	6.86%	4.79%
1993.3	11.15%	6.31%	4.84%
1993.4	11.04%	6.14%	4.90%
1994.1	11.07%	6.57%	4.49%
1994.2	11.13%	7.35%	3.78%
1994.3	12.75%	7.58%	5.17%
1994.4	11.24%	7.96%	3.28%
1995.1	11.96%	7.63%	4.34%
1995.2	11.32%	6.94%	4.37%
1995.3	11.37%	6.71%	4.66%
1995.4	11.58%	6.23%	5.35%
1996.1	11.46%	6.29%	5.17%
1996.2	11.46%	6.92%	4.54%
1996.3	10.70%	6.96%	3.74%
1996.4	11.56%	6.62%	4.94%
1997.1	11.08%	6.81%	4.27%
1997.2	11.62%	6.93%	4.68%
1997.3	12.00%	6.53%	5.47%
1997.4	11.06%	6.14%	4.92%
1998.1	11.31%	5.88%	5.43%
1998.2	12.20%	5.85%	6.35%
1998.3	11.65%	5.47%	6.18%
1998.4	12.30%	5.10%	7.20%
1999.1	10.40%	5.37%	5.03%
1999.2	10.94%	5.79%	5.15%
1999.3	10.75%	6.04%	4.71%
1999.4	11.10%	6.25%	4.85%
2000.1	11.21%	6.29%	4.92%
2000.2	11.00%	5.97%	5.03%
2000.3	11.68%	5.79%	5.89%
2000.4	12.50%	5.69%	6.81%
2001.1	11.38%	5.44%	5.93%
2001.2	11.00%	5.70%	5.30%
2001.3	10.76%	5.52%	5.23%
2001.4	11.99%	5.30%	6.70%
2002.1	10.05%	5.51%	4.54%
2002.2	11.41%	5.61%	5.79%
2002.3	11.65%	5.08%	6.57%
2002.4	11.65%	4.93%	6.72%
2003.1	11.72%	4.85%	6.87%
2003.2	11.16%	4.60%	6.56%
2003.3	10.50%	5.11%	5.39%
2003.4	11.34%	5.11%	6.23%
2004.1	11.00%	4.88%	6.12%

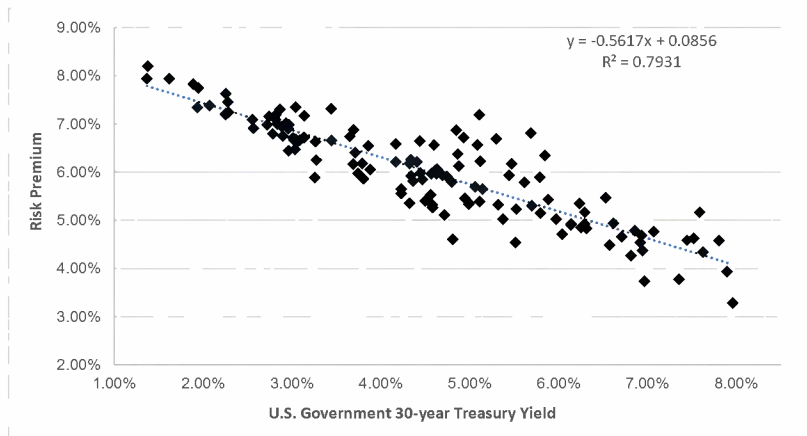
Risk Premium -- Vertically Integrated Electric  
Utilities

	[1]	[2]	[3]
	Average Authorized Electric ROE	U.S. Govt. 30-year Treasury	Risk Premium
2004.2	10.64%	5.32%	5.32%
2004.3	10.75%	5.06%	5.69%
2004.4	11.24%	4.86%	6.38%
2005.1	10.63%	4.69%	5.93%
2005.2	10.31%	4.47%	5.85%
2005.3	11.08%	4.44%	6.65%
2005.4	10.63%	4.68%	5.95%
2006.1	10.70%	4.63%	6.06%
2006.2	10.79%	5.14%	5.65%
2006.3	10.35%	4.99%	5.35%
2006.4	10.65%	4.74%	5.91%
2007.1	10.59%	4.80%	5.80%
2007.2	10.33%	4.99%	5.34%
2007.3	10.40%	4.95%	5.45%
2007.4	10.65%	4.61%	6.04%
2008.1	10.62%	4.41%	6.21%
2008.2	10.54%	4.57%	5.97%
2008.3	10.43%	4.44%	5.98%
2008.4	10.39%	3.65%	6.74%
2009.1	10.75%	3.44%	7.31%
2009.2	10.75%	4.17%	6.58%
2009.3	10.50%	4.32%	6.18%
2009.4	10.59%	4.34%	6.26%
2010.1	10.59%	4.62%	5.97%
2010.2	10.18%	4.36%	5.82%
2010.3	10.40%	3.86%	6.55%
2010.4	10.38%	4.17%	6.21%
2011.1	10.09%	4.56%	5.53%
2011.2	10.26%	4.34%	5.92%
2011.3	10.57%	3.69%	6.88%
2011.4	10.39%	3.04%	7.35%
2012.1	10.30%	3.14%	7.17%
2012.2	9.95%	2.93%	7.02%
2012.3	9.90%	2.74%	7.16%
2012.4	10.16%	2.86%	7.30%
2013.1	9.85%	3.13%	6.72%
2013.2	9.86%	3.14%	6.72%
2013.3	10.12%	3.71%	6.41%
2013.4	9.97%	3.79%	6.18%
2014.1	9.86%	3.69%	6.17%
2014.2	10.10%	3.44%	6.66%
2014.3	9.90%	3.26%	6.64%
2014.4	9.94%	2.96%	6.98%
2015.1	9.64%	2.55%	7.08%
2015.2	9.83%	2.88%	6.94%
2015.3	9.40%	2.96%	6.44%
2015.4	9.86%	2.96%	6.90%
2016.1	9.70%	2.72%	6.98%
2016.2	9.48%	2.57%	6.91%

Risk Premium -- Vertically Integrated Electric  
Utilities

	[1]	[2]	[3]
	Average Authorized Electric ROE	U.S. Govt. 30-year Treasury	Risk Premium
2016.3	9.74%	2.28%	7.46%
2016.4	9.83%	2.83%	7.00%
2017.1	9.72%	3.04%	6.67%
2017.2	9.64%	2.90%	6.75%
2017.3	10.00%	2.82%	7.18%
2017.4	9.91%	2.82%	7.09%
2018.1	9.69%	3.02%	6.66%
2018.2	9.75%	3.09%	6.66%
2018.3	9.69%	3.06%	6.63%
2018.4	9.52%	3.27%	6.25%
2019.1	9.72%	3.01%	6.71%
2019.2	9.58%	2.78%	6.79%
2019.3	9.53%	2.29%	7.24%
2019.4	9.89%	2.25%	7.63%
2020.1	9.72%	1.89%	7.83%
2020.2	9.58%	1.38%	8.20%
2020.3	9.30%	1.37%	7.93%
2020.4	9.56%	1.62%	7.94%
2021.1	9.45%	2.07%	7.38%
2021.2	9.47%	2.25%	7.21%
2021.3	9.27%	1.93%	7.34%
2021.4	9.69%	1.94%	7.75%
2022.1	9.45%	2.25%	7.20%
2022.2	9.50%	3.03%	6.47%
2022.3	9.14%	3.26%	5.88%
2022.4	9.94%	3.88%	6.06%
2023.1	9.72%	3.74%	5.97%
2023.2	9.67%	3.80%	5.86%
2023.3	9.79%	4.23%	5.56%
2023.4	9.85%	4.58%	5.27%
2024.1	9.67%	4.32%	5.35%
2024.2	9.90%	4.58%	5.32%
2024.3	9.88%	4.23%	5.65%
2024.4	9.90%	4.50%	5.40%
2025.1	9.83%	4.71%	5.11%
2025.2	9.42%	4.81%	4.61%
AVERAGE	10.54%	4.54%	6.01%
MEDIAN	10.42%	4.57%	6.05%

Risk Premium -- Vertically Integrated Electric Utilities



SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.89054008
R Square	0.793061634
Adjusted R Square	0.79149392
Standard Error	0.00460103
Observations	134

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	0.010709027	0.010709027	505.8710861	5.44305E-47
Residual	132	0.002794371	2.11695E-05		
Total	133	0.013503398			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	0.085553717	0.001200814	71.24644796	3.1886E-107	0.083178388	0.08792905
X Variable 1	-0.561715427	0.024974478	-22.49157812	5.44305E-47	-0.611117413	-0.5123134

	[7] U.S. Govt. 30-year Treasury	[8] Risk Premium	[9] ROE
Current 30-day average of 30-year U.S. Treasury bond yield [4]	4.86%	5.82%	10.69%
Blue Chip Near-Term Projected Forecast (Q3 2025 - Q3 2026) [5]	4.60%	5.97%	10.57%
Blue Chip Long-Term Projected Forecast (2027-2031) [6]	4.40%	6.08%	10.48%
AVERAGE			10.58%

Notes:

[1] Source: Regulatory Research Associates, rate cases through May 31, 2025

[2] Source: Bloomberg Professional, quarterly bond yields are the average of each trading day in the quarter

[3] Equals Column [1] - Column [2]

[4] Source: Bloomberg Professional, 30-day average as of May 30, 2025

[5] Source: Blue Chip Financial Forecasts, Vol. 44, No. 6, June 2, 2025 at 2

[6] Source: Blue Chip Financial Forecasts, Vol. 44, No. 6, June 2, 2025 at 14

[7] See notes [4], [5] & [6]

[8] Equals  $0.085554 + (-0.561715 \times \text{Column [7]})$

[9] Equals Column [7] + Column [8]

EXPECTED EARNINGS ANALYSIS

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Company	Ticker	Value Line ROE 2028-2030	Value Line Total Capital 2024	Value Line Common Equity Ratio 2024	Total Equity 2024	Value Line Total Capital 2028-2030	Value Line Common Equity Ratio 2028-2030	Total Equity 2028-2030	Compound Annual Growth Rate	Adjustment Factor	Adjusted Return on Common Equity
Alliant Energy Corporation	LNT	12.00%	\$15,681	44.70%	\$7,009	\$17,070	48.00%	\$8,194	3.17%	1.016	12.19%
Ameren Corporation	AEE	10.00%	\$25,432	45.30%	\$11,521	\$29,500	48.50%	\$14,308	4.43%	1.022	10.22%
American Electric Power Company, Inc.	AEP	11.00%	\$67,528	42.00%	\$28,362	\$75,900	42.50%	\$32,258	2.61%	1.013	11.14%
Dominion Resources, Inc.	D	11.50%	\$64,778	40.50%	\$26,235	\$84,600	39.00%	\$32,994	4.69%	1.023	11.76%
Duke Energy Corporation	DUK	10.50%	\$126,467	38.90%	\$49,196	\$156,100	38.00%	\$59,318	3.81%	1.019	10.70%
Edison International	EIX	14.00%	\$51,274	27.10%	\$13,895	\$69,000	29.00%	\$20,010	7.57%	1.036	14.51%
Entergy Corporation	ETR	9.50%	\$41,917	36.00%	\$15,090	\$55,915	36.50%	\$20,409	6.22%	1.030	9.79%
Eversource Energy	ESB	10.00%	\$21,250	48.50%	\$10,306	\$23,400	46.50%	\$10,881	1.09%	1.005	10.05%
FirstEnergy Corporation	FE	12.50%	\$34,951	35.60%	\$12,443	\$45,300	35.00%	\$15,855	4.97%	1.024	12.80%
IDACORP, Inc.	IDA	9.50%	\$6,385	52.20%	\$3,333	\$7,300	57.00%	\$4,161	4.54%	1.022	9.71%
OGE Energy Corporation	OGE	13.00%	\$9,727	49.20%	\$4,786	\$10,400	50.00%	\$5,200	1.67%	1.008	13.11%
Pinnacle West Capital Corporation	PNW	9.00%	\$14,813	45.60%	\$6,755	\$19,500	45.00%	\$8,775	5.37%	1.026	9.24%
Portland General Electric Company	POR	9.50%	\$8,424	45.00%	\$3,791	\$12,025	42.00%	\$5,051	5.91%	1.029	9.77%
PPL Corporation	PPL	9.50%	\$29,726	49.10%	\$14,595	\$34,280	50.50%	\$17,311	3.47%	1.017	9.66%
Southern Company	SO	14.50%	\$84,373	36.80%	\$31,049	\$93,500	37.00%	\$34,595	2.19%	1.011	14.66%
Xcel Energy Inc.	XEL	11.00%	\$46,838	41.70%	\$19,531	\$66,500	39.00%	\$25,935	5.84%	1.028	11.31%
PROXY GROUP MEAN											11.29%
PROXY GROUP MEDIAN											10.92%

Notes:

[1] Source: Value Line

[2] Source: Value Line

[3] Source: Value Line

[4] Equals [2] x [3]

[5] Source: Value Line

[6] Source: Value Line

[7] Equals [5] x [6]

[8] Equals  $([7] / [4])^{(1/5)} - 1$

[9] Equals  $2 \times (1 + [8]) / (2 + [8])$

[10] Equals [1] x [9]

CAPITAL STRUCTURE ANALYSIS

Proxy Group Company	Ticker	COMMON EQUITY RATIO [1]			
		2024	2023	2022	Average
Alliant Energy Corporation	LNT	51.94%	51.00%	51.48%	51.47%
Ameren Corporation	AEE	53.28%	51.93%	52.32%	52.51%
American Electric Power Company, Inc.	AEP	47.79%	47.86%	47.02%	47.56%
Dominion Energy, Inc.	D	50.81%	53.30%	47.71%	50.61%
Duke Energy Corporation	DUK	52.42%	51.44%	51.23%	51.70%
Edison International	EIX	39.61%	40.34%	41.53%	40.49%
Entergy Corporation	ETR	51.30%	51.96%	47.65%	50.30%
Eversource Energy	EVER	59.27%	58.36%	59.11%	58.91%
FirstEnergy Corporation	FE	56.81%	52.30%	54.42%	54.51%
IDACORP, Inc.	IDA	49.95%	49.42%	54.37%	51.24%
OGE Energy Corporation	OGE	53.25%	53.07%	55.65%	53.99%
Pinnacle West Capital Corporation	PNW	51.12%	47.81%	49.10%	49.34%
Portland General Electric Company	POR	45.57%	44.49%	43.24%	44.43%
PPL Corporation	PPL	56.08%	54.39%	55.56%	55.34%
Southern Company	SO	55.37%	53.69%	53.15%	54.07%
Xcel Energy Inc.	XEL	53.67%	53.60%	54.07%	53.78%
MEAN		51.77%	50.93%	51.10%	51.27%
MEDIAN		52.18%	51.95%	51.90%	51.59%
LOW		39.61%	40.34%	41.53%	40.49%
HIGH		59.27%	58.36%	59.11%	58.91%



COMMON EQUITY RATIO - UTILITY OPERATING COMPANIES [2]					
Company Name	Ticker	2024	2023	2022	Average
Interstate Power and Light Company	LNT	51.44%	49.74%	50.55%	50.57%
Wisconsin Power and Light Company	LNT	52.51%	52.36%	52.54%	52.47%
Ameren Illinois Company	AEE	54.84%	53.97%	54.33%	54.38%
Union Electric Company	AEE	51.92%	50.08%	50.52%	50.84%
AEP Texas Inc.	AEP	42.40%	45.24%	41.64%	43.09%
Appalachian Power Company	AEP	49.85%	46.98%	46.94%	47.92%
Indiana Michigan Power Company	AEP	49.26%	47.86%	47.35%	48.15%
Kentucky Power Company	AEP	41.49%	41.36%	41.93%	41.59%
Kingsport Power Company	AEP	52.99%	51.12%	52.13%	52.08%
Ohio Power Company	AEP	50.95%	50.50%	49.39%	50.28%
Public Service Company of Oklahoma	AEP	48.32%	51.18%	51.39%	50.30%
Southwestern Electric Power Company	AEP	49.75%	50.08%	50.30%	50.04%
Dominion Energy South Carolina, Inc.	D	47.21%	48.98%	48.90%	48.36%
Virginia Electric and Power Company	D	51.66%	54.32%	47.41%	51.13%
Duke Energy Carolinas, LLC	DUK	51.08%	50.95%	50.64%	50.89%
Duke Energy Florida, LLC	DUK	52.47%	50.91%	49.07%	50.82%
Duke Energy Indiana, LLC	DUK	53.35%	51.17%	49.66%	51.40%
Duke Energy Kentucky, Inc.	DUK	54.31%	58.57%	50.50%	54.46%
Duke Energy Ohio, Inc.	DUK	61.56%	60.43%	62.30%	61.43%
Duke Energy Progress, LLC	DUK	50.38%	48.69%	50.67%	49.91%
Southern California Edison Company	EIX	39.61%	40.34%	41.53%	40.49%
Entergy Arkansas, LLC	ETR	47.15%	45.08%	47.95%	46.73%
Entergy Louisiana, LLC	ETR	54.22%	55.45%	47.17%	52.28%
Entergy Mississippi, LLC	ETR	49.50%	49.32%	46.43%	48.42%
Entergy New Orleans, LLC	ETR	48.46%	54.33%	47.90%	50.23%
Entergy Texas, Inc.	ETR	49.74%	50.74%	49.99%	50.16%
Evergy Kansas Central, Inc.	EVRG	62.88%	62.57%	63.05%	62.83%
Evergy Kansas South, Inc.	EVRG	84.87%	84.34%	83.50%	84.24%
Evergy Metro, Inc.	EVRG	49.77%	48.64%	51.10%	49.84%
Evergy Missouri West, Inc.	EVRG	48.65%	45.26%	45.39%	46.44%
Westar Energy (KPL)	EVRG	52.62%	52.29%	52.83%	52.58%
Jersey Central Power & Light Company	FE	67.77%	61.29%	64.17%	64.41%
FirstEnergy Pennsylvania Electric Company	FE	52.71%	N/A	N/A	52.71%
Metropolitan Edison Company	FE	N/A	49.10%	49.80%	49.45%
Monongahela Power Company	FE	49.73%	45.09%	48.65%	47.82%
Ohio Edison Company	FE	46.82%	54.54%	57.49%	52.95%
Pennsylvania Electric Company	FE	N/A	46.24%	47.68%	46.96%
Pennsylvania Power Company	FE	N/A	53.60%	49.28%	51.44%
The Cleveland Electric Illuminating Company	FE	63.22%	52.54%	53.73%	56.49%
The Potomac Edison Company	FE	49.10%	49.37%	52.83%	50.44%
The Toledo Edison Company	FE	52.10%	51.97%	57.09%	53.72%
West Penn Power Company	FE	N/A	48.39%	48.19%	48.29%
Idaho Power Company	IDA	49.95%	49.42%	54.37%	51.24%
Oklahoma Gas and Electric Company	OGE	53.25%	53.07%	55.65%	53.99%
Arizona Public Service Company	PNW	51.12%	47.81%	49.10%	49.34%
Portland General Electric Company	POR	45.57%	44.49%	43.24%	44.43%
Kentucky Utilities Company	PPL	52.82%	52.73%	53.02%	52.86%
Louisville Gas and Electric Company	PPL	53.02%	52.83%	52.63%	52.83%
The Narragansett Electric Company	PPL	62.90%	60.03%	63.35%	62.09%
PPL Electric Utilities Corporation	PPL	56.29%	53.67%	55.26%	55.07%
Alabama Power Company	SO	53.88%	52.27%	52.22%	52.79%
Georgia Power Company	SO	56.26%	54.41%	53.50%	54.73%
Mississippi Power Company	SO	55.11%	55.01%	55.67%	55.26%
Northern States Power Company - MN	XEL	52.77%	52.03%	52.06%	52.29%
Northern States Power Company - WI	XEL	52.63%	51.58%	52.40%	52.20%
Public Service Company of Colorado	XEL	54.86%	55.28%	56.15%	55.43%
Southwestern Public Service Company	XEL	53.13%	53.66%	54.04%	53.61%

Notes:

[1] Ratios are weighted by actual common capital, short-term debt, and long-term debt of Operating Subsidiaries.

[2] Electric Operating Subsidiaries with data listed as N/A from SNL Financial have been excluded from the analysis.

CAPITAL STRUCTURE ANALYSIS

Proxy Group Company	Ticker	LONG-TERM DEBT RATIO [1]			
		2024	2023	2022	Average
Alliant Energy Corporation	LNT	46.61%	46.89%	46.40%	46.63%
Ameren Corporation	AEE	46.28%	44.36%	45.19%	45.27%
American Electric Power Company, Inc.	AEP	50.41%	50.54%	49.84%	50.26%
Dominion Energy, Inc.	D	44.33%	43.47%	43.61%	43.80%
Duke Energy Corporation	DUK	46.34%	45.86%	45.36%	45.85%
Edison International	EIX	57.84%	56.34%	56.42%	56.87%
Entergy Corporation	ETR	48.70%	48.04%	52.35%	49.69%
Eversource Energy	ESV	35.40%	35.80%	34.54%	35.25%
FirstEnergy Corporation	FE	39.57%	44.20%	43.59%	42.46%
IDACORP, Inc.	IDA	50.05%	50.58%	45.63%	48.76%
OGE Energy Corporation	OGE	46.75%	46.07%	44.35%	45.72%
Pinnacle West Capital Corporation	PNW	46.78%	48.67%	48.60%	48.02%
Portland General Electric Company	POR	54.43%	53.56%	56.76%	54.92%
PPL Corporation	PPL	42.98%	41.89%	42.32%	42.40%
Southern Company	SO	44.32%	44.25%	44.23%	44.27%
Xcel Energy Inc.	XEL	45.28%	44.80%	44.51%	44.86%
MEAN		46.63%	46.58%	46.48%	46.56%
MEDIAN		46.47%	45.96%	45.27%	45.79%
LOW		35.40%	35.80%	34.54%	35.25%
HIGH		57.84%	56.34%	56.76%	56.87%

LONG-TERM DEBT RATIO - UTILITY OPERATING COMPANIES [2]

Company Name	Ticker	2024	2023	2022	Average
Interstate Power and Light Company	LNT	47.99%	50.26%	49.45%	49.24%
Wisconsin Power and Light Company	LNT	45.06%	43.24%	42.93%	43.74%
Ameren Illinois Company	AEE	44.22%	42.05%	43.33%	43.20%
Union Electric Company	AEE	48.08%	46.47%	46.85%	47.13%
AEP Texas Inc.	AEP	55.13%	53.78%	57.33%	55.42%
Appalachian Power Company	AEP	49.33%	50.00%	51.34%	50.22%
Indiana Michigan Power Company	AEP	48.90%	51.18%	48.72%	49.60%
Kentucky Power Company	AEP	50.84%	56.50%	53.76%	53.70%
Kingsport Power Company	AEP	47.01%	48.88%	44.61%	46.83%
Ohio Power Company	AEP	49.05%	47.93%	47.85%	48.28%
Public Service Company of Oklahoma	AEP	51.68%	47.73%	40.87%	46.76%
Southwestern Electric Power Company	AEP	46.75%	48.74%	45.44%	46.98%
Dominion Energy South Carolina, Inc.	D	41.63%	44.09%	40.33%	42.01%
Virginia Electric and Power Company	D	44.97%	43.32%	44.44%	44.24%
Duke Energy Carolinas, LLC	DUK	48.92%	47.03%	45.31%	47.09%
Duke Energy Florida, LLC	DUK	45.30%	48.31%	47.64%	47.08%
Duke Energy Indiana, LLC	DUK	46.55%	46.21%	45.74%	46.16%
Duke Energy Kentucky, Inc.	DUK	45.69%	36.61%	44.84%	42.38%
Duke Energy Ohio, Inc.	DUK	36.60%	33.42%	32.28%	34.10%
Duke Energy Progress, LLC	DUK	47.05%	47.30%	48.16%	47.50%
Southern California Edison Company	EIX	57.84%	56.34%	56.42%	56.87%
Entergy Arkansas, LLC	ETR	52.85%	54.92%	52.05%	53.27%
Entergy Louisiana, LLC	ETR	45.78%	44.55%	52.83%	47.72%
Entergy Mississippi, LLC	ETR	50.50%	50.68%	53.57%	51.58%
Entergy New Orleans, LLC	ETR	51.46%	45.59%	52.02%	49.69%
Entergy Texas, Inc.	ETR	50.26%	49.26%	50.01%	49.84%
Evergy Kansas Central, Inc.	EVRG	31.28%	33.53%	30.87%	31.89%
Evergy Kansas South, Inc.	EVRG	13.70%	14.61%	16.31%	14.87%
Evergy Metro, Inc.	EVRG	47.88%	44.90%	47.12%	46.63%
Evergy Missouri West, Inc.	EVRG	44.77%	35.54%	38.04%	39.45%
Westar Energy (KPL)	EVRG	39.50%	42.47%	38.21%	40.06%
Jersey Central Power & Light Company	FE	31.94%	31.86%	34.77%	32.86%
FirstEnergy Pennsylvania Electric Company	FE	47.29%	N/A	N/A	47.29%
Metropolitan Edison Company	FE	N/A	49.36%	46.25%	47.81%
Monongahela Power Company	FE	43.08%	54.91%	50.17%	49.38%
Ohio Edison Company	FE	38.47%	39.66%	42.51%	40.21%
Pennsylvania Electric Company	FE	N/A	53.76%	45.87%	49.81%
Pennsylvania Power Company	FE	N/A	46.40%	50.72%	48.56%
The Cleveland Electric Illuminating Company	FE	30.87%	42.06%	43.79%	38.91%
The Potomac Edison Company	FE	45.84%	50.06%	46.12%	47.34%
The Toledo Edison Company	FE	41.86%	43.09%	42.91%	42.62%
West Penn Power Company	FE	N/A	48.34%	50.57%	49.45%
Idaho Power Company	IDA	50.05%	50.58%	45.63%	48.76%
Oklahoma Gas and Electric Company	OGE	46.75%	46.07%	44.35%	45.72%
Arizona Public Service Company	PNW	46.78%	48.67%	48.60%	48.02%
Portland General Electric Company	POR	54.43%	53.56%	56.76%	54.92%
Kentucky Utilities Company	PPL	44.14%	45.89%	45.42%	45.15%
Louisville Gas and Electric Company	PPL	45.72%	47.17%	43.97%	45.62%
The Narragansett Electric Company	PPL	37.10%	31.00%	33.49%	33.87%
PPL Electric Utilities Corporation	PPL	43.71%	41.72%	43.35%	42.93%
Alabama Power Company	SO	46.12%	47.56%	47.78%	47.15%
Georgia Power Company	SO	43.27%	42.20%	41.96%	42.47%
Mississippi Power Company	SO	44.52%	44.99%	44.33%	44.61%
Northern States Power Company - MN	XEL	46.12%	46.93%	46.56%	46.54%
Northern States Power Company - WI	XEL	46.24%	46.16%	45.64%	46.01%
Public Service Company of Colorado	XEL	44.50%	42.61%	42.06%	43.06%
Southwestern Public Service Company	XEL	44.96%	44.96%	45.48%	45.14%

Notes:

[1] Ratios are weighted by actual common capital, short-term debt, and long-term debt of Operating Subsidiaries.

[2] Electric Operating Subsidiaries with data listed as N/A from SNL Financial have been excluded from the analysis.

CAPITAL STRUCTURE ANALYSIS

		SHORT-TERM DEBT RATIO [1]			
Proxy Group Company	Ticker	2024	2023	2022	Average
Alliant Energy Corporation	LNT	1.45%	2.12%	2.12%	1.89%
Ameren Corporation	AEE	0.44%	3.71%	2.50%	2.21%
American Electric Power Company, Inc.	AEP	1.80%	1.60%	3.14%	2.18%
Dominion Energy, Inc.	D	4.85%	3.24%	8.68%	5.59%
Duke Energy Corporation	DUK	1.24%	2.71%	3.41%	2.45%
Edison International	EIX	2.56%	3.32%	2.04%	2.64%
Entergy Corporation	ETR	0.00%	0.00%	0.00%	0.00%
Evergy, Inc.	EVRG	5.33%	5.84%	6.35%	5.84%
FirstEnergy Corporation	FE	3.62%	3.50%	1.98%	3.03%
IDACORP, Inc.	IDA	0.00%	0.00%	0.00%	0.00%
OGE Energy Corporation	OGE	0.00%	0.86%	0.00%	0.29%
Pinnacle West Capital Corporation	PNW	2.10%	3.52%	2.30%	2.64%
Portland General Electric Company	POR	0.00%	1.95%	0.00%	0.65%
PPL Corporation	PPL	0.94%	3.72%	2.13%	2.26%
Southern Company	SO	0.30%	2.06%	2.62%	1.66%
Xcel Energy Inc.	XEL	1.05%	1.61%	1.42%	1.36%
MEAN		1.61%	2.48%	2.42%	2.17%
MEDIAN		1.15%	2.41%	2.12%	2.20%
LOW		0.00%	0.00%	0.00%	0.00%
HIGH		5.33%	5.84%	8.68%	5.84%

SHORT-TERM DEBT RATIO - UTILITY OPERATING COMPANIES [2]

Company Name	Ticker	2024	2023	2022	Average
Interstate Power and Light Company	LNT	0.57%	0.00%	0.00%	0.19%
Wisconsin Power and Light Company	LNT	2.43%	4.40%	4.53%	3.78%
Ameren Illinois Company	AEE	0.94%	3.99%	2.35%	2.42%
Union Electric Company	AEE	0.00%	3.46%	2.63%	2.03%
AEP Texas Inc.	AEP	2.47%	0.98%	1.03%	1.49%
Appalachian Power Company	AEP	0.82%	3.02%	1.72%	1.86%
Indiana Michigan Power Company	AEP	1.84%	0.96%	3.93%	2.25%
Kentucky Power Company	AEP	7.67%	2.15%	4.30%	4.71%
Kingsport Power Company	AEP	0.00%	0.00%	3.26%	1.09%
Ohio Power Company	AEP	0.00%	1.56%	2.76%	1.44%
Public Service Company of Oklahoma	AEP	0.00%	1.08%	7.74%	2.94%
Southwestern Electric Power Company	AEP	3.50%	1.18%	4.25%	2.98%
Dominion Energy South Carolina, Inc.	D	11.16%	6.94%	10.78%	9.63%
Virginia Electric and Power Company	D	3.37%	2.36%	8.15%	4.63%
Duke Energy Carolinas, LLC	DUK	0.00%	2.01%	4.04%	2.02%
Duke Energy Florida, LLC	DUK	2.23%	0.77%	3.29%	2.10%
Duke Energy Indiana, LLC	DUK	0.10%	2.62%	4.60%	2.44%
Duke Energy Kentucky, Inc.	DUK	0.00%	4.81%	4.66%	3.16%
Duke Energy Ohio, Inc.	DUK	1.85%	6.15%	5.42%	4.47%
Duke Energy Progress, LLC	DUK	2.57%	4.01%	1.17%	2.58%
Southern California Edison Company	EIX	2.56%	3.32%	2.04%	2.64%
Entergy Arkansas, LLC	ETR	0.00%	0.00%	0.00%	0.00%
Entergy Louisiana, LLC	ETR	0.00%	0.00%	0.00%	0.00%
Entergy Mississippi, LLC	ETR	0.00%	0.00%	0.00%	0.00%
Entergy New Orleans, LLC	ETR	0.08%	0.09%	0.09%	0.08%
Entergy Texas, Inc.	ETR	0.00%	0.00%	0.00%	0.00%
Evergy Kansas Central, Inc.	EVRG	5.84%	3.90%	6.07%	5.27%
Evergy Kansas South, Inc.	EVRG	1.43%	1.05%	0.19%	0.89%
Evergy Metro, Inc.	EVRG	2.34%	6.46%	1.78%	3.53%
Evergy Missouri West, Inc.	EVRG	6.57%	19.20%	16.58%	14.12%
Westar Energy (KPL)	EVRG	7.89%	5.23%	8.96%	7.36%
Jersey Central Power & Light Company	FE	0.30%	6.85%	1.05%	2.73%
FirstEnergy Pennsylvania Electric Company	FE	0.00%	N/A	N/A	0.00%
Metropolitan Edison Company	FE	N/A	1.54%	3.95%	2.75%
Monongahela Power Company	FE	7.19%	0.00%	1.19%	2.79%
Ohio Edison Company	FE	14.71%	5.80%	0.00%	6.84%
Pennsylvania Electric Company	FE	N/A	0.00%	6.45%	3.23%
Pennsylvania Power Company	FE	N/A	0.00%	0.00%	0.00%
The Cleveland Electric Illuminating Company	FE	5.92%	5.40%	2.49%	4.60%
The Potomac Edison Company	FE	5.06%	0.56%	1.04%	2.22%
The Toledo Edison Company	FE	6.04%	4.94%	0.00%	3.66%
West Penn Power Company	FE	N/A	3.27%	1.24%	2.26%
Idaho Power Company	IDA	0.00%	0.00%	0.00%	0.00%
Oklahoma Gas and Electric Company	OGE	0.00%	0.86%	0.00%	0.29%
Arizona Public Service Company	PNW	2.10%	3.52%	2.30%	2.64%
Portland General Electric Company	POR	0.00%	1.95%	0.00%	0.65%
Kentucky Utilities Company	PPL	3.04%	1.38%	1.56%	1.99%
Louisville Gas and Electric Company	PPL	1.26%	0.00%	3.40%	1.55%
The Narragansett Electric Company	PPL	0.00%	8.97%	3.16%	4.04%
PPL Electric Utilities Corporation	PPL	0.00%	4.61%	1.39%	2.00%
Alabama Power Company	SO	0.00%	0.17%	0.00%	0.06%
Georgia Power Company	SO	0.48%	3.39%	4.54%	2.80%
Mississippi Power Company	SO	0.37%	0.00%	0.00%	0.12%
Northern States Power Company - MN	XEL	1.11%	1.05%	1.38%	1.18%
Northern States Power Company - WI	XEL	1.14%	2.27%	1.96%	1.79%
Public Service Company of Colorado	XEL	0.64%	2.11%	1.79%	1.51%
Southwestern Public Service Company	XEL	1.91%	1.37%	0.48%	1.25%

Notes:

[1] Ratios are weighted by actual common capital, short-term debt, and long-term debt of Operating Subsidiaries.

[2] Electric Operating Subsidiaries with data listed as N/A from SNL Financial have been excluded from the analysis.

COMPARISON OF PROXY GROUP COMPANIES  
WEATHER RISK INDEX

[1]				
Company Name	Parent Company	Company State	Operation	Risk Index
Interstate Power and Light Company	Alliant Energy Corporation	IA	Electric	52.1
Wisconsin Power and Light Company	Alliant Energy Corporation	WI	Electric	57.4
Ameren Illinois Company	Ameren Corporation	IL	Electric	53.0
Union Electric Company	Ameren Corporation	MO	Electric	54.9
Southwestern Electric Power Company	American Electric Power Company, Inc.	AR	Electric	55.8
Indiana Michigan Power Company	American Electric Power Company, Inc.	IN	Electric	58.7
Kentucky Power Company	American Electric Power Company, Inc.	KY	Electric	40.4
Southwestern Electric Power Company	American Electric Power Company, Inc.	LA	Electric	69.0
Indiana Michigan Power Company	American Electric Power Company, Inc.	MI	Electric	57.4
Ohio Power Company	American Electric Power Company, Inc.	OH	Electric	40.8
Public Service Company of Oklahoma	American Electric Power Company, Inc.	OK	Electric	67.1
Kingsport Power Company	American Electric Power Company, Inc.	TN	Electric	44.9
AEP Texas Inc.	American Electric Power Company, Inc.	TX	Electric	51.5
Southwestern Electric Power Company	American Electric Power Company, Inc.	TX	Electric	61.9
Appalachian Power Company	American Electric Power Company, Inc.	VA	Electric	19.4
Appalachian Power Company	American Electric Power Company, Inc.	WV	Electric	39.8
Wheeling Power Company	American Electric Power Company, Inc.	WV	Electric	33.0
Virginia Electric and Power Company	Dominion Energy, Inc.	NC	Electric	71.8
Dominion Energy South Carolina, Inc.	Dominion Energy, Inc.	SC	Electric	80.9
Virginia Electric and Power Company	Dominion Energy, Inc.	VA	Electric	52.2
Duke Energy Florida, LLC	Duke Energy Corporation	FL	Electric	83.1
Duke Energy Indiana, LLC	Duke Energy Corporation	IN	Electric	52.6
Duke Energy Kentucky, Inc.	Duke Energy Corporation	KY	Electric	67.5
Duke Energy Carolinas, LLC	Duke Energy Corporation	NC	Electric	59.8
Duke Energy Progress, LLC	Duke Energy Corporation	NC	Electric	80.1
Duke Energy Ohio, Inc.	Duke Energy Corporation	OH	Electric	71.9
Duke Energy Carolinas, LLC	Duke Energy Corporation	SC	Electric	70.2
Duke Energy Progress, LLC	Duke Energy Corporation	SC	Electric	82.3
Southern California Edison Company	Edison International	CA	Electric	93.7
Entergy Arkansas, LLC	Entergy Corporation	AR	Electric	62.0
Entergy Louisiana, LLC	Entergy Corporation	LA	Electric	69.3
Entergy Louisiana, LLC	Entergy Corporation	MS	Electric	54.4
Entergy New Orleans, LLC	Entergy Corporation	LA	Electric	97.0
Entergy Mississippi, LLC	Entergy Corporation	MS	Electric	67.3
Entergy Texas, Inc.	Entergy Corporation	TX	Electric	73.4
Eversky Metro, Inc.	Eversky, Inc.	KS	Electric	56.4
Westar Energy (KPL)	Eversky, Inc.	KS	Electric	51.7
Eversky Metro, Inc.	Eversky, Inc.	MO	Electric	46.5
Eversky Missouri West, Inc.	Eversky, Inc.	MO	Electric	46.3
The Potomac Edison Company	FirstEnergy Corp.	MD	Electric	52.8
Jersey Central Power & Light Company	FirstEnergy Corp.	NJ	Electric	87.2
Pennsylvania Electric Company	FirstEnergy Corp.	NY	Electric	62.2
Ohio Edison Company	FirstEnergy Corp.	OH	Electric	59.9
The Cleveland Electric Illuminating Company	FirstEnergy Corp.	OH	Electric	59.6
The Toledo Edison Company	FirstEnergy Corp.	OH	Electric	50.3
Metropolitan Edison Company	FirstEnergy Corp.	PA	Electric	78.6
Pennsylvania Electric Company	FirstEnergy Corp.	PA	Electric	41.4
Pennsylvania Power Company	FirstEnergy Corp.	PA	Electric	42.3
West Penn Power Company	FirstEnergy Corp.	PA	Electric	37.1
Monongahela Power Company	FirstEnergy Corp.	WV	Electric	14.1
The Potomac Edison Company	FirstEnergy Corp.	WV	Electric	27.4
Idaho Power Company	IDACORP, Inc.	ID	Electric	46.6
Idaho Power Company	IDACORP, Inc.	OR	Electric	46.3
Portland General Electric Company	Portland General Electric Company	OR	Electric	95.4
Oklahoma Gas and Electric Company	OGE Energy Corp.	AR	Electric	71.4
Oklahoma Gas and Electric Company	OGE Energy Corp.	OK	Electric	58.3
Arizona Public Service Company	Pinnacle West Capital Corporation	AZ	Electric	88.8
Kentucky Utilities Company	PPL Corporation	KY	Electric	49.4
Louisville Gas and Electric Company	PPL Corporation	KY	Electric	81.2
PPL Electric Utilities Corporation	PPL Corporation	PA	Electric	60.0
The Narragansett Electric Company	PPL Corporation	RI	Electric	77.2
Kentucky Utilities Company	PPL Corporation	VA	Electric	33.8
Alabama Power Company	The Southern Company	AL	Electric	61.1
Georgia Power Company	The Southern Company	GA	Electric	53.6
Mississippi Power Company	The Southern Company	MS	Electric	76.1
Public Service Company of Colorado	Xcel Energy Inc.	CO	Electric	45.2
Northern States Power Company	Xcel Energy Inc.	MI	Electric	4.8
Northern States Power Company	Xcel Energy Inc.	MN	Electric	64.9
Northern States Power Company	Xcel Energy Inc.	ND	Electric	76.1
Southwestern Public Service Company	Xcel Energy Inc.	NM	Electric	70.2
Northern States Power Company	Xcel Energy Inc.	SD	Electric	74.7
Southwestern Public Service Company	Xcel Energy Inc.	TX	Electric	57.0
Northern States Power Company	Xcel Energy Inc.	WI	Electric	41.7
Proxy Company Average				58.8
[2] Florida Power & Light Company				94.4
NextEra Energy, Inc.				61%
Florida Power & Light Company vs. Proxy Company Average Percentage Higher/(Lower)				

Notes:

[1] Source: FEMA National Risk Index, S&P Capital IQ Pro

[2] Includes both Florida Power & Light Company and Gulf Power territories

**FLORIDA POWER & LIGHT COMPANY**  
**DOCKET NO. 20250011-EI**  
**MULTI-YEAR TEST PERIOD AND RATE PLAN FOR CALENDAR YEARS ENDING 2026, 2027, 2028 AND 2029**  
**COMPARABLE GROUP CAPM & ECAPM**

LINE NO.	COMPANY NAME	SYMBOL	A	B MARKET RISK PREMIUM	C RISK FREE RATE	D CAPM	COMPANY NAME	SYMBOL	E	F MARKET RISK PREMIUM	G RISK FREE RATE	H ECAPM
			BETA						BETA			
1	ALLIANT ENERGY CORP	LNT	0.95	7.02%	4.25%	10.92%	ALLIANT ENERGY CORP	LNT	0.95	7.02%	4.25%	11.009%
2	AMEREN	AEE	0.90	7.02%	4.25%	10.57%	AMEREN	AEE	0.90	7.02%	4.25%	10.746%
3	AMERICAN ELECTRIC POWER	AEP	0.85	7.02%	4.25%	10.22%	AMERICAN ELECTRIC POWER	AEP	0.85	7.02%	4.25%	10.482%
4	DUKE ENERGY	DUK	0.70	7.02%	4.25%	9.17%	DUKE ENERGY	DUK	0.70	7.02%	4.25%	9.692%
5	EDISON INTERNATIONAL	EIX	0.90	7.02%	4.25%	10.57%	EDISON INTERNATIONAL	EIX	0.90	7.02%	4.25%	10.746%
6	ENERGY CORP	ETR	1.00	7.02%	4.25%	11.27%	ENERGY CORP	ETR	1.00	7.02%	4.25%	11.272%
7	EVERGY INC.	EVRG	0.95	7.02%	4.25%	10.92%	EVERGY INC.	EVRG	0.95	7.02%	4.25%	11.009%
8	IDACORP INC	IDA	0.75	7.02%	4.25%	9.52%	IDACORP INC	IDA	0.75	7.02%	4.25%	9.956%
9	OGE ENERGY CORP	OGE	1.05	7.02%	4.25%	11.62%	OGE ENERGY CORP	OGE	1.05	7.02%	4.25%	11.536%
10	PINNACLE WEST CAPITAL	PNW	0.80	7.02%	4.25%	9.87%	PINNACLE WEST CAPITAL	PNW	0.80	7.02%	4.25%	10.219%
11	PORTLAND GENERAL ELECTRIC CO.	POR	0.80	7.02%	4.25%	9.87%	PORTLAND GENERAL ELECTRIC CO.	POR	0.80	7.02%	4.25%	10.219%
12	PPL CORPORATION	PPL	0.90	7.02%	4.25%	10.57%	PPL CORPORATION	PPL	0.90	7.02%	4.25%	10.746%
13	SOUTHERN COMPANY	SO	0.75	7.02%	4.25%	9.52%	SOUTHERN COMPANY	SO	0.75	7.02%	4.25%	9.956%
14	XCEL ENERGY, INC.	XEL	0.75	7.02%	4.25%	9.52%	XCEL ENERGY, INC.	XEL	0.75	7.02%	4.25%	9.956%
15	MEAN		<b>0.86</b>	<b>7.02%</b>	<b>4.25%</b>	<b>10.29%</b>	MEAN		<b>0.86</b>	<b>7.02%</b>	<b>4.25%</b>	<b>10.54%</b>
16	MEDIAN		<b>0.88</b>	<b>7.02%</b>	<b>4.25%</b>	<b>10.39%</b>	MEDIAN		<b>0.88</b>	<b>7.02%</b>	<b>4.25%</b>	<b>10.61%</b>
17												
18	NEXTERA ENERGY	NEE	0.90	7.02%	4.25%	10.57%	NEXTERA ENERGY	NEE	0.90	7.02%	4.25%	10.746%

SOURCES:

COLUMNS A & E: VALUE LINE INVESTMENT SURVEY ELECTRIC UTILITY (EAST MAY 9, 2025), (CENTRAL MARCH 7, 2025), (WEST APRIL 18, 2025)

COLUMNS B,C, F, G : PER THIS TESTIMONY CAPM & ECAPM DISCUSSIONS

COLUMNS D: CAPM CALCULATION

COLUMNS H: ECAPM CALCULATION

**FLORIDA POWER & LIGHT COMPANY**  
**DOCKET NO. 20250011-EI**  
**MULTI-YEAR TEST PERIOD AND RATE PLAN FOR CALENDAR YEARS ENDING 2026, 2027, 2028 AND 2029**  
**COMPARABLE GROUP CAPM & ECAPM**

LINE NO.	COMPANY NAME	SYMBOL	A	B	C	D	COMPANY NAME	SYMBOL	E	F	G	H
			BETA	MARKET RISK PREMIUM	RISK FREE RATE	CAPM			BETA	MARKET RISK PREMIUM	RISK FREE RATE	ECAPM
1	ALLIANT ENERGY CORP	LNT	0.95	6.83%	4.66%	11.15%	ALLIANT ENERGY CORP	LNT	0.95	6.83%	4.66%	11.234%
2	AMEREN	AEE	0.90	6.83%	4.66%	10.81%	AMEREN	AEE	0.90	6.83%	4.66%	10.978%
3	AMERICAN ELECTRIC POWER	AEP	0.85	6.83%	4.66%	10.47%	AMERICAN ELECTRIC POWER	AEP	0.85	6.83%	4.66%	10.722%
4	DUKE ENERGY	DUK	0.70	6.83%	4.66%	9.44%	DUKE ENERGY	DUK	0.70	6.83%	4.66%	9.954%
5	EDISON INTERNATIONAL	EIX	0.90	6.83%	4.66%	10.81%	EDISON INTERNATIONAL	EIX	0.90	6.83%	4.66%	10.978%
6	ENERGY CORP	ETR	1.00	6.83%	4.66%	11.49%	ENERGY CORP	ETR	1.00	6.83%	4.66%	11.490%
7	EVERGY INC.	EVRG	0.95	6.83%	4.66%	11.15%	EVERGY INC.	EVRG	0.95	6.83%	4.66%	11.234%
8	IDACORP INC	IDA	0.75	6.83%	4.66%	9.78%	IDACORP INC	IDA	0.75	6.83%	4.66%	10.210%
9	OGE ENERGY CORP	OGE	1.05	6.83%	4.66%	11.83%	OGE ENERGY CORP	OGE	1.05	6.83%	4.66%	11.746%
10	PINNACLE WEST CAPITAL	PNW	0.80	6.83%	4.66%	10.13%	PINNACLE WEST CAPITAL	PNW	0.80	6.83%	4.66%	10.466%
11	PORTLAND GENERAL ELECTRIC CO.	POR	0.80	6.83%	4.66%	10.13%	PORTLAND GENERAL ELECTRIC CO.	POR	0.80	6.83%	4.66%	10.466%
12	PPL CORPORATION	PPL	0.90	6.83%	4.66%	10.81%	PPL CORPORATION	PPL	0.90	6.83%	4.66%	10.978%
13	SOUTHERN COMPANY	SO	0.75	6.83%	4.66%	9.78%	SOUTHERN COMPANY	SO	0.75	6.83%	4.66%	10.210%
14	XCEL ENERGY, INC.	XEL	0.75	6.83%	4.66%	9.78%	XCEL ENERGY, INC.	XEL	0.75	6.83%	4.66%	10.210%
15	MEAN		<b>0.86</b>	<b>6.83%</b>	<b>4.66%</b>	<b>10.54%</b>	MEAN		<b>0.86</b>	<b>6.83%</b>	<b>4.66%</b>	<b>10.78%</b>
16	MEDIAN		<b>0.88</b>	<b>6.83%</b>	<b>4.66%</b>	<b>10.64%</b>	MEDIAN		<b>0.88</b>	<b>6.83%</b>	<b>4.66%</b>	<b>10.85%</b>
17												
18	NEXTERA ENERGY	NEE	0.90	6.83%	4.66%	10.81%	NEXTERA ENERGY	NEE	0.90	6.83%	4.66%	10.978%

SOURCES:

COLUMNS A & E: VALUE LINE INVESTMENT SURVEY ELECTRIC UTILITY (EAST MAY 9, 2025), (CENTRAL MARCH 7, 2025), (WEST APRIL 18, 2025)

COLUMNS B,C, F, G : PER THIS TESTIMONY CAPM & ECAPM DISCUSSIONS

COLUMNS D: CAPM CALCULATION

COLUMNS H: ECAPM CALCULATION



## Florida Power & Light Company

### Equity Risk Premium - Treasury Bond

Line	Year	Authorized Electric Returns <sup>1</sup> (1)	30 yr. Treasury Bond Yield <sup>2</sup> (2)	Indicated Risk Premium (3)
1	1986	13.93%	7.80%	6.13%
2	1987	12.99%	8.58%	4.41%
3	1988	12.79%	8.96%	3.83%
4	1989	12.97%	8.45%	4.52%
5	1990	12.70%	8.61%	4.09%
6	1991	12.55%	8.14%	4.41%
7	1992	12.09%	7.67%	4.42%
8	1993	11.41%	6.60%	4.81%
9	1994	11.34%	7.37%	3.97%
10	1995	11.55%	6.88%	4.67%
11	1996	11.39%	6.70%	4.69%
12	1997	11.40%	6.61%	4.79%
13	1998	11.66%	5.58%	6.08%
14	1999	10.77%	5.87%	4.90%
15	2000	11.43%	5.94%	5.49%
16	2001	11.09%	5.49%	5.60%
17	2002	11.16%	5.43%	5.73%
18	2003	10.97%	4.96%	6.01%
19	2004	10.75%	5.05%	5.70%
20	2005	10.54%	4.65%	5.89%
21	2006	10.34%	4.87%	5.47%
22	2007	10.31%	4.83%	5.48%
23	2008	10.37%	4.28%	6.09%
24	2009	10.52%	4.07%	6.45%
25	2010	10.29%	4.25%	6.04%
26	2011	10.19%	3.91%	6.28%
27	2012	10.02%	2.92%	7.10%
28	2013	9.82%	3.45%	6.37%
29	2014	9.76%	3.34%	6.42%
30	2015	9.60%	2.84%	6.76%
31	2016	9.60%	2.60%	7.00%
32	2017	9.68%	2.90%	6.78%
33	2018	9.56%	3.11%	6.45%
34	2019	9.65%	2.58%	7.07%
35	2020	9.39%	1.56%	7.83%
36	2021	9.39%	2.05%	7.34%
37	2022	9.58%	3.12%	6.46%
38	2023	9.66%	4.09%	5.57%
39	2024	9.78%	4.41%	5.37%
40	2025 <sup>3</sup>	9.72%	4.71%	5.01%
41	Average	10.82%	5.13%	5.69%
42	Minimum			
43	Maximum			

#### SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.908498536
R Square	0.82536959
Adjusted R Square	0.820774053
Standard Error	0.004246724
Observations	40

#### ANOVA

	df	SS	MS	F	Significance F
Regression	1	0.003239069	0.003239069	179.6024207	5.60887E-16
Residual	38	0.000685317	1.80347E-05		
Total	39	0.003924386			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	0.079989228	0.001851205	43.20927378	6.47218E-34	0.076241659	0.083736797
X Variable 1	-0.450655207	0.033627014	-13.40158277	5.60887E-16	-0.518729537	-0.382580877

Description	Yield	Risk Premium	ROE
Recent consensus projected Treasury Yield	4.40%	6.02%	10.42%

#### Sources:

<sup>1</sup> Regulatory Research Associates, Inc., Regulatory Focus, Major Rate Case Decisions, Jan. 1997 p. 5, and Jan. 2011 p. 3.  
S&P Global Market Intelligence, RRA Regulatory Focus, Major Rate Case Decisions, January - March, 2025,  
April 25, 2025 at page 3.

2006 - 2024 Authorized Returns exclude limited issue rider cases.

<sup>2</sup> St. Louis Federal Reserve: Economic Research, <http://research.stlouisfed.org/>.

The yields from 2002 to 2005 represent the 20-Year Treasury yields obtained from the Federal Reserve Bank.

<sup>3</sup> Data represents January - March, 2025.

## Florida Power & Light

### Equity Risk Premium - Utility Bond

Line	Year	Authorized Electric Returns <sup>1</sup> (1)	Average "A" Rated Utility Bond Yield <sup>2</sup> (2)	Indicated Risk Premium (3)
1	1986	13.93%	9.58%	4.35%
2	1987	12.99%	10.10%	2.89%
3	1988	12.79%	10.49%	2.30%
4	1989	12.97%	9.77%	3.20%
5	1990	12.70%	9.86%	2.84%
6	1991	12.55%	9.36%	3.19%
7	1992	12.09%	8.69%	3.40%
8	1993	11.41%	7.59%	3.82%
9	1994	11.34%	8.31%	3.03%
10	1995	11.55%	7.89%	3.66%
11	1996	11.39%	7.75%	3.64%
12	1997	11.40%	7.60%	3.80%
13	1998	11.66%	7.04%	4.62%
14	1999	10.77%	7.62%	3.15%
15	2000	11.43%	8.24%	3.19%
16	2001	11.09%	7.76%	3.33%
17	2002	11.16%	7.37%	3.79%
18	2003	10.97%	6.58%	4.39%
19	2004	10.75%	6.16%	4.59%
20	2005	10.54%	5.65%	4.89%
21	2006	10.34%	6.07%	4.27%
22	2007	10.31%	6.07%	4.24%
23	2008	10.37%	6.53%	3.84%
24	2009	10.52%	6.04%	4.48%
25	2010	10.29%	5.46%	4.83%
26	2011	10.19%	5.04%	5.15%
27	2012	10.02%	4.13%	5.89%
28	2013	9.82%	4.48%	5.34%
29	2014	9.76%	4.28%	5.48%
30	2015	9.60%	4.12%	5.48%
31	2016	9.60%	3.93%	5.66%
32	2017	9.68%	4.00%	5.68%
33	2018	9.56%	4.25%	5.31%
34	2019	9.65%	3.77%	5.88%
35	2020	9.39%	3.02%	6.37%
36	2021	9.39%	3.11%	6.28%
37	2022	9.58%	4.72%	4.86%
38	2023	9.66%	5.54%	4.12%
39	2024	9.78%	5.54%	4.24%
40	2025 <sup>3</sup>	9.72%	5.77%	3.95%
41	Average	10.82%	6.48%	4.34%
42	Minimum			
43	Maximum			

#### SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.924743546
R Square	0.855150625
Adjusted R Square	0.8513388
Standard Error	0.004010758
Observations	40

#### ANOVA

	df	SS	MS	F	Significance F
Regression	1	0.003608797	0.003608797	224.3414846	1.58039E-17
Residual	38	0.000611275	1.60862E-05		
Total	39	0.004220072			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	0.073310019	0.002098218	34.9391869	1.70832E-30	0.0690624	0.077557639
X Variable 1	-0.462169252	0.030856471	-14.9780334	1.58039E-17	-0.524634911	-0.399703592

Description	Yield	Risk Premium	ROE
3-Month Average A-Rated Utility Bond	5.79%	4.66%	10.45%
6-Month Average A-Rated Utility Bond	5.73%	4.68%	10.41%

#### Sources:

<sup>1</sup> Regulatory Research Associates, Inc., Regulatory Focus, Major Rate Case Decisions, Jan. 1997 p. 5, and Jan. 2011 p. 3.  
S&P Global Market Intelligence, RRA Regulatory Focus, Major Rate Case Decisions, January - March, 2025,  
April 25, 2025 at page 3.

2006 - 2024 Authorized Returns exclude limited issue rider cases.

<sup>2</sup> The utility bond yields for the period 1980-2005 were obtained from the St. Louis Federal Reserve: Economic Research, <http://research.stlouisfed.org/>.

The utility bond yields from 2006-2025 were obtained from the Mergent Bond Record.

<sup>3</sup> Data represents January - March, 2025.

## Florida Power & Light Company

### Equity Risk Premium - Utility Bond

Line	Year	Authorized Electric Returns <sup>1</sup> (1)	Average "Baa" Rated Utility Bond Yield <sup>2</sup> (2)	Indicated Risk Premium (3)
1	1986	13.93%	10.00%	3.93%
2	1987	12.99%	10.53%	2.46%
3	1988	12.79%	11.00%	1.79%
4	1989	12.97%	9.97%	3.00%
5	1990	12.70%	10.06%	2.64%
6	1991	12.55%	9.55%	3.00%
7	1992	12.09%	8.86%	3.23%
8	1993	11.41%	7.91%	3.50%
9	1994	11.34%	8.63%	2.71%
10	1995	11.55%	8.29%	3.26%
11	1996	11.39%	8.17%	3.22%
12	1997	11.40%	7.95%	3.45%
13	1998	11.66%	7.26%	4.40%
14	1999	10.77%	7.88%	2.89%
15	2000	11.43%	8.36%	3.07%
16	2001	11.09%	8.03%	3.06%
17	2002	11.16%	8.02%	3.14%
18	2003	10.97%	6.84%	4.13%
19	2004	10.75%	6.40%	4.36%
20	2005	10.54%	5.93%	4.62%
21	2006	10.34%	6.32%	4.02%
22	2007	10.31%	6.33%	3.98%
23	2008	10.37%	7.25%	3.12%
24	2009	10.52%	7.06%	3.47%
25	2010	10.29%	5.96%	4.33%
26	2011	10.19%	5.57%	4.62%
27	2012	10.02%	4.86%	5.16%
28	2013	9.82%	4.98%	4.83%
29	2014	9.76%	4.80%	4.96%
30	2015	9.60%	5.03%	4.57%
31	2016	9.60%	4.68%	4.92%
32	2017	9.68%	4.38%	5.30%
33	2018	9.56%	4.67%	4.89%
34	2019	9.65%	4.19%	5.46%
35	2020	9.39%	3.39%	6.00%
36	2021	9.39%	3.36%	6.03%
37	2022	9.58%	5.03%	4.55%
38	2023	9.66%	5.84%	3.82%
39	2024	9.78%	5.76%	4.02%
40	2025 <sup>3</sup>	9.72%	5.95%	3.77%
41	Average	10.82%	6.88%	3.94%
42	Minimum			
43	Maximum			

#### SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.916238695
R Square	0.839493347
Adjusted R Square	0.835269487
Standard Error	0.004013223
Observations	40

#### ANOVA

	df	SS	MS	F	Significance F
Regression	1	0.003201064	0.003201064	198.7503104	1.12072E-16
Residual	38	0.000612026	1.6106E-05		
Total	39	0.003813091			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	0.070171725	0.002272057	30.88467375	1.5869E-28	0.065572187	0.074771263
X Variable 1	-0.44732581	0.031729998	-14.09788319	1.12072E-16	-0.511559833	-0.383091786

Description	Yield	Risk Premium	ROE
3-Month Average Baa-Rated Utility Bond	5.97%	4.35%	10.32%
6-Month Average Baa-Rated Utility Bond	5.92%	4.37%	10.29%

#### Sources:

<sup>1</sup> Regulatory Research Associates, Inc., Regulatory Focus, Major Rate Case Decisions, Jan. 1997 p. 5, and Jan. 2011 p. 3.  
S&P Global Market Intelligence, RRA Regulatory Focus, Major Rate Case Decisions, January - March, 2025,  
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2006 - 2024 Authorized Returns exclude limited issue rider cases.

<sup>2</sup> The utility bond yields for the period 1980-2005 were obtained from the St. Louis Federal Reserve: Economic Research, <http://research.stlouisfed.org/>.  
The utility bond yields from 2006-2025 were obtained from the Mergent Bond Record.

<sup>3</sup> Data represents January - March, 2025.