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February 28, 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 docket are the direct testimony and exhibits of FPL witness James M. Coyne.

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

Sincerely,

s/ John T. Burnett

John T. Burnett
Vice President & General Counsel
Florida Power & Light Company

(Document 13 of 30)

CERTIFICATE OF SERVICE
Docket 20250011-EI

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished
by electronic service this 28th day of February 2025 to the following:

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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 20250011-EI

FLORIDA POWER & LIGHT COMPANY

DIRECT TESTIMONY OF JAMES M. COYNE

Filed: February 28, 2025

1	TABLE OF CONTENTS	
2	I. INTRODUCTION AND PURPOSE	3
3	II. OVERVIEW AND SUMMARY	5
4	III. REGULATORY PRINCIPLES.....	10
5	IV. ECONOMIC AND CAPITAL MARKET CONDITIONS	14
6	V. PROXY GROUP SELECTION.....	28
7	VI. DETERMINATION OF THE APPROPRIATE COST OF EQUITY	32
8	A. CONSTANT GROWTH DCF MODEL	33
9	B. CAPM ANALYSIS	36
10	C. RISK PREMIUM ANALYSIS.....	40
11	D. EXPECTED EARNINGS ANALYSIS.....	42
12	E. EVALUATING THE MODEL RESULTS	43
13	VII. BUSINESS RISKS AND FLOTATION COSTS	44
14	A. CAPITAL EXPENDITURE PROGRAM	45
15	B. NUCLEAR GENERATION OWNERSHIP	48
16	C. SEVERE WEATHER RISK	52
17	D. REGULATORY RISK.....	57
18	E. MULTI-YEAR RATE PLAN	59
19	F. FLOTATION COSTS	60
20	VIII. CAPITAL STRUCTURE.....	61
21	IX. CONCLUSIONS AND RECOMMENDATION.....	63
22		
23		
24		
25		
26		
27		
28		
29		

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I. INTRODUCTION AND PURPOSE

Q. Please state your name and business address.

A. My name is James M. Coyne, and I am employed by Concentric Energy Advisors, Inc. (“Concentric”) as a Senior Vice President. Concentric is a management consulting and economic advisory firm, focused on the North American energy and water industries. Based in Marlborough, Massachusetts, Washington, D.C., and Calgary, Alberta, Concentric specializes in regulatory and litigation support, financial advisory services, energy market strategies, market assessments, energy commodity contracting and procurement, economic feasibility studies, and capital market analyses. My business address is 293 Boston Post Road West, Suite 500, Marlborough, MA 01752.

Q. On whose behalf are you testifying?

A. I am submitting this testimony to the Florida Public Service Commission (the “Commission”) on behalf of Florida Power & Light Company (“FPL” or the “Company”), which is a wholly owned subsidiary of NextEra Energy, Inc.

Q. Please describe your experience in the energy and utility industries and your educational and professional qualifications.

A. I am among Concentric’s professionals who provide expert testimony before federal, state, and Canadian provincial agencies on matters pertaining to economics, finance, and public policy in the energy industry. I regularly advise regulatory agencies, utilities, generating companies, and private equity investors on business issues pertaining to the utility industry. This work includes calculating the cost of capital for the purpose of ratemaking and providing expert testimony

1 and studies on matters pertaining to rate policy, valuation, capital costs, and
2 performance-based regulation. I have authored numerous articles on the energy
3 industry, lectured on utility regulation for regulatory commission staff, and
4 provided testimony before the Federal Energy Regulatory Commission (“FERC”)
5 as well as state and provincial jurisdictions in the U.S. and Canada, including this
6 Commission. I hold a B.S. in Business Administration from Georgetown
7 University and an M.S. in Resource Economics from the University of New
8 Hampshire. My educational and professional background is summarized more
9 fully in Exhibit JMC-1.

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

11 A. Yes. My analyses and recommendations are supported by the data presented in
12 Exhibits JMC-2 through JMC-11, which have been prepared by me or under my
13 direction. I am sponsoring the following exhibits:

- 14 • Exhibit JMC 2 – Comprehensive Summary of ROE Results
- 15 • Exhibit JMC-3 – Proxy Group Screening Analysis
- 16 • Exhibit JMC-4 – Constant Growth DCF Analysis
- 17 • Exhibit JMC-5.1 – Market Risk Premium
- 18 • Exhibit JMC-5.2 – CAPM Analysis
- 19 • Exhibit JMC-6 – Risk Premium Analysis
- 20 • Exhibit JMC-7 – Expected Earnings Analysis
- 21 • Exhibit JMC-8 – Capital Expenditures Analysis
- 22 • Exhibit JMC-9 – Regulatory Risk Assessment

- 1 • Exhibit JMC-10 – Flotation Cost Analysis
- 2 • Exhibit JMC-11 – Capital Structure Analysis

3 **Q. What is the purpose of your testimony?**

4 A. The purpose of my direct testimony is to present evidence and provide a
5 recommendation for FPL’s return on equity (“ROE”). My direct testimony also
6 discusses the Company’s capital structure in comparison to the proxy group
7 companies supporting my analysis.

8

9 **II. OVERVIEW AND SUMMARY**

10 **Q. What is your conclusion regarding the appropriate cost of equity for FPL?**

11 A. I estimate four ROE models that produce a range of results. These models include
12 the Discounted Cash Flow (“DCF”) model, the Capital Asset Pricing Model
13 (“CAPM”), the Bond Yield Plus Risk Premium model, and the Expected Earnings
14 model. As shown in Exhibit JMC-2, for each proxy company, I give equal weight
15 to the four individual models. I then calculate the average of these four methods
16 for the proxy group, which produces a base ROE of 11.83 percent. Adding nine
17 basis points for flotation costs brings the total ROE to 11.92 percent. Based on my
18 analysis, I recommend an ROE of 11.92 percent, which rounds down to 11.90
19 percent, as just and reasonable for FPL for the 2026-2029 rate period.

20 **Q. Please provide a brief overview of the analyses that you conducted to support**
21 **your ROE recommendation.**

22 A. My ROE recommendation is based on results produced from four modeling
23 methodologies, the DCF model, the CAPM, the Risk Premium approach, and the

1 Expected Earnings analysis. Analysts and academics understand that ROE models
2 are tools to be used in the ROE estimation process, and that strict adherence to any
3 single approach, or the specific results of any single approach, can lead to flawed
4 conclusions. No model can exactly pinpoint the correct cost of equity, but rather
5 each model brings its own perspective and set of inputs that inform the estimate of
6 the ROE. Therefore, my analysis considers the range of results produced by these
7 four different models. From within that range, regulators use informed judgment
8 to select an authorized ROE that takes into consideration the relevant risk factors,
9 as well as capital market conditions and the management performance of the utility,
10 in order to send appropriate market signals.

11
12 The DCF analysis estimates the cost of equity based on market data on dividend
13 yields and analysts' projected earnings per share growth rates from reputable third-
14 party sources. The CAPM analysis is based on both current and forecasted interest
15 rates and a forward-looking market risk premium. The Risk Premium approach
16 calculates the risk premium as the spread between authorized ROEs for integrated
17 electric utilities and Treasury bond yields to estimate the ROE. The Expected
18 Earnings approach estimates the cost of equity based on projected returns on book
19 equity that investors expect to receive over the next three to five years. My ROE
20 recommendation is ultimately based on the 4-model average ROE estimates
21 produced by these methodologies, including a nine-basis point adjustment for
22 flotation costs.

1 My recommendation also considers the general economic and capital market
2 environment and the influence capital market conditions exert over the results of
3 the models. In addition, I also consider the Company's business and regulatory
4 risks in relation to the proxy companies to assist in the determination of the
5 appropriate ROE and capital structure from within the range of my analytical
6 results. I identify risk factors that indicate FPL is above average risk. While I have
7 not made any explicit risk adjustment in my ROE or capital structure analysis,
8 FPL's risk profile warrants such consideration.

9 **Q. Your ROE recommendation for FPL is higher than what was included in the**
10 **Settlement Agreement in the Company's last rate case that was filed in March**
11 **2021. Please summarize the primary factors that support this view.**

12 A. In Docket 20210015-EI, the Commission approved FPL's Settlement Agreement
13 with an ROE of 10.60 percent, within a range from 9.70 percent to 11.70 percent.
14 The Settlement Agreement included a provision that would raise the authorized
15 ROE 20 basis points to 10.80 percent (within a range of 9.80 percent to
16 11.80 percent) if the 30-year Treasury bond yield increased 50 basis points or more
17 for six consecutive months after the date the Settlement Agreement was filed
18 (August 10, 2021). On August 19, 2022, that provision was triggered and the
19 Company filed notice with the Commission on August 23, 2022. On October 4,
20 2022, the Commission approved the provision that increased the authorized ROE
21 to 10.80 percent.

1 I first note that the current ROE was the result of a settlement with several
2 components. Settlements invariably include gives and takes, so any one result is
3 not necessarily representative of a litigated outcome. Further, yields on government
4 and corporate bonds have increased significantly since I filed my direct testimony
5 in the Company's last rate case in March 2021. As discussed in Section IV,
6 government and utility bond yields have increased more than 200 basis points. The
7 increase in the model results between my testimony in the Company's last rate case
8 and this case support the conclusion that the cost of equity capital has risen. Longer
9 term, the industry faces complex structural challenges associated with cyber
10 security, grid modernization, and shifting consumer preferences. These challenges
11 faced by the industry have not eased since I filed my direct testimony in Docket
12 20210015-EI in March 2021.

13 **Q. How do the model results presented in this case compare to those submitted in**
14 **Docket 20210015-EI in March 2021?**

15 A. As shown in Figure 1, each of the model results has increased. All but two of the
16 proxy companies that were in my proxy group in the last rate case¹ are included in
17 my proxy group in this proceeding. As Figure 1 illustrates, the model results have
18 increased between 63 and 148 basis points since the time I prepared my analysis in
19 the Company's last rate case.

¹ ALLETE, Inc. and Hawaiian Electric Industries. ALLETE was excluded due to its pending acquisition by the Canadian Pension Plan Investment Board and Global Infrastructure Management LLC. Hawaiian Electric Industries was downgraded to below investment grade after the Maui wildfire and ceased paying dividends. Therefore, neither meet my screening criteria. Two additional companies that meet my screening criteria were added: Southern Company, and TXNM Energy.

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Figure 1: Comparison of DCF, CAPM, Risk Premium, and Expected Earnings Results

Model	Docket 20210015-EI	Docket 20250011-EI²	Difference (basis points)
DCF	9.29%	10.28%	+99
CAPM	14.17%	15.65%	+148
Risk Premium	9.88%	10.51%	+63
Expected Earnings	10.22%	10.91%	+69

- Q. Does your recommendation consider the current interest rate environment and expectations regarding the Federal Reserve’s changing stance on monetary policy?**
- A.** Yes, it does. First, my analysis considers both current and projected interest rates. Second, investors’ expectations regarding the future path of interest rates are reflected in the market data in my analyses. For example, Federal Reserve (“the Fed”) began reducing the Federal Funds target rate in early Fall 2024. More recently, however, the Fed has signaled that it may slow the pace of rate cuts in 2025, and in fact held the Federal Funds rate steady in January 2025.³ Lastly, the Fed’s actions have a lesser effect on long-term interest rates than they do on short-term interest rates. Therefore, long-term interest rates, like the 30-year Treasury yield used in my analysis, have not declined commensurate with reductions in the Federal Funds rate.

² CAPM and Risk Premium results presented in this case reflect the average of each model’s results using current and projected bond yields. The 2021 results reflect projected bond yields.

³ Transcript of Chair Powell’s Press Conference, December 18, 2024, at 2-6.
<https://www.federalreserve.gov/mediacenter/files/FOMCpresconf20241218.pdf>; Federal Reserve Press Release January 29, 2025,
<https://www.federalreserve.gov/newsevents/pressreleases/monetary20250129a.htm>

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

A. The remainder of my Direct Testimony is organized as follows. Section III provides background on the regulatory principles that guide the determination of ROE. Section IV presents a review of current and prospective economic and capital market conditions and the implications for utility cost of capital. Section V describes the criteria and approach for the selection of a proxy group of comparable companies. Section VI provides a description of the data and methodologies used to estimate the cost of equity, as well as the results of the various ROE estimation models. Section VII provides an assessment of the business and regulatory risk factors I have considered in arriving at an appropriate ROE for FPL. Section VIII reviews FPL's capital structure in the context of the proxy group. Finally, Section IX summarizes my results, conclusions, and recommendations.

14 **III. REGULATORY PRINCIPLES**

15 **Q. Please describe the guiding principles used in establishing the cost of capital**
16 **for a regulated utility.**

A. The foundations of public utility regulation require that utilities receive a fair rate of return sufficient to attract needed capital to maintain important infrastructure for customers at reasonable rates. The basic tenets of this regulatory doctrine originate from several bellwether decisions by the United States Supreme Court, notably *Bluefield Waterworks and Improvement Company v. Public Service Commission of West Virginia*, 262 U.S. 679 (1923) (“*Bluefield*”), and *Federal Power Commission*

1 *v. Hope Natural Gas Company*, 320 U.S. 591 (1944) (“*Hope*”). In *Bluefield*, the
2 Court stated:

3 A public utility is entitled to such rates as will permit it to earn a
4 return on the value of the property which it employs for the
5 convenience of the public equal to that generally being made at the
6 same time and in the same general part of the country on investments
7 in other business undertakings which are attended by corresponding
8 risks and uncertainties . . .

9 The return should be reasonably sufficient to assure investor
10 confidence in the financial soundness of the utility and should be
11 adequate, under efficient and economical management, to maintain
12 and support its credit and enable it to raise the money necessary for
13 the proper discharge of its public duties.

14 Later, in *Hope*, the Court established a standard for the ROE that remains the
15 guiding principle for ratemaking regulatory proceedings to this day:

16 [T]he return to the equity owner should be commensurate with
17 returns on investments in other enterprises having corresponding
18 risks. That return, moreover, should be sufficient to assure
19 confidence in the financial integrity of the enterprise, so as to
20 maintain its credit and to attract capital.

21 **Q. Has the Commission provided similar guidance?**

22 A. Yes, the Commission applies the precedents of the *Hope* and *Bluefield* decisions.
23 For example, in a May 2008 decision for Florida Public Utilities, the Commission
24 stated:

25 The statutory principles for determining the appropriate rate of
26 return for a regulated utility are set forth by the U.S. Supreme Court
27 in its *Hope* and *Bluefield* decisions. These decisions define the fair
28 and reasonable standards for determining rate of return for regulated
29 enterprises. Namely, these decisions hold that the authorized return
30 for a public utility should be commensurate with return on
31 investments in other companies of comparable risk, sufficient to
32 maintain the financial integrity of the company, and sufficient to
33 maintain its ability to attract capital on reasonable terms.⁴

⁴ Order No. PSC-08-0327-FOF-EI, Docket Nos. 070300-EI, 070304-EI, at 35.

1 More recently, the Commission again applied the *Hope* and *Bluefield* standard in
2 its supplemental order approving FPL's 2021 settlement agreement, Order No.
3 PSC-2024-0078-FOF-EI issued March 25, 2024 in Docket 20210015-EI.

4 **Q. Please explain how these principles apply in the context of the regulated rate**
5 **of return.**

6 A. Regulated utilities rely primarily on common stock and long-term debt to finance
7 permanent property, plant, and equipment. The allowed rate of return for a
8 regulated utility is based on its weighted average cost of capital, where the costs of
9 the individual sources of capital (i.e., debt and equity) are weighted by their
10 respective book values. The ROE represents the cost of raising and retaining equity
11 capital and is estimated by using one or more analytical techniques that use market
12 data to quantify investor requirements for equity returns. However, the ROE cannot
13 be derived through quantitative metrics and models alone. To properly estimate the
14 ROE, the financial, regulatory, and economic context must also be considered.

15
16 The DCF, CAPM, Risk Premium, and Expected Earnings approaches, while
17 fundamental to the ROE determination, are still only models. The results of these
18 models cannot be mechanistically applied without also using informed judgment to
19 consider economic and capital market conditions and the relative risk of FPL as
20 compared to the proxy group companies.

21
22 Based on these widely recognized standards, the Commission's order in this case
23 should provide FPL with the opportunity to earn a return on equity that is:

- 1 • Commensurate with returns on investments in enterprises having
- 2 comparable risks;
- 3 • Adequate to attract capital on reasonable terms, thereby enabling FPL to
- 4 provide safe, reliable service; and
- 5 • Sufficient to ensure the financial soundness of FPL's electric utility
- 6 operations.

7 Importantly, a fair return must satisfy all three of these standards. The allowed
8 ROE should enable FPL to finance capital expenditures on reasonable terms and
9 provide the Company with the ability to raise capital under a full range of capital
10 market circumstances.

11 **Q. What are your conclusions regarding regulatory principles?**

12 A. The ratemaking process is premised on the principle that, in order for investors and
13 companies to commit the capital needed to provide safe and reliable utility services,
14 the utility must have the opportunity to recover invested capital and the market-
15 required return on that capital. Because utility operations are capital-intensive,
16 regulatory decisions should enable the utility to attract capital on favorable terms.
17 The financial community carefully monitors the current and expected financial
18 condition of utility companies as well as the regulatory environment in which they
19 operate. In that respect, the regulatory environment is one of the most important
20 factors considered by both debt and equity investors in their assessments of risk. It
21 is therefore essential that the ROE authorized in this proceeding takes into
22 consideration the current and expected capital market conditions that FPL faces, as
23 well as investors' expectations and requirements regarding both risks and returns.

1 A reasonable ROE is required for FPL to continue to provide customers with
2 superior service and to maintain confidence in Florida's regulatory environment
3 among credit rating agencies and investors.
4

5 IV. ECONOMIC AND CAPITAL MARKET CONDITIONS

6 **Q. Why is it important to consider the effects of current and expected economic
7 and financial market conditions when setting the appropriate ROE?**

8 A. It is important to consider current and expected conditions in the general economy
9 and financial markets because the authorized ROE for a public utility should allow
10 the utility to attract investor capital at a reasonable cost under a variety of economic
11 and financial market conditions, as underscored by the *Hope* and *Bluefield*
12 decisions. The standard ROE estimation tools, such as the DCF, CAPM, and Risk
13 Premium models, each reflect the state of the general economy and financial
14 markets by incorporating specific economic and financial data. These inputs are,
15 however, only samples of the various economic and market forces that determine a
16 utility's required return. Consideration must be given to whether the assumptions
17 relied on in the current or projected market data are appropriate. If investors do not
18 expect current market conditions to be sustained in the future, it is possible that the
19 ROE estimation models will not provide an accurate estimate of investors' forward-
20 looking required return. Therefore, an assessment of current and projected market
21 conditions is integral to any ROE recommendation.

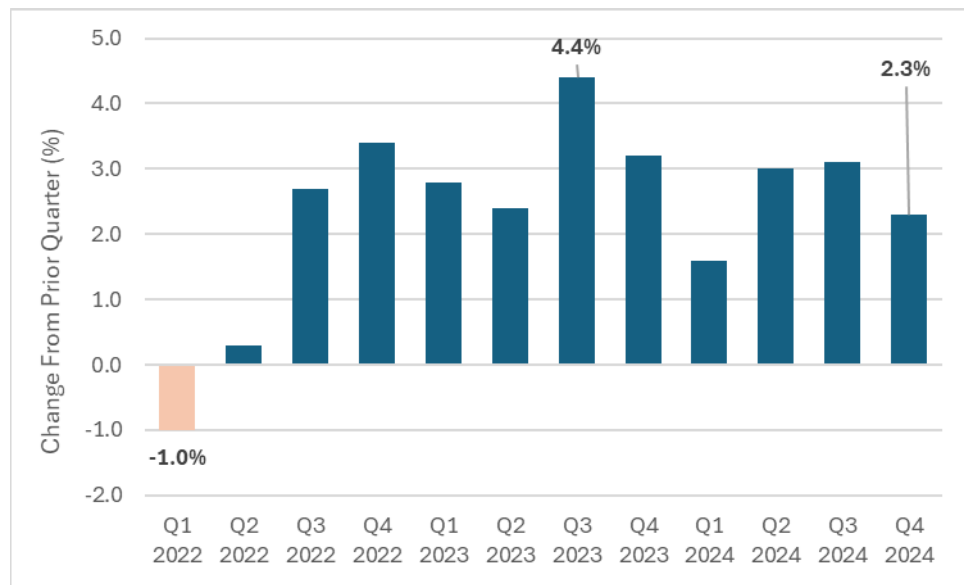
1 **Q. What are the key factors affecting the cost of equity for regulated utilities in**
2 **the current and prospective capital markets?**

3 A. The cost of equity for regulated utilities is being affected by several key factors,
4 including: (1) the interest rate environment and central bank monetary policy; (2)
5 inflationary pressure and the longer-term outlook for inflation; and (3) uncertainty
6 in the economic environment as a result of a change in administration at the federal
7 level. In this section, I discuss each of these factors and how it affects the models
8 used to estimate the cost of equity for regulated utilities.

9 **Q. Please discuss current economic and capital market conditions.**

10 A. Following the Company's last rate case, economic conditions were unsettled in
11 2022 and 2023 due to ongoing inflationary pressure and the prospects for weaker
12 economic growth or a possible recession as the Federal Reserve continued to
13 tighten monetary policy to combat higher than expected inflation. Real Gross
14 Domestic Product ("GDP") grew at an annual rate of 2.9 percent and 2.8 percent,
15 respectively, in 2023 and 2024 compared to 2.5 percent in 2022. Figure 2 shows
16 that real GDP growth ranged from -1.0 percent to 4.4 percent over the past twelve
17 quarters and settled most recently at 2.3 percent in the fourth quarter of 2024.

Figure 2: Percent Change in Real GDP (From Previous Quarter)⁵

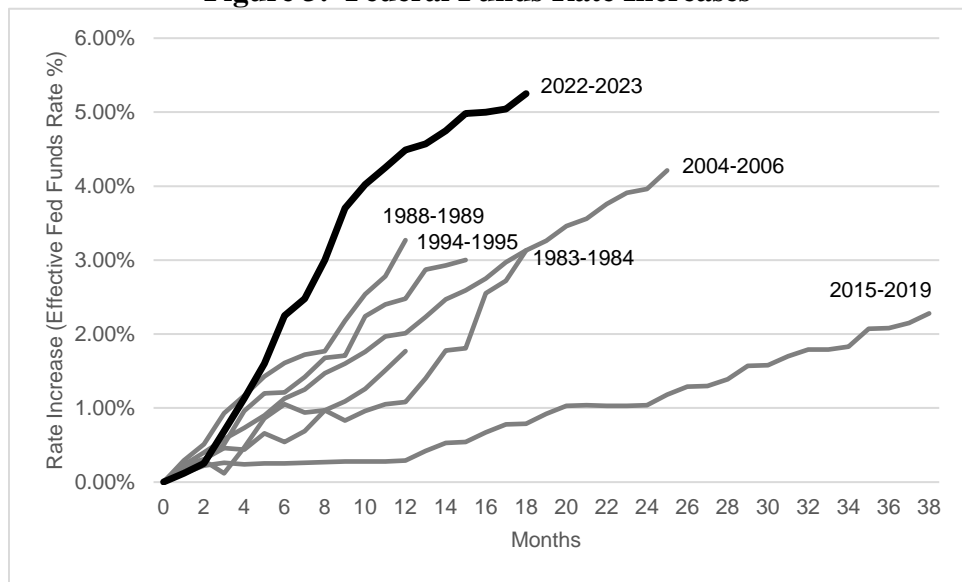


Q. Please discuss the changes in monetary policy that have occurred.

A. In 2022 and 2023, the Fed tightened monetary policy at the fastest pace in the last 40 years to slow economic growth and combat higher than expected inflation. Specifically, the Fed raised the Federal Funds rate from a range of 0.00 percent to 0.25 percent in March 2022 to a range of 5.25 to 5.50 percent by July 2023 (see Figure 3), which it held constant until September 2024.

⁵ Source: U.S. Bureau of Economic Analysis.

Figure 3: Federal Funds Rate Increases⁶



At the December 2023 Federal Open Market Committee (“FOMC”) meeting, the Fed signaled that it was likely finished raising the Federal Funds rate. Capital markets interpreted this as an indication that the Fed would start cutting short-term interest rates sooner than expected. However, throughout the first half of 2024, Chair Jerome Powell reiterated repeatedly that the timing of future interest rate cuts remained dependent on progress toward achieving the Fed’s goal of returning to the 2 percent inflation target and that the FOMC was “prepared to maintain the current target range for the federal funds rate for longer, if appropriate.”^{7, 8}

In August 2024, Chair Powell signaled that the economic data on inflation and unemployment was likely to lead to a reduction in short-term interest rates. During his speech at Jackson Hole, Wyoming, Chair Powell stated:

⁶ Federal Reserve Bank of St. Louis, Federal Reserve Economic Data (“FRED”) *available at* <https://fred.stlouisfed.org/>.

⁷ Transcript of Chair Powell’s Press Conference, March 20, 2024, at 3.

⁸ Semiannual Monetary Policy Report to Congress, Chair Jerome H. Powell, Before the Committee on Financial Services, U.S. House of Representatives, March 6, 2024.

1 Overall, the economy continues to grow at a solid pace. But the
2 inflation and labor market data show an evolving situation. The
3 upside risks to inflation have diminished. And the downside risks to
4 employment have increased. As we highlighted in our last FOMC
5 statement, we are attentive to the risks to both sides of our dual
6 mandate.⁹

7 The FOMC subsequently cut the Federal Funds rate by 50 basis points in September
8 2024 as the FOMC gained greater confidence that inflation was moving sustainably
9 toward its two percent target, and that risks to achieving employment and inflation
10 goals were roughly in balance. However, the FOMC noted that “the economic
11 outlook is uncertain, and the Committee is attentive to the risks to both sides of its
12 dual mandate.”¹⁰ In November and December 2024, the FOMC further reduced
13 the Federal Funds rate by 25 basis points in each meeting. In its press releases, the
14 FOMC reiterated these points and noted that “inflation has made progress toward
15 the Committee’s 2-percent objective but remains somewhat elevated.”¹¹ After the
16 December 2024 meeting, Chair Powell signaled that the Fed would slow the pace
17 of rate cuts in 2025, and the FOMC in fact held the Federal Funds rate steady at the
18 January 2025 meeting.¹²

⁹ Review and Outlook, Remarks by Jerome H. Powell, Chair, Board of Governors of the Federal Reserve System, at “Reassessing the Effectiveness and Transmission of Monetary Policy,” an economic symposium sponsored by the Federal Reserve Bank of Kansas City, Jackson Hole, Wyoming, August 23, 2024, at 3.

¹⁰ Federal Reserve FOMC Press Release, September 18, 2024.

¹¹ Federal Reserve FOMC Press Release, November 7, 2024,
<https://www.federalreserve.gov/newsevents/pressreleases/monetary20241107a.htm>; Federal Reserve FOMC Press Release, December 18, 2024,
<https://www.federalreserve.gov/newsevents/pressreleases/monetary20241218a.htm>.

¹² Federal Reserve FOMC Press Release, December 18, 2024,
<https://www.federalreserve.gov/newsevents/pressreleases/monetary20241218a.htm>; Federal Reserve FOMC Press Release, January 29, 2025,
<https://www.federalreserve.gov/newsevents/pressreleases/monetary20250129a.htm>

1 **Q. Please discuss the path of government bond yields and explain the**
2 **implications for equity investors in the utility sector.**

3 A. As the U.S. economy improved and the Federal Reserve moved aggressively in
4 2022 and 2023 to tighten monetary policy to fight stubbornly higher inflation,
5 prevailing interest rates rose to their highest levels since 2010.¹³ As shown in
6 Figure 4, the 30-day average yield on 30-year Treasury bonds was 1.69 percent on
7 January 11, 2021 (when FPL notified the Commission of its rate case) and
8 2.02 percent as of October 26, 2021 (when the Commission voted to approve the
9 Settlement Agreement in the 2021 rate case). As shown in Figure 4, as of December
10 31, 2024, the 30-day average yield on the 30-year Treasury bond was 4.56 percent.
11 As of December 2024, the 30-year Treasury yield is projected to be approximately
12 4.5 percent in 2025¹⁴ and 4.30 percent over the period from 2026-2030.¹⁵ As shown
13 in Figure 4, the underlying 30-day average 30-year Treasury bond yield has
14 increased by 287 basis points, or nearly 170 percent, from January 11, 2021 to
15 December 31, 2024. According to the U.S. Department of Treasury, the 30-year
16 Treasury bond yield increased 312 basis points, or more than 180 percent, between
17 January 2021 and December 2024.¹⁶ The upward pressure on long-term interest
18 rates cuts across all forms of capital, including that for utilities.

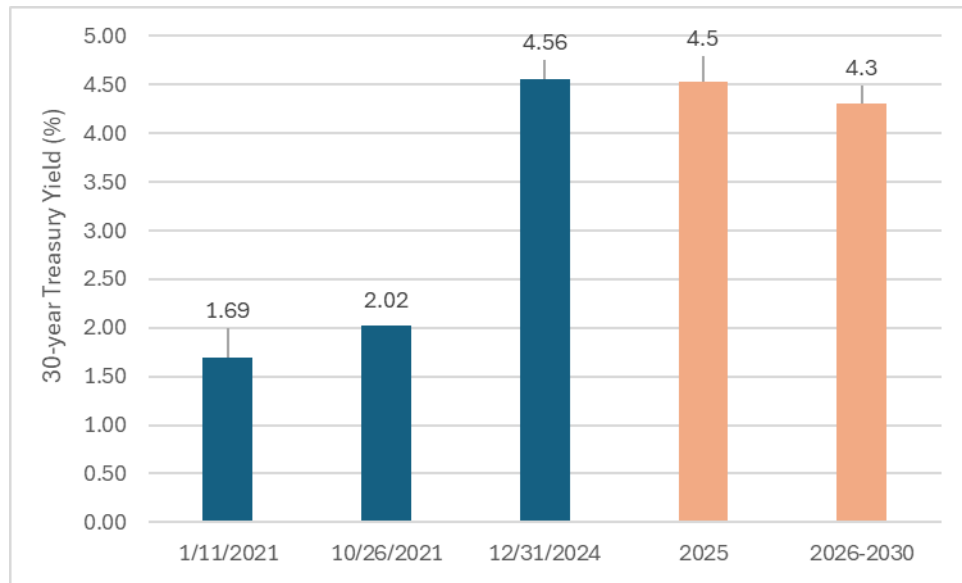
¹³ Source: Federal Reserve Bank of St. Louis, FRED Economic Database.

¹⁴ Source: Blue Chip Financial Forecasts, Vol. 44, No. 1, December 30, 2024, at 2.

¹⁵ Source: Blue Chip Financial Forecasts, Vol. 43, No. 12, November 27, 2024, at 14.

¹⁶ Source: U.S. Department of Treasury, Daily Treasury Par Yield Curve Rates, January 3, 2021 to December 31, 2024. https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily_treasury_yield_curve&field_tdr_date_value=2024

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Figure 41: Comparison of 30-Year Treasury Bond Yields¹⁷

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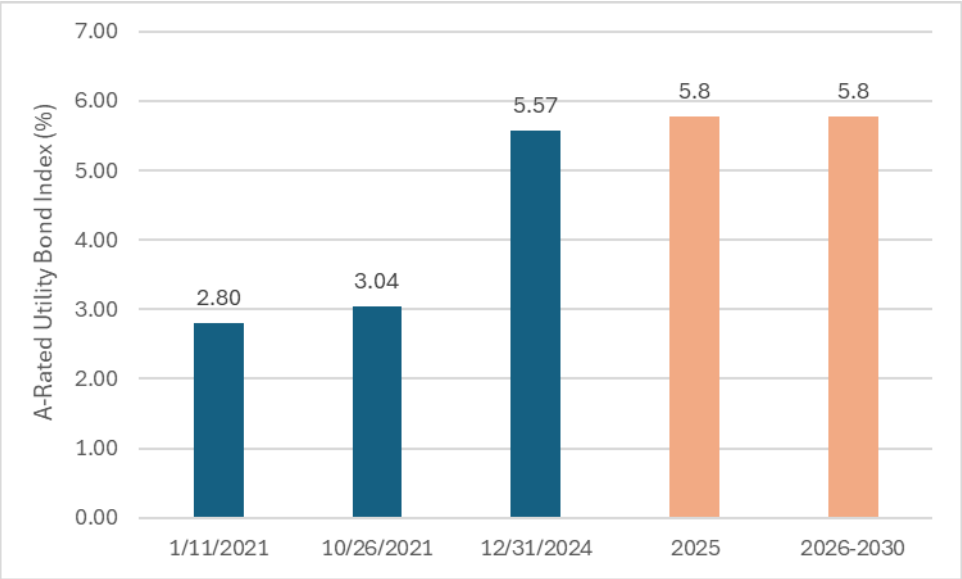
The same pattern exists for utility bond yields. As shown in Figure 5, Moody's A-rated Utility Bond Index increased from 2.80 percent at the time FPL filed its last rate case to 5.57 percent as of December 31, 2024, a 99 percent increase. As with Treasury bond yields, utility bond yields are also expected to remain at elevated levels, if not increase in the near term.

¹⁷

Sources: Federal Reserve Bank of St. Louis, FRED Economic Database, Blue Chip Financial Forecasts, Vol. 44, Issue No. 1, December 30, 2024, at 2, Blue Chip Financial Forecasts, Vol. 43, Issue No. 12, November 27, 2024, at 14.

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Figure 5: Comparison of Utility Bond Yields¹⁸



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As noted previously, long-term bond yields are less sensitive to the Federal Reserve’s monetary policy, and as such have not responded to the Federal Reserve’s reduction in the Federal Funds rate as short-term yields have. As shown in Figure 6, since the end of June 2024, the 1-year and 2-year Treasury yields have declined by 93 and 46 basis points, respectively, whereas the 10-year and 30-year Treasury yields have increased by 22 and 27 basis points, respectively.

¹⁸ Sources: Federal Reserve Bank of St. Louis, FRED Economic Database, Blue Chip Financial Forecasts, Vol. 44, Issue No. 1, December 30, 2024, at 2, Blue Chip Financial Forecasts, Vol. 43, Issue No. 12, November 27, 2024, at 14. Projected Utility “A” bond yields are estimated from Blue Chip’s projected AAA corporate bond yields plus the average historical spread between A-rated corporate and utility bond yields over the last five years.

Figure 6: U.S. Treasury Yields (June 2024 vs. December 2024)¹⁹

	1-year Treasury	2-year Treasury	10-year Treasury	30-year Treasury
June 28, 2024	5.09%	4.71%	4.36%	4.51%
December 31, 2024	4.16%	4.25%	4.58%	4.78%
Change	-0.93%	-0.46%	0.22%	0.27%

Current long-term yields have not declined commensurately with reductions in the Federal Funds rate. These movements are consistent with the normalization of the yield curve, where long-term rates are expected to exceed short-term rates.

Q. Please explain why these higher interest rates are important to the ROE analysis.

A. The 30-year Treasury bond yield is a direct input to both the CAPM and the Risk Premium models. As yields increase, the cost of capital generally increases, and the ROE estimates from those two models also increase, although not on a one-to-one basis. Further, while interest rates are not a direct input to the DCF model, dividend yields on utility stocks must compete with yields on Treasury bonds. As interest rates on government bonds increase, utilities must offer a higher dividend yield to attract and retain investors, signaling an increase in the cost of equity for utilities. All else equal, higher dividend yields produce higher ROE estimates in the DCF model.

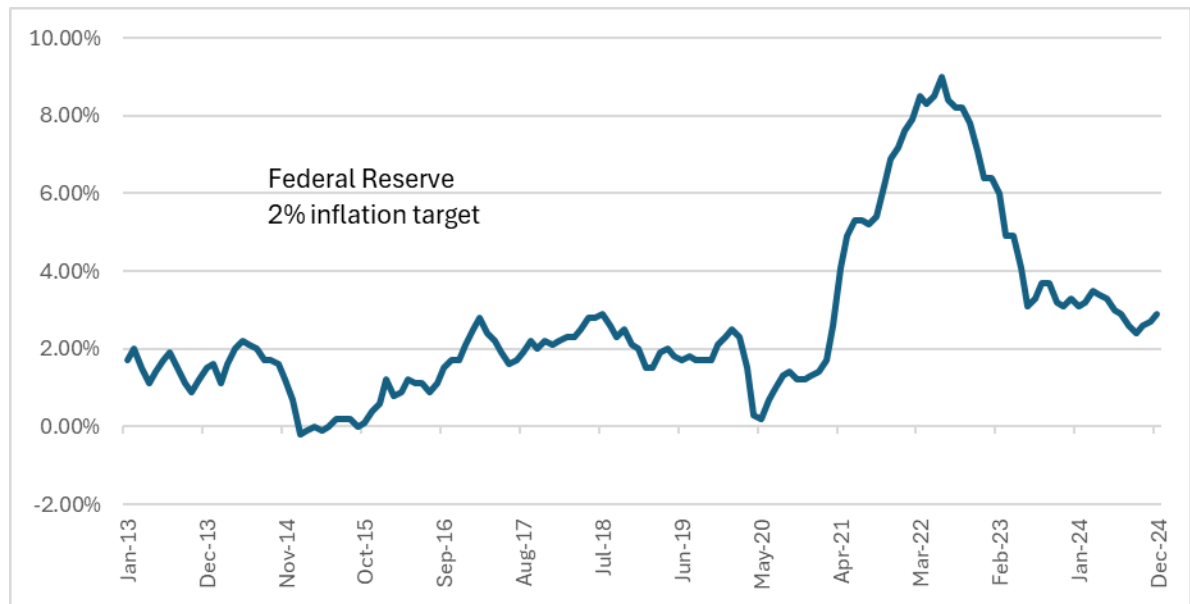
Q. What has been the path of inflation since 2021?

A. As shown in Figure 7, inflation levels are down significantly from the peak of 9.1 percent in June 2022, but remain slightly elevated at 2.9 percent as of December

¹⁹ Source: Spot yields reported by Federal Reserve Board of Governors, H15 Selected Interest Rates. <https://www.federalreserve.gov/datadownload/Choose.aspx?rel=H15>

2024, relative to the Federal Reserve’s target of 2.0 percent. Moreover, the downward trend in inflation has reversed, increasing in each month in October, November, and December 2024.

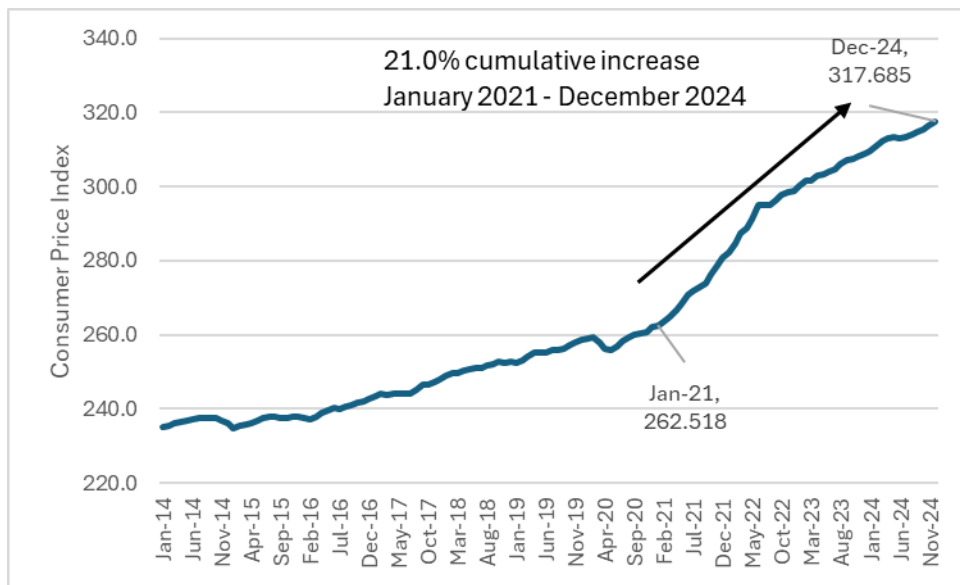
Figure 7: Consumer Price Index, 12-month Percentage Change²⁰



As shown in Figure 8, on a cumulative basis, inflation has increased 21 percent between January 2021 and December 2024.

²⁰ Source: Bureau of Labor Statistics, <https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category-line-chart.htm>.

Figure 8: Consumer Price Index, Cumulative Change (2014-2024)²¹



While inflation has subsided from the historic levels experienced in 2022, the era of record low interest rates and low inflation has likely ended. As noted above, long-term interest rates have increased considerably since the Federal Reserve began tightening monetary policy, and expectations for interest rates are markedly higher than in the five years prior to the pandemic. As Blue Chip Financial Forecasts explains:

Of particular interest is that even though the economy is expected to grow at around its potential rate and that inflation is expected to stabilize near the Fed's target, these occur at markedly higher expected interest rate levels (both short- and long-term) than in the five years prior to the pandemic and marginally higher than the consensus envisaged last December. This points to a meaningfully higher neutral [Federal Funds Rate] and higher real interest rates over the longer term than experienced just prior to the pandemic.²²

Furthermore, even though the pace of inflation has slowed, U.S. consumers continue to expect inflation to remain elevated. As the University of Michigan's

²¹ Source: Bureau of Labor Statistics, <https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category-line-chart.htm>.

²² Blue Chip Financial Forecasts, Vol. 43, No. 6, at 1 (June 1, 2024). Clarification added.

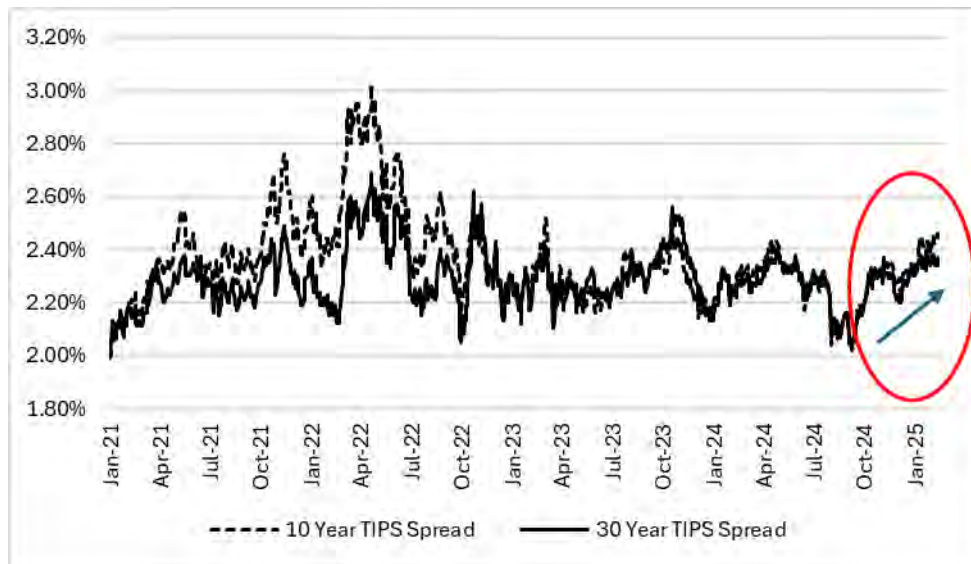
1 January 2025 survey explains regarding consumer sentiment on inflation: “[a]s of
2 January 2025, long-run expectations remain modestly elevated relative to the two
3 years pre-pandemic but exhibit substantial uncertainty, particularly in light of the
4 presidential election.”²³ While inflation expectations have moderated since 2022,
5 as of January 2025, they have not returned to pre-pandemic levels.²⁴

6
7 Additionally, the breakeven inflation rate provides another view of the market’s
8 expectation for inflation. The breakeven rate is a measure of expected inflation
9 derived from 10-year and 30-year Treasuries and is calculated as the difference
10 between constant maturity Treasury securities and Treasury Inflation-Protected
11 Securities (“TIPS”). The 10-year breakeven inflation rate implies what market
12 participants expect inflation to be in the next 10 years, on average, whereas the 30-
13 year measure reflects what market participants expect inflation to be in the next 30-
14 years on average. As shown in Figure 9, both measures have increased since
15 September, consistent with the recent uptick in inflation noted earlier.

²³ University of Michigan, Survey of Consumers, January 2025.
<https://data.sca.isr.umich.edu/fetchdoc.php?docid=77942>

²⁴ University of Michigan, Survey of Consumers, January 2025.
<https://data.sca.isr.umich.edu/fetchdoc.php?docid=77942>

Figure 9: Breakeven Inflation Rate (2021-2025)²⁵



Q. How might the change in administration affect inflation and bond yields?

A. On February 1, 2025, President Trump issued an executive order implementing a 25 percent additional tariff on imports from Canada and Mexico, and a 10 percent additional tariff on imports from China.²⁶ Further, on February 10, President Trump restored a 25 percent tariff on steel and increased the tariff on aluminum to 25 percent.²⁷ Although the effect of these tariffs on the economy is uncertain, economists generally agree that higher tariffs increase inflation by increasing the cost of consumer goods. Higher inflation could complicate the Federal Reserve's unwinding of restrictive monetary policies, as well as increase long-term bond yields like the 30-year Treasury yield. Longer-term bonds are more sensitive to inflation expectations because their value is eroded more by inflation; thus, as the

²⁵ Source: Federal Reserve Board H.15 Selected Interest Rates. January 1, 2021 – February 13, 2025.

²⁶ <https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-imposes-tariffs-on-imports-from-canada-mexico-and-china/>

²⁷ <https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-restores-section-232-tariffs/>

1 value (price) of bonds declines due to higher inflation expectations, the yield
2 increases. Because utilities are capital intensive enterprises, higher inflation and
3 interest rates tend to have a negative effect on utility stocks. If realized, all these
4 factors would suggest that the cost of capital for utilities may increase in the future.

5 **Q. What are your conclusions regarding the effects of the current market**
6 **environment on the cost of equity for FPL?**

7 A. Since the Company's last rate case was decided in 2021, yields on government and
8 utility bond yields increased sharply. As a result, it is reasonable that equity
9 investors would require a higher ROE to keep pace with the increases in lower-risk
10 bonds and compensate them for the additional risks of owning common stock.
11 These circumstances are reflected in the results of multiple models used to estimate
12 the cost of equity. Additionally, although inflation has subsided from its peak in
13 2022, inflation is expected to remain at higher levels than experienced prior to the
14 COVID-19 pandemic. Lastly, although the effect of the new presidential
15 administration on the economy is uncertain, proposals for higher tariffs, for
16 example, could complicate investor expectations for lower inflation and interest
17 rates. These factors emphasize the importance of considering the results of multiple
18 models, and the use of both current and forecasted bond yields, as I have with my
19 analysis.

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A. Since the ROE is a market-based concept and FPL is not publicly traded, it is necessary to establish a group of companies that is both publicly traded and comparable to FPL. Even if FPL were a publicly traded entity, it is possible that transitory events could bias the Company's market value in one way or another in a given period of time. A significant benefit of using a proxy group is the ability to mitigate the effects of short-term events that may be associated with any one company. The proxy companies used in my ROE analyses possess a set of business and operating characteristics similar to FPL's vertically integrated electric utility operations, and thus provide a reasonable basis for estimating the Company's ROE.

A. FPL is a wholly owned subsidiary of NextEra Energy, Inc., providing electric generation, transmission, and distribution service to over 6 million residential, commercial, and industrial customers in Florida. FPL owns 35,052 MW of regulated generation assets, including nuclear facilities, gas-fired plants, and solar generation facilities, approximately 91,000 circuit miles of transmission and distribution lines, and 921 substations.²⁸ As demonstrated in the testimony of FPL witness Reed, FPL is the most efficient provider of electricity services in the U.S., as measured by average O&M costs per kilowatt hour. FPL is making significant investments in a diverse generation fleet comprised of solar, nuclear, and advanced

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1 gas combined cycle power plants, as well as battery storage projects. In addition,
2 FPL has a substantial capital expenditure program that is focused on improving the
3 reliability of the electricity grid and increasing storm resiliency. FPL has long-term
4 issuer ratings from S&P of A (Outlook: Stable), Moody's Investors Service
5 ("Moody's") of A1 (Outlook: Stable), and FitchRatings ("Fitch") of A (Outlook:
6 Stable).²⁹

7 **Q. Please describe the specific screening criteria you have utilized to select a**
8 **proxy group.**

9 A. I began with the 36 investor-owned domestic electric utilities covered by Value
10 Line, an independent investment research firm, and then screened companies
11 according to the following criteria:

- 12 1. Consistently pays quarterly cash dividends;
- 13 2. Maintains an investment grade long-term issuer rating (BBB- or higher)
14 from S&P;
- 15 3. Is covered by more than one equity analyst;
- 16 4. Has positive earnings growth rates published by at least two of the
17 following sources: S&P Capital IQ, Value Line, and Zack's Investment
18 Research ("Zacks");
- 19 5. Owns regulated electric generation assets;
- 20 6. Regulated revenue and net operating income make up at least 60 percent
21 of the consolidated company's revenue and net operating income (based
22 on a 3-year average from 2021-2023);

²⁹ *Ibid.*, at 47.

- 1 7. Regulated revenue and net operating income from regulated electric
2 operations makes up at least 80 percent of the consolidated company's
3 regulated revenue and net operating income (based on a 3-year average
4 from 2021-2023); and
- 5 8. Is not involved in a merger or other transformative transaction for an
6 approximate six-month period.

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

8 A. No, I did not. In order to avoid the circular logic that would otherwise occur, it is
9 my practice to exclude the subject company, or its parent holding company, from
10 the proxy group.

11 **Q. What is the composition of your resulting proxy group?**

12 A. Based on the screening criteria discussed above, I arrived at a proxy group
13 consisting of the 15 companies shown in Figure 10. The results of my screening
14 process are shown in Exhibit JMC-3.

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Figure 10: Proxy Group

Company	Ticker
Alliant Energy Corporation	LNT
Ameren Corporation	AEE
American Electric Power Company, Inc.	AEP
Duke Energy Corporation	DUK
Edison International	EIX
Entergy Corporation	ETR
Evergy, Inc.	EVRG
IDACORP, Inc.	IDA
OGE Energy Corporation	OGE
Pinnacle West Capital Corporation	PNW
Portland General Electric Company	POR
PPL Corporation	PPL
The Southern Company	SO
TXNM Energy	TXNM
Xcel Energy Inc.	XEL

2

3 **Q. Do your screening criteria result in a group of companies that investors would**
4 **view as comparable to FPL?**

5 A. Yes. I have selected this group of electric utilities to best align with the financial
6 and operational characteristics of FPL. The proxy group screening criterion
7 requiring an investment grade credit rating ensures that the proxy group companies,
8 like FPL, are in sound financial condition. Because credit ratings take into account
9 business and financial risks, the ratings provide a broad measure of investment risk
10 for investors. I have only included companies in the proxy group that own regulated
11 generation assets because vertically-integrated electric utilities have operating

1 characteristics and unique business risks that cause investors to require a higher
2 return on equity to compensate for those risks. These unique risks are not shared
3 by pure Transmission and Distribution utilities. Additionally, I have screened on
4 the percent of revenue and net operating income from regulated operations to
5 differentiate between utilities that are protected by regulation and those with
6 substantial unregulated operations or market-related risks. Also, I have screened
7 on the percentage contribution of the electric utility segment to regulated
8 consolidated financial results to select companies that, like FPL, derive the majority
9 of their revenue and operating income from regulated electric operations. These
10 screens collectively reflect key risk factors that investors consider in making
11 investments in electric utilities.

12 **Q. What is your conclusion with regard to the proxy group for FPL?**

13 A. My conclusion is that my group of 15 vertically integrated electric utilities
14 adequately reflects the broad set of risks that investors consider when investing in
15 a U.S.-regulated vertically integrated electric utility such as FPL. Later in my
16 testimony, I will evaluate whether an adjustment should be made to the results of
17 my ROE analyses to account for differences in FPL's company-specific risks
18 relative to the proxy group companies.

19

20 **VI. DETERMINATION OF THE APPROPRIATE COST OF EQUITY**

21 **Q. What models did you use in your ROE analyses?**

22 A. I have considered the results of four ROE estimation models, including the DCF
23 model, the CAPM, the Bond Yield Plus Risk Premium approach, and an Expected

Earnings analysis. When faced with the task of estimating the cost of equity, analysts gather and evaluate as much relevant data (both quantitative and qualitative) as can be reasonably obtained. Consistent with the *Hope* finding, “it is the result reached, not the method employed, which is controlling.”³⁰

A. Constant Growth DCF Model

Q. Please describe the DCF approach.

A. The DCF approach is based on the theory that a stock’s current price represents the present value of all expected future cash flows. In its simplest form, the DCF model expresses the ROE as the sum of the expected dividend yield and long-term growth rate:

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

Where “*k*” equals the required return, “*D*” is the current dividend, “*g*” is the expected growth rate, and “*P*” represents the subject company’s stock price.

Assuming a constant growth rate in dividends, the model may be rearranged to compute the ROE accordingly, as shown in Formula [2]:

$$r = \frac{D}{P} + g \quad [2]$$

Stated in this manner, the cost of common equity is equal to the dividend yield plus the expected growth rate.

³⁰ Hope *op. cit.*

1 **Q. What are the assumptions underlying the Constant Growth DCF model?**

2 A. The Constant Growth DCF model is based on the following assumptions: (1) a
3 constant average growth rate for earnings and dividends; (2) a stable dividend
4 payout ratio; (3) a constant price-to-earnings multiple; and (4) a discount rate
5 greater than the expected growth rate.

6 **Q. Please summarize your application of the DCF model.**

7 A. I calculated DCF results for each of the proxy group companies using the following
8 inputs:

- 9 1. Average stock prices for the historical period, over 30-, 90-, and 180-
10 trading days through December 31, 2024;
- 11 2. Annualized dividend per share as of December 31, 2024; and
- 12 3. Company-specific earnings growth forecasts for the term g .

13 My application of the model is provided in Exhibit JMC-.

14 **Q. Why did you use averaging periods of 30, 90, and 180 trading days?**

15 A. It is important to use an average of recent trading days to calculate the term P in
16 the DCF model to ensure that the calculated ROE is not skewed by anomalous
17 events that may affect stock prices on any given trading day. At the same time, it
18 is important to reflect the conditions that have defined the financial markets over
19 the recent past. In my view, consideration of those three averaging periods
20 reasonably balances these interests.

21 **Q. Did you adjust the dividend yield to account for periodic growth in dividends?**

22 A. Yes, I did. Utility companies tend to increase their quarterly dividends at different
23 times throughout the year, so it is reasonable to assume that such increases will be

1 evenly distributed over calendar quarters. Given that assumption, it is reasonable
2 to apply one-half of the expected annual dividend growth rate for the purposes of
3 calculating this component of the DCF model. This adjustment ensures that the
4 expected dividend yield is representative of the coming 12-month period.
5 Accordingly, the DCF estimates reflect one-half of the expected growth in the
6 dividend yield.³¹

7 **Q. What sources of growth have you used in your DCF analysis?**

8 A. I have used the consensus analyst five-year growth estimates in earnings per share
9 (“EPS”) from S&P Capital IQ and Zacks, as well as projected EPS growth rate
10 estimates published by Value Line.

11 **Q. Why did you focus on earnings per share growth?**

12 A. The Constant Growth DCF model assumes that dividends grow at a constant rate
13 in perpetuity. Accordingly, in order to reduce the long-term growth rate to a single
14 measure, one must assume a constant payout ratio, and that earnings per share,
15 dividends per share, and book value per share all grow at the same constant rate.
16 Over the long term, however, dividend growth can only be sustained by earnings
17 growth. As noted by Brigham and Houston in their text, *Fundamentals of Financial*
18 *Management*: “Growth in dividends occurs primarily as a result of growth in
19 *earnings per share* (EPS).”³² It is therefore important to focus on measures of long-
20 term earnings growth from credible sources as an appropriate measure of long-term
21 growth in the DCF model.

³¹ The expected dividend yield is calculated as $d_1 = d_0 (1 + \frac{1}{2} g)$.

³² Eugene F. Brigham and Joel F. Houston, *Fundamentals of Financial Management* (Concise Fourth Edition, Thomson South-Western), at 317 (emphasis added).

1 **Q. What are the results of your DCF analysis?**

2 A. The results of my Constant Growth DCF analysis are provided in Exhibit JMC-4
3 and summarized in Figure 11.

Figure 11: DCF Results

	Mean Low	Mean	Mean High
30-day average	8.94%	10.16%	11.18%
90-day average	8.99%	10.22%	11.24%
180-day average	9.22%	10.45%	11.47%

5

6 **Q. How did you calculate the Mean High, Mean Low, and Overall Mean DCF**
7 **results?**

A. I calculated the Mean High DCF result using the maximum growth rate (i.e., the maximum of the S&P Capital IQ, Value Line, and Zacks EPS growth rates) in combination with the expected dividend yield for each of the proxy group companies. I used a similar method to calculate the Mean Low DCF results, using the minimum growth rate for each company. The Mean results reflect the average growth rate from each source for each company in combination with the expected dividend yield.

15

16 **B. CAPM Analysis**

17 **Q. Please briefly describe the general form of the Capital Asset Pricing Model.**

18 A. The CAPM is a risk premium approach that estimates the cost of equity as a
19 function of a risk-free return plus a risk premium (to compensate investors for the

1 non-diversifiable or “systematic” risk of that security).³³ As shown in Equation
2 [3], the CAPM is defined by four components, each of which must theoretically be
3 a forward-looking estimate:

$$K_e = r_f + \beta(r_m - r_f) \quad [3]$$

4 where:

5 K_e = the required ROE for a given security;

6 r_f = the risk-free rate of return;

7 β = the Beta of an individual security; and

8 r_m = the required return for the market as a whole.

9
10
11 The term $(r_m - r_f)$ represents the Market Risk Premium (“MRP”). According to the
12 theory underlying the CAPM, since unsystematic risk can be diversified away,
13 investors should be concerned only with systematic or non-diversifiable risk. Non-
14 diversifiable risk is measured by Beta, which is defined as:

$$\beta = \frac{\text{Covariance}(r_e, r_m)}{\text{Variance}(r_m)} \quad [4]$$

15 where:

16 r_e = the rate of return for the individual security or portfolio.

17
18 The variance of the market return, noted in Equation [4], is a measure of the
19 uncertainty of the general market, and the covariance between the return on a
20 specific security and the market reflects the extent to which the return on that

³³ Systematic risks are fundamental market risks that reflect aggregate economic measures and therefore cannot be mitigated through diversification. Unsystematic risks reflect company-specific risks that can be mitigated and ultimately eliminated through investments in a portfolio of companies and/or market sectors.

1 security will respond to a given change in the market return. Thus, Beta represents
2 the risk that the selected security will not be effective in diversifying systematic
3 market risks.

4 **Q. What risk-free rate did you use in your CAPM analysis?**

5 A. I considered both the 30-day average yield on 30-year Treasury bonds as of
6 December 31, 2024 (4.56 percent) and the Blue Chip forecast of the 30-year
7 Treasury bond yield for 2026-2030 of 4.30 percent as my estimate of the risk-free
8 rate.³⁴ That time period reflects a forward-looking view, which is the objective of
9 the ROE analysis. Further, this time period aligns with FPL's proposed rate years
10 under the multiyear rate plan.

11 **Q. What measures of Beta did you use in your CAPM analysis?**

12 A. As shown in Exhibit JMC-5.2, I considered two measures of Beta for the proxy
13 group companies: (1) the Beta coefficients from Bloomberg (which I calculated
14 using five years of weekly data against the S&P 500 Index); and (2) the reported
15 Beta coefficients from Value Line (which are calculated using five years of weekly
16 data against the New York Stock Exchange Composite Index).

17 **Q. What Market Risk Premium did you use in your CAPM analysis?**

18 A. I used the Constant Growth DCF model to estimate the total market return for the
19 S&P 500 Index, using projected earnings growth rates and dividend yields from
20 three sources: (1) S&P's Earnings and Estimates report; (2) Bloomberg
21 Professional; and (3) Value Line. As of December 31, 2024, the average total

³⁴ Blue Chip Financial Forecasts, Volume 43, No. 12, November 27, 2024, at 14.

market return from these three sources is 16.68 percent, as shown in Figure 12 (also see Exhibit JMC-5.1).

Figure 12: Total Market Return

Source	Market Return
S&P Earnings & Estimates	17.08%
Bloomberg Professional	17.44%
Value Line	15.50%
Average	16.68%

I then calculated the MRP by subtracting the risk-free rate from the total market return of 16.68 percent. My calculation as shown in Exhibit JMC-5.2 yielded a market derived ex-ante MRP of 12.11 percent using the current 30-day average risk-free rate (4.56 percent) and 12.38 percent using the projected interest rate (4.30 percent).

Q. What are the results of your CAPM analyses?

A. The CAPM results range from 15.34 percent to 15.95 percent as shown in Exhibit JMC-5.2 and summarized in Figure 13.

Figure 13: CAPM Results

	Current Risk-Free Rate (4.56%)	Projected Risk-Free Rate (4.30%)
Value Line Betas	15.95%	15.93%
Bloomberg Betas	15.37%	15.34%

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RP = Risk Premium (difference between allowed ROEs and the
30-Year Treasury Yield);

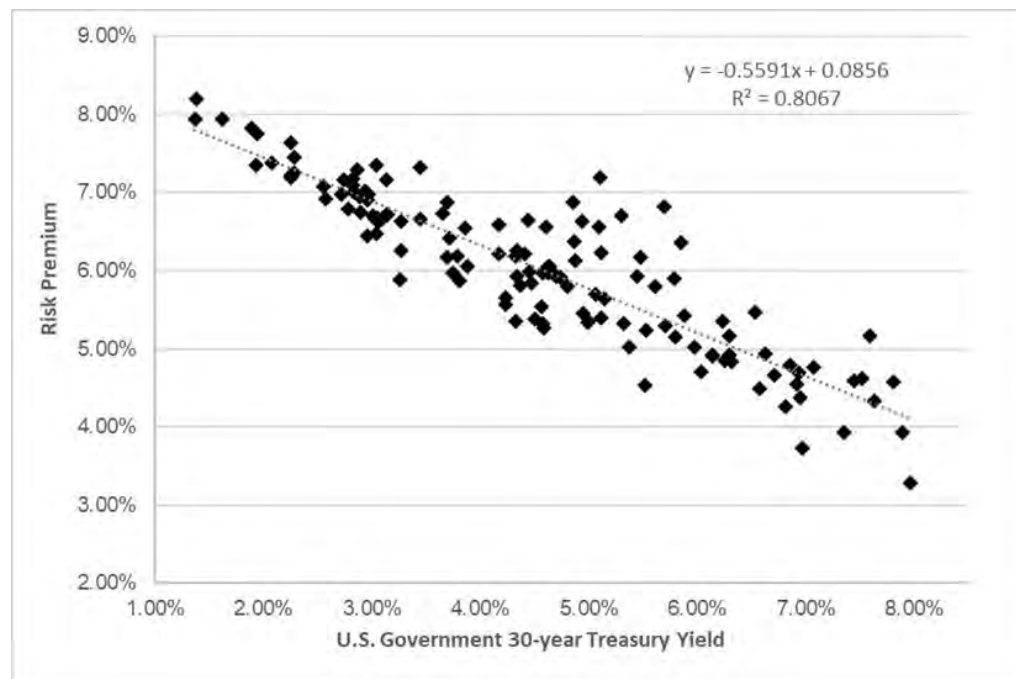
a = Intercept term;

b = Slope term; and

Y = 30-Year Treasury Yield.

Data regarding allowed ROEs were derived from 769 integrated electric utility
company rate cases from January 1992 through December 31, 2024, as reported by
Regulatory Research Associates.

Figure 14: Risk Premium



As illustrated by Figure 14, the risk premium varies with the level of bond yield,
and generally increases as the bond yields decrease, and vice versa. In order to
apply this relationship to current and expected bond yields, I consider three
estimates of the 30-year Treasury yield, including the current 30-day average, a
near-term Blue Chip consensus forecast for Q2 2025 – Q2 2026, and a Blue Chip

consensus forecast for 2026-2030. Based on the regression coefficients in Exhibit JMC-6, which allow for the estimation of the risk premium at varying bond yields, the results of my Risk Premium analysis are shown in Figure 15.

Figure 15: Risk Premium Results Using 30-Year Treasury Yield

	Using 30-Day Average Yield on 30-Year Treasury Bond	Using Q2 2025–Q2 2026 Forecast for Yield on 30-Year Treasury Bond ³⁵	Using 2026-2030 Forecast for Yield 30-Year Treasury Bond ³⁶
Yield	4.56%	4.48%	4.30%
Risk Premium	6.01%	6.05%	6.15%
Resulting ROE	10.57%	10.53%	10.45%

D. Expected Earnings Analysis

Q. Have you conducted any other analysis to estimate the cost of equity for FPL?

A. Yes. I have also conducted an Expected Earnings analysis to estimate the cost of equity for FPL based on the projected ROEs for the proxy group companies.

Q. What is an Expected Earnings Analysis?

A. The Expected Earnings methodology is a comparable earnings analysis that calculates the earnings that an investor expects to receive on the book value of a stock. The Expected Earnings analysis is a forward-looking estimate of investors' expected returns. The use of an Expected Earnings approach based on the proxy companies provides a range of the expected returns on a group of risk-comparable

³⁵ Blue Chip Financial Forecasts, Vol. 44, No. 1, December 30, 2024, at 2

³⁶ Blue Chip Financial Forecasts, Vol. 43, No. 12, November 27, 2024, at 14.

1 companies to the subject company. This range is useful in helping to determine the
2 opportunity cost of investing in the subject company, which is relevant in
3 determining a company's ROE.

4 **Q. How did you develop the Expected Earnings Approach?**

5 A. I relied primarily on the projected ROE for the proxy companies as reported by
6 Value Line for the period from 2027-2029. I then adjusted those projected ROEs
7 to account for the fact that the ROEs reported by Value Line are calculated on the
8 basis of common shares outstanding at the end of the period, as opposed to average
9 shares outstanding over the entire period. As shown in Exhibit JMC-7, the
10 Expected Earnings analysis results in a mean of 10.91 percent and a median of
11 10.27 percent.

12
13 **E. Evaluating the Model Results**

14 **Q. Please explain how you have considered the results of the DCF, CAPM, Risk**
15 **Premium and Expected Earnings analysis to arrive at your ROE**
16 **recommendation.**

17 A. For each proxy company, I calculate the 4-model average giving equal weight on
18 the results of the DCF, CAPM, Bond Yield Risk Premium, and Expected Earnings
19 analyses. My ROE recommendation is ultimately based on the average produced
20 by these four methodologies. As shown in Figure 16 (and computed in JMC-2 as
21 the 4-Model Average), I derive an average base ROE estimate for the proxy group
22 companies of 11.82 percent to 11.85 percent using projected and current interest
23 rates, respectively, for an average of 11.83 percent, excluding flotation costs.

Figure 16: Base ROE Results

	ROE Estimate Using Current Interest Rates	ROE Estimate Using Projected Interest Rates
DCF	10.28%	10.28%
CAPM	15.65%	15.63%
Risk Premium	10.57%	10.45%
Expected Earnings	10.91%	10.91%
Range	10.28% - 15.65%	10.28% - 15.63%
Proxy Group Average ROE	11.85%	11.82%

As discussed in the next Section of my testimony, this estimate serves as a base prior to consideration of relative business risks and flotation costs.

VII. BUSINESS RISKS AND FLOTATION COSTS

Q. Are there factors specific to FPL's risk profile that you also considered in developing your ROE recommendation?

A. Yes, there are several factors that have a direct bearing on FPL's risk profile in relation to the proxy group. Those risk factors include: (a) the Company's substantial capital expenditure program; (b) FPL's nuclear generation fleet; (c) risk associated with storm damage and resulting outages; (d) regulatory risk relative to the proxy group companies; and (e) risk related to the term of FPL's proposed 4-year rate plan. In aggregate, those risk factors elevate FPL's risk profile relative to the proxy group and would support an authorized ROE above the mean, although I

1 have not made a risk adjustment above the mean. I also considered flotation costs
2 associated with the issuance of common equity.

3
4 **A. Capital Expenditure Program**

5 **Q. Please discuss FPL's capital spending program.**

6 A. FPL projects that the Company will spend \$39.0 billion on capital projects over the
7 period from 2025-2028, or approximately \$9.75 billion per year on average.³⁷ The
8 primary purpose of these capital projects is to enhance the reliability of FPL's
9 electric transmission and distribution system, to support customer growth, to meet
10 the Company's generating capacity needs, and to harden the electrical system so as
11 to further prepare for potential storm damage. FPL's projected capital expenditures
12 represent approximately 56.86 percent of the Company's net utility plant of
13 \$68.6 billion as of December 31, 2023.³⁸

14 **Q. How is FPL's risk profile affected by its capital expenditure requirements?**

15 A. As with any utility facing substantial capital expenditure requirements, the
16 Company's risk profile is affected in two significant and related ways: (1) the
17 heightened level of investment increases the risk of under recovery or delayed
18 recovery of the invested capital; and (2) an inadequate return would put downward
19 pressure on key credit metrics.

³⁷ NextEra Energy, Inc. and Florida Power & Light Company, SEC Form 10-K, for the year ended December 31, 2024, at 108.

³⁸ S&P Capital IQ.

1 **Q. Do credit rating agencies recognize the risks associated with elevated levels of**
2 **capital expenditures?**

3 A. Yes. From a credit perspective, the additional pressure on cash flows associated
4 with higher levels of capital expenditures exerts corresponding pressure on credit
5 metrics and, therefore, credit ratings. To that point, Moody's explains the
6 implications of large capital expenditure programs on utilities' credit profiles and
7 notes that "[h]igh capital expenditures were a key driver of most of [Moody's]
8 negative rating actions" in 2024:³⁹

9 Credit pressure is emerging most acutely for companies with large,
10 complex or multiyear projects or for those that are experiencing a
11 delay in the recovery of investment costs. Unlike exogenous events
12 of recent years – such as severe storms, commodity price spikes and
13 the COVID-19 pandemic, which we viewed as temporary events –
14 capital spending and related financings are core long-term financial
15 policy issues. As such, we are not regarding them as temporary and
16 believe they will likely continue to lead to negative rating actions if
17 not sufficiently mitigated.⁴⁰

18 S&P explains the importance of regulatory support for large capital projects:

19 When applicable, a jurisdiction's willingness to support large capital
20 projects with cash during construction is an important aspect of our
21 analysis. This is especially true when the project represents a major
22 addition to rate base and entails long lead times and technological
23 risks that make it susceptible to construction delays. Broad support
24 for all capital spending is the most credit-sustaining. Support for
25 only specific types of capital spending, such as specific
26 environmental projects or system integrity plans, is less so, but still
27 favorable for creditors. Allowance of a cash return on construction
28 work-in-progress or similar ratemaking methods historically were
29 extraordinary measures for use in unusual circumstances, but when
30 construction costs are rising, cash flow support could be crucial to
31 maintain credit quality through the spending program. Even more

³⁹ Moody's Ratings, Electric and Gas Utilities – US Sector In-Depth, "High capital spending will weigh on credit quality without supportive company actions," at 3 (October 21, 2024).

⁴⁰ Moody's Ratings, Electric and Gas Utilities – US Sector In-Depth, "High capital spending will weigh on credit quality without supportive company actions," at 2 (October 2024)

1 favorable are those jurisdictions that present an opportunity for a
2 higher return on capital projects as an incentive to investors.⁴¹

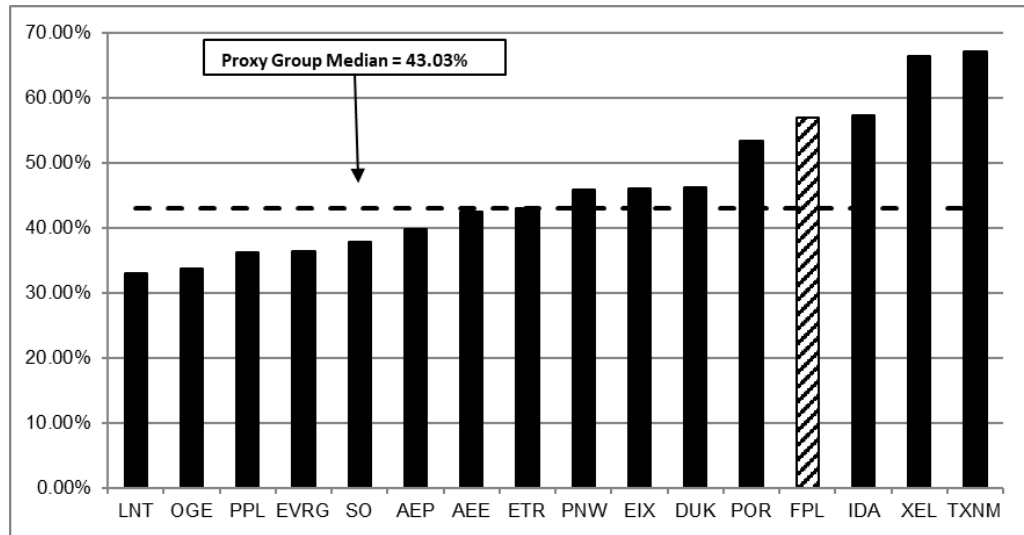
3 Therefore, to the extent that FPL's rates do not permit the Company an opportunity
4 to recover its full cost of doing business, FPL will face increased recovery risk and
5 thus increased pressure on its credit metrics. Maintaining access to capital markets
6 on favorable terms is important for utilities and their customers, especially during
7 periods of significant capital investment.

8 **Q. Have you analyzed how FPL's capital spending program compares to those of**
9 **the proxy group companies?**

10 A. Yes. I compared the ratio of projected capital expenditures to net utility plant for
11 FPL to the ratios for the proxy group companies. Figure 17 shows that FPL's ratio
12 of projected capital expenditures to net utility plant is the fourth highest of the proxy
13 companies and is 1.3 times higher than the median ratio for the proxy group of
14 43.03 percent. As discussed in the Direct Testimony of FPL witnesses Bores,
15 Laney, Broad, De Varona and others, the Company's capital expenditure program
16 is designed to benefit and deliver value for customers but does slightly elevate the
17 risk profile of FPL.

⁴¹ S&P Global Ratings, "Assessing U.S. Investor-Owned Utility Regulatory Environments," August 10, 2016, at 7.

Figure 17: Ratio of 2025-28 Capital Expenditures to 2023 Net Utility Plant



Q. What is your conclusion regarding how FPL’s projected capital expenditure program affects the Company’s risk profile and cost of equity?

A. My primary conclusion is that FPL is undertaking a substantial capital spending program through 2028 that will require the Company to maintain continuous access to capital markets on reasonable terms and conditions. FPL’s ratio of capital expenditure requirements to net utility plant is higher than the median ratio for the proxy group companies, and places pressure on the Company’s cash flows and credit metrics. For these reasons, it is important that the authorized ROE be set at a level that allows FPL to continue to attract both debt and equity under favorable terms under a variety of economic and financial market conditions.

B. Nuclear Generation Ownership

Q. Does the Company’s generation portfolio include nuclear generating assets?

A. Yes. FPL’s generation portfolio includes approximately 3,479 MW of owned nuclear generating capacity. Specifically, the Company owns 1,821 MW of

1 existing net generating capacity at the St. Lucie plant (which excludes the Orlando
2 Utilities Commission's and Florida Municipal Power Agency's 15 percent
3 ownership interest in St. Lucie Unit No. 2) and 1,681 MW of existing net generating
4 capacity at the Turkey Point plant.⁴²

5 **Q. Please discuss the risk associated with nuclear generation ownership.**

6 A. Nuclear generation resources are regulated by the U.S. Nuclear Regulatory
7 Commission ("NRC"). FPL is subject to NRC mandates to meet licensing and
8 safety-related standards that may require increased capital spending and
9 incremental operating costs to ensure the continued operation of this low cost and
10 emission-free generating source. With respect to the risk associated with NRC
11 regulation generally, NextEra Energy's SEC Form 10-K specifically notes that,
12 "NRC orders or new regulations related to increased security measures and any
13 future safety requirements promulgated by the NRC could require NEE and FPL to
14 incur substantial operating and capital expenditures at their nuclear generation
15 facilities and/or result in reduced revenues."⁴³ Further, NextEra Energy also notes
16 the risk associated with new regulatory requirements from the NRC as follows: "A
17 major incident at a nuclear facility anywhere in the world could cause the NRC to
18 limit or prohibit the operation or licensing of any domestic nuclear generation
19 facility. An incident at a nuclear facility anywhere in the world could also cause
20 the NRC to impose additional conditions or other requirements on the industry, or

⁴² NextEra Energy, Inc., 2024 SEC Form 10-K, at 8.

⁴³ NextEra Energy, Inc., 2024 SEC Form 10-K, at 31.

1 on certain types of nuclear generation units, which could increase costs, reduce
2 revenues and result in additional capital expenditures for NEE and FPL.”⁴⁴

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

5 A. Yes. One example is the increased oversight and regulatory requirements put in
6 place after the March 11, 2011 earthquake and tsunami which caused significant
7 damage to the Fukushima Daiichi nuclear complex in Japan and threatened the
8 public health. After the Fukushima accident, the NRC formed a task force to assess
9 current regulations and determine if new measures were required to ensure safety.
10 The task force issued a report in July 2011 that included a set of recommendations
11 for NRC consideration, and NRC Staff issued the first set of related regulatory
12 requirements in March 2012. The Fukushima accident clearly demonstrates that
13 additional regulatory oversight and requirements, which affect the cost of operating
14 FPL’s nuclear plants, can result from events wholly unrelated to FPL or its
15 facilities.

16 **Q. How does the investment community view the risk associated with nuclear**
17 **generation assets?**

18 A. Both equity analysts and credit rating agencies are aware of the operating and safety
19 risks associated with nuclear generation assets. For example, Moody’s noted in its
20 August 2024 report for FPL, “[t]he company’s nuclear generation fleet adds risks
21 of waste management and pollution. While FPL has not had any problems with its
22 nuclear fleet or nuclear waste to date, it remains an inherent risk for nuclear

⁴⁴ NextEra Energy, Inc., 2024 SEC Form 10-K, at 31.

1 operators in the industry.”⁴⁵ S&P Global Ratings made the following comments
2 on the challenges for nuclear operators:

3 Nuclear energy has faced mounting criticism over security concerns,
4 especially in the aftermath of the Fukushima disaster on March 11,
5 2011. Nuclear operators face unique risks of low-probability, but
6 high-impact catastrophic events. As a consequence, operators face
7 increasing political and social pressures on safety, waste disposal,
8 and storage. While profitability remains a key pillar of our business
9 risk assessment of nuclear operators, we equally take these other
10 risks into account. Furthermore, nuclear-related long-term liabilities
11 typically represent a large portion of nuclear operators' overall S&P-
12 adjusted debt.⁴⁶

13
14 UBS refers to FPL’s nuclear operating risk;⁴⁷ and BMO Capital Markets notes that
15 the Company’s nuclear assets are subject to federal and state operational and safety
16 standards.⁴⁸

17 **Q. Do other companies in the proxy group also face nuclear generation risk?**

18 A. Yes. Ten of the 15 companies in the proxy group also own regulated nuclear
19 generating assets. From that perspective, all other things equal, FPL has higher risk
20 than five of the companies in the proxy group and comparable risk to ten of the
21 companies in the proxy group. The extent of nuclear risk does vary by company
22 according to the age, technologies, invested assets, fleet management capabilities,
23 location, and other factors that would distinguish one company from another. FPL’s
24 regulated generation operating capacity is 9.9 percent nuclear versus an average of
25 9.3 percent for the proxy group, based on 2023 data. On a net generation basis,

⁴⁵ Moody’s Investors Service, Credit Opinion, Florida Power & Light Company, August 14, 2024, at 9.

⁴⁶ “The Energy Transition: Nuclear Dead or Alive,” S&P Global Ratings, November 11, 2019, p. 10.

⁴⁷ UBS, NextEra Energy Inc., July 24, 2024, at 2.

⁴⁸ BMO Capital Markets, “NextEra Energy: Origination Drives Outperformance – Focus Turns Now to Election and FPL Rate Case,” July 24, 2024, at 8.

1 FPL had a slightly higher proportion of nuclear generation in 2023 (20.1 percent)
2 than the proxy group on average (19.9 percent). Further, FPL is the only investor-
3 owned electric utility in Florida with nuclear generation. Considering that FPL has
4 established a track record of safely operating its nuclear fleet, I conclude that FPL
5 has comparable risk to the proxy group companies, on average, with respect to
6 nuclear generating assets.

8 C. Severe Weather Risk

9 **Q. Please explain the risk associated with severe weather in FPL's service**
10 **territory.**

11 A. FPL faces the risk of sudden, unexpected damage from severe storms. The
12 prevalence of hurricanes, such as Hurricane Ian, the second costliest hurricane in
13 U.S. history,⁴⁹ make FPL's operating area an especially high-risk area for incurring
14 weather-related infrastructure repair costs and service disruptions. As FPL witness
15 Bores reports, hurricanes, and storms over 2016-2024 (including Matthew, Irma,
16 Dorian, Isaias, Eta, Ian, Nicole, Debby, Helene and Milton) inflicted a total of more
17 than \$4.6 billion of damage to FPL's system, before adjusting for inflation. Mr.
18 Bores shows how these risks have grown substantially over the decades. The last
19 four years have yielded the fourth (2023), third (2021), and most active (2020)
20 Atlantic hurricane seasons in history. In the Atlantic Basin there were 30 named
21 storms in 2020, of which 14 became hurricanes; 21 named storms in 2021, 7 of

⁴⁹ Source: Insurance Information Institute: <https://www.iii.org/fact-statistic/facts-statistics-hurricanes#U.S.%20Hurricane%20Wind%20Risk,%20Gulf%20and%20Atlantic%20States,%202024>

1 which became hurricanes; 14 named storms in 2022, of which 8 became hurricanes;
2 and 20 named storms in 2023, of which 7 became hurricanes. In 2024 there were
3 18 named storms, 11 of which became hurricanes and five strengthened into major
4 hurricanes (category 3 or higher).⁵⁰

5
6 In addition to the need to fund repair costs, severe weather often leads to customer
7 outages due to damage of transmission or distribution infrastructure, the disruption
8 of generating capacity, or property damage so extensive that it prevents customers
9 from taking service. Together, these effects can reduce FPL's revenue and strain
10 the Company's operating cash flow. In order to continue to attract capital on
11 reasonable terms, FPL must have the financial strength and flexibility to cover these
12 severe weather costs until the Company is able to recover the costs from customers,
13 which can take several years.

14 **Q. Have credit rating agencies commented on FPL's risk related to severe**
15 **weather?**

16 A. Yes. For example, Moody's has noted that, "FPL's credit profile considers its
17 geographic concentration risk, as it operates solely in one state that is exposed to
18 extreme weather events such as hurricanes and tropical storms."⁵¹

⁵⁰ Source: National Oceanic and Atmospheric Association ("NOAA")
<https://www.nesdis.noaa.gov/news/2024-atlantic-hurricane-season-wraps>

⁵¹ Moody's Investor Service, Florida Power & Light Company Credit Opinion, August 14, 2024, at 1.

1 **Q. Does FPL have a regulatory mechanism that mitigates the risk related to**
2 **severe weather?**

3 A. Yes. The approved settlement from the 2021 rate case provides that FPL’s future
4 storm costs would be recoverable on an interim basis beginning 60 days from the
5 filing of a cost recovery petition but in some cases its interim recovery for the first
6 12 months could be capped at an amount that falls far short of what the Company
7 incurs to complete restoration after a major hurricane. If storm restoration costs
8 exceed \$800 million in any given calendar year, FPL was authorized to request an
9 increase to the surcharge limit. As part of its four-year plan, FPL is proposing a
10 similar mechanism that would allow FPL to petition for authority to recover costs
11 over the cap, with the amounts and the recovery period to be determined by the
12 Commission.

13
14 In 2019, Florida enacted Florida Statute Section 366.96 entitled “Storm protection
15 plan cost recovery,” a law that mandates the preparation of 10-year storm protection
16 plans for utilities that must be updated every three years. According to the
17 Commission:

18 Section 366.96, F.S., requires each investor owned electric utility
19 (IOU) to file a transmission and distribution storm protection plan
20 (storm protection plan) for the Commission’s review and directs the
21 Commission to hold an annual proceeding to determine the IOU’s
22 prudently incurred costs to implement the plan and allow recovery
23 of those costs through a Storm Protection Plan Cost Recovery
24 Clause (SPPCRC).⁵²

⁵² <http://www.psc.state.fl.us/library/filings/2019/08909-2019/08909-2019.pdf>

1 **Q. Do other companies in the proxy group also have storm-related risk?**

2 A. Several other companies in the proxy group have storm-related risk. However, the
3 severe weather risk for FPL is greater in magnitude due to the potential for storm
4 damage that may cause extended outages and cost a substantial amount to repair.
5 As FPL witness Bores points out in his testimony, “Florida’s peninsular location
6 within the subtropical latitudes and its topography exposes its electrical
7 infrastructure to a higher likelihood of adverse weather events compared to most
8 other parts of the country . . .”⁵³ Florida is consistently ranked among, or at the top,
9 of the highest level of natural disaster risk in comparison to other U.S. states.
10 Further, as Moody’s noted, the Company’s operations are concentrated solely in
11 Florida, so it is not able to diversify its geographic, storm, or regulatory risk as the
12 majority of other proxy companies are.

13 **Q. Is risk associated with severe weather an increasing concern for utilities and**
14 **their investors?**

15 A. Yes. The credit rating agencies are increasingly concerned with growing physical
16 risks to utilities associated with severe weather and climate events. In a November
17 2023 report, S&P noted that the increasing frequency of extreme and devastating
18 physical events is heightening risks for North American investor-owned utilities.⁵⁴
19 S&P commented that it “has downgraded more IOUs due to physical events (e.g.,
20 hurricanes, storms, and wildfires) over the past six years by nearly 10 times

⁵³ Bores Direct.

⁵⁴ S&P Global Ratings, “A Storm Is Brewing: Extreme Weather Events Pressure North American Credit Quality,” November 9, 2023.

1 compared with the previous 13 years.”⁵⁵ From 2005-2017, S&P downgraded only
2 two investor-owned utilities because of physical risks, but downgraded 19 between
3 2018-2023. S&P further noted that on an inflation-adjusted basis, 2021 and 2022
4 represented two of the top five most destructive years for extreme weather events
5 since 1980, according to the National Oceanic and Atmospheric Administration. In
6 its 2025 Industry Credit Outlook for the Utility Sector, S&P assumes that “these
7 trends will persist, magnifying physical risks for the utility industry.”⁵⁶

8
9 Accentuating these reports, the 2020 Atlantic storm season was the most active on
10 record for the number of named storms (30), exceeding the total of 27 in 2005.
11 2021 and 2023 were the third and fourth most active on record. Prior to 2005, no
12 season had exceeded 20 since reliable record keeping began in 1944, and only once
13 prior to then in 1933, with 21.⁵⁷

14 **Q. What is your conclusion with respect to FPL’s risk due to severe weather?**

15 A. My conclusion is that FPL has above average risk due to severe weather compared
16 to the proxy group companies. As Moody’s observes, FPL provides service in a
17 state that is exposed to extreme weather events such as hurricanes and tropical
18 storms. Unlike other companies in the proxy group, FPL (as an operating company)
19 is unable to diversify this risk through operations in other jurisdictions that are not
20 exposed to severe weather. While FPL has a storm cost recovery mechanism that

⁵⁵ S&P Global Ratings, “A Storm Is Brewing: Extreme Weather Events Pressure North American Credit Quality,” November 9, 2023.

⁵⁶ S&P Global Ratings, Industry Credit Outlook 2025, “North America Regulated Utilities: Capex and climate change pressures credit quality,” at 9 (January 14, 2025).

⁵⁷ <https://www.ncdc.noaa.gov/sotc/tropical-cyclones/20051>

1 allows the Company to petition for recovery of costs associated with restoring
2 service after severe weather events, depending on the level of storm costs, recovery
3 above a modest threshold lies within the Commission's discretion in terms of both
4 amount and period of recovery. In all cases, final cost recovery is often the subject
5 of protracted litigation before the Commission. The storm hardening mandate
6 under Section 366.96, Florida Statutes offers the ability to further mitigate these
7 risks, but climate change increases the risk that severe weather events will increase
8 in frequency and magnitude. As FPL witness Bores points out, "These risks have
9 the potential to directly impact FPL's credit profile and, therefore, financial
10 strength. Customers will be disadvantaged if the Company is unable to deploy the
11 necessary capital to continue to mitigate these risks and respond quickly and
12 efficiently when these events occur."⁵⁸ FPL is undertaking substantial capital
13 spending over the next decade to improve the reliability and resiliency of its electric
14 transmission and distribution system. When evaluating cost of capital, it is
15 necessary for the Company to have an authorized ROE that will allow FPL to attract
16 capital to finance these investments that other utilities are not required to make.

17 18 **D. Regulatory Risk**

19 **Q. Have you performed an analysis of the regulatory mechanisms for FPL as**
20 **compared to those for the proxy group companies?**

21 **A.** Yes. I have conducted an analysis of the regulatory mechanisms that are in place
22 for FPL compared with those for the operating utility companies held by the proxy

⁵⁸

Bores Direct.

1 group. The results of my analysis are presented in Exhibit JMC-9. Specifically, I
2 examined the following factors that affect the regulatory risk of FPL and the proxy
3 group companies: (1) test year convention; (2) rate base convention; (3) revenue
4 decoupling; (4) capital cost recovery; and (5) CWIP in rate base.

5
6 As shown in Exhibit JMC-9, 60 percent of the operating companies in the proxy
7 group like FPL provide service in jurisdictions that allow the use of a fully or
8 partially forecasted test year. Further, 56 percent of the operating companies in the
9 proxy group use average rate base like FPL, while 44 percent are allowed to use
10 year-end rate base. FPL does not have any revenue protection against fluctuations
11 in customer demand, while approximately 68 percent of the operating companies
12 held by the proxy group have either full or partial revenue decoupling mechanisms
13 that protect against volumetric risk. However, I recognize that FPL's requested
14 Tax Adjustment Mechanism ("TAM") has the potential to stabilize its non-cash
15 earnings and customer bills, similar to the Reserve Surplus Amortization
16 Mechanisms previously approved for FPL. Generally, FPL's generation costs must
17 be recovered through rate cases, although the generation base rate adjustment and
18 solar and battery base rate adjustment mechanisms (known as GBRA and SoBRA)
19 have allowed FPL to recover costs for certain units between rate cases when those
20 mechanisms have been approved by the Commission. Approximately 22 percent
21 of the operating companies in the proxy group have a cost recovery mechanism for
22 generation capacity, and about 59 percent have cost recovery for other

1 infrastructure. Finally, FPL is allowed to include CWIP in rate base, similar to
2 approximately 74 percent of the operating companies held by the proxy group.

3 **Q. Based on this analysis, what is your conclusion regarding the level of**
4 **regulatory risk for FPL relative to that of the proxy group companies?**

5 A. As discussed above and as shown in Exhibit JMC-9, FPL has similar regulatory
6 risk to the proxy group companies in terms of test year and rate base convention.
7 Moreover, FPL has comparable regulatory risk with respect to cost recovery for
8 large capital projects and the ability to include CWIP in rate base. However, FPL
9 does not have protection against volumetric risk, while slightly more than
10 68 percent of the operating companies held by the proxy group have revenue
11 decoupling mechanisms that mitigate the effect on revenue of variations in demand.
12 On balance, my conclusion is that FPL has comparable regulatory risk to the proxy
13 group.

14
15 **E. Multi-Year Rate Plan**

16 **Q. Please explain the risk associated with FPL's proposed four-year rate plan.**

17 A. FPL is proposing a four-year rate plan under which the rates set in this proceeding
18 would be in effect from 2026-2029. A multi-year rate plan has benefits for the
19 Company and customers in terms of providing rate stability, but there are also
20 certain risks associated with a longer-term rate plan. One of those risks relates to
21 inflation. As evidenced over the past several years, both monetary policy from the
22 Federal Reserve and fiscal policy from the U.S. Congress play pivotal roles in
23 determining the levels of inflation. It remains to be seen how President Trump's

1 economic policies will impact the economy, but as mentioned previously, an
2 aggressive stance on trade tariffs could spark a new round of inflationary pressure
3 as tariffs are reflected into consumer goods.

4 **Q. Are there other risks related to a multi-year rate plan?**

5 A. Yes, in addition to the potential for higher interest rates over the term of the four-
6 year rate plan, a multi-year rate plan limits the Company's ability to request a
7 change in rates due to other factors. This inability to seek recovery of higher costs
8 during the term of the rate plan increases the utility's risk. Further, if the cost of
9 equity for FPL increases during the rate term, the Company will be required to wait
10 to reflect that change in a subsequent rate proceeding.

11 **Q. What is your conclusion with regard to the multi-year rate plan?**

12 A. While FPL's proposed four-year rate plan provides rate certainty for both customers
13 and the Company, there are attendant costs and risks of any multi-year rate plan.
14 In particular, a multi-year stay-out agreement places certain risks on FPL's
15 shareholders, including unexpected increases in costs or the cost of capital.

16

17 **F. Flotation Costs**

18 **Q. What are flotation costs, and how do they affect the cost of capital?**

19 A. Flotation costs are the costs associated with the sale of new issues of common stock.
20 These costs include out-of-pocket expenditures for preparation, filing,
21 underwriting, and other costs of issuance of common stock. To the extent that a
22 company is denied the opportunity to recover prudently incurred flotation costs,
23 actual returns will fall short of expected (or required) returns, thereby diminishing

1 the utility's ability to attract adequate capital on reasonable terms. To estimate
2 flotation costs, the DCF calculation is modified to provide a dividend yield that
3 reimburses investors for issuance costs. Based on the proxy group actual issuance
4 costs shown in Exhibit JMC-10, flotation costs for the proxy companies have
5 equaled roughly 2.51 percent of gross equity raised. To properly reflect these
6 issuance costs in my cost of capital estimates, it is necessary to increase the
7 authorized ROE by approximately nine basis points for FPL, as shown in Exhibit
8 JMC-10.

9 **Q. Do your final results include an adjustment for flotation cost recovery?**

10 A. Yes. I add nine basis points to my base ROE recommendation of 11.83 percent for
11 flotation costs, for a final ROE recommendation of 11.90 percent (rounded).

13 VIII. CAPITAL STRUCTURE

14 **Q. What is FPL's proposed capital structure?**

15 A. FPL is proposing a financial capital structure consisting of 59.6 percent common
16 equity and 40.4 percent debt. In Florida, Accumulated Deferred Income Taxes are
17 included in rate base and are part of the regulatory capital structure at 0 percent
18 cost. Florida also includes customer deposits in the regulatory capital structure.
19 FPL's proposed equity ratio using a regulatory capital structure is 48.04 percent in
20 the 2026 and 2027 Projected Test Years. As explained by FPL witness Bores, this
21 is the Company's actual capital structure and is how the Company has been
22 financed for nearly twenty-five years.

1 **Q. How have you assessed the reasonableness of FPL’s proposed capital structure**
2 **with respect to the proxy group?**

3 A. The proxy group has been selected to reflect comparable companies in terms of
4 business and financial risks. Therefore, it is appropriate to compare the financial
5 capital structures of the proxy group companies to the financial capital structure
6 proposed by FPL in order to assess whether the Company’s capital structure is
7 reasonable and consistent with industry standards for companies with
8 commensurate risk. I calculated the weighted average capital structures for each of
9 the proxy group operating companies for the three years ended 2023. Exhibit JMC-
10 11 shows that the Company’s proposed common equity ratio of approximately
11 59.6 percent on a financial basis is the upper end of the range of actual common
12 equity ratios of 41.43 percent to 59.22 percent for the operating companies held by
13 the proxy group over this period.

14 **Q. What is your conclusion regarding the appropriateness of FPL’s proposed**
15 **capital structure in this proceeding?**

16 A. Based on the analysis presented in Exhibit JMC-11, my conclusion is that FPL’s
17 proposed financial capital structure of 59.6 percent common equity and
18 40.4 percent debt is reasonable. FPL’s equity ratio of 59.6 percent on a financial
19 basis is the upper end of the range established by the operating companies held by
20 the proxy group. Sufficient equity in the capital structure is an important factor for
21 maintaining FPL’s financial integrity and investment grade credit rating. As noted
22 by FPL witness Bores, “FPL has maintained the current equity ratio for nearly
23 twenty-five years, and it is foundational to FPL’s current credit rating, financial

1 strength and flexibility to raise capital when needed to make long-term investments
2 for the benefit of customers.”⁵⁹ This capital structure represents management’s
3 decisions on how best to finance its operations. The Company’s proposed equity
4 ratio is reasonable, given the additional risk borne by FPL relative to the proxy
5 group—i.e., the Company’s projected capital expenditure requirements, risk
6 associated with ownership of regulated nuclear generation assets, and storm-related
7 risks.

9 IX. CONCLUSIONS AND RECOMMENDATION

10 **Q. What is your conclusion regarding a fair ROE for FPL?**

11 A. As discussed throughout my testimony, it is important to consider a variety of
12 quantitative and qualitative information in reviewing analytical results and arriving
13 at a reasonable and appropriate ROE determination. Based on the quantitative
14 analyses produced by the DCF, CAPM, Risk Premium, and Expected Earnings
15 approach, I recommend a base authorized ROE for FPL of 11.83 percent equal to
16 the average of the four methodologies, plus nine basis point adjustment for flotation
17 costs, for a total of 11.92 which rounds down to my final recommendation of
18 11.90 percent. As discussed herein, my recommendation considers the Company’s
19 relative risk profile and the current economic and capital market environment.

⁵⁹

Bores Direct

1 **Q. What is your recommendation with regard to the capital structure for FPL in**
2 **this proceeding?**

3 A. I support FPL's proposed financial capital structure of 59.6 percent common equity
4 and 40.4 percent debt as reasonable, relative to the range of capital structures for
5 the operating companies held by the proxy group companies, and consistent with
6 the actual capital structure of the Company. This capital structure appropriately
7 reflects FPL's substantial capital expenditure program, ownership of nuclear
8 generation, and the Company's storm-related risk which place it at higher risk than
9 the proxy companies. I recommend the Commission adopt FPL's proposed capital
10 structure.

11 **Q. Does this conclude your Direct Testimony?**

12 A. Yes.



JAMES M. COYNE
SENIOR VICE PRESIDENT

Mr. Coyne provides financial, regulatory, strategic, and litigation support services to clients in the natural gas, power, and utilities industries. Drawing upon his industry and regulatory expertise, he regularly advises utilities, public agencies and investors on business strategies, investment evaluations, and matters pertaining to rate and regulatory policy. Prior to Concentric, Mr. Coyne worked in senior consulting positions focused on North American utilities industries, in corporate planning for an integrated energy company, and in regulatory and policy positions in Maine and Massachusetts. He has authored numerous articles on the energy industry and provided testimony and expert reports before federal, state and provincial jurisdictions in the U.S. and Canada. Mr. Coyne holds a B.S. in Business from Georgetown University and an M.S. in Resource Economics from the University of New Hampshire.

AREAS OF EXPERTISE

Energy Regulation

- Rate policy
- Cost of capital
- Incentive regulation
- Fuels and power markets

Management and Business Strategy

- Fuels and power market assessments
- Investment feasibility
- Corporate and business unit planning
- Benchmarking and productivity analysis

Financial and Economic Advisory

- Valuation analysis
- Due diligence
- Buy and sell-side advisory

Litigation Support and Expert Testimony

- Rate and regulatory policy
- Fuels and power markets
- Contract litigation
- Valuation and damages



PROFESSIONAL HISTORY

Concentric Energy Advisors, Inc. (2006 – Present)

Senior Vice President

Vice President

FTI Consulting (Lexecon) (2002 – 2006)

Senior Managing Director – Energy Practice

Arthur Andersen LLP (2000 – 2002)

Managing Director, Andersen Corporate Finance – Energy and Utilities

Navigant Consulting, Inc. (1996 – 2000)

Managing Director, Financial Services Practice

Senior Vice President, Strategy Practice

TotalFinaElf (1990 – 1996)

Manager, Corporate Planning and Development

Manager, Investor Relations

Manager of Strategic Planning and Vice President, Natural Gas Division

Arthur D. Little, Inc. (1989 – 1990)

Senior Consultant – International Energy Practice

DRI/McGraw-Hill (1984 – 1989)

Director, North American Natural Gas Consulting

Senior Economist, U.S. Electricity Service

Massachusetts Energy Facilities Siting Council (1982 – 1984)

Senior Economist – Gas and Electric Utilities

Maine Office of Energy Resources (1981 – 1982)

State Energy Economist

EDUCATION

University of New Hampshire

M.S., Resource Economics, *with honors*, 1981

Georgetown University

B.S., Business Administration and Economics, *cum laude*, 1975

DESIGNATIONS AND PROFESSIONAL AFFILIATIONS

- Community Rowing Inc., Board of Directors, 2015 - 2019
- Georgetown University, Alumni Admissions Interviewer, 1988 – current



- NASD General Securities Representative and Managing Principal (Series 7, 63 and 24 Certifications), 2001
- American Petroleum Institute, CEO's Liaison to Management and Policy Committees, 1994-1996
- National Petroleum Council, Regulatory and Policy Task Forces, 1992
- President, International Association for Energy Economics, Dallas Chapter, 1995
- Gas Research Institute, Economics Advisory Committee, 1990-1993
- NARUC, Advanced Regulatory Studies Program, Michigan State University, 1984

ARTICLES AND PUBLICATIONS

- "Advancing FERC's Methodology for Determining Allowed ROEs for Electric Transmission Companies," submitted to FERC on behalf of EEI, James Coyne, Joshua Nowak and Julie Lieberman, May, 2020.
- "Regulator Rationale for Ratepayer-Funded Electricity and Natural Gas Innovation", James M. Coyne, Robert C. Yardley, Jr. and Jessalyn G. Pryciak, Energy Regulation Quarterly, Volume 6, Issue 3, 2018.
- "Stimulating Innovation on Behalf of Canada's Electricity and Natural Gas Consumers" (with Robert Yardley), prepared for the Canadian Gas Association and Canadian Electricity Association, May 2015.
- "Autopilot Error: Why Similar U.S. and Canadian Risk Profiles Yield Varied Rate-making Results" (with John Trogonoski), Public Utilities Fortnightly, May 2010
- "A Comparative Analysis of Return on Equity of Natural Gas Utilities" (with Dan Dane and Julie Lieberman), prepared for the Ontario Energy Board, June 2007
- "Do Utilities Mergers Deliver?" (with Prescott Hartshorne), Public Utilities Fortnightly, June 2006
- "Winners and Losers: Utility Strategy and Shareholder Return" (with Prescott Hartshorne), Public Utilities Fortnightly, October 2004
- "Winners and Losers in Restructuring: Assessing Electric and Gas Company Financial Performance" (with Prescott Hartshorne), white paper distributed to clients and press, August 2003
- "The New Generation Business," commissioned by the Electric Power Research Institute (EPRI) and distributed to EPRI members to contribute to a series on the changes in the Power Industry, December 2001
- Potential for Natural Gas in the United States, Volume V, Regulatory and Policy Issues (co-author), National Petroleum Council, December 1992
- "Natural Gas Outlook," articles on U.S. natural gas markets, published quarterly in the Data Resources Energy Review and Natural Gas Review, 1984-1989



SPEAKING ENGAGEMENTS

- “The Market Risk Premium: An In-Depth Review”, Society of Utility and Regulatory Financial Analysts 53rd Financial Forum, Richmond, VA, April 28, 2022
- “Energy Sector in Transition”, Ontario Energy Association, Toronto, ON, September 24, 2018.
- “Understanding Regulated Utilities in Today’s Capital Markets”, NARUC Annual Meeting, La Quinta, CA, November 14, 2016.
- “Rate of Return: Where the Regulatory Rubber Meets the Road,” CAMPUT Annual Conference, Montreal, Quebec, May 17, 2016.
- “Innovations in Utility Business Models and Regulation”, The Canadian Association of Members of Public Utility Tribunals (CAMPUT) 2015 Energy Regulation Course, Queens University, Kingston, Ontario, June 2015
- “M&A and Valuations,” Panelist at Infocast Utility Scale Solar Summit, September 2010
- “The Use of Expert Evidence,” The Canadian Association of Members of Public Utility Tribunals (CAMPUT) 2010 Energy Regulation Course, Queens University, Kingston, Ontario, June 2010
- “A Comparative Analysis of Return on Equity for Utilities in Canada and the U.S.”, The Canadian Association of Members of Public Utility Tribunals (CAMPUT) Annual Conference, Banff, Alberta, April 22, 2008
- “Nuclear Power on the Verge of a New Era,” moderator for a client event co-hosted by Sutherland Asbill & Brennan and Lexecon, Washington D.C., October 2005
- “The Investment Implications of the Repeal of PUCHA,” Skadden Arps Client Conference, New York, NY, October 2005
- “Anatomy of the Deal,” First Annual Energy Transactions Conference, Newport, RI, May 2005
- “The Outlook for Wind Power,” Skadden Arps Annual Energy and Project Finance Seminar, Naples, FL, March 2005
- “Direction of U.S. M&A Activity for Utilities,” Energy and Mineral Law Foundation Conference, Sanibel Island, FL, February 2002
- “Outlook for U.S. Merger & Acquisition Activity,” Utility Mergers & Acquisitions Conference, San Antonio, TX, October 2001
- “Investor Perspectives on Emerging Energy Companies,” Panel Moderator at Energy Venture Conference, Boston, MA, June 2001
- “Electric Generation Asset Transactions: A Practical Guide,” workshop conducted at the 1999 Thai Electricity and Gas Investment Briefing, Bangkok, Thailand, July 1999
- “New Strategic Options for the Power Sector,” Electric Utility Business Environment Conference, Denver, CO, May 1999
- “Electric and Gas Industries: Moving Forward Together,” New England Gas Association Annual Meeting, November 1998
- “Opportunities and Challenges in the Electric Marketplace,” Electric Power Research Institute, July 1998



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Alberta Beverage Container Management Board				
Alberta Beverage Container Management Board	2016 2019	Expert for the Board	N/A	Return Margin on Bottle Depots
Alberta Utilities Commission				
ATCO Utilities Group	2008 2009	ATCO Gas; ATCO Pipelines Ltd.; ATCO Electric Ltd.	Application No. 1578571 / Proceeding ID. 85	2009 Generic Cost of Capital Proceeding (Gas & Electric)
Enmax Power Corporation	2017	Enmax	22570	Cost of Common Equity
Enmax Power Corporation	2020	Enmax	24110	2021 Generic Cost of Capital
Enmax Power Corporation	2023	Enmax	27084	2024 and Beyond Cost of Capital Parameters
American Arbitration Association				
TransCanada Corporation	2004	TransCanada Corporation	AAA Case No. 50T 1810018804	Valuation of Natural Gas Pipeline
British Columbia Utilities Commission				
FortisBC	2012	FortisBC Utilities	G-20-12	Cost of Capital Adjustment Mechanisms
FortisBC	2015 2016	FortisBC Utilities	G-129-16	Cost of Capital (Gas and Electric Distribution)
FortisBC	2022	FortisBC Utilities	G-217-22	Cost of Capital (Gas and Electric Distribution)
California Public Utilities Commission				
San Diego Gas & Electric Company	2019	San Diego Gas & Electric Company	A-19-04-014	Cost of Capital (Electric & Gas Distribution)



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
San Diego Gas & Electric Company	2021	San Diego Gas & Electric Company	A-21-08-014	Cost of Capital (Electric & Gas Distribution)
Southern California Gas Company	2022	Southern California Gas Company	A-22-04-011	Cost of Capital (Gas Distribution)
San Diego Gas & Electric Company	2022	San Diego Gas & Electric Company	A-22-04-012	Cost of Capital (Electric & Gas Distribution)
Canada Energy Regulator				
Enbridge Pipelines Inc.	2021	Enbridge Pipelines Inc.	RH-001-2020	Cost of Capital (Oil Pipeline)
Connecticut Department of Public Utility Control				
Aquarion Water Company of CT/ Macquarie Securities	2007	Aquarion Water Company of CT	DPUC Docket No. 07-05-19	Return on Equity (Water)
Federal Energy Regulatory Commission				
Atlantic Power Corporation	2007	Atlantic Path 15, LLC	ER08-374-000	Return on Equity (Electric)
Atlantic Power Corporation	2010	Atlantic Path 15, LLC	ER11-2909-000	Return on Equity (Electric)
Atlantic Power Corporation	2011	Atlantic Path 15, LLC	ER11-2909 and EL11-29	Rate of Return (Electric Transmission)
Startrans IO, LLC	2012	Startrans IO, LLC	ER-13-272-000	Cost of Capital (Electric Transmission)
Startrans IO, LLC	2015	Startrans IO, LLC	ER-16-194-000 and EL16-25-000	Cost of Capital (Electric Transmission)
Northern States Power Company	2019	Northern States Power Company	ER20-26-000	Cost of Capital (Electric Transmission)



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
PPL Electric Utilities Corp.	2020	PP&I Industrial Customer Alliance v. PPL Electric	EL20-48-000	Answering Testimony in Response to a Section 206 ROE Complaint
South First Energy Operating Companies	2020	South First Energy Operating Companies	ER21-253-000	Cost of Capital (Electric Transmission)
DCR Transmission, L.L.C.	2023	DCR Transmission, L.L.C.	ER23-__-000	Cost of Capital (Electric Transmission)
Florida Public Service Commission				
Florida Power & Light Company	2021	Florida Power & Light Company	Docket No. 20210015-EI	Cost of Capital (Electric)
Georgia Public Service Commission				
Georgia Power Company	2022	Georgia Power Company	44280	Cost of Capital (Electric)
Hawaii Public Utility Commission				
The Gas Company	2017	The Gas Company	Docket No. 2017-0105	Cost of Capital (Gas Distribution)
Maine Public Utilities Commission				
Bangor Hydro Electric Company	1998	Bangor Hydro Electric Company	MPUC Docket No. 98-820	Transaction-Related Financial Advisory Services, Valuation
Central Maine Power Company	2007	Central Maine Power Company	MPUC Docket No. 2007-215	Sales Forecast
Enmax Corporation	2019	Enmax Corporation	2019-00097	Regulatory Approval of Emera Maine Acquisition
Versant Power	2021	Versant Power	MPUC Docket No. 2020-00316	Cost of Capital (Electric)
Versant Power	2022	Versant Power	2022-00255	Cost of Capital (Electric)



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Versant Power	2024	Versant Power	2023-00336	Cost of Capital (Electric)
Maryland State Board of Contract Appeals				
Green Planet Power Solutions	2018	Green Planet Power Solutions and Maryland Bio Energy LLC v. Maryland Department of General Services	MSBCA 3061	Contract Litigation, Power Purchase Agreement, Damages Analysis
Massachusetts Superior Court				
Burncoat Pond Watershed District	2010	Central Water District v. Burncoat Pond Watershed District	WDCV 2001-0105	Valuation/Eminent Domain
Minnesota Public Utilities Commission				
Northern States Power Company	2015 2016	Northern States Power Company	E-002-GR-15-826	Cost of Capital (Electric)
Northern States Power Company	2017	Northern States Power Company	E002/M-17-797 G002/M-17-787 E002/M-17-818	Cost of Capital (Electric and Gas Rate Riders for Transmission, Renewable Generation and Gas Distribution)
New Brunswick Energy and Utilities Board				
Liberty Utilities (Gas New Brunswick) LP	2021	Liberty Utilities (Gas New Brunswick) LP	491	Cost of Capital (Gas)
Newfoundland and Labrador Board of Commissioners of Public Utilities				
Newfoundland Power	2016	Newfoundland Power	2016 GRA	Cost of Capital (Electric)
Newfoundland Power	2018	Newfoundland Power	2018 GRA	Cost of Capital (Electric)
Newfoundland Power	2021	Newfoundland Power	2021 GRA	Cost of Capital (Electric)



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Newfoundland Power	2024	Newfoundland Power	2025-2026 General Rate Application	Cost of Capital (Electric)
New Jersey Board of Public Utilities				
Conectiv	2000-2001	Atlantic City Electric Company	NJBPU Docket No. EM00020106	Transaction-Related Financial Advisory Services
North Carolina Utilities Commission				
Duke Energy Carolinas, LLC	2023	Duke Energy Carolinas, LLC	E-7, Sub 1276	Return on Equity (Electric)
Piedmont Natural Gas	2024	Piedmont Natural Gas	G-9, Sub 837	Return on Equity (Gas Distribution)
Nova Scotia Utility and Review Board				
Nova Scotia Power Inc.	2012	Nova Scotia Power Inc.	2013 GRA	Return on Equity/Business Risk (Electric)
Nova Scotia Power Inc.	2022	Nova Scotia Power Inc.	2022 GRA	Return on Equity/Business Risk (Electric)
Eastward Energy Inc.	2023	Eastward Energy Inc.	M10960	Return on Equity/Business Risk (Gas)
Public Utility Commission of Ohio				
Duke Ohio, Inc.	2022	Duke Ohio, Inc.	22-507-GA-AIR	Return on Equity (Gas)
Public Utility Commission of Oregon				
Northwest Natural Gas	2023	Northwest Natural Gas	UG-490	Return on Equity (Gas)



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Ontario Energy Board				
Enbridge Gas Distribution and Hydro One Networks and the Coalition of Large Distributors	2009	Enbridge Gas Distribution and Hydro One Networks and the Coalition of Large Distributors	EB-2009-0084	Ontario Energy Board's 2009 Consultative Process on Cost of Capital Review (Gas & Electric)
Enbridge Gas Distribution	2012	Enbridge Gas Distribution	EB-2011-0354	Industry Benchmarking Study and Cost of Capital (Gas Distribution)
Enbridge Gas Distribution	2014	Enbridge Gas Distribution	EB-2012-0459	Incentive Regulation Plan and Industry Productivity Study
Ontario Power Generation	2016	Ontario Power Generation	EB-2016-0152	Cost of Capital (Electric Generation)
Ontario Power Generation	2020	Ontario Power Generation	EB-2020-0290	Capital Structure (Electric Generation)
Enbridge Gas Distribution	2022	Enbridge Gas Distribution	EB-2022-0200	Capital Structure and Business Risk
Ontario Energy Association	2024	Enbridge Gas, the Coalition of Large Distributors, Ontario Power Generation, and Upper Canada Transmission	EB-2024-0063	Cost of Capital (Electric, Gas, Transmission, Power Generation)
Prince Edward Island Regulatory and Appeals Commission				
Maritime Electric Company	2015	Maritime Electric Company	UE20942	Return on Capital (Electric)
Maritime Electric Company	2022	Maritime Electric Company	UE20946	Return on Capital (Electric)
Maritime Electric Company	2024	Maritime Electric Company	UE21231	Weather Normalization Report
Public Utilities Commission of Ohio				



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Duke Energy Ohio, Inc.	2022	Duke Energy Ohio, Inc.	2022-00372	Cost of Capital (Gas Distribution)
Duke Energy Ohio, Inc.	2023	Duke Energy Ohio, Inc.	22-507-GA-AIR	Cost of Capital (Gas)
Régie de l'énergie du Québec				
Gaz Métro	2012	Gaz Métro	R-3809-2012	Return on Equity/Business Risk/Capital Structure (Gas Distribution)
Hydro-Québec Distribution and Hydro- Québec TransÉnergie	2013	Hydro-Québec Distribution and Hydro- Québec TransÉnergie	R-3842-2013	Return on Equity/Business Risk (Electric)
Hydro-Québec Distribution	2014	Hydro-Québec Distribution	R-3905-2014	Remuneration of Deferral Accounts
Hydro-Québec Distribution and Hydro- Québec TransÉnergie	2015-2017	Hydro-Québec Distribution and Hydro- Québec TransÉnergie	R-3897-2014	Performance-Based Ratemaking
South Carolina Public Service Commission				
Piedmont Natural Gas Company	2022	Piedmont Natural Gas Company	2022-89-G	Return on Equity (Gas Distribution)
Duke Energy Progress	2022	Duke Energy Progress	Docket No. 2022-254-E	Return on Equity (Electric)
Duke Energy Carolinas	2024	Duke Energy Carolinas	2023-388-E	Return on Equity (Electric)
South Dakota Public Service Commission				
Northern States Power Company-MN	2012	Northern States Power Company-MN	EL 11-019	Return on Equity



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Texas Public Utility Commission				
Texas New Mexico Power Company	2004	Texas New Mexico Power Company	PUC Docket No. 29206	Auction Process and Stranded Cost Recovery
U.S. Department of Commerce				
Government of Québec	2017	Duty Investigation of Uncoated Groundwood Paper from Canada	PUC Docket No. 29206	Contracting for Renewable Resources, Market Analysis, Damages Analysis
Vermont Public Service Board				
Vermont Gas Systems, Inc.	2006	Vermont Gas Systems, Inc.	VPSB Docket No. 7109	Models of Incentive Regulation
Vermont Gas Systems, Inc.	2012	Vermont Gas Systems, Inc.	Docket No. 7803A	Cost of Capital (Gas Distribution)
Green Mountain Power Corporation	2013	Green Mountain Power Corporation	Docket No. 8191	Return on Equity (Electric)
Vermont Gas Systems, Inc.	2016	Vermont Gas Systems, Inc.	Docket No. 8698/8710	Return on Equity (Gas Distribution)
Green Mountain Power Corporation	2017	Green Mountain Power Corporation	Docket No. Tariff-8677	Return on Equity (Electric)
Green Mountain Power Corporation	2018	Green Mountain Power Corporation	18-0974	Return on Equity (Electric)
Vermont Gas Systems, Inc.	2023	Vermont Gas Systems, Inc.	23-0561	Return on Equity (Gas Distribution) Rebuttal
State Corporation of Virginia				
Dominion Energy Virginia	2021	Virginia Electric and Power Company	PUR-2021-00058	Cost of Capital (Electric)
Wisconsin Public Service Commission				
Wisconsin Power and Light Company	2007	Wisconsin Power and Light Company	PSCW Docket No. 6680-CE-170	Return on Equity (Electric)
Wisconsin Power and Light Company	2007	Wisconsin Power and Light Company	PSCW Docket No. 6680-CE-171	Return on Equity (Electric)



SPONSOR	DATE	CASE/APPLICANT	DOCKET NO.	SUBJECT
Northern States Power Company	2011	Northern States Power Company	PSCW Docket No. 4220-UR-117	Return on Equity (Electric)
Northern States Power Company	2013	Northern States Power Company	PSCW Docket No. 4220-UR-119	Return on Equity (Gas & Electric)
Northern States Power Company	2015	Northern States Power Company	PSCW Docket No. 4220-UR-121	Return on Equity (Gas & Electric)
Northern States Power Company	2017 2019	Northern States Power Company	PSCW Docket No. 4220-UR-123, 4220-UR-124	Return on Equity (Gas & Electric)
Northern States Power Company	2021	Northern States Power Company	4220-UR-125	Cost of Capital (Electric, Affidavit)
Northern States Power Company	2023	Northern States Power Company	4220-UR-126	Cost of Capital (Electric & Gas)
Yukon Utilities Board				
ATCO Electric Yukon	2016	ATCO Electric Yukon	2016-2017 GRA	Return on Equity (Electric)

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	9.78%	9.83%	10.06%	9.89%	15.46%	15.00%	15.23%	10.57%	12.23%	11.98%
Ameren Corporation	AEE	9.53%	9.64%	9.89%	9.69%	15.46%	14.54%	15.00%	10.57%	10.27%	11.38%
American Electric Power Company, Inc.	AEP	10.44%	10.30%	10.45%	10.40%	14.86%	14.49%	14.67%	10.57%	11.22%	11.72%
Duke Energy Corporation	DUK	9.75%	9.66%	9.83%	9.75%	15.46%	14.35%	14.91%	10.57%	9.09%	11.08%
Edison International	EIX	10.92%	10.87%	11.09%	10.96%	16.68%	16.12%	16.40%	10.57%	13.91%	12.96%
Entergy Corporation	ETR	8.56%	8.85%	9.25%	8.89%	16.68%	16.11%	16.39%	10.57%	9.78%	11.41%
Evergy, Inc.	EVRG	10.59%	10.68%	10.94%	10.73%	16.07%	15.20%	15.64%	10.57%	10.12%	11.77%
IDACORP, Inc.	IDA	10.66%	10.84%	11.04%	10.85%	14.86%	14.90%	14.88%	10.57%	9.24%	11.38%
OGE Energy Corporation	OGE	9.99%	10.11%	10.37%	10.16%	17.28%	16.76%	17.02%	10.57%	13.16%	12.73%
Pinnacle West Capital Corporation	PNW	10.68%	10.70%	10.94%	10.77%	16.07%	15.84%	15.96%	10.57%	8.80%	11.52%
Portland General Electric Company	POR	13.60%	13.47%	13.59%	13.55%	16.07%	15.03%	15.55%	10.57%	9.78%	12.36%
PPL Corporation	PPL	10.37%	10.43%	10.64%	10.48%	17.89%	17.19%	17.54%	10.57%	9.71%	12.07%
Southern Company	SO	10.06%	9.95%	10.12%	10.04%	16.07%	15.12%	15.60%	10.57%	14.64%	12.71%
TXNM Energy	TXNM	7.61%	7.87%	8.15%	7.88%	15.46%	15.52%	15.49%	10.57%	10.30%	11.06%
Xcel Energy Inc.	XEL	9.89%	10.06%	10.36%	10.11%	14.86%	14.30%	14.58%	10.57%	11.34%	11.65%
Average		10.16%	10.22%	10.45%	10.28%	15.95%	15.37%	15.66%	10.57%	10.91%	11.85%

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

											4-model Average (Forward MRP)
Company		30-Day DCF	90-Day DCF	180-Day DCF	AVG DCF	CAPM VL Beta	CAPM BB Beta	AVG CAPM	Risk Premium	Expected Earnings	
Alliant Energy Corporation	LNT	9.78%	9.83%	10.06%	9.89%	15.44%	14.97%	15.20%	10.45%	12.23%	11.94%
Ameren Corporation	AEE	9.53%	9.64%	9.89%	9.69%	15.44%	14.49%	14.96%	10.45%	10.27%	11.34%
American Electric Power Company, Inc.	AEP	10.44%	10.30%	10.45%	10.40%	14.82%	14.44%	14.63%	10.45%	11.22%	11.68%
Duke Energy Corporation	DUK	9.75%	9.66%	9.83%	9.75%	15.44%	14.30%	14.87%	10.45%	9.09%	11.04%
Edison International	EIX	10.92%	10.87%	11.09%	10.96%	16.68%	16.11%	16.39%	10.45%	13.91%	12.93%
Entergy Corporation	ETR	8.56%	8.85%	9.25%	8.89%	16.68%	16.10%	16.39%	10.45%	9.78%	11.38%
Evergy, Inc.	EVRG	10.59%	10.68%	10.94%	10.73%	16.06%	15.17%	15.61%	10.45%	10.12%	11.73%
IDACORP, Inc.	IDA	10.66%	10.84%	11.04%	10.85%	14.82%	14.86%	14.84%	10.45%	9.24%	11.34%
OGE Energy Corporation	OGE	9.99%	10.11%	10.37%	10.16%	17.29%	16.77%	17.03%	10.45%	13.16%	12.70%
Pinnacle West Capital Corporation	PNW	10.68%	10.70%	10.94%	10.77%	16.06%	15.82%	15.94%	10.45%	8.80%	11.49%
Portland General Electric Company	POR	13.60%	13.47%	13.59%	13.55%	16.06%	14.99%	15.52%	10.45%	9.78%	12.33%
PPL Corporation	PPL	10.37%	10.43%	10.64%	10.48%	17.91%	17.20%	17.56%	10.45%	9.71%	12.05%
Southern Company	SO	10.06%	9.95%	10.12%	10.04%	16.06%	15.09%	15.57%	10.45%	14.64%	12.68%
TXNM Energy	TXNM	7.61%	7.87%	8.15%	7.88%	15.44%	15.50%	15.47%	10.45%	10.30%	11.02%
Xcel Energy Inc.	XEL	9.89%	10.06%	10.36%	10.11%	14.82%	14.25%	14.54%	10.45%	11.34%	11.61%
Average		10.16%	10.22%	10.45%	10.28%	15.93%	15.34%	15.64%	10.45%	10.91%	11.82%

PROXY GROUP SCREENING DATA AND RESULTS - FINAL PROXY GROUP

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Company	Ticker	Dividends	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 12/31/24
Alliant Energy Corporation	LNT	Yes	A-	Yes	Yes	Yes	98%	97%	85%	91%	No
Ameren Corporation	AEE	Yes	BBB+	Yes	Yes	Yes	100%	98%	87%	85%	No
American Electric Power Company, Inc.	AEP	Yes	BBB+	Yes	Yes	Yes	97%	98%	100%	100%	No
Duke Energy Corporation	DUK	Yes	BBB+	Yes	Yes	Yes	100%	95%	91%	90%	No
Edison International	EIX	Yes	BBB	Yes	Yes	Yes	100%	101%	100%	100%	No
Entergy Corporation	ETR	Yes	BBB+	Yes	Yes	Yes	97%	99%	98%	99%	No
Evergy, Inc.	EVRG	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%	94%	80%	82%	No
TXNM Energy	TXNM	Yes	BBB	Yes	Yes	Yes	100%	100%	100%	100%	No
Xcel Energy Inc.	XEL	Yes	BBB+	Yes	Yes	Yes	99%	100%	82%	86%	No

Notes:

[1] Source: Bloomberg Professional

[2] Source: SNL Financial

[3] Source: Yahoo! Finance and Zacks

[4] Source: Yahoo! Finance, Value Line Investment Survey, and Zacks

[5] Source: SNL Financial

[6] - [9] Source: Form 10-Ks for 2021, 2022 & 2023, 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	\$1.92	\$60.98	3.15%	3.25%	6.00%	7.00%	6.60%	6.53%	9.24%	9.78%	10.26%
Ameren Corporation	AEE	\$2.68	\$91.24	2.94%	3.03%	6.50%	6.38%	6.60%	6.49%	9.41%	9.53%	9.63%
American Electric Power Company, Inc.	AEP	\$3.72	\$95.01	3.92%	4.04%	6.50%	6.49%	6.20%	6.40%	10.24%	10.44%	10.54%
Duke Energy Corporation	DUK	\$4.18	\$111.39	3.75%	3.86%	5.00%	6.26%	6.40%	5.89%	8.85%	9.75%	10.27%
Edison International	EIX	\$3.12	\$83.07	3.76%	3.89%	6.50%	6.10%	8.50%	7.03%	9.97%	10.92%	12.42%
Entergy Corporation	ETR	\$2.40	\$75.54	3.18%	3.26%	0.50%	7.00%	8.40%	5.30%	3.69%	8.56%	11.71%
Evergy, Inc.	EVRG	\$2.67	\$62.75	4.26%	4.39%	7.50%	5.40%	5.70%	6.20%	9.77%	10.59%	11.91%
IDACORP, Inc.	IDA	\$3.44	\$114.12	3.01%	3.13%	6.00%	8.31%	8.30%	7.54%	9.10%	10.66%	11.44%
OGE Energy Corporation	OGE	\$1.69	\$42.37	3.98%	4.09%	6.50%	6.00%	5.20%	5.90%	9.28%	9.99%	10.61%
Pinnacle West Capital Corporation	PNW	\$3.58	\$89.26	4.01%	4.14%	4.50%	6.90%	8.20%	6.53%	8.60%	10.68%	12.38%
Portland General Electric Company	POR	\$2.00	\$45.65	4.38%	4.58%	6.00%	8.75%	12.30%	9.02%	10.51%	13.60%	16.95%
PPL Corporation	PPL	\$1.03	\$33.34	3.09%	3.20%	7.50%	7.20%	6.80%	7.17%	9.99%	10.37%	10.70%
The Southern Company	SO	\$2.88	\$85.14	3.38%	3.49%	6.50%	6.40%	6.80%	6.57%	9.89%	10.06%	10.30%
TXNM Energy	TXNM	\$1.55	\$48.65	3.19%	3.26%	5.00%	5.05%	3.00%	4.35%	6.23%	7.61%	8.32%
Xcel Energy Inc.	XEL	\$2.19	\$69.38	3.16%	3.26%	6.00%	7.00%	6.90%	6.63%	9.25%	9.89%	10.27%
PROXY GROUP MEAN				3.54%	3.66%	5.77%	6.68%	7.06%	6.50%	8.94%	10.16%	11.18%

Notes

[1] Source: Bloomberg Professional

[2] Source: Bloomberg Professional, equals 30-day average as of December 31, 2024

[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	\$1.92	\$60.12	3.19%	3.30%	6.00%	7.00%	6.60%	6.53%	9.29%	9.83%	10.31%
Ameren Corporation	AEE	\$2.68	\$88.02	3.04%	3.14%	6.50%	6.38%	6.60%	6.49%	9.52%	9.64%	9.75%
American Electric Power Company, Inc.	AEP	\$3.72	\$98.23	3.79%	3.91%	6.50%	6.49%	6.20%	6.40%	10.10%	10.30%	10.41%
Duke Energy Corporation	DUK	\$4.18	\$113.94	3.67%	3.78%	5.00%	6.26%	6.40%	5.89%	8.76%	9.66%	10.19%
Edison International	EIX	\$3.12	\$84.25	3.70%	3.83%	6.50%	6.10%	8.50%	7.03%	9.92%	10.87%	12.36%
Entergy Corporation	ETR	\$2.40	\$69.38	3.46%	3.55%	0.50%	7.00%	8.40%	5.30%	3.97%	8.85%	12.00%
Evergy, Inc.	EVRG	\$2.67	\$61.47	4.34%	4.48%	7.50%	5.40%	5.70%	6.20%	9.86%	10.68%	12.01%
IDACORP, Inc.	IDA	\$3.44	\$107.88	3.19%	3.31%	6.00%	8.31%	8.30%	7.54%	9.28%	10.84%	11.63%
OGE Energy Corporation	OGE	\$1.69	\$41.22	4.09%	4.21%	6.50%	6.00%	5.20%	5.90%	9.39%	10.11%	10.72%
Pinnacle West Capital Corporation	PNW	\$3.58	\$88.79	4.03%	4.16%	4.50%	6.90%	8.20%	6.53%	8.62%	10.70%	12.40%
Portland General Electric Company	POR	\$2.00	\$46.97	4.26%	4.45%	6.00%	8.75%	12.30%	9.02%	10.39%	13.47%	16.82%
PPL Corporation	PPL	\$1.03	\$32.74	3.15%	3.26%	7.50%	7.20%	6.80%	7.17%	10.05%	10.43%	10.76%
Southern Company	SO	\$2.88	\$87.99	3.27%	3.38%	6.50%	6.40%	6.80%	6.57%	9.78%	9.95%	10.18%
TXNM Energy	TXNM	\$1.55	\$44.98	3.45%	3.52%	5.00%	5.05%	3.00%	4.35%	6.50%	7.87%	8.58%
Xcel Energy Inc.	XEL	\$2.19	\$65.97	3.32%	3.43%	6.00%	7.00%	6.90%	6.63%	9.42%	10.06%	10.44%
PROXY GROUP MEAN				3.60%	3.71%	5.77%	6.68%	7.06%	6.50%	8.99%	10.22%	11.24%

Notes

- [1] Source: Bloomberg Professional
[2] Source: Bloomberg Professional, equals 90-day average as of December 31, 2024
[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	\$1.92	\$56.27	3.41%	3.52%	6.00%	7.00%	6.60%	6.53%	9.51%	10.06%	10.53%
Ameren Corporation	AEE	\$2.68	\$81.34	3.29%	3.40%	6.50%	6.38%	6.60%	6.49%	9.78%	9.89%	10.00%
American Electric Power Company, Inc.	AEP	\$3.72	\$94.61	3.93%	4.06%	6.50%	6.49%	6.20%	6.40%	10.25%	10.45%	10.56%
Duke Energy Corporation	DUK	\$4.18	\$109.01	3.83%	3.95%	5.00%	6.26%	6.40%	5.89%	8.93%	9.83%	10.36%
Edison International	EIX	\$3.12	\$79.71	3.91%	4.05%	6.50%	6.10%	8.50%	7.03%	10.13%	11.09%	12.58%
Entergy Corporation	ETR	\$2.40	\$62.30	3.85%	3.95%	0.50%	7.00%	8.40%	5.30%	4.36%	9.25%	12.41%
Evergy, Inc.	EVRG	\$2.67	\$58.11	4.59%	4.74%	7.50%	5.40%	5.70%	6.20%	10.12%	10.94%	12.27%
IDACORP, Inc.	IDA	\$3.44	\$101.84	3.38%	3.51%	6.00%	8.31%	8.30%	7.54%	9.48%	11.04%	11.82%
OGE Energy Corporation	OGE	\$1.69	\$38.82	4.34%	4.47%	6.50%	6.00%	5.20%	5.90%	9.65%	10.37%	10.98%
Pinnacle West Capital Corporation	PNW	\$3.58	\$83.88	4.27%	4.41%	4.50%	6.90%	8.20%	6.53%	8.86%	10.94%	12.64%
Portland General Electric Company	POR	\$2.00	\$45.74	4.37%	4.57%	6.00%	8.75%	12.30%	9.02%	10.50%	13.59%	16.94%
PPL Corporation	PPL	\$1.03	\$30.75	3.35%	3.47%	7.50%	7.20%	6.80%	7.17%	10.26%	10.64%	10.98%
Southern Company	SO	\$2.88	\$83.81	3.44%	3.55%	6.50%	6.40%	6.80%	6.57%	9.95%	10.12%	10.35%
TXNM Energy	TXNM	\$1.55	\$41.63	3.72%	3.80%	5.00%	5.05%	3.00%	4.35%	6.78%	8.15%	8.87%
Xcel Energy Inc.	XEL	\$2.19	\$60.70	3.61%	3.73%	6.00%	7.00%	6.90%	6.63%	9.72%	10.36%	10.73%
PROXY GROUP MEAN				3.82%	3.95%	5.77%	6.68%	7.06%	6.50%	9.22%	10.45%	11.47%

Notes

[1] Source: Bloomberg Professional

[2] Source: Bloomberg Professional, equals 180-day average as of December 31, 2024

[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

[7] S&P's estimate of the S&P 500 Dividend Yield	1.28%
[8] S&P's estimate of the S&P 500 Growth Rate	15.70%
[9] S&P 500 Estimated Required Market Return	17.08%

Notes:

[7] Source: S&P Global, S&P 500 Earnings and Estimate Report, December 31, 2024

[8] Source: S&P Global, S&P 500 Earnings and Estimate Report, December 31, 2024

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

MARKET RISK PREMIUM CALCULATION USING CAP. WEIGHTED BLOOMBERG GROWTH RATES

[10] Cap. Weighted Estimate of the S&P 500 Dividend Yield	1.29%
[11] Cap. Weighted Estimate of the S&P 500 Growth Rate	16.05%
[12] Cap. Weighted S&P 500 Estimated Required Market Return	17.44%

Notes:

[10] Source: Bloomberg Professional, as of December 31, 2024

[10] Source: Bloomberg Professional, as of December 31, 2024

[12] Equals ([10] x (1 + (0.5 x [11]))) + [11]

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	324.76	74.27	7.22	-11.21	24,119.69	0.05%	0.35%	-0.54%
American Express Co	AXP	704.44	296.79	0.94	15.56	209,072.20	0.42%	0.39%	6.50%
Verizon Communications Inc	VZ	4209.63	39.99	6.78	2.30	168,342.95	0.34%	2.28%	0.77%
Texas Pacific Land Corp	TPL	22.97	1105.96	0.58	n/a	0.00	0.00%	0.00%	
Broadcom Inc	AVGO	4687.36	231.84	1.02	21.19	1,086,716.65	2.17%	2.21%	46.04%
Boeing Co/The	BA	747.17	177.00	n/a	34.61	132,249.22	0.26%		9.15%
Solventum Corp	SOLV	172.75	66.06	n/a	-3.78	11,412.13	0.02%		-0.09%
Caterpillar Inc	CAT	482.80	362.76	1.55	7.02	175,141.43	0.35%	0.54%	2.46%
JPMorgan Chase & Co	JPM	2815.34	239.71	2.09	2.80	674,865.25	1.35%	2.81%	3.77%
Chevron Corp	CVX	1797.09	144.84	4.50	0.68	260,290.71	0.52%	2.34%	0.35%
Coca-Cola Co/The	KO	4307.80	62.26	3.12	5.98	268,203.45	0.54%	1.67%	3.21%
AbbVie Inc	ABBV	1767.14	177.70	3.69	11.68	314,020.83	0.63%	2.32%	7.33%
Walt Disney Co/The	DIS	1810.94	111.35	0.90	15.80	201,648.09	0.40%	0.36%	6.37%
Corpay Inc	CPAY	69.71	338.42	n/a	14.54	23,591.59	0.05%		0.69%
Extra Space Storage Inc	EXR	211.98	149.60	4.33	1.62	31,712.74	0.06%	0.27%	0.10%
Exxon Mobil Corp	XOM	4395.09	107.57	3.68	-1.82	472,780.32	0.95%	3.48%	-1.72%
Phillips 66	PSX	412.99	113.93	4.04	-8.20	47,051.86	0.09%	0.38%	-0.77%
General Electric Co	GE	1082.29	166.79	0.67	30.30	180,515.82	0.36%	0.24%	10.93%
HP Inc	HPQ	937.80	32.63	3.55	3.80	30,600.34	0.06%	0.22%	0.23%
Home Depot Inc/The	HD	993.36	388.99	2.31	3.56	386,408.12	0.77%	1.79%	2.75%
Monolithic Power Systems Inc	MPWR	48.78	591.70	0.85	22.00	28,863.13	0.06%	0.05%	1.27%
International Business Machines Corp	IBM	924.65	219.83	3.04	3.80	203,264.74	0.41%	1.23%	1.54%
Johnson & Johnson	JNJ	2407.62	144.62	3.43	3.54	348,190.43	0.70%	2.39%	2.46%
Lululemon Athletica Inc	LULU	116.67	382.41	n/a	8.00	44,614.84	0.09%		0.71%
McDonald's Corp	MCD	716.62	289.89	2.44	4.77	207,740.88	0.42%	1.01%	1.98%
Merck & Co Inc	MRK	2529.64	99.48	3.26	53.08	251,648.15	0.50%	1.64%	26.70%
3M Co	MMM	544.56	129.09	2.17	1.81	70,297.07	0.14%	0.30%	0.25%

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
American Water Works Co Inc	AWK	194.89	124.49	2.46	7.83	24,262.34	0.05%	0.12%	0.38%
Bank of America Corp	BAC	7672.88	43.95	2.37	5.00	337,223.06	0.67%	1.60%	3.37%
Pfizer Inc	PFE	5666.99	26.53	6.48	11.67	150,345.25	0.30%	1.95%	3.51%
Procter & Gamble Co/The	PG	2355.04	167.65	2.40	7.37	394,822.75	0.79%	1.90%	5.81%
AT&T Inc	T	7175.29	22.77	4.87	-0.59	163,381.33	0.33%	1.59%	-0.19%
Travelers Cos Inc/The	TRV	227.02	240.89	1.74	18.71	54,686.60	0.11%	0.19%	2.05%
RTX Corp	RTX	1331.02	115.72	2.18	10.62	154,025.22	0.31%	0.67%	3.27%
Analog Devices Inc	ADI	496.30	212.46	1.73	14.05	105,443.23	0.21%	0.37%	2.96%
Walmart Inc	WMT	8033.39	90.35	0.92	9.24	725,816.44	1.45%	1.33%	13.41%
Cisco Systems Inc	CSCO	3982.76	59.20	2.70	4.04	235,779.29	0.47%	1.27%	1.90%
Intel Corp	INTC	4313.00	20.05	n/a	2.86	86,475.65	0.17%		0.49%
General Motors Co	GM	1099.60	53.27	0.90	18.41	58,575.47	0.12%	0.11%	2.16%
Microsoft Corp	MSFT	7434.88	421.50	0.79	15.35	3,133,802.25	6.27%	4.94%	96.18%
Dollar General Corp	DG	219.93	75.82	3.11	-11.33	16,674.76	0.03%	0.10%	-0.38%
Cigna Group/The	CI	278.15	276.14	2.03	11.65	76,809.06	0.15%	0.31%	1.79%
Kinder Morgan Inc	KMI	2221.64	27.40	4.20	6.39	60,872.94	0.12%	0.51%	0.78%
Citigroup Inc	C	1891.26	70.39	3.18	26.39	133,126.13	0.27%	0.85%	7.02%
American International Group Inc	AIG	623.77	72.80	2.20	10.49	45,410.41	0.09%	0.20%	0.95%
Altria Group Inc	MO	1694.81	52.29	7.80	4.51	88,621.77	0.18%	1.38%	0.80%
HCA Healthcare Inc	HCA	253.30	300.15	0.88	10.84	76,027.12	0.15%	0.13%	1.65%
International Paper Co	IP	347.41	53.82	3.44	-2.00	18,697.51	0.04%	0.13%	-0.07%
Hewlett Packard Enterprise Co	HPE	1315.33	21.35	2.44	4.65	28,082.38	0.06%	0.14%	0.26%
Abbott Laboratories	ABT	1734.46	113.11	2.09	8.15	196,184.23	0.39%	0.82%	3.20%
Aflac Inc	AFL	555.53	103.44	2.24	7.85	57,463.86	0.11%	0.26%	0.90%
Air Products and Chemicals Inc	APD	222.38	290.04	2.44	9.48	64,498.78	0.13%	0.31%	1.22%
Super Micro Computer Inc	SMCI	585.57	30.48	n/a	n/a	0.00	0.00%		
Royal Caribbean Cruises Ltd	RCL	268.88	230.69	0.95	32.53	62,026.83	0.12%	0.12%	4.03%
Hess Corp	HES	308.12	133.01	1.50	n/a	0.00	0.00%	0.00%	
Lennox International Inc	LII	35.62	609.30	0.75	19.00	21,705.26	0.04%	0.03%	0.82%
Archer-Daniels-Midland Co	ADM	478.53	50.52	3.96	n/a	0.00	0.00%	0.00%	
Automatic Data Processing Inc	ADP	407.46	292.73	2.10	9.10	119,274.86	0.24%	0.50%	2.17%
Verisk Analytics Inc	VRSK	141.21	275.43	0.57	12.00	38,893.64	0.08%	0.04%	0.93%
AutoZone Inc	AZO	16.78	3202.00	n/a	9.66	53,736.48	0.11%		1.04%
Linde PLC	LIN	476.16	418.67	1.33	11.47	199,353.03	0.40%	0.53%	4.57%
Avery Dennison Corp	AVY	80.35	187.13	1.88	13.82	15,035.22	0.03%	0.06%	0.42%
Enphase Energy Inc	ENPH	135.11	68.68	n/a	4.56	9,279.12	0.02%		0.08%
MSCI Inc	MSCI	78.37	600.01	1.07	12.00	47,023.56	0.09%	0.10%	1.13%
Ball Corp	BALL	298.43	55.13	1.45	12.66	16,452.22	0.03%	0.05%	0.42%
Axon Enterprise Inc	AXON	76.25	594.32	n/a	24.64	45,319.74	0.09%		2.23%
Dayforce Inc	DAY	157.70	72.64	n/a	n/a	0.00	0.00%		
Carrier Global Corp	CARR	897.23	68.26	1.32	12.65	61,244.74	0.12%	0.16%	1.55%
Bank of New York Mellon Corp/The	BK	727.08	76.83	2.45	12.10	55,861.43	0.11%	0.27%	1.35%
Otis Worldwide Corp	OTIS	399.46	92.61	1.68	10.00	36,994.04	0.07%	0.12%	0.74%
Baxter International Inc	BAX	510.59	29.16	2.33	n/a	0.00	0.00%	0.00%	
Becton Dickinson & Co	BDX	290.01	226.87	1.83	9.07	65,794.06	0.13%	0.24%	1.19%
Berkshire Hathaway Inc	BRK/B	1328.45	453.28	n/a	n/a	0.00	0.00%		
Best Buy Co Inc	BBY	213.80	85.80	4.38	4.89	18,343.66	0.04%	0.16%	0.18%

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
Boston Scientific Corp	BSX	1473.83	89.32	n/a	12.64	131,642.27	0.26%		3.33%
Bristol-Myers Squibb Co	BMJ	2028.18	56.56	4.38	-1.32	114,713.67	0.23%	1.01%	-0.30%
Brown-Forman Corp	BF/B	303.54	37.98	2.39	-2.71	11,528.37	0.02%	0.05%	-0.06%
Coterra Energy Inc	CTRA	736.61	25.54	3.29	10.06	18,813.10	0.04%	0.12%	0.38%
Hilton Worldwide Holdings Inc	HLT	243.78	247.16	0.24	12.62	60,252.62	0.12%	0.03%	1.52%
Carnival Corp	CCL	1154.16	24.92	n/a	n/a	0.00	0.00%		
Builders FirstSource Inc	BLDR	115.08	142.93	n/a	0.15	16,449.10	0.03%		0.00%
UDR Inc	UDR	329.96	43.41	3.92	1.46	14,323.57	0.03%	0.11%	0.04%
Clorox Co/The	CLX	123.78	162.41	3.00	10.56	20,103.32	0.04%	0.12%	0.42%
Paycom Software Inc	PAYC	57.66	204.97	0.73	10.23	11,818.99	0.02%	0.02%	0.24%
CMS Energy Corp	CMS	298.78	66.65	3.09	7.58	19,914.01	0.04%	0.12%	0.30%
Colgate-Palmolive Co	CL	817.01	90.91	2.20	8.23	74,274.47	0.15%	0.33%	1.22%
EPAM Systems Inc	EPAM	56.72	233.82	n/a	6.44	13,262.60	0.03%		0.17%
Conagra Brands Inc	CAG	477.32	27.75	5.05	-1.65	13,245.64	0.03%	0.13%	-0.04%
Airbnb Inc	ABNB	440.00	131.41	n/a	19.27	57,820.68	0.12%		2.23%
Consolidated Edison Inc	ED	346.41	89.23	3.72	5.99	30,910.36	0.06%	0.23%	0.37%
Corning Inc	GLW	856.21	47.52	2.36	16.38	40,687.04	0.08%	0.19%	1.33%
GoDaddy Inc	GGDY	140.39	197.37	n/a	n/a	0.00	0.00%		
Cummins Inc	CMJ	137.18	348.60	2.09	11.78	47,821.59	0.10%	0.20%	1.13%
Caesars Entertainment Inc	CZR	212.48	33.42	n/a	95.89	7,101.09	0.01%		1.36%
Danaher Corp	DHR	722.28	229.55	0.47	0.73	165,798.26	0.33%	0.16%	0.24%
Target Corp	TGT	458.21	135.18	3.31	11.09	61,941.09	0.12%	0.41%	1.37%
Deere & Co	DE	271.58	423.70	1.53	1.13	115,066.45	0.23%	0.35%	0.26%
Dominion Energy Inc	D	840.01	53.86	4.96	10.96	45,242.92	0.09%	0.45%	0.99%
Dover Corp	DOV	137.19	187.60	1.10	9.23	25,737.21	0.05%	0.06%	0.47%
Alliant Energy Corp	LNT	256.60	59.14	3.25	6.97	15,175.28	0.03%	0.10%	0.21%
Steel Dynamics Inc	STLD	152.24	114.07	1.61	-4.40	17,366.59	0.03%	0.06%	-0.15%
Duke Energy Corp	DUK	771.00	107.74	3.88	6.76	83,067.54	0.17%	0.64%	1.12%
Regency Centers Corp	REG	181.51	73.93	3.81	4.24	13,418.69	0.03%	0.10%	0.11%
Eaton Corp PLC	ETN	395.20	331.87	1.13	15.56	131,155.02	0.26%	0.30%	4.08%
Ecolab Inc	ECL	283.16	234.32	1.11	18.46	66,350.48	0.13%	0.15%	2.45%
Revvity Inc	RVTY	121.70	111.61	0.25	7.86	13,583.18	0.03%	0.01%	0.21%
Dell Technologies Inc	DELL	357.34	115.24	1.54	13.01	41,179.54	0.08%	0.13%	1.07%
Emerson Electric Co	EMR	569.53	123.93	1.70	13.14	70,582.02	0.14%	0.24%	1.85%
EOG Resources Inc	EOG	562.45	122.58	3.18	-1.24	68,945.17	0.14%	0.44%	-0.17%
Aon PLC	AON	216.27	359.16	0.75	11.17	77,674.20	0.16%	0.12%	1.73%
Entergy Corp	ETR	428.82	75.82	3.17	7.90	32,512.83	0.07%	0.21%	0.51%
Equifax Inc	EFX	123.95	254.85	0.61	22.00	31,589.17	0.06%	0.04%	1.39%
EQT Corp	EQT	596.68	46.11	1.37	-6.00	27,513.10	0.06%	0.08%	-0.33%
IQVIA Holdings Inc	IQV	181.50	196.51	n/a	8.47	35,666.57	0.07%		0.60%
Gartner Inc	IT	77.13	484.47	n/a	9.00	37,369.24	0.07%		0.67%
FedEx Corp	FDX	240.85	281.33	1.96	12.44	67,758.50	0.14%	0.27%	1.69%
FMC Corp	FMC	124.84	48.61	4.77	-3.67	6,068.26	0.01%	0.06%	-0.04%
Brown & Brown Inc	BRO	285.96	102.02	0.59	11.31	29,173.47	0.06%	0.03%	0.66%
Ford Motor Co	F	3903.44	9.90	6.06	3.06	38,644.02	0.08%	0.47%	0.24%
NextEra Energy Inc	NEE	2056.40	71.69	2.87	7.65	147,423.64	0.29%	0.85%	2.25%
Franklin Resources Inc	BEN	523.98	20.29	6.31	5.00	10,631.61	0.02%	0.13%	0.11%

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Garmin Ltd	GRMN	192.02	206.26	1.45	21.60	39,607.07	0.08%	0.12%	1.71%
Freeport-McMoRan Inc	FCX	1436.93	38.08	1.58	9.59	54,718.21	0.11%	0.17%	1.05%
Dexcom Inc	DXCM	390.60	77.77	n/a	20.11	30,376.60	0.06%		1.22%
General Dynamics Corp	GD	274.97	263.49	2.16	14.58	72,451.48	0.14%	0.31%	2.11%
General Mills Inc	GIS	551.23	63.77	3.76	1.31	35,152.02	0.07%	0.26%	0.09%
Genuine Parts Co	GPC	139.04	116.76	3.43	n/a	0.00	0.00%	0.00%	
Atmos Energy Corp	ATO	155.42	139.27	2.50	7.01	21,645.61	0.04%	0.11%	0.30%
WW Grainger Inc	GWW	48.70	1054.05	0.78	5.61	51,332.41	0.10%	0.08%	0.58%
Halliburton Co	HAL	878.50	27.19	2.50	2.85	23,886.47	0.05%	0.12%	0.14%
L3Harris Technologies Inc	LHX	189.67	210.28	2.21	9.00	39,883.46	0.08%	0.18%	0.72%
Healthpeak Properties Inc	DOC	699.44	20.27	5.92	4.99	14,177.71	0.03%	0.17%	0.14%
Insulet Corp	PODD	70.14	261.07	n/a	31.17	18,312.70	0.04%		1.14%
Fortive Corp	FTV	346.95	75.00	0.43	10.74	26,021.20	0.05%	0.02%	0.56%
Hershey Co/The	HSY	147.74	169.35	3.24	-5.85	25,019.98	0.05%	0.16%	-0.29%
Synchrony Financial	SYF	389.34	65.00	1.54	18.52	25,307.38	0.05%	0.08%	0.94%
Hormel Foods Corp	HRL	549.01	31.37	3.70	7.81	17,222.54	0.03%	0.13%	0.27%
Arthur J Gallagher & Co	AJG	249.80	283.85	0.85	14.00	70,906.48	0.14%	0.12%	1.98%
Mondelez International Inc	MDLZ	1337.19	59.73	3.15	5.07	79,870.61	0.16%	0.50%	0.81%
CenterPoint Energy Inc	CNP	651.73	31.73	2.77	8.01	20,679.31	0.04%	0.11%	0.33%
Humana Inc	HUM	120.41	253.71	1.40	3.00	30,549.56	0.06%	0.09%	0.18%
Willis Towers Watson PLC	WTW	100.73	313.24	1.12	11.07	31,551.25	0.06%	0.07%	0.70%
Illinois Tool Works Inc	ITW	295.30	253.56	2.37	7.08	74,876.27	0.15%	0.35%	1.06%
CDW Corp/DE	CDW	133.26	174.04	1.44	3.96	23,193.28	0.05%	0.07%	0.18%
Trane Technologies PLC	TT	225.02	369.35	0.91	17.38	83,112.56	0.17%	0.15%	2.89%
Interpublic Group of Cos Inc/The	IPG	372.51	28.02	4.71	n/a	0.00	0.00%	0.00%	
International Flavors & Fragrances Inc	IFF	255.68	84.55	1.89	3.39	21,617.94	0.04%	0.08%	0.15%
Generac Holdings Inc	GNRC	59.50	155.05	n/a	n/a	0.00	0.00%		
NXP Semiconductors NV	NXPI	254.16	207.85	1.95	1.29	52,826.24	0.11%	0.21%	0.14%
Kellanova	K	344.70	80.97	2.82	9.41	27,910.19	0.06%	0.16%	0.53%
Broadridge Financial Solutions Inc	BR	116.89	226.09	1.56	n/a	0.00	0.00%	0.00%	
Kimberly-Clark Corp	KMB	333.49	131.04	3.72	7.27	43,699.92	0.09%	0.33%	0.64%
Kimco Realty Corp	KIM	674.12	23.43	4.27	4.66	15,794.55	0.03%	0.13%	0.15%
Oracle Corp	ORCL	2796.96	166.64	0.96	10.49	466,084.75	0.93%	0.89%	9.78%
Kroger Co/The	KR	723.61	61.15	2.09	4.79	44,248.51	0.09%	0.19%	0.42%
Lennar Corp	LEN	238.81	136.37	1.47	9.85	32,566.13	0.07%	0.10%	0.64%
Eli Lilly & Co	LLY	949.32	772.00	0.78	28.50	732,871.71	1.47%	1.14%	41.76%
Charter Communications Inc	CHTR	142.20	342.77	n/a	7.71	48,740.97	0.10%		0.75%
Loews Corp	L	217.78	84.69	0.30	n/a	0.00	0.00%	0.00%	
Lowe's Cos Inc	LOW	564.65	246.80	1.86	-0.44	139,355.62	0.28%	0.52%	-0.12%
Hubbell Inc	HUBB	53.67	418.89	1.26	18.00	22,482.06	0.04%	0.06%	0.81%
IDEX Corp	IEX	75.72	209.29	1.32	n/a	0.00	0.00%	0.00%	
Marsh & McLennan Cos Inc	MMC	491.12	212.41	1.53	8.79	104,319.12	0.21%	0.32%	1.83%
Masco Corp	MAS	215.75	72.57	1.60	7.54	15,656.90	0.03%	0.05%	0.24%
S&P Global Inc	SPGI	317.50	498.03	0.73	14.00	158,124.53	0.32%	0.23%	4.43%
Medtronic PLC	MDT	1282.29	79.88	3.51	6.49	102,428.98	0.20%	0.72%	1.33%
Viatis Inc	VTRS	1193.59	12.45	3.86	-3.41	14,860.23	0.03%	0.11%	-0.10%
CVS Health Corp	CVS	1258.41	44.89	5.93	-4.24	56,489.92	0.11%	0.67%	-0.48%

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DuPont de Nemours Inc	DD	417.96	76.25	1.99	4.01	31,869.10	0.06%	0.13%	0.26%
Micron Technology Inc	MU	1114.17	84.16	0.55	13.00	93,768.71	0.19%	0.10%	2.44%
Motorola Solutions Inc	MSI	167.12	462.23	0.94	9.48	77,248.15	0.15%	0.15%	1.46%
Cboe Global Markets Inc	CBOE	104.69	195.40	1.29	13.58	20,455.61	0.04%	0.05%	0.56%
Newmont Corp	NEM	1138.45	37.22	2.69	37.70	42,373.13	0.08%	0.23%	3.19%
NIKE Inc	NKE	1190.60	75.67	2.11	-4.84	90,092.59	0.18%	0.38%	-0.87%
NiSource Inc	NI	466.78	36.76	2.88	8.00	17,158.79	0.03%	0.10%	0.27%
Norfolk Southern Corp	NSC	226.24	234.70	2.30	7.63	53,098.45	0.11%	0.24%	0.81%
Principal Financial Group Inc	PFJ	228.73	77.41	3.77	12.60	17,705.67	0.04%	0.13%	0.45%
Eversource Energy	ES	366.40	57.43	4.98	5.09	21,042.47	0.04%	0.21%	0.21%
Northrop Grumman Corp	NOC	145.70	469.29	1.76	19.22	68,373.37	0.14%	0.24%	2.63%
Wells Fargo & Co	WFC	3329.49	70.24	2.28	10.67	233,863.42	0.47%	1.07%	4.99%
Nucor Corp	NUE	234.81	116.71	1.89	-8.66	27,405.02	0.05%	0.10%	-0.47%
Occidental Petroleum Corp	OXY	938.34	49.41	1.78	12.00	46,363.53	0.09%	0.17%	1.11%
Omnicom Group Inc	OMC	195.09	86.04	3.25	5.61	16,785.81	0.03%	0.11%	0.19%
ONEOK Inc	OKE	584.18	100.40	3.94	7.39	58,652.09	0.12%	0.46%	0.87%
Raymond James Financial Inc	RJF	204.04	155.33	1.29	10.00	31,694.28	0.06%	0.08%	0.63%
PG&E Corp	PCG	2663.95	20.18	0.50	9.81	53,758.52	0.11%	0.05%	1.05%
Parker-Hannifin Corp	PH	128.72	636.03	1.03	7.90	81,870.06	0.16%	0.17%	1.29%
Rollins Inc	ROL	484.31	46.35	1.42	14.00	22,447.54	0.04%	0.06%	0.63%
PPL Corp	PPL	737.97	32.46	3.17	7.36	23,954.51	0.05%	0.15%	0.35%
Aptiv PLC	APTV	235.04	60.48	n/a	13.28	14,214.96	0.03%		0.38%
ConocoPhillips	COP	1293.56	99.17	3.15	4.50	128,282.55	0.26%	0.81%	1.15%
PulteGroup Inc	PHM	205.08	108.90	0.81	7.81	22,333.45	0.04%	0.04%	0.35%
Pinnacle West Capital Corp	PNW	113.70	84.77	4.22	6.84	9,638.33	0.02%	0.08%	0.13%
PNC Financial Services Group Inc/The	PNC	396.78	192.85	3.32	18.19	76,519.68	0.15%	0.51%	2.78%
PPG Industries Inc	PPG	232.00	119.45	2.28	6.89	27,712.40	0.06%	0.13%	0.38%
Progressive Corp/The	PGR	585.81	239.61	0.17	39.87	140,366.29	0.28%	0.05%	11.19%
Veralto Corp	VLTO	247.31	101.85	0.43	n/a	0.00	0.00%	0.00%	
Public Service Enterprise Group Inc	PEG	498.23	84.49	2.84	6.52	42,095.07	0.08%	0.24%	0.55%
Cooper Cos Inc/The	COO	199.58	91.93	n/a	10.42	18,347.63	0.04%		0.38%
Edison International	EIX	387.15	79.84	4.15	6.87	30,910.08	0.06%	0.26%	0.42%
Schlumberger NV	SLB	1412.15	38.34	2.87	9.17	54,142.00	0.11%	0.31%	0.99%
Charles Schwab Corp/The	SCHW	1779.66	74.01	1.35	8.40	131,712.79	0.26%	0.36%	2.21%
Sherwin-Williams Co/The	SHW	251.85	339.93	0.84	10.29	85,612.49	0.17%	0.14%	1.76%
West Pharmaceutical Services Inc	WST	72.42	327.56	0.26	4.75	23,722.66	0.05%	0.01%	0.23%
J M Smucker Co/The	SJM	106.42	110.12	3.92	4.72	11,718.53	0.02%	0.09%	0.11%
Snap-on Inc	SNA	52.51	339.48	2.52	4.81	17,825.21	0.04%	0.09%	0.17%
AMETEK Inc	AME	231.31	180.26	0.62	8.73	41,695.52	0.08%	0.05%	0.73%
Uber Technologies Inc	UBER	2105.71	60.32	n/a	61.51	127,016.39	0.25%		15.62%
Southern Co/The	SO	1094.63	82.32	3.50	7.71	90,110.22	0.18%	0.63%	1.39%
Truist Financial Corp	TFC	1327.52	43.38	4.79	7.01	57,587.84	0.12%	0.55%	0.81%
Southwest Airlines Co	LUV	599.74	33.62	2.14	7.97	20,163.17	0.04%	0.09%	0.32%
W R Berkley Corp	WRB	381.07	58.52	0.55	13.07	22,300.16	0.04%	0.02%	0.58%
Stanley Black & Decker Inc	SWK	154.16	80.29	4.09	n/a	0.00	0.00%	0.00%	
Public Storage	PSA	175.70	299.44	4.01	2.10	52,612.65	0.11%	0.42%	0.22%
Arista Networks Inc	ANET	1259.76	110.53	n/a	17.86	139,241.22	0.28%		4.97%

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Sysco Corp	SY	491.23	76.46	2.67	7.00	37,559.15	0.08%	0.20%	0.53%
Corteva Inc	CTVA	692.25	56.96	1.19	9.10	39,430.39	0.08%	0.09%	0.72%
Texas Instruments Inc	TXN	912.22	187.51	2.90	-0.26	171,049.74	0.34%	0.99%	-0.09%
Textron Inc	TXT	185.51	76.49	0.10	n/a	0.00	0.00%	0.00%	
Thermo Fisher Scientific Inc	TMO	382.50	520.23	0.30	7.89	198,988.12	0.40%	0.12%	3.14%
TJX Cos Inc/The	TJX	1124.16	120.81	1.24	8.57	135,809.53	0.27%	0.34%	2.33%
Globe Life Inc	GL	83.95	111.52	0.86	6.00	9,361.55	0.02%	0.02%	0.11%
Johnson Controls International plc	JCI	662.19	78.93	1.88	9.59	52,266.29	0.10%	0.20%	1.00%
Ulta Beauty Inc	ULTA	46.37	434.93	n/a	-0.31	20,168.81	0.04%		-0.01%
Union Pacific Corp	UNP	606.26	228.04	2.35	9.24	138,250.76	0.28%	0.65%	2.55%
Keysight Technologies Inc	KEYS	173.17	160.63	n/a	13.10	27,816.74	0.06%		0.73%
UnitedHealth Group Inc	UNH	920.28	505.86	1.66	10.52	465,535.03	0.93%	1.55%	9.79%
Blackstone Inc	BX	722.00	172.42	2.00	22.49	124,487.71	0.25%	0.50%	5.60%
Ventas Inc	VTR	419.35	58.89	3.06	7.65	24,695.79	0.05%	0.15%	0.38%
Labcorp Holdings Inc	LH	83.64	229.32	1.26	9.31	19,180.16	0.04%	0.05%	0.36%
Vulcan Materials Co	VMC	132.06	257.23	0.72	14.45	33,970.12	0.07%	0.05%	0.98%
Weyerhaeuser Co	WY	726.58	28.15	2.84	-13.66	20,453.28	0.04%	0.12%	-0.56%
Williams Cos Inc/The	WMB	1219.01	54.12	3.51	5.57	65,972.92	0.13%	0.46%	0.73%
Constellation Energy Corp	CEG	315.12	223.71	0.63	17.27	70,495.71	0.14%	0.09%	2.43%
WEC Energy Group Inc	WEC	316.35	94.04	3.80	7.09	29,749.97	0.06%	0.23%	0.42%
Adobe Inc	ADBE	440.20	444.68	n/a	13.61	195,748.14	0.39%		5.33%
Vistra Corp	VST	340.23	137.87	0.64	n/a	0.00	0.00%	0.00%	
AES Corp/The	AES	711.03	12.87	5.47	n/a	0.00	0.00%	0.00%	
Expeditors International of Washington Inc	EXPD	139.98	110.77	1.32	6.49	15,505.13	0.03%	0.04%	0.20%
Amgen Inc	AMGN	537.53	260.64	3.65	5.28	140,102.53	0.28%	1.02%	1.48%
Apple Inc	AAPL	15115.82	250.42	0.40	9.61	3,785,304.40	7.57%	3.02%	72.73%
Autodesk Inc	ADSK	215.00	295.57	n/a	12.84	63,547.55	0.13%		1.63%
Cintas Corp	CTAS	403.30	182.70	0.85	n/a	0.00	0.00%	0.00%	
Comcast Corp	CMCSA	3817.10	37.53	3.30	8.63	143,255.60	0.29%	0.95%	2.47%
Molson Coors Beverage Co	TAP	193.57	57.32	3.07	4.90	11,095.16	0.02%	0.07%	0.11%
KLA Corp	KLAC	133.76	630.12	1.08	13.30	84,284.71	0.17%	0.18%	2.24%
Marriott International Inc/MD	MAR	277.89	278.94	0.90	5.56	77,515.59	0.15%	0.14%	0.86%
Fiserv Inc	FI	568.92	205.42	n/a	11.99	116,867.29	0.23%		2.80%
McCormick & Co Inc/MD	MK	252.19	76.24	2.36	6.92	19,227.08	0.04%	0.09%	0.27%
PACCAR Inc	PCAR	524.30	104.02	1.27	0.48	54,537.74	0.11%	0.14%	0.05%
Costco Wholesale Corp	COST	443.90	916.27	0.51	9.93	406,731.22	0.81%	0.41%	8.07%
Stryker Corp	SYK	381.22	360.05	0.93	11.31	137,256.74	0.27%	0.26%	3.10%
Tyson Foods Inc	TSN	286.16	57.44	3.48	18.97	16,437.23	0.03%	0.11%	0.62%
Lamb Weston Holdings Inc	LW	142.64	66.83	2.21	1.00	9,532.68	0.02%	0.04%	0.02%
Applied Materials Inc	AMAT	813.68	162.63	0.98	10.95	132,329.53	0.26%	0.26%	2.90%
Cardinal Health Inc	CAH	242.01	118.27	1.71	7.60	28,622.58	0.06%	0.10%	0.43%
Cincinnati Financial Corp	CINF	156.32	143.70	2.25	8.30	22,462.48	0.04%	0.10%	0.37%
Paramount Global	PARA	626.27	10.46	1.91	45.00	6,550.81	0.01%	0.03%	0.59%
DR Horton Inc	DHI	320.83	139.82	1.14	8.92	44,858.34	0.09%	0.10%	0.80%
Electronic Arts Inc	EA	262.27	146.30	0.52	12.85	38,370.51	0.08%	0.04%	0.99%
Erie Indemnity Co	ERIE	46.19	412.23	1.32	n/a	0.00	0.00%	0.00%	
Fair Isaac Corp	FICO	24.35	1990.93	n/a	30.00	48,474.96	0.10%		2.91%

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Fastenal Co	FAST	572.89	71.91	2.17	7.65	41,196.27	0.08%	0.18%	0.63%
M&T Bank Corp	MTB	165.92	188.01	2.87	5.10	31,194.84	0.06%	0.18%	0.32%
Xcel Energy Inc	XEL	595.31	67.52	3.24	7.52	40,195.36	0.08%	0.26%	0.60%
Fifth Third Bancorp	FITB	670.54	42.28	3.50	25.00	28,350.57	0.06%	0.20%	1.42%
Gilead Sciences Inc	GILD	1246.27	92.37	3.33	17.57	115,117.58	0.23%	0.77%	4.04%
Hasbro Inc	HAS	139.50	55.91	5.01	27.48	7,799.52	0.02%	0.08%	0.43%
Huntington Bancshares Inc/OH	HBAN	1452.81	16.27	3.81	3.45	23,637.24	0.05%	0.18%	0.16%
Welltower Inc	WELL	622.69	126.03	2.13	15.72	78,477.56	0.16%	0.33%	2.47%
Biogen Inc	BIIB	145.72	152.92	n/a	3.25	22,283.40	0.04%		0.14%
Northern Trust Corp	NTRS	198.22	102.50	2.93	12.04	20,317.39	0.04%	0.12%	0.49%
Packaging Corp of America	PKG	89.80	225.13	2.22	7.85	20,217.79	0.04%	0.09%	0.32%
Paychex Inc	PAYX	360.06	140.22	2.80	7.11	50,488.04	0.10%	0.28%	0.72%
QUALCOMM Inc	QCOM	1111.00	153.62	2.21	8.45	170,671.82	0.34%	0.76%	2.88%
Ross Stores Inc	ROST	329.93	151.27	0.97	98.30	49,908.39	0.10%	0.10%	9.81%
IDEXX Laboratories Inc	IDXX	81.88	413.44	n/a	9.88	33,854.39	0.07%		0.67%
Starbucks Corp	SBUX	1133.80	91.25	2.67	n/a	0.00	0.00%	0.00%	
KeyCorp	KEY	991.28	17.14	4.78	20.00	16,990.59	0.03%	0.16%	0.68%
Fox Corp	FOXA	221.16	48.58	1.11	9.54	10,743.72	0.02%	0.02%	0.20%
Fox Corp	FOX	235.58	45.74	1.18	9.54	10,775.48	0.02%	0.03%	0.21%
State Street Corp	STT	293.15	98.15	3.10	10.37	28,772.72	0.06%	0.18%	0.60%
Norwegian Cruise Line Holdings Ltd	NCLH	439.71	25.73	n/a	58.74	11,313.69	0.02%		1.33%
US Bancorp	USB	1560.03	47.83	4.18	8.51	74,616.32	0.15%	0.62%	1.27%
A O Smith Corp	AOS	119.11	68.21	1.99	n/a	0.00	0.00%	0.00%	
Gen Digital Inc	GEN	616.30	27.38	1.83	6.77	16,874.17	0.03%	0.06%	0.23%
T Rowe Price Group Inc	TROW	222.16	113.09	4.39	7.98	25,124.01	0.05%	0.22%	0.40%
Waste Management Inc	WM	401.37	201.79	1.49	14.57	80,991.55	0.16%	0.24%	2.36%
Constellation Brands Inc	STZ	181.54	221.00	1.83	10.88	40,119.54	0.08%	0.15%	0.87%
Invesco Ltd	IVZ	449.44	17.48	4.69	12.19	7,856.21	0.02%	0.07%	0.19%
Intuit Inc	INTU	279.92	628.50	0.66	18.41	175,927.70	0.35%	0.23%	6.48%
Morgan Stanley	MS	1611.04	125.72	2.94	10.16	202,539.39	0.40%	1.19%	4.11%
Microchip Technology Inc	MCHP	537.01	57.35	3.17	n/a	0.00	0.00%	0.00%	
CrowdStrike Holdings Inc	CRWD	233.85	342.16	n/a	54.97	80,014.54	0.16%		8.79%
Chubb Ltd	CB	403.10	276.30	1.32	1.99	111,375.98	0.22%	0.29%	0.44%
Hologic Inc	HOLX	226.94	72.09	n/a	6.86	16,360.19	0.03%		0.22%
Citizens Financial Group Inc	CFG	440.70	43.76	3.84	n/a	0.00	0.00%	0.00%	
Jabil Inc	JBL	111.69	143.90	0.22	11.89	16,072.63	0.03%	0.01%	0.38%
O'Reilly Automotive Inc	ORLY	57.73	1185.80	n/a	9.11	68,457.05	0.14%		1.25%
Allstate Corp/The	ALL	264.80	192.79	1.91	179.43	51,051.46	0.10%	0.19%	18.31%
Equity Residential	EQR	379.43	71.76	3.76	3.08	27,227.86	0.05%	0.20%	0.17%
BorgWarner Inc	BWA	218.70	31.79	1.38	-1.00	6,952.47	0.01%	0.02%	-0.01%
Keurig Dr Pepper Inc	KDP	1356.45	32.12	2.86	6.73	43,569.29	0.09%	0.25%	0.59%
Host Hotels & Resorts Inc	HST	699.03	17.52	4.57	-1.49	12,246.99	0.02%	0.11%	-0.04%
Incyte Corp	INCY	192.65	69.07	n/a	39.79	13,306.35	0.03%		1.06%
Simon Property Group Inc	SPG	326.27	172.21	4.88	1.34	56,186.98	0.11%	0.55%	0.15%
Eastman Chemical Co	EMN	115.91	91.32	3.64	5.72	10,585.14	0.02%	0.08%	0.12%
AvalonBay Communities Inc	AVB	142.24	219.97	3.09	5.41	31,287.92	0.06%	0.19%	0.34%
Prudential Financial Inc	PRU	356.00	118.53	4.39	3.22	42,196.68	0.08%	0.37%	0.27%

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United Parcel Service Inc	UPS	731.37	126.10	5.17	1.72	92,225.72	0.18%	0.95%	0.32%
Walgreens Boots Alliance Inc	WBA	863.49	9.33	10.72	-21.69	8,056.34	0.02%	0.17%	-0.35%
STERIS PLC	STE	98.71	205.56	1.11	n/a	0.00	0.00%	0.00%	
McKesson Corp	MCK	126.94	569.91	0.50	15.22	72,344.43	0.14%	0.07%	2.20%
Lockheed Martin Corp	LMT	237.04	485.94	2.72	2.61	115,184.92	0.23%	0.63%	0.60%
Cencora Inc	COR	193.28	224.68	0.98	8.78	43,426.18	0.09%	0.09%	0.76%
Capital One Financial Corp	COF	381.51	178.32	1.35	14.13	68,030.92	0.14%	0.18%	1.92%
The Campbell's Company	CPB	298.11	41.88	3.72	5.32	12,484.81	0.02%	0.09%	0.13%
Waters Corp	WAT	59.38	370.98	n/a	6.20	22,027.37	0.04%		0.27%
Nordson Corp	NDSN	57.02	209.24	1.49	n/a	0.00	0.00%	0.00%	
Dollar Tree Inc	DLTR	215.04	74.94	n/a	3.87	16,115.00	0.03%		0.12%
Darden Restaurants Inc	DRI	117.50	186.69	3.00	9.85	21,936.16	0.04%	0.13%	0.43%
Evergy Inc	EVER	229.75	61.55	4.34	5.69	14,140.86	0.03%	0.12%	0.16%
Match Group Inc	MTCH	251.09	32.71	2.32	25.21	8,213.19	0.02%	0.04%	0.41%
Domino's Pizza Inc	DPZ	34.53	419.76	1.44	11.05	14,495.14	0.03%	0.04%	0.32%
NVR Inc	NVR	3.06	8178.90	n/a	9.43	25,059.17	0.05%		0.47%
NetApp Inc	NTAP	203.31	116.08	1.79	7.66	23,599.81	0.05%	0.08%	0.36%
Old Dominion Freight Line Inc	ODFL	213.50	176.40	0.59	2.40	37,660.97	0.08%	0.04%	0.18%
DaVita Inc	DVA	82.00	149.55	n/a	17.90	12,263.10	0.02%		0.44%
Hartford Financial Services Group Inc/The	HIG	289.89	109.40	1.90	12.07	31,714.07	0.06%	0.12%	0.77%
Iron Mountain Inc	IRM	293.46	105.11	2.72	4.00	30,845.62	0.06%	0.17%	0.25%
Estee Lauder Cos Inc/The	EL	233.44	74.98	1.87	10.56	17,503.03	0.03%	0.07%	0.37%
Cadence Design Systems Inc	CDNS	274.26	300.46	n/a	15.76	82,405.06	0.16%		2.60%
Tyler Technologies Inc	TYL	42.80	576.64	n/a	n/a	0.00	0.00%		
Universal Health Services Inc	UHS	58.71	179.42	0.45	23.30	10,534.59	0.02%	0.01%	0.49%
Skyworks Solutions Inc	SWKS	159.92	88.68	3.16	15.09	14,181.76	0.03%	0.09%	0.43%
Quest Diagnostics Inc	DGX	111.62	150.86	1.99	6.38	16,838.27	0.03%	0.07%	0.21%
Rockwell Automation Inc	ROK	112.90	285.79	1.83	15.55	32,266.61	0.06%	0.12%	1.00%
Kraft Heinz Co/The	KHC	1209.17	30.71	5.21	1.87	37,133.76	0.07%	0.39%	0.14%
American Tower Corp	AMT	467.29	183.41	3.53	13.39	85,705.55	0.17%	0.61%	2.29%
Regeneron Pharmaceuticals Inc	REGN	108.07	712.33	n/a	28.33	76,983.21	0.15%		4.36%
Amazon.com Inc	AMZN	10515.01	219.39	n/a	35.35	2,306,888.27	4.61%		163.04%
Jack Henry & Associates Inc	JKHY	72.96	175.30	1.25	9.30	12,789.77	0.03%	0.03%	0.24%
Ralph Lauren Corp	RL	40.22	230.98	1.43	11.25	9,289.34	0.02%	0.03%	0.21%
BXP Inc	BXP	158.11	74.36	5.27	0.65	11,757.11	0.02%	0.12%	0.02%
Amphenol Corp	APH	1205.61	69.45	0.95	18.77	83,729.82	0.17%	0.16%	3.14%
Howmet Aerospace Inc	HWM	406.26	109.37	0.29	27.36	44,432.73	0.09%	0.03%	2.43%
Valero Energy Corp	VLO	316.59	122.59	3.49	-19.65	38,810.18	0.08%	0.27%	-1.52%
Synopsys Inc	SNPS	154.58	485.36	n/a	11.37	75,026.20	0.15%		1.70%
CH Robinson Worldwide Inc	CHRW	118.21	103.32	2.40	18.54	12,212.96	0.02%	0.06%	0.45%
Accenture PLC	ACN	625.48	351.79	1.68	7.94	220,037.59	0.44%	0.74%	3.49%
TransDigm Group Inc	TDG	56.23	1267.28	n/a	13.09	71,259.72	0.14%		1.86%
Yum! Brands Inc	YUM	279.07	134.16	2.00	9.89	37,440.28	0.07%	0.15%	0.74%
Prologis Inc	PLD	926.18	105.70	3.63	3.56	97,896.70	0.20%	0.71%	0.70%
FirstEnergy Corp	FE	576.32	39.78	4.27	5.81	22,925.89	0.05%	0.20%	0.27%
VeriSign Inc	VRSN	96.10	206.96	n/a	n/a	0.00	0.00%		
Quanta Services Inc	PWR	147.61	316.05	0.13	n/a	0.00	0.00%	0.00%	

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Henry Schein Inc	HSIC	124.68	69.20	n/a	8.39	8,627.95	0.02%		0.14%
Ameren Corp	AEE	266.51	89.14	3.01	6.59	23,756.75	0.05%	0.14%	0.31%
ANSYS Inc	ANSS	87.45	337.33	n/a	11.53	29,499.49	0.06%		0.68%
FactSet Research Systems Inc	FDS	37.99	480.28	0.87	n/a	0.00	0.00%	0.00%	
NVIDIA Corp	NVDA	24490.00	134.29	0.03	49.81	3,288,762.10	6.58%	0.20%	327.52%
Cognizant Technology Solutions Corp	CTSH	495.82	76.90	1.56	6.20	38,128.89	0.08%	0.12%	0.47%
Intuitive Surgical Inc	ISRG	356.18	521.96	n/a	18.85	185,911.43	0.37%		7.01%
Take-Two Interactive Software Inc	TTWO	175.63	184.08	n/a	60.59	32,329.49	0.06%		3.92%
Republic Services Inc	RSG	313.15	201.18	1.15	11.44	62,999.94	0.13%	0.15%	1.44%
eBay Inc	EBAY	479.00	61.95	1.74	9.93	29,674.05	0.06%	0.10%	0.59%
Goldman Sachs Group Inc/The	GS	313.91	572.62	2.10	14.95	179,751.04	0.36%	0.75%	5.37%
SBA Communications Corp	SBAC	107.52	203.80	1.92	17.20	21,913.11	0.04%	0.08%	0.75%
Sempra	SRE	633.40	87.72	2.83	9.80	55,561.78	0.11%	0.31%	1.09%
Moody's Corp	MCO	181.20	473.37	0.72	n/a	0.00	0.00%	0.00%	
ON Semiconductor Corp	ON	425.80	63.05	n/a	-7.76	26,846.53	0.05%		-0.42%
Booking Holdings Inc	BKNG	33.10	4968.42	0.70	16.55	164,438.36	0.33%	0.23%	5.44%
F5 Inc	FFIV	58.61	251.47	n/a	6.72	14,739.88	0.03%		0.20%
Akamai Technologies Inc	AKAM	150.23	95.65	n/a	7.09	14,369.21	0.03%		0.20%
Charles River Laboratories International Inc	CRL	51.14	184.60	n/a	2.59	9,439.74	0.02%		0.05%
MarketAxess Holdings Inc	MKTX	37.70	226.04	1.31	3.34	8,522.69	0.02%	0.02%	0.06%
Devon Energy Corp	DVN	656.90	32.73	2.69	n/a	0.00	0.00%	0.00%	
Bio-Techne Corp	TECH	158.89	72.03	0.44	n/a	0.00	0.00%	0.00%	
Alphabet Inc	GOOGL	5843.00	189.30	0.42	16.07	1,106,079.90	2.21%	0.93%	35.54%
Teleflex Inc	TFX	46.44	177.98	0.76	7.50	8,266.06	0.02%	0.01%	0.12%
Allegion plc	ALLE	86.93	130.68	1.47	8.33	11,359.92	0.02%	0.03%	0.19%
Netflix Inc	NFLX	427.46	891.32	n/a	35.22	381,001.96	0.76%		26.83%
Warner Bros Discovery Inc	WBD	2453.17	10.57	n/a	29.09	25,929.96	0.05%		1.51%
Agilent Technologies Inc	A	285.60	134.34	0.74	8.11	38,366.87	0.08%	0.06%	0.62%
Elevance Health Inc	ELV	231.92	368.90	1.77	11.90	85,556.33	0.17%	0.30%	2.03%
Trimble Inc	TRMB	244.21	70.66	n/a	n/a	0.00	0.00%		
CME Group Inc	CME	360.36	232.23	1.98	4.77	83,686.18	0.17%	0.33%	0.80%
Juniper Networks Inc	JNPR	331.09	37.45	2.35	3.56	12,399.29	0.02%	0.06%	0.09%
DTE Energy Co	DTE	206.93	120.75	3.61	10.98	24,986.20	0.05%	0.18%	0.55%
Nasdaq Inc	NDAQ	574.76	77.31	1.24	9.60	44,434.51	0.09%	0.11%	0.85%
Celanese Corp	CE	109.31	69.21	4.05	9.15	7,565.50	0.02%	0.06%	0.14%
Philip Morris International Inc	PM	1554.83	120.35	4.49	10.00	187,124.20	0.37%	1.68%	3.74%
Salesforce Inc	CRM	957.00	334.33	0.48	17.42	319,953.81	0.64%	0.31%	11.14%
Ingersoll Rand Inc	IR	403.01	90.46	0.09	17.00	36,456.50	0.07%	0.01%	1.24%
Huntington Ingalls Industries Inc	HII	39.13	188.97	2.86	7.36	7,394.27	0.01%	0.04%	0.11%
Roper Technologies Inc	ROP	107.23	519.85	0.63	n/a	0.00	0.00%	0.00%	
MetLife Inc	MET	692.42	81.88	2.66	14.03	56,695.38	0.11%	0.30%	1.59%
Tapestry Inc	TPR	233.04	65.33	2.14	8.62	15,224.23	0.03%	0.07%	0.26%
CSX Corp	CSX	1928.42	32.27	1.49	7.17	62,230.09	0.12%	0.19%	0.89%
Edwards Lifesciences Corp	EW	589.80	74.03	n/a	6.80	43,662.89	0.09%		0.59%
Ameriprise Financial Inc	AMP	97.01	532.43	1.11	16.43	51,653.47	0.10%	0.11%	1.70%
Zebra Technologies Corp	ZBRA	51.58	386.22	n/a	n/a	0.00	0.00%		
Zimmer Biomet Holdings Inc	ZBH	199.07	105.63	0.91	6.50	21,028.16	0.04%	0.04%	0.27%

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CBRE Group Inc	CBRE	306.02	131.29	n/a	n/a	0.00	0.00%		
Camden Property Trust	CPT	106.68	116.04	3.55	2.11	12,379.30	0.02%	0.09%	0.05%
Mastercard Inc	MA	910.77	526.57	0.58	14.57	479,582.85	0.96%	0.55%	13.97%
CarMax Inc	KMX	154.92	81.76	n/a	17.91	12,666.61	0.03%		0.45%
Intercontinental Exchange Inc	ICE	574.18	149.01	1.21	11.26	85,558.04	0.17%	0.21%	1.93%
Smurfit WestRock PLC	SW	520.24	53.86	2.25	-1.71	28,019.95	0.06%	0.13%	-0.10%
Fidelity National Information Services Inc	FIS	538.35	80.77	1.78	22.90	43,482.88	0.09%	0.15%	1.99%
Chipotle Mexican Grill Inc	CMG	1362.59	60.30	n/a	22.88	82,164.36	0.16%		3.76%
Wynn Resorts Ltd	WYNN	109.81	86.16	1.16	-14.89	9,461.66	0.02%	0.02%	-0.28%
Live Nation Entertainment Inc	LYV	232.35	129.50	n/a	32.27	30,089.80	0.06%		1.94%
Assurant Inc	AIZ	51.29	213.22	1.50	n/a	0.00	0.00%	0.00%	
NRG Energy Inc	NRG	202.57	90.22	1.81	9.40	18,275.54	0.04%	0.07%	0.34%
Regions Financial Corp	RF	908.86	23.52	4.25	5.52	21,376.48	0.04%	0.18%	0.24%
Monster Beverage Corp	MNST	972.52	52.56	n/a	9.94	51,115.63	0.10%		1.02%
Mosaic Co/The	MOS	317.65	24.58	3.58	-22.38	7,807.72	0.02%	0.06%	-0.35%
Baker Hughes Co	BKR	989.53	41.02	2.05	21.36	40,590.35	0.08%	0.17%	1.73%
Expedia Group Inc	EXPE	122.82	186.33	n/a	22.64	22,885.61	0.05%		1.04%
CF Industries Holdings Inc	CF	174.02	85.32	2.34	-6.90	14,847.38	0.03%	0.07%	-0.20%
Leidos Holdings Inc	LDOS	133.43	144.06	1.11	15.41	19,222.37	0.04%	0.04%	0.59%
APA Corp	APA	369.95	23.09	4.33	-19.33	8,542.09	0.02%	0.07%	-0.33%
Alphabet Inc	GOOG	5534.00	190.44	0.42	16.07	1,053,894.96	2.11%	0.89%	33.86%
First Solar Inc	FSLR	107.06	176.24	n/a	41.38	18,867.85	0.04%		1.56%
Discover Financial Services	DFS	251.23	173.23	1.62	13.44	43,520.04	0.09%	0.14%	1.17%
Visa Inc	V	1729.40	316.04	0.75	12.50	546,559.27	1.09%	0.82%	13.66%
Mid-America Apartment Communities Inc	MAA	116.88	154.57	3.92	0.79	18,066.19	0.04%	0.14%	0.03%
Xylem Inc/NY	XYL	242.94	116.02	1.24	n/a	0.00	0.00%	0.00%	
Marathon Petroleum Corp	MPC	321.39	139.50	2.61	-13.05	44,833.76	0.09%	0.23%	-1.17%
Advanced Micro Devices Inc	AMD	1622.81	120.79	n/a	39.82	196,018.90	0.39%		15.60%
Tractor Supply Co	TSCO	534.20	53.06	1.66	6.18	28,344.39	0.06%	0.09%	0.35%
ResMed Inc	RMD	146.80	228.69	0.93	12.61	33,570.72	0.07%	0.06%	0.85%
Mettler-Toledo International Inc	MTD	21.10	1223.68	n/a	8.25	25,822.92	0.05%		0.43%
Jacobs Solutions Inc	J	124.02	133.62	0.87	n/a	0.00	0.00%	0.00%	
Copart Inc	CPRT	963.53	57.39	n/a	n/a	0.00	0.00%		
Vici Properties Inc	VICI	1043.14	29.21	5.92	2.72	30,470.03	0.06%	0.36%	0.17%
Fortinet Inc	FTNT	766.45	94.48	n/a	17.59	72,414.45	0.14%		2.55%
Albemarle Corp	ALB	117.54	86.08	1.88	-47.52	10,117.87	0.02%	0.04%	-0.96%
Moderna Inc	MRNA	384.82	41.58	n/a	-20.92	16,000.72	0.03%		-0.67%
Essex Property Trust Inc	ESS	64.27	285.44	3.43	2.91	18,344.51	0.04%	0.13%	0.11%
CoStar Group Inc	CSGP	409.96	71.59	n/a	n/a	0.00	0.00%		
Realty Income Corp	O	875.21	53.41	5.93	3.78	46,745.02	0.09%	0.55%	0.35%
Palantir Technologies Inc	PLTR	2180.65	75.63	n/a	36.08	164,922.90	0.33%		11.90%
Westinghouse Air Brake Technologies Corp	WAB	171.89	189.59	0.42	18.16	32,588.55	0.07%	0.03%	1.18%
Pool Corp	POOL	38.06	340.94	1.41	0.20	12,974.65	0.03%	0.04%	0.01%
Western Digital Corp	WDC	345.71	59.63	n/a	-10.00	20,614.59	0.04%		-0.41%
PepsiCo Inc	PEP	1371.99	152.06	3.56	6.26	208,624.65	0.42%	1.49%	2.61%
TE Connectivity PLC	TEL	299.16	142.97	1.82	4.55	42,771.21	0.09%	0.16%	0.39%
Diamondback Energy Inc	FANG	291.99	163.83	2.20	n/a	0.00	0.00%	0.00%	

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
Palo Alto Networks Inc	PANW	656.20	181.96	n/a	13.38	119,402.15	0.24%		3.19%
ServiceNow Inc	NOW	206.00	1060.12	n/a	25.00	218,384.72	0.44%		10.92%
Church & Dwight Co Inc	CHD	245.00	104.71	1.08	7.39	25,653.69	0.05%	0.06%	0.38%
Federal Realty Investment Trust	FRT	84.96	111.95	3.93	4.89	9,511.73	0.02%	0.07%	0.09%
MGM Resorts International	MGM	297.74	34.65	n/a	4.72	10,316.71	0.02%		0.10%
American Electric Power Co Inc	AEP	532.57	92.23	4.03	6.40	49,118.50	0.10%	0.40%	0.63%
Invitation Homes Inc	INVH	612.61	31.97	3.63	3.63	19,585.00	0.04%	0.14%	0.14%
PTC Inc	PTC	120.13	183.87	n/a	16.59	22,088.13	0.04%		0.73%
JB Hunt Transport Services Inc	JBHT	100.83	170.66	1.01	8.12	17,207.64	0.03%	0.03%	0.28%
Lam Research Corp	LRCX	1286.69	72.23	1.27	14.26	92,937.26	0.19%	0.24%	2.65%
Mohawk Industries Inc	MHK	63.12	119.13	n/a	2.71	7,519.64	0.02%		0.04%
Pentair PLC	PNR	165.23	100.64	0.99	11.94	16,628.86	0.03%	0.03%	0.40%
GE HealthCare Technologies Inc	GEHC	456.87	78.18	0.18	10.24	35,718.33	0.07%	0.01%	0.73%
Vertex Pharmaceuticals Inc	VRTX	257.53	402.70	n/a	12.20	103,707.05	0.21%		2.53%
Amcor PLC	AMCR	1445.34	9.41	5.42	7.52	13,600.68	0.03%	0.15%	0.20%
Meta Platforms Inc	META	2180.00	585.51	0.34	21.60	1,276,412.31	2.55%	0.87%	55.12%
T-Mobile US Inc	TMUS	1160.49	220.73	1.59	5.00	256,154.22	0.51%	0.82%	2.56%
United Rentals Inc	URI	65.62	704.44	0.93	7.62	46,227.03	0.09%	0.09%	0.70%
Honeywell International Inc	HON	650.25	225.89	2.00	7.58	146,884.38	0.29%	0.59%	2.23%
Alexandria Real Estate Equities Inc	ARE	174.76	97.55	5.41	2.82	17,048.06	0.03%	0.18%	0.10%
Delta Air Lines Inc	DAL	645.28	60.50	0.99	8.76	39,039.51	0.08%	0.08%	0.68%
Seagate Technology Holdings PLC	STX	211.53	86.31	3.34	-11.00	18,257.11	0.04%	0.12%	-0.40%
United Airlines Holdings Inc	UAL	328.80	97.10	n/a	9.00	31,926.78	0.06%		0.57%
News Corp	NWS	189.77	30.43	0.66	n/a	0.00	0.00%	0.00%	
Centene Corp	CNC	504.87	60.58	n/a	6.35	30,584.72	0.06%		0.39%
Martin Marietta Materials Inc	MLM	61.12	516.50	0.61	8.39	31,567.48	0.06%	0.04%	0.53%
Apollo Global Management Inc	APO	565.82	165.16	1.12	15.15	93,450.25	0.19%	0.21%	2.83%
Teradyne Inc	TER	162.86	125.92	0.38	14.60	20,507.52	0.04%	0.02%	0.60%
PayPal Holdings Inc	PYPL	1002.54	85.35	n/a	14.14	85,566.69	0.17%		2.42%
Tesla Inc	TSLA	3210.06	403.84	n/a	1.00	1,296,350.49	2.59%		2.59%
Blackrock Inc	BLK	154.88	1025.11	1.99	12.53	158,767.94	0.32%	0.63%	3.98%
Arch Capital Group Ltd	ACGL	376.24	92.35	n/a	4.00	34,745.94	0.07%		0.28%
KKR & Co Inc	KKR	888.23	147.91	0.47	29.00	131,377.94	0.26%	0.12%	7.62%
Dow Inc	DOW	700.09	40.13	6.98	-4.83	28,094.68	0.06%	0.39%	-0.27%
Everest Group Ltd	EG	42.98	362.46	2.21	0.81	15,578.02	0.03%	0.07%	0.03%
Teledyne Technologies Inc	TDY	46.60	464.13	n/a	7.41	21,629.53	0.04%		0.32%
GE Vernova Inc	GEV	275.65	328.93	0.30	81.12	90,670.53	0.18%	0.06%	14.71%
News Corp	NWSA	378.91	27.54	0.73	n/a	0.00	0.00%	0.00%	
Exelon Corp	EXC	1004.83	37.64	4.04	5.61	37,821.94	0.08%	0.31%	0.42%
Global Payments Inc	GPN	254.49	112.06	0.89	8.58	28,518.69	0.06%	0.05%	0.49%
Crown Castle Inc	CCI	434.60	90.76	6.90	2.12	39,444.13	0.08%	0.54%	0.17%
Align Technology Inc	ALGN	74.65	208.51	n/a	5.59	15,565.91	0.03%		0.17%
Kenvue Inc	KVUE	1917.26	21.35	3.84	10.49	40,933.45	0.08%	0.31%	0.86%
Targa Resources Corp	TRGP	218.06	178.50	1.68	27.23	38,924.32	0.08%	0.13%	2.12%
Bunge Global SA	BG	139.63	77.76	3.50	-8.88	10,857.40	0.02%	0.08%	-0.19%
Deckers Outdoor Corp	DECK	151.92	203.09	n/a	10.50	30,853.84	0.06%		0.65%
LKQ Corp	LKQ	259.96	36.75	3.27	n/a	0.00	0.00%	0.00%	

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
Workday Inc	WDAY	214.00	258.03	n/a	20.00	55,218.42	0.11%		2.21%
Zoetis Inc	ZTS	451.17	162.93	1.23	9.58	73,508.32	0.15%	0.18%	1.41%
Digital Realty Trust Inc	DLR	331.71	177.33	2.75	4.12	58,822.60	0.12%	0.32%	0.48%
Equinix Inc	EQIX	96.49	942.89	1.81	15.95	90,977.75	0.18%	0.33%	2.90%
Las Vegas Sands Corp	LVS	725.03	51.36	1.56	14.80	37,237.34	0.07%	0.12%	1.10%
Molina Healthcare Inc	MOH	57.20	291.05	n/a	11.73	16,648.06	0.03%		0.39%

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

[13] Cap. Weighted Estimate of the S&P 500 Dividend Yield	1.31%
[14] Cap. Weighted Estimate of the S&P 500 Growth Rate	14.09%
[15] Cap. Weighted S&P 500 Estimated Required Market Return	15.50%

Notes:

[13] Source: Bloomberg Professional, as of December 31, 2024

[14] Source: Bloomberg Professional, as of December 31, 2024, and Value Line, as of December 31, 2024

[15] Equals $([13] \times (1 + (0.5 \times [14]))) + [14]$

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	324.76	74.27	7.22	-2.50	24,119.69	0.05%	0.35%	-0.12%
American Express Co	AXP	704.44	296.79	0.94	9.00	209,072.20	0.43%	0.40%	3.83%
Verizon Communications Inc	VZ	4209.63	39.99	6.78	0.50	168,342.95	0.34%	2.32%	0.17%
Texas Pacific Land Corp	TPL	22.97	1105.96	0.58		0.00	0.00%	0.00%	
Broadcom Inc	AVGO	4687.36	231.84	1.02	30.00	1,086,716.65	2.21%	2.25%	66.36%
Boeing Co/The	BA	747.17	177.00	n/a		0.00	0.00%		
Solventum Corp	SOLV	172.75	66.06	n/a		0.00	0.00%		
Caterpillar Inc	CAT	482.80	362.76	1.55	12.00	175,141.43	0.36%	0.55%	4.28%
JPMorgan Chase & Co	JPM	2815.34	239.71	2.09	7.00	674,865.25	1.37%	2.87%	9.62%
Chevron Corp	CVX	1797.09	144.84	4.50	4.00	260,290.71	0.53%	2.39%	2.12%
Coca-Cola Co/The	KO	4307.80	62.26	3.12	7.00	268,203.45	0.55%	1.70%	3.82%
AbbVie Inc	ABBV	1767.14	177.70	3.69	4.00	314,020.83	0.64%	2.36%	2.56%
Walt Disney Co/The	DIS	1810.94	111.35	0.90	31.50	201,648.09	0.41%	0.37%	12.93%
Corpay Inc	CPAY	69.71	338.42	n/a	15.50	23,591.59	0.05%		0.74%
Extra Space Storage Inc	EXR	211.98	149.60	4.33	5.00	31,712.74	0.06%	0.28%	0.32%
Exxon Mobil Corp	XOM	4395.09	107.57	3.68	-3.00	472,780.32	0.96%	3.54%	-2.89%
Phillips 66	PSX	412.99	113.93	4.04	0.50	47,051.86	0.10%	0.39%	0.05%
General Electric Co	GE	1082.29	166.79	0.67	23.00	180,515.82	0.37%	0.25%	8.45%
HP Inc	HPQ	937.80	32.63	3.55	12.50	30,600.34	0.06%	0.22%	0.78%
Home Depot Inc/The	HD	993.36	388.99	2.31	6.50	386,408.12	0.79%	1.82%	5.11%
Monolithic Power Systems Inc	MPWR	48.78	591.70	0.85	12.00	28,863.13	0.06%	0.05%	0.71%
International Business Machines Corp	IBM	924.65	219.83	3.04	3.00	203,264.74	0.41%	1.26%	1.24%
Johnson & Johnson	JNJ	2407.62	144.62	3.43	3.00	348,190.43	0.71%	2.43%	2.13%
Lululemon Athletica Inc	LULU	116.67	382.41	n/a	13.00	44,614.84	0.09%		1.18%
McDonald's Corp	MCD	716.62	289.89	2.44	8.50	207,740.88	0.42%	1.03%	3.59%
Merck & Co Inc	MRK	2529.64	99.48	3.26	15.50	251,648.15	0.51%	1.67%	7.94%
3M Co	MMM	544.56	129.09	2.17	31.00	70,297.07	0.14%	0.31%	4.44%

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American Water Works Co Inc	AWK	194.89	124.49	2.46	4.50	24,262.34	0.05%	0.12%	0.22%
Bank of America Corp	BAC	7672.88	43.95	2.37	7.00	337,223.06	0.69%	1.62%	4.81%
Pfizer Inc	PFE	5666.99	26.53	6.48	2.50	150,345.25	0.31%	1.98%	0.77%
Procter & Gamble Co/The	PG	2355.04	167.65	2.40	5.00	394,822.75	0.80%	1.93%	4.02%
AT&T Inc	T	7175.29	22.77	4.87	4.00	163,381.33	0.33%	1.62%	1.33%
Travelers Cos Inc/The	TRV	227.02	240.89	1.74	12.00	54,686.60	0.11%	0.19%	1.34%
RTX Corp	RTX	1331.02	115.72	2.18	12.00	154,025.22	0.31%	0.68%	3.76%
Analog Devices Inc	ADI	496.30	212.46	1.73	9.00	105,443.23	0.21%	0.37%	1.93%
Walmart Inc	WMT	8033.39	90.35	0.92	9.50	725,816.44	1.48%	1.36%	14.04%
Cisco Systems Inc	CSCO	3982.76	59.20	2.70	3.50	235,779.29	0.48%	1.30%	1.68%
Intel Corp	INTC	4313.00	20.05	n/a	-2.00	86,475.65	0.18%		-0.35%
General Motors Co	GM	1099.60	53.27	0.90	8.50	58,575.47	0.12%	0.11%	1.01%
Microsoft Corp	MSFT	7434.88	421.50	0.79	14.00	3,133,802.25	6.38%	5.02%	89.31%
Dollar General Corp	DG	219.93	75.82	3.11	-0.50	16,674.76	0.03%	0.11%	-0.02%
Cigna Group/The	CI	278.15	276.14	2.03	12.00	76,809.06	0.16%	0.32%	1.88%
Kinder Morgan Inc	KMI	2221.64	27.40	4.20	10.00	60,872.94	0.12%	0.52%	1.24%
Citigroup Inc	C	1891.26	70.39	3.18	3.00	133,126.13	0.27%	0.86%	0.81%
American International Group Inc	AIG	623.77	72.80	2.20	13.00	45,410.41	0.09%	0.20%	1.20%
Altria Group Inc	MO	1694.81	52.29	7.80	6.00	88,621.77	0.18%	1.41%	1.08%
HCA Healthcare Inc	HCA	253.30	300.15	0.88	10.50	76,027.12	0.15%	0.14%	1.63%
International Paper Co	IP	347.41	53.82	3.44	5.50	18,697.51	0.04%	0.13%	0.21%
Hewlett Packard Enterprise Co	HPE	1315.33	21.35	2.44	7.50	28,082.38	0.06%	0.14%	0.43%
Abbott Laboratories	ABT	1734.46	113.11	2.09	4.00	196,184.23	0.40%	0.83%	1.60%
Aflac Inc	AFL	555.53	103.44	2.24	7.50	57,463.86	0.12%	0.26%	0.88%
Air Products and Chemicals Inc	APD	222.38	290.04	2.44	10.50	64,498.78	0.13%	0.32%	1.38%
Super Micro Computer Inc	SMCI	585.57	30.48	n/a	39.00	17,848.03	0.04%		1.42%
Royal Caribbean Cruises Ltd	RCL	268.88	230.69	0.95		0.00	0.00%	0.00%	
Hess Corp	HES	308.12	133.01	1.50	8.00	40,982.81	0.08%	0.13%	0.67%
Lennox International Inc	LII	35.62	609.30	0.75	12.50	21,705.26	0.04%	0.03%	0.55%
Archer-Daniels-Midland Co	ADM	478.53	50.52	3.96	3.50	24,175.51	0.05%	0.19%	0.17%
Automatic Data Processing Inc	ADP	407.46	292.73	2.10	8.50	119,274.86	0.24%	0.51%	2.06%
Verisk Analytics Inc	VRSK	141.21	275.43	0.57	11.00	38,893.64	0.08%	0.04%	0.87%
AutoZone Inc	AZO	16.78	3202.00	n/a	12.50	53,736.48	0.11%		1.37%
Linde PLC	LIN	476.16	418.67	1.33	8.00	199,353.03	0.41%	0.54%	3.25%
Avery Dennison Corp	AVY	80.35	187.13	1.88	2.00	15,035.22	0.03%	0.06%	0.06%
Enphase Energy Inc	ENPH	135.11	68.68	n/a	14.00	9,279.12	0.02%		0.26%
MSCI Inc	MSCI	78.37	600.01	1.07	10.00	47,023.56	0.10%	0.10%	0.96%
Ball Corp	BALL	298.43	55.13	1.45	10.50	16,452.22	0.03%	0.05%	0.35%
Axon Enterprise Inc	AXON	76.25	594.32	n/a	26.50	45,319.74	0.09%		2.44%
Dayforce Inc	DAY	157.70	72.64	n/a		0.00	0.00%		
Carrier Global Corp	CARR	897.23	68.26	1.32	13.00	61,244.74	0.12%	0.16%	1.62%
Bank of New York Mellon Corp/The	BK	727.08	76.83	2.45	15.00	55,861.43	0.11%	0.28%	1.71%
Otis Worldwide Corp	OTIS	399.46	92.61	1.68	11.00	36,994.04	0.08%	0.13%	0.83%
Baxter International Inc	BAX	510.59	29.16	2.33	3.00	14,888.73	0.03%	0.07%	0.09%
Becton Dickinson & Co	BDX	290.01	226.87	1.83	6.50	65,794.06	0.13%	0.25%	0.87%
Berkshire Hathaway Inc	BRK/B	1328.45	453.28	n/a	9.00	602,158.24	1.23%		11.03%
Best Buy Co Inc	BBY	213.80	85.80	4.38	1.00	18,343.66	0.04%	0.16%	0.04%

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Boston Scientific Corp	BSX	1473.83	89.32	n/a	13.50	131,642.27	0.27%		3.62%
Bristol-Myers Squibb Co	BMJ	2028.18	56.56	4.38	1.00	114,713.67	0.23%	1.02%	0.23%
Brown-Forman Corp	BF/B	303.54	37.98	2.39	15.00	11,528.37	0.02%	0.06%	0.35%
Coterra Energy Inc	CTRA	736.61	25.54	3.29	4.50	18,813.10	0.04%	0.13%	0.17%
Hilton Worldwide Holdings Inc	HLT	243.78	247.16	0.24		0.00	0.00%	0.00%	
Carnival Corp	CCL	1154.16	24.92	n/a		0.00	0.00%		
Builders FirstSource Inc	BLDR	115.08	142.93	n/a	6.50	16,449.10	0.03%		0.22%
UDR Inc	UDR	329.96	43.41	3.92	1.50	14,323.57	0.03%	0.11%	0.04%
Clorox Co/The	CLX	123.78	162.41	3.00	7.00	20,103.32	0.04%	0.12%	0.29%
Paycom Software Inc	PAYC	57.66	204.97	0.73	14.00	11,818.99	0.02%	0.02%	0.34%
CMS Energy Corp	CMS	298.78	66.65	3.09	6.00	19,914.01	0.04%	0.13%	0.24%
Colgate-Palmolive Co	CL	817.01	90.91	2.20	11.50	74,274.47	0.15%	0.33%	1.74%
EPAM Systems Inc	EPAM	56.72	233.82	n/a	20.50	13,262.60	0.03%		0.55%
Conagra Brands Inc	CAG	477.32	27.75	5.05	3.00	13,245.64	0.03%	0.14%	0.08%
Airbnb Inc	ABNB	440.00	131.41	n/a	23.00	57,820.68	0.12%		2.71%
Consolidated Edison Inc	ED	346.41	89.23	3.72	6.00	30,910.36	0.06%	0.23%	0.38%
Corning Inc	GLW	856.21	47.52	2.36	17.50	40,687.04	0.08%	0.20%	1.45%
GoDaddy Inc	GDDY	140.39	197.37	n/a	27.00	27,709.05	0.06%		1.52%
Cummins Inc	CMI	137.18	348.60	2.09	9.00	47,821.59	0.10%	0.20%	0.88%
Caesars Entertainment Inc	CZR	212.48	33.42	n/a		0.00	0.00%		
Danaher Corp	DHR	722.28	229.55	0.47	2.00	165,798.26	0.34%	0.16%	0.68%
Target Corp	TGT	458.21	135.18	3.31	9.50	61,941.09	0.13%	0.42%	1.20%
Deere & Co	DE	271.58	423.70	1.53	3.50	115,066.45	0.23%	0.36%	0.82%
Dominion Energy Inc	D	840.01	53.86	4.96	3.00	45,242.92	0.09%	0.46%	0.28%
Dover Corp	DOV	137.19	187.60	1.10	5.00	25,737.21	0.05%	0.06%	0.26%
Alliant Energy Corp	LNT	256.60	59.14	3.25	6.00	15,175.28	0.03%	0.10%	0.19%
Steel Dynamics Inc	STLD	152.24	114.07	1.61	2.00	17,366.59	0.04%	0.06%	0.07%
Duke Energy Corp	DUK	771.00	107.74	3.88	5.00	83,067.54	0.17%	0.66%	0.85%
Regency Centers Corp	REG	181.51	73.93	3.81	11.50	13,418.69	0.03%	0.10%	0.31%
Eaton Corp PLC	ETN	395.20	331.87	1.13	11.00	131,155.02	0.27%	0.30%	2.94%
Ecolab Inc	ECL	283.16	234.32	1.11	12.00	66,350.48	0.14%	0.15%	1.62%
Revvity Inc	RVTY	121.70	111.61	0.25	-2.50	13,583.18	0.03%	0.01%	-0.07%
Dell Technologies Inc	DELL	357.34	115.24	1.54	2.50	41,179.54	0.08%	0.13%	0.21%
Emerson Electric Co	EMR	569.53	123.93	1.70	12.50	70,582.02	0.14%	0.24%	1.80%
EOG Resources Inc	EOG	562.45	122.58	3.18	7.50	68,945.17	0.14%	0.45%	1.05%
Aon PLC	AON	216.27	359.16	0.75	12.50	77,674.20	0.16%	0.12%	1.98%
Entergy Corp	ETR	428.82	75.82	3.17	0.50	32,512.83	0.07%	0.21%	0.03%
Equifax Inc	EFX	123.95	254.85	0.61	7.00	31,589.17	0.06%	0.04%	0.45%
EQT Corp	EQT	596.68	46.11	1.37		0.00	0.00%	0.00%	
IQVIA Holdings Inc	IQV	181.50	196.51	n/a	11.00	35,666.57	0.07%		0.80%
Gartner Inc	IT	77.13	484.47	n/a	8.00	37,369.24	0.08%		0.61%
FedEx Corp	FDX	240.85	281.33	1.96	3.50	67,758.50	0.14%	0.27%	0.48%
FMC Corp	FMC	124.84	48.61	4.77	3.50	6,068.26	0.01%	0.06%	0.04%
Brown & Brown Inc	BRO	285.96	102.02	0.59	12.50	29,173.47	0.06%	0.03%	0.74%
Ford Motor Co	F	3903.44	9.90	6.06	36.00	38,644.02	0.08%	0.48%	2.83%
NextEra Energy Inc	NEE	2056.40	71.69	2.87	8.50	147,423.64	0.30%	0.86%	2.55%
Franklin Resources Inc	BEN	523.98	20.29	6.31	4.00	10,631.61	0.02%	0.14%	0.09%

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Garmin Ltd	GRMN	192.02	206.26	1.45	8.00	39,607.07	0.08%	0.12%	0.65%
Freeport-McMoRan Inc	FCX	1436.93	38.08	1.58	11.00	54,718.21	0.11%	0.18%	1.23%
Dexcom Inc	DXCM	390.60	77.77	n/a		0.00	0.00%		
General Dynamics Corp	GD	274.97	263.49	2.16	10.50	72,451.48	0.15%	0.32%	1.55%
General Mills Inc	GIS	551.23	63.77	3.76	5.00	35,152.02	0.07%	0.27%	0.36%
Genuine Parts Co	GPC	139.04	116.76	3.43	8.50	16,233.90	0.03%	0.11%	0.28%
Atmos Energy Corp	ATO	155.42	139.27	2.50	7.00	21,645.61	0.04%	0.11%	0.31%
WW Grainger Inc	GWV	48.70	1054.05	0.78	7.50	51,332.41	0.10%	0.08%	0.78%
Halliburton Co	HAL	878.50	27.19	2.50	18.00	23,886.47	0.05%	0.12%	0.88%
L3Harris Technologies Inc	LHX	189.67	210.28	2.21	11.00	39,883.46	0.08%	0.18%	0.89%
Healthpeak Properties Inc	DOC	699.44	20.27	5.92	7.00	14,177.71	0.03%	0.17%	0.20%
Insulet Corp	PODD	70.14	261.07	n/a		0.00	0.00%		
Fortive Corp	FTV	346.95	75.00	0.43	12.00	26,021.20	0.05%	0.02%	0.64%
Hershey Co/The	HSY	147.74	169.35	3.24	7.00	25,019.98	0.05%	0.16%	0.36%
Synchrony Financial	SYF	389.34	65.00	1.54	47.00	25,307.38	0.05%	0.08%	2.42%
Hormel Foods Corp	HRL	549.01	31.37	3.70	7.50	17,222.54	0.04%	0.13%	0.26%
Arthur J Gallagher & Co	AJG	249.80	283.85	0.85	14.00	70,906.48	0.14%	0.12%	2.02%
Mondelez International Inc	MDLZ	1337.19	59.73	3.15	7.50	79,870.61	0.16%	0.51%	1.22%
CenterPoint Energy Inc	CNP	651.73	31.73	2.77	6.50	20,679.31	0.04%	0.12%	0.27%
Humana Inc	HUM	120.41	253.71	1.40	0.50	30,549.56	0.06%	0.09%	0.03%
Willis Towers Watson PLC	WTW	100.73	313.24	1.12	9.50	31,551.25	0.06%	0.07%	0.61%
Illinois Tool Works Inc	ITW	295.30	253.56	2.37	9.00	74,876.27	0.15%	0.36%	1.37%
CDW Corp/DE	CDW	133.26	174.04	1.44	7.00	23,193.28	0.05%	0.07%	0.33%
Trane Technologies PLC	TT	225.02	369.35	0.91	14.00	83,112.56	0.17%	0.15%	2.37%
Interpublic Group of Cos Inc/The	IPG	372.51	28.02	4.71	8.50	10,437.69	0.02%	0.10%	0.18%
International Flavors & Fragrances Inc	IFF	255.68	84.55	1.89	0.50	21,617.94	0.04%	0.08%	0.02%
Generac Holdings Inc	GNRC	59.50	155.05	n/a	12.50	9,225.05	0.02%		0.23%
NXP Semiconductors NV	NXPI	254.16	207.85	1.95	7.50	52,826.24	0.11%	0.21%	0.81%
Kellanova	K	344.70	80.97	2.82	3.00	27,910.19	0.06%	0.16%	0.17%
Broadridge Financial Solutions Inc	BR	116.89	226.09	1.56	9.50	26,427.52	0.05%	0.08%	0.51%
Kimberly-Clark Corp	KMB	333.49	131.04	3.72	7.50	43,699.92	0.09%	0.33%	0.67%
Kimco Realty Corp	KIM	674.12	23.43	4.27	18.00	15,794.55	0.03%	0.14%	0.58%
Oracle Corp	ORCL	2796.96	166.64	0.96	10.00	466,084.75	0.95%	0.91%	9.49%
Kroger Co/The	KR	723.61	61.15	2.09	5.00	44,248.51	0.09%	0.19%	0.45%
Lennar Corp	LEN	238.81	136.37	1.47	6.00	32,566.13	0.07%	0.10%	0.40%
Eli Lilly & Co	LLY	949.32	772.00	0.78	28.50	732,871.71	1.49%	1.16%	42.52%
Charter Communications Inc	CHTR	142.20	342.77	n/a	6.50	48,740.97	0.10%		0.64%
Loews Corp	L	217.78	84.69	0.30	14.50	18,443.51	0.04%	0.01%	0.54%
Lowe's Cos Inc	LOW	564.65	246.80	1.86	5.50	139,355.62	0.28%	0.53%	1.56%
Hubbell Inc	HUBB	53.67	418.89	1.26	9.50	22,482.06	0.05%	0.06%	0.43%
IDEX Corp	IEX	75.72	209.29	1.32	5.00	15,848.13	0.03%	0.04%	0.16%
Marsh & McLennan Cos Inc	MMC	491.12	212.41	1.53	12.00	104,319.12	0.21%	0.33%	2.55%
Masco Corp	MAS	215.75	72.57	1.60	9.50	15,656.90	0.03%	0.05%	0.30%
S&P Global Inc	SPGI	317.50	498.03	0.73	8.00	158,124.53	0.32%	0.24%	2.58%
Medtronic PLC	MDT	1282.29	79.88	3.51	6.50	102,428.98	0.21%	0.73%	1.36%
Viatis Inc	VTRS	1193.59	12.45	3.86	-1.50	14,860.23	0.03%	0.12%	-0.05%
CVS Health Corp	CVS	1258.41	44.89	5.93	1.50	56,489.92	0.11%	0.68%	0.17%

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DuPont de Nemours Inc	DD	417.96	76.25	1.99	9.00	31,869.10	0.06%	0.13%	0.58%
Micron Technology Inc	MU	1114.17	84.16	0.55	47.50	93,768.71	0.19%	0.10%	9.07%
Motorola Solutions Inc	MSI	167.12	462.23	0.94	10.00	77,248.15	0.16%	0.15%	1.57%
Cboe Global Markets Inc	CBOE	104.69	195.40	1.29	14.50	20,455.61	0.04%	0.05%	0.60%
Newmont Corp	NEM	1138.45	37.22	2.69	13.00	42,373.13	0.09%	0.23%	1.12%
NIKE Inc	NKE	1190.60	75.67	2.11	10.50	90,092.59	0.18%	0.39%	1.93%
NiSource Inc	NI	466.78	36.76	2.88	9.50	17,158.79	0.03%	0.10%	0.33%
Norfolk Southern Corp	NSC	226.24	234.70	2.30	11.50	53,098.45	0.11%	0.25%	1.24%
Principal Financial Group Inc	PFJ	228.73	77.41	3.77	4.00	17,705.67	0.04%	0.14%	0.14%
Eversource Energy	ES	366.40	57.43	4.98	6.00	21,042.47	0.04%	0.21%	0.26%
Northrop Grumman Corp	NOC	145.70	469.29	1.76	8.00	68,373.37	0.14%	0.24%	1.11%
Wells Fargo & Co	WFC	3329.49	70.24	2.28	9.50	233,863.42	0.48%	1.08%	4.52%
Nucor Corp	NUE	234.81	116.71	1.89		0.00	0.00%	0.00%	
Occidental Petroleum Corp	OXY	938.34	49.41	1.78	6.00	46,363.53	0.09%	0.17%	0.57%
Omnicom Group Inc	OMC	195.09	86.04	3.25	7.00	16,785.81	0.03%	0.11%	0.24%
ONEOK Inc	OKE	584.18	100.40	3.94	12.00	58,652.09	0.12%	0.47%	1.43%
Raymond James Financial Inc	RJF	204.04	155.33	1.29	10.00	31,694.28	0.06%	0.08%	0.65%
PG&E Corp	PCG	2663.95	20.18	0.50	9.00	53,758.52	0.11%	0.05%	0.98%
Parker-Hannifin Corp	PH	128.72	636.03	1.03	12.50	81,870.06	0.17%	0.17%	2.08%
Rollins Inc	ROL	484.31	46.35	1.42	9.00	22,447.54	0.05%	0.07%	0.41%
PPL Corp	PPL	737.97	32.46	3.17	7.50	23,954.51	0.05%	0.15%	0.37%
Aptiv PLC	APTIV	235.04	60.48	n/a	28.50	14,214.96	0.03%		0.82%
ConocoPhillips	COP	1293.56	99.17	3.15	4.00	128,282.55	0.26%	0.82%	1.04%
PulteGroup Inc	PHM	205.08	108.90	0.81	8.00	22,333.45	0.05%	0.04%	0.36%
Pinnacle West Capital Corp	PNW	113.70	84.77	4.22	4.50	9,638.33	0.02%	0.08%	0.09%
PNC Financial Services Group Inc/The	PNC	396.78	192.85	3.32	6.50	76,519.68	0.16%	0.52%	1.01%
PPG Industries Inc	PPG	232.00	119.45	2.28	7.00	27,712.40	0.06%	0.13%	0.39%
Progressive Corp/The	PGR	585.81	239.61	0.17	22.50	140,366.29	0.29%	0.05%	6.43%
Veralto Corp	VLTO	247.31	101.85	0.43	6.00	25,188.30	0.05%	0.02%	0.31%
Public Service Enterprise Group Inc	PEG	498.23	84.49	2.84	6.50	42,095.07	0.09%	0.24%	0.56%
Cooper Cos Inc/The	COO	199.58	91.93	n/a	8.50	18,347.63	0.04%		0.32%
Edison International	EIX	387.15	79.84	4.15	6.50	30,910.08	0.06%	0.26%	0.41%
Schlumberger NV	SLB	1412.15	38.34	2.87	22.00	54,142.00	0.11%	0.32%	2.42%
Charles Schwab Corp/The	SCHW	1779.66	74.01	1.35	10.50	131,712.79	0.27%	0.36%	2.82%
Sherwin-Williams Co/The	SHW	251.85	339.93	0.84	12.00	85,612.49	0.17%	0.15%	2.09%
West Pharmaceutical Services Inc	WST	72.42	327.56	0.26	7.50	23,722.66	0.05%	0.01%	0.36%
J M Smucker Co/The	SJM	106.42	110.12	3.92	7.00	11,718.53	0.02%	0.09%	0.17%
Snap-on Inc	SNA	52.51	339.48	2.52	5.50	17,825.21	0.04%	0.09%	0.20%
AMETEK Inc	AME	231.31	180.26	0.62	10.00	41,695.52	0.08%	0.05%	0.85%
Uber Technologies Inc	UBER	2105.71	60.32	n/a		0.00	0.00%		
Southern Co/The	SO	1094.63	82.32	3.50	6.50	90,110.22	0.18%	0.64%	1.19%
Truist Financial Corp	TFC	1327.52	43.38	4.79	1.50	57,587.84	0.12%	0.56%	0.18%
Southwest Airlines Co	LUV	599.74	33.62	2.14		0.00	0.00%	0.00%	
W R Berkley Corp	WRB	381.07	58.52	0.55	13.00	22,300.16	0.05%	0.02%	0.59%
Stanley Black & Decker Inc	SWK	154.16	80.29	4.09	11.00	12,377.82	0.03%	0.10%	0.28%
Public Storage	PSA	175.70	299.44	4.01	7.00	52,612.65	0.11%	0.43%	0.75%
Arista Networks Inc	ANET	1259.76	110.53	n/a	19.50	139,241.22	0.28%		5.53%

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Sysco Corp	SY	491.23	76.46	2.67	13.50	37,559.15	0.08%	0.20%	1.03%
Corteva Inc	CTVA	692.25	56.96	1.19	7.00	39,430.39	0.08%	0.10%	0.56%
Texas Instruments Inc	TXN	912.22	187.51	2.90	3.00	171,049.74	0.35%	1.01%	1.04%
Textron Inc	TXT	185.51	76.49	0.10	13.00	14,189.78	0.03%	0.00%	0.38%
Thermo Fisher Scientific Inc	TMO	382.50	520.23	0.30	6.00	198,988.12	0.41%	0.12%	2.43%
TJX Cos Inc/The	TJX	1124.16	120.81	1.24	17.00	135,809.53	0.28%	0.34%	4.70%
Globe Life Inc	GL	83.95	111.52	0.86	11.00	9,361.55	0.02%	0.02%	0.21%
Johnson Controls International plc	JCI	662.19	78.93	1.88	13.00	52,266.29	0.11%	0.20%	1.38%
Ulta Beauty Inc	ULTA	46.37	434.93	n/a	6.50	20,168.81	0.04%		0.27%
Union Pacific Corp	UNP	606.26	228.04	2.35	8.00	138,250.76	0.28%	0.66%	2.25%
Keysight Technologies Inc	KEYS	173.17	160.63	n/a	6.00	27,816.74	0.06%		0.34%
UnitedHealth Group Inc	UNH	920.28	505.86	1.66	11.50	465,535.03	0.95%	1.57%	10.90%
Blackstone Inc	BX	722.00	172.42	2.00	16.00	124,487.71	0.25%	0.51%	4.05%
Ventas Inc	VTR	419.35	58.89	3.06	23.00	24,695.79	0.05%	0.15%	1.16%
Labcorp Holdings Inc	LH	83.64	229.32	1.26	1.00	19,180.16	0.04%	0.05%	0.04%
Vulcan Materials Co	VMC	132.06	257.23	0.72	8.00	33,970.12	0.07%	0.05%	0.55%
Weyerhaeuser Co	WY	726.58	28.15	2.84	-2.00	20,453.28	0.04%	0.12%	-0.08%
Williams Cos Inc/The	WMB	1219.01	54.12	3.51	10.00	65,972.92	0.13%	0.47%	1.34%
Constellation Energy Corp	CEG	315.12	223.71	0.63		0.00	0.00%	0.00%	
WEC Energy Group Inc	WEC	316.35	94.04	3.80	6.00	29,749.97	0.06%	0.23%	0.36%
Adobe Inc	ADBE	440.20	444.68	n/a	13.50	195,748.14	0.40%		5.38%
Vistra Corp	VST	340.23	137.87	0.64		0.00	0.00%	0.00%	
AES Corp/The	AES	711.03	12.87	5.47	14.00	9,150.92	0.02%	0.10%	0.26%
Expeditors International of Washington Inc	EXPD	139.98	110.77	1.32	-1.50	15,505.13	0.03%	0.04%	-0.05%
Amgen Inc	AMGN	537.53	260.64	3.65	4.50	140,102.53	0.29%	1.04%	1.28%
Apple Inc	AAPL	15115.82	250.42	0.40	9.00	3,785,304.40	7.71%	3.08%	69.35%
Autodesk Inc	ADSK	215.00	295.57	n/a	14.00	63,547.55	0.13%		1.81%
Cintas Corp	CTAS	403.30	182.70	0.85	14.00	73,682.66	0.15%	0.13%	2.10%
Comcast Corp	CMCSA	3817.10	37.53	3.30	7.50	143,255.60	0.29%	0.96%	2.19%
Molson Coors Beverage Co	TAP	193.57	57.32	3.07	11.50	11,095.16	0.02%	0.07%	0.26%
KLA Corp	KLAC	133.76	630.12	1.08	13.00	84,284.71	0.17%	0.19%	2.23%
Marriott International Inc/MD	MAR	277.89	278.94	0.90	11.00	77,515.59	0.16%	0.14%	1.74%
Fiserv Inc	FI	568.92	205.42	n/a	9.50	116,867.29	0.24%		2.26%
McCormick & Co Inc/MD	MKC	252.19	76.24	2.36	4.50	19,227.08	0.04%	0.09%	0.18%
PACCAR Inc	PCAR	524.30	104.02	1.27	14.50	54,537.74	0.11%	0.14%	1.61%
Costco Wholesale Corp	COST	443.90	916.27	0.51	10.00	406,731.22	0.83%	0.42%	8.28%
Stryker Corp	SYK	381.22	360.05	0.93	9.50	137,256.74	0.28%	0.26%	2.65%
Tyson Foods Inc	TSN	286.16	57.44	3.48	6.00	16,437.23	0.03%	0.12%	0.20%
Lamb Weston Holdings Inc	LW	142.64	66.83	2.21	10.50	9,532.68	0.02%	0.04%	0.20%
Applied Materials Inc	AMAT	813.68	162.63	0.98	9.00	132,329.53	0.27%	0.27%	2.42%
Cardinal Health Inc	CAH	242.01	118.27	1.71	6.50	28,622.58	0.06%	0.10%	0.38%
Cincinnati Financial Corp	CINF	156.32	143.70	2.25	9.50	22,462.48	0.05%	0.10%	0.43%
Paramount Global	PARA	626.27	10.46	1.91	3.00	6,550.81	0.01%	0.03%	0.04%
DR Horton Inc	DHI	320.83	139.82	1.14	4.00	44,858.34	0.09%	0.10%	0.37%
Electronic Arts Inc	EA	262.27	146.30	0.52	14.00	38,370.51	0.08%	0.04%	1.09%
Erie Indemnity Co	ERIE	46.19	412.23	1.32	20.00	19,040.52	0.04%	0.05%	0.78%
Fair Isaac Corp	FICO	24.35	1990.93	n/a	17.00	48,474.96	0.10%		1.68%

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Fastenal Co	FAST	572.89	71.91	2.17	9.00	41,196.27	0.08%	0.18%	0.75%
M&T Bank Corp	MTB	165.92	188.01	2.87		0.00	0.00%	0.00%	
Xcel Energy Inc	XEL	595.31	67.52	3.24	6.00	40,195.36	0.08%	0.27%	0.49%
Fifth Third Bancorp	FITB	670.54	42.28	3.50	4.50	28,350.57	0.06%	0.20%	0.26%
Gilead Sciences Inc	GILD	1246.27	92.37	3.33	2.50	115,117.58	0.23%	0.78%	0.59%
Hasbro Inc	HAS	139.50	55.91	5.01	8.50	7,799.52	0.02%	0.08%	0.13%
Huntington Bancshares Inc/OH	HBAN	1452.81	16.27	3.81	7.50	23,637.24	0.05%	0.18%	0.36%
Welltower Inc	WELL	622.69	126.03	2.13	27.50	78,477.56	0.16%	0.34%	4.39%
Biogen Inc	BIIB	145.72	152.92	n/a	0.50	22,283.40	0.05%		0.02%
Northern Trust Corp	NTRS	198.22	102.50	2.93	6.00	20,317.39	0.04%	0.12%	0.25%
Packaging Corp of America	PKG	89.80	225.13	2.22	9.00	20,217.79	0.04%	0.09%	0.37%
Paychex Inc	PAYX	360.06	140.22	2.80	8.00	50,488.04	0.10%	0.29%	0.82%
QUALCOMM Inc	QCOM	1111.00	153.62	2.21	6.00	170,671.82	0.35%	0.77%	2.08%
Ross Stores Inc	ROST	329.93	151.27	0.97	14.00	49,908.39	0.10%	0.10%	1.42%
IDEXX Laboratories Inc	IDXX	81.88	413.44	n/a	10.50	33,854.39	0.07%		0.72%
Starbucks Corp	SBUX	1133.80	91.25	2.67	6.00	103,459.25	0.21%	0.56%	1.26%
KeyCorp	KEY	991.28	17.14	4.78	-2.00	16,990.59	0.03%	0.17%	-0.07%
Fox Corp	FOXA	221.16	48.58	1.11	8.00	10,743.72	0.02%	0.02%	0.17%
Fox Corp	FOX	235.58	45.74	1.18		0.00	0.00%	0.00%	
State Street Corp	STT	293.15	98.15	3.10		0.00	0.00%	0.00%	
Norwegian Cruise Line Holdings Ltd	NCLH	439.71	25.73	n/a		0.00	0.00%		
US Bancorp	USB	1560.03	47.83	4.18	4.00	74,616.32	0.15%	0.64%	0.61%
A O Smith Corp	AOS	119.11	68.21	1.99	9.00	8,124.50	0.02%	0.03%	0.15%
Gen Digital Inc	GEN	616.30	27.38	1.83	10.50	16,874.17	0.03%	0.06%	0.36%
T Rowe Price Group Inc	TROW	222.16	113.09	4.39	5.50	25,124.01	0.05%	0.22%	0.28%
Waste Management Inc	WM	401.37	201.79	1.49	8.50	80,991.55	0.16%	0.25%	1.40%
Constellation Brands Inc	STZ	181.54	221.00	1.83	6.00	40,119.54	0.08%	0.15%	0.49%
Invesco Ltd	IVZ	449.44	17.48	4.69	10.00	7,856.21	0.02%	0.08%	0.16%
Intuit Inc	INTU	279.92	628.50	0.66	13.50	175,927.70	0.36%	0.24%	4.83%
Morgan Stanley	MS	1611.04	125.72	2.94	9.50	202,539.39	0.41%	1.21%	3.92%
Microchip Technology Inc	MCHP	537.01	57.35	3.17	1.50	30,797.54	0.06%	0.20%	0.09%
CrowdStrike Holdings Inc	CRWD	233.85	342.16	n/a		0.00	0.00%		
Chubb Ltd	CB	403.10	276.30	1.32	13.00	111,375.98	0.23%	0.30%	2.95%
Hologic Inc	HOLX	226.94	72.09	n/a	-2.00	16,360.19	0.03%		-0.07%
Citizens Financial Group Inc	CFG	440.70	43.76	3.84	7.50	19,285.06	0.04%	0.15%	0.29%
Jabil Inc	JBL	111.69	143.90	0.22	13.50	16,072.63	0.03%	0.01%	0.44%
O'Reilly Automotive Inc	ORLY	57.73	1185.80	n/a	10.50	68,457.05	0.14%		1.46%
Allstate Corp/The	ALL	264.80	192.79	1.91	32.00	51,051.46	0.10%	0.20%	3.33%
Equity Residential	EQR	379.43	71.76	3.76	-4.00	27,227.86	0.06%	0.21%	-0.22%
BorgWarner Inc	BWA	218.70	31.79	1.38	5.50	6,952.47	0.01%	0.02%	0.08%
Keurig Dr Pepper Inc	KDP	1356.45	32.12	2.86	10.00	43,569.29	0.09%	0.25%	0.89%
Host Hotels & Resorts Inc	HST	699.03	17.52	4.57	15.00	12,246.99	0.02%	0.11%	0.37%
Incyte Corp	INCY	192.65	69.07	n/a	18.50	13,306.35	0.03%		0.50%
Simon Property Group Inc	SPG	326.27	172.21	4.88	3.50	56,186.98	0.11%	0.56%	0.40%
Eastman Chemical Co	EMN	115.91	91.32	3.64	3.50	10,585.14	0.02%	0.08%	0.08%
AvalonBay Communities Inc	AVB	142.24	219.97	3.09	5.50	31,287.92	0.06%	0.20%	0.35%
Prudential Financial Inc	PRU	356.00	118.53	4.39	4.00	42,196.68	0.09%	0.38%	0.34%

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United Parcel Service Inc	UPS	731.37	126.10	5.17	3.50	92,225.72	0.19%	0.97%	0.66%
Walgreens Boots Alliance Inc	WBA	863.49	9.33	10.72	-13.00	8,056.34	0.02%	0.18%	-0.21%
STERIS PLC	STE	98.71	205.56	1.11	8.00	20,290.28	0.04%	0.05%	0.33%
McKesson Corp	MCK	126.94	569.91	0.50	10.00	72,344.43	0.15%	0.07%	1.47%
Lockheed Martin Corp	LMT	237.04	485.94	2.72	9.50	115,184.92	0.23%	0.64%	2.23%
Cencora Inc	COR	193.28	224.68	0.98	6.50	43,426.18	0.09%	0.09%	0.57%
Capital One Financial Corp	COF	381.51	178.32	1.35	2.50	68,030.92	0.14%	0.19%	0.35%
The Campbell's Company	CPB	298.11	41.88	3.72	5.00	12,484.81	0.03%	0.09%	0.13%
Waters Corp	WAT	59.38	370.98	n/a	6.50	22,027.37	0.04%		0.29%
Nordson Corp	NDSN	57.02	209.24	1.49	10.50	11,930.03	0.02%	0.04%	0.25%
Dollar Tree Inc	DLTR	215.04	74.94	n/a	20.00	16,115.00	0.03%		0.66%
Darden Restaurants Inc	DRI	117.50	186.69	3.00	10.00	21,936.16	0.04%	0.13%	0.45%
Evergy Inc	EVERG	229.75	61.55	4.34	7.50	14,140.86	0.03%	0.12%	0.22%
Match Group Inc	MTCH	251.09	32.71	2.32	12.00	8,213.19	0.02%	0.04%	0.20%
Domino's Pizza Inc	DPZ	34.53	419.76	1.44	12.50	14,495.14	0.03%	0.04%	0.37%
NVR Inc	NVR	3.06	8178.90	n/a	1.50	25,059.17	0.05%		0.08%
NetApp Inc	NTAP	203.31	116.08	1.79	9.00	23,599.81	0.05%	0.09%	0.43%
Old Dominion Freight Line Inc	ODFL	213.50	176.40	0.59	7.00	37,660.97	0.08%	0.05%	0.54%
DaVita Inc	DVA	82.00	149.55	n/a	9.50	12,263.10	0.02%		0.24%
Hartford Financial Services Group Inc/The	HIG	289.89	109.40	1.90	7.00	31,714.07	0.06%	0.12%	0.45%
Iron Mountain Inc	IRM	293.46	105.11	2.72	8.00	30,845.62	0.06%	0.17%	0.50%
Estee Lauder Cos Inc/The	EL	233.44	74.98	1.87	3.50	17,503.03	0.04%	0.07%	0.12%
Cadence Design Systems Inc	CDNS	274.26	300.46	n/a	12.00	82,405.06	0.17%		2.01%
Tyler Technologies Inc	TYL	42.80	576.64	n/a	8.00	24,679.38	0.05%		0.40%
Universal Health Services Inc	UHS	58.71	179.42	0.45	12.00	10,534.59	0.02%	0.01%	0.26%
Skyworks Solutions Inc	SWKS	159.92	88.68	3.16		0.00	0.00%	0.00%	
Quest Diagnostics Inc	DGX	111.62	150.86	1.99	3.00	16,838.27	0.03%	0.07%	0.10%
Rockwell Automation Inc	ROK	112.90	285.79	1.83	9.50	32,266.61	0.07%	0.12%	0.62%
Kraft Heinz Co/The	KHC	1209.17	30.71	5.21	4.50	37,133.76	0.08%	0.39%	0.34%
American Tower Corp	AMT	467.29	183.41	3.53	11.00	85,705.55	0.17%	0.62%	1.92%
Regeneron Pharmaceuticals Inc	REGN	108.07	712.33	n/a	1.50	76,983.21	0.16%		0.24%
Amazon.com Inc	AMZN	10515.01	219.39	n/a	24.50	2,306,888.27	4.70%		115.05%
Jack Henry & Associates Inc	JKHY	72.96	175.30	1.25	6.50	12,789.77	0.03%	0.03%	0.17%
Ralph Lauren Corp	RL	40.22	230.98	1.43	11.00	9,289.34	0.02%	0.03%	0.21%
BXP Inc	BXP	158.11	74.36	5.27	0.50	11,757.11	0.02%	0.13%	0.01%
Amphenol Corp	APH	1205.61	69.45	0.95	14.00	83,729.82	0.17%	0.16%	2.39%
Howmet Aerospace Inc	HWM	406.26	109.37	0.29	12.00	44,432.73	0.09%	0.03%	1.09%
Valero Energy Corp	VLO	316.59	122.59	3.49	-6.00	38,810.18	0.08%	0.28%	-0.47%
Synopsys Inc	SNPS	154.58	485.36	n/a	12.50	75,026.20	0.15%		1.91%
CH Robinson Worldwide Inc	CHRW	118.21	103.32	2.40	5.50	12,212.96	0.02%	0.06%	0.14%
Accenture PLC	ACN	625.48	351.79	1.68	12.50	220,037.59	0.45%	0.75%	5.60%
TransDigm Group Inc	TDG	56.23	1267.28	n/a	20.00	71,259.72	0.15%		2.90%
Yum! Brands Inc	YUM	279.07	134.16	2.00	10.00	37,440.28	0.08%	0.15%	0.76%
Prologis Inc	PLD	926.18	105.70	3.63	0.50	97,896.70	0.20%	0.72%	0.10%
FirstEnergy Corp	FE	576.32	39.78	4.27	6.00	22,925.89	0.05%	0.20%	0.28%
VeriSign Inc	VRSN	96.10	206.96	n/a	12.00	19,888.86	0.04%		0.49%
Quanta Services Inc	PWR	147.61	316.05	0.13	18.00	46,652.65	0.09%	0.01%	1.71%

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Henry Schein Inc	HSIC	124.68	69.20	n/a	8.50	8,627.95	0.02%		0.15%
Ameren Corp	AEE	266.51	89.14	3.01	6.50	23,756.75	0.05%	0.15%	0.31%
ANSYS Inc	ANSS	87.45	337.33	n/a	9.50	29,499.49	0.06%		0.57%
FactSet Research Systems Inc	FDS	37.99	480.28	0.87	11.00	18,245.28	0.04%	0.03%	0.41%
NVIDIA Corp	NVDA	24490.00	134.29	0.03	41.00	3,288,762.10	6.69%	0.20%	274.48%
Cognizant Technology Solutions Corp	CTSH	495.82	76.90	1.56	8.00	38,128.89	0.08%	0.12%	0.62%
Intuitive Surgical Inc	ISRG	356.18	521.96	n/a	14.50	185,911.43	0.38%		5.49%
Take-Two Interactive Software Inc	TTWO	175.63	184.08	n/a		0.00	0.00%		
Republic Services Inc	RSG	313.15	201.18	1.15	11.00	62,999.94	0.13%	0.15%	1.41%
eBay Inc	EBAY	479.00	61.95	1.74	9.50	29,674.05	0.06%	0.11%	0.57%
Goldman Sachs Group Inc/The	GS	313.91	572.62	2.10	7.50	179,751.04	0.37%	0.77%	2.74%
SBA Communications Corp	SBAC	107.52	203.80	1.92	19.00	21,913.11	0.04%	0.09%	0.85%
Sempra	SRE	633.40	87.72	2.83	7.00	55,561.78	0.11%	0.32%	0.79%
Moody's Corp	MCO	181.20	473.37	0.72	9.00	85,774.64	0.17%	0.13%	1.57%
ON Semiconductor Corp	ON	425.80	63.05	n/a	7.00	26,846.53	0.05%		0.38%
Booking Holdings Inc	BKNG	33.10	4968.42	0.70	22.00	164,438.36	0.33%	0.24%	7.36%
F5 Inc	FFIV	58.61	251.47	n/a	10.00	14,739.88	0.03%		0.30%
Akamai Technologies Inc	AKAM	150.23	95.65	n/a	6.00	14,369.21	0.03%		0.18%
Charles River Laboratories International Inc	CRL	51.14	184.60	n/a	5.50	9,439.74	0.02%		0.11%
MarketAxess Holdings Inc	MKTX	37.70	226.04	1.31	9.00	8,522.69	0.02%	0.02%	0.16%
Devon Energy Corp	DVN	656.90	32.73	2.69	3.50	21,500.34	0.04%	0.12%	0.15%
Bio-Techne Corp	TECH	158.89	72.03	0.44	11.00	11,444.98	0.02%	0.01%	0.26%
Alphabet Inc	GOOGL	5843.00	189.30	0.42		0.00	0.00%	0.00%	
Teleflex Inc	TFX	46.44	177.98	0.76	8.50	8,266.06	0.02%	0.01%	0.14%
Allegion plc	ALLE	86.93	130.68	1.47	8.50	11,359.92	0.02%	0.03%	0.20%
Netflix Inc	NFLX	427.46	891.32	n/a	16.50	381,001.96	0.78%		12.80%
Warner Bros Discovery Inc	WBD	2453.17	10.57	n/a		0.00	0.00%		
Agilent Technologies Inc	A	285.60	134.34	0.74	8.00	38,366.87	0.08%	0.06%	0.62%
Elevance Health Inc	ELV	231.92	368.90	1.77	11.00	85,556.33	0.17%	0.31%	1.92%
Trimble Inc	TRMB	244.21	70.66	n/a	6.00	17,255.71	0.04%		0.21%
CME Group Inc	CME	360.36	232.23	1.98	6.00	83,686.18	0.17%	0.34%	1.02%
Juniper Networks Inc	JNPR	331.09	37.45	2.35	6.50	12,399.29	0.03%	0.06%	0.16%
DTE Energy Co	DTE	206.93	120.75	3.61	4.50	24,986.20	0.05%	0.18%	0.23%
Nasdaq Inc	NDAQ	574.76	77.31	1.24	3.50	44,434.51	0.09%	0.11%	0.32%
Celanese Corp	CE	109.31	69.21	4.05	4.50	7,565.50	0.02%	0.06%	0.07%
Philip Morris International Inc	PM	1554.83	120.35	4.49	5.00	187,124.20	0.38%	1.71%	1.90%
Salesforce Inc	CRM	957.00	334.33	0.48	24.00	319,953.81	0.65%	0.31%	15.63%
Ingersoll Rand Inc	IR	403.01	90.46	0.09	10.50	36,456.50	0.07%	0.01%	0.78%
Huntington Ingalls Industries Inc	HII	39.13	188.97	2.86	10.00	7,394.27	0.02%	0.04%	0.15%
Roper Technologies Inc	ROP	107.23	519.85	0.63	9.00	55,743.07	0.11%	0.07%	1.02%
MetLife Inc	MET	692.42	81.88	2.66	7.50	56,695.38	0.12%	0.31%	0.87%
Tapestry Inc	TPR	233.04	65.33	2.14	9.00	15,224.23	0.03%	0.07%	0.28%
CSX Corp	CSX	1928.42	32.27	1.49	9.00	62,230.09	0.13%	0.19%	1.14%
Edwards Lifesciences Corp	EW	589.80	74.03	n/a	6.50	43,662.89	0.09%		0.58%
Ameriprise Financial Inc	AMP	97.01	532.43	1.11	10.00	51,653.47	0.11%	0.12%	1.05%
Zebra Technologies Corp	ZBRA	51.58	386.22	n/a	1.00	19,921.24	0.04%		0.04%
Zimmer Biomet Holdings Inc	ZBH	199.07	105.63	0.91	6.50	21,028.16	0.04%	0.04%	0.28%

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CBRE Group Inc	CBRE	306.02	131.29	n/a	6.50	40,177.10	0.08%		0.53%
Camden Property Trust	CPT	106.68	116.04	3.55	-8.50	12,379.30	0.03%	0.09%	-0.21%
Mastercard Inc	MA	910.77	526.57	0.58	14.50	479,582.85	0.98%	0.56%	14.16%
CarMax Inc	KMX	154.92	81.76	n/a	3.50	12,666.61	0.03%		0.09%
Intercontinental Exchange Inc	ICE	574.18	149.01	1.21	7.50	85,558.04	0.17%	0.21%	1.31%
Smurfit WestRock PLC	SW	520.24	53.86	2.25		0.00	0.00%	0.00%	
Fidelity National Information Services Inc	FIS	538.35	80.77	1.78	4.00	43,482.88	0.09%	0.16%	0.35%
Chipotle Mexican Grill Inc	CMG	1362.59	60.30	n/a	20.00	82,164.36	0.17%		3.35%
Wynn Resorts Ltd	WYNN	109.81	86.16	1.16	27.00	9,461.66	0.02%	0.02%	0.52%
Live Nation Entertainment Inc	LYV	232.35	129.50	n/a		0.00	0.00%		
Assurant Inc	AIZ	51.29	213.22	1.50	9.50	10,935.50	0.02%	0.03%	0.21%
NRG Energy Inc	NRG	202.57	90.22	1.81	11.00	18,275.54	0.04%	0.07%	0.41%
Regions Financial Corp	RF	908.86	23.52	4.25	4.50	21,376.48	0.04%	0.19%	0.20%
Monster Beverage Corp	MNST	972.52	52.56	n/a	12.00	51,115.63	0.10%		1.25%
Mosaic Co/The	MOS	317.65	24.58	3.58	-11.00	7,807.72	0.02%	0.06%	-0.17%
Baker Hughes Co	BKR	989.53	41.02	2.05	29.50	40,590.35	0.08%	0.17%	2.44%
Expedia Group Inc	EXPE	122.82	186.33	n/a	39.00	22,885.61	0.05%		1.82%
CF Industries Holdings Inc	CF	174.02	85.32	2.34		0.00	0.00%	0.00%	
Leidos Holdings Inc	LDOS	133.43	144.06	1.11	10.00	19,222.37	0.04%	0.04%	0.39%
APA Corp	APA	369.95	23.09	4.33	6.00	8,542.09	0.02%	0.08%	0.10%
Alphabet Inc	GOOG	5534.00	190.44	0.42	13.50	1,053,894.96	2.15%	0.90%	28.96%
First Solar Inc	FSLR	107.06	176.24	n/a	34.50	18,867.85	0.04%		1.33%
Discover Financial Services	DFS	251.23	173.23	1.62	4.00	43,520.04	0.09%	0.14%	0.35%
Visa Inc	V	1729.40	316.04	0.75	13.50	546,559.27	1.11%	0.83%	15.02%
Mid-America Apartment Communities Inc	MAA	116.88	154.57	3.92	-15.00	18,066.19	0.04%	0.14%	-0.55%
Xylem Inc/NY	XYL	242.94	116.02	1.24	12.00	28,186.44	0.06%	0.07%	0.69%
Marathon Petroleum Corp	MPC	321.39	139.50	2.61	-6.00	44,833.76	0.09%	0.24%	-0.55%
Advanced Micro Devices Inc	AMD	1622.81	120.79	n/a	17.00	196,018.90	0.40%		6.78%
Tractor Supply Co	TSCO	534.20	53.06	1.66	10.50	28,344.39	0.06%	0.10%	0.61%
ResMed Inc	RMD	146.80	228.69	0.93	11.50	33,570.72	0.07%	0.06%	0.79%
Mettler-Toledo International Inc	MTD	21.10	1223.68	n/a	8.50	25,822.92	0.05%		0.45%
Jacobs Solutions Inc	J	124.02	133.62	0.87	11.00	16,571.17	0.03%	0.03%	0.37%
Copart Inc	CPRT	963.53	57.39	n/a	9.00	55,296.89	0.11%		1.01%
VICI Properties Inc	VICI	1043.14	29.21	5.92	10.50	30,470.03	0.06%	0.37%	0.65%
Fortinet Inc	FTNT	766.45	94.48	n/a	24.00	72,414.45	0.15%		3.54%
Albemarle Corp	ALB	117.54	86.08	1.88	-3.50	10,117.87	0.02%	0.04%	-0.07%
Moderna Inc	MRNA	384.82	41.58	n/a	-18.50	16,000.72	0.03%		-0.60%
Essex Property Trust Inc	ESS	64.27	285.44	3.43	4.00	18,344.51	0.04%	0.13%	0.15%
CoStar Group Inc	CSGP	409.96	71.59	n/a	13.00	29,349.00	0.06%		0.78%
Realty Income Corp	O	875.21	53.41	5.93	5.00	46,745.02	0.10%	0.56%	0.48%
Palantir Technologies Inc	PLTR	2180.65	75.63	n/a		0.00	0.00%		
Westinghouse Air Brake Technologies Corp	WAB	171.89	189.59	0.42	16.00	32,588.55	0.07%	0.03%	1.06%
Pool Corp	POOL	38.06	340.94	1.41	0.50	12,974.65	0.03%	0.04%	0.01%
Western Digital Corp	WDC	345.71	59.63	n/a	22.50	20,614.59	0.04%		0.94%
PepsiCo Inc	PEP	1371.99	152.06	3.56	7.50	208,624.65	0.42%	1.51%	3.19%
TE Connectivity PLC	TEL	299.16	142.97	1.82	10.50	42,771.21	0.09%	0.16%	0.91%
Diamondback Energy Inc	FANG	291.99	163.83	2.20	2.50	47,836.59	0.10%	0.21%	0.24%

Name	Ticker	Shares Outst'g	Price	Dividend Yield (%)	Value Line Long-Term Growth Estimate (%)	Market Cap Excl. n/a	% of Total Market Cap.	Cap. Weighted Div. Yield	Cap. Weighted Long-Term Growth
Palo Alto Networks Inc	PANW	656.20	181.96	n/a		0.00	0.00%		
ServiceNow Inc	NOW	206.00	1060.12	n/a	32.50	218,384.72	0.44%		14.45%
Church & Dwight Co Inc	CHD	245.00	104.71	1.08	6.50	25,653.69	0.05%	0.06%	0.34%
Federal Realty Investment Trust	FRT	84.96	111.95	3.93	2.50	9,511.73	0.02%	0.08%	0.05%
MGM Resorts International	MGM	297.74	34.65	n/a	25.00	10,316.71	0.02%		0.53%
American Electric Power Co Inc	AEP	532.57	92.23	4.03	6.50	49,118.50	0.10%	0.40%	0.65%
Invitation Homes Inc	INVH	612.61	31.97	3.63	7.50	19,585.00	0.04%	0.14%	0.30%
PTC Inc	PTC	120.13	183.87	n/a	29.00	22,088.13	0.04%		1.30%
JB Hunt Transport Services Inc	JBHT	100.83	170.66	1.01	6.00	17,207.64	0.04%	0.04%	0.21%
Lam Research Corp	LRCX	1286.69	72.23	1.27	12.50	92,937.26	0.19%	0.24%	2.36%
Mohawk Industries Inc	MHK	63.12	119.13	n/a	1.00	7,519.64	0.02%		0.02%
Pentair PLC	PNR	165.23	100.64	0.99	12.00	16,628.86	0.03%	0.03%	0.41%
GE HealthCare Technologies Inc	GEHC	456.87	78.18	0.18		0.00	0.00%	0.00%	
Vertex Pharmaceuticals Inc	VRTX	257.53	402.70	n/a	11.00	103,707.05	0.21%		2.32%
Amcor PLC	AMCR	1445.34	9.41	5.42	11.50	13,600.68	0.03%	0.15%	0.32%
Meta Platforms Inc	META	2180.00	585.51	0.34	17.50	1,276,412.31	2.60%	0.89%	45.47%
T-Mobile US Inc	TMUS	1160.49	220.73	1.59	20.00	256,154.22	0.52%	0.83%	10.43%
United Rentals Inc	URI	65.62	704.44	0.93	19.00	46,227.03	0.09%	0.09%	1.79%
Honeywell International Inc	HON	650.25	225.89	2.00	11.00	146,884.38	0.30%	0.60%	3.29%
Alexandria Real Estate Equities Inc	ARE	174.76	97.55	5.41	9.50	17,048.06	0.03%	0.19%	0.33%
Delta Air Lines Inc	DAL	645.28	60.50	0.99		0.00	0.00%	0.00%	
Seagate Technology Holdings PLC	STX	211.53	86.31	3.34	31.00	18,257.11	0.04%	0.12%	1.15%
United Airlines Holdings Inc	UAL	328.80	97.10	n/a		0.00	0.00%		
News Corp	NWS	189.77	30.43	0.66		0.00	0.00%	0.00%	
Centene Corp	CNC	504.87	60.58	n/a	10.00	30,584.72	0.06%		0.62%
Martin Marietta Materials Inc	MLM	61.12	516.50	0.61	11.00	31,567.48	0.06%	0.04%	0.71%
Apollo Global Management Inc	APO	565.82	165.16	1.12	23.50	93,450.25	0.19%	0.21%	4.47%
Teradyne Inc	TER	162.86	125.92	0.38	10.50	20,507.52	0.04%	0.02%	0.44%
PayPal Holdings Inc	PYPL	1002.54	85.35	n/a	11.50	85,566.69	0.17%		2.00%
Tesla Inc	TSLA	3210.06	403.84	n/a	19.00	1,296,350.49	2.64%		50.14%
Blackrock Inc	BLK	154.88	1025.11	1.99	9.50	158,767.94	0.32%	0.64%	3.07%
Arch Capital Group Ltd	ACGL	376.24	92.35	n/a	18.00	34,745.94	0.07%		1.27%
KKR & Co Inc	KKR	888.23	147.91	0.47	5.00	131,377.94	0.27%	0.13%	1.34%
Dow Inc	DOW	700.09	40.13	6.98		0.00	0.00%	0.00%	
Everest Group Ltd	EG	42.98	362.46	2.21	10.50	15,578.02	0.03%	0.07%	0.33%
Teledyne Technologies Inc	TDY	46.60	464.13	n/a	7.00	21,629.53	0.04%		0.31%
GE Vernova Inc	GEV	275.65	328.93	0.30		0.00	0.00%	0.00%	
News Corp	NWSA	378.91	27.54	0.73	14.50	10,435.10	0.02%	0.02%	0.31%
Exelon Corp	EXC	1004.83	37.64	4.04		0.00	0.00%	0.00%	
Global Payments Inc	GPN	254.49	112.06	0.89	13.50	28,518.69	0.06%	0.05%	0.78%
Crown Castle Inc	CCI	434.60	90.76	6.90	-0.50	39,444.13	0.08%	0.55%	-0.04%
Align Technology Inc	ALGN	74.65	208.51	n/a	17.00	15,565.91	0.03%		0.54%
Kenvue Inc	KVUE	1917.26	21.35	3.84		0.00	0.00%	0.00%	
Targa Resources Corp	TRGP	218.06	178.50	1.68	21.00	38,924.32	0.08%	0.13%	1.66%
Bunge Global SA	BG	139.63	77.76	3.50	0.00	10,857.40	0.02%	0.08%	0.00%
Deckers Outdoor Corp	DECK	151.92	203.09	n/a	16.00	30,853.84	0.06%		1.00%
LKQ Corp	LKQ	259.96	36.75	3.27	7.00	9,553.53	0.02%	0.06%	0.14%

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
Workday Inc	WDAY	214.00	258.03	n/a	15.50	55,218.42	0.11%		1.74%
Zoetis Inc	ZTS	451.17	162.93	1.23	7.50	73,508.32	0.15%	0.18%	1.12%
Digital Realty Trust Inc	DLR	331.71	177.33	2.75	-5.00	58,822.60	0.12%	0.33%	-0.60%
Equinix Inc	EQIX	96.49	942.89	1.81	15.00	90,977.75	0.19%	0.33%	2.78%
Las Vegas Sands Corp	LVS	725.03	51.36	1.56		0.00	0.00%	0.00%	
Molina Healthcare Inc	MOH	57.20	291.05	n/a	12.00	16,648.06	0.03%		0.41%

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

		[1]	[2]	[3]	[4]	[5]
Company	Ticker	Current 30-day average 30-year U.S. Treasury bond yield	Beta (β)	Forward Market Return (R_m)	Market Risk Premium ($R_m - R_f$)	ROE (K)
Alliant Energy Corporation	LNT	4.56%	0.90	16.68%	12.11%	15.46%
Ameren Corporation	AEE	4.56%	0.90	16.68%	12.11%	15.46%
American Electric Power Company, Inc.	AEP	4.56%	0.85	16.68%	12.11%	14.86%
Duke Energy Corporation	DUK	4.56%	0.90	16.68%	12.11%	15.46%
Edison International	EIX	4.56%	1.00	16.68%	12.11%	16.68%
Entergy Corporation	ETR	4.56%	1.00	16.68%	12.11%	16.68%
Evergy, Inc.	EVRG	4.56%	0.95	16.68%	12.11%	16.07%
IDACORP, Inc.	IDA	4.56%	0.85	16.68%	12.11%	14.86%
OGE Energy Corporation	OGE	4.56%	1.05	16.68%	12.11%	17.28%
Pinnacle West Capital Corporation	PNW	4.56%	0.95	16.68%	12.11%	16.07%
Portland General Electric Company	POR	4.56%	0.95	16.68%	12.11%	16.07%
PPL Corporation	PPL	4.56%	1.10	16.68%	12.11%	17.89%
Southern Company	SO	4.56%	0.95	16.68%	12.11%	16.07%
TXNM Energy	TXNM	4.56%	0.90	16.68%	12.11%	15.46%
Xcel Energy Inc.	XEL	4.56%	0.85	16.68%	12.11%	14.86%
PROXY GROUP MEAN			0.940			15.95%

Notes:

[1] Source: Bloomberg Professional, as of December 31, 2024

[2] Source: Value Line, as of December 31, 2024

[3] Source: JMC-5.1 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]
Company	Ticker	Current 30-day average 30-year U.S. Treasury bond yield	Beta (β)	Market Return (R_m)	Market Risk Premium ($R_m - R_f$)	ROE (K)
Alliant Energy Corporation	LNT	4.56%	0.86	16.68%	12.11%	15.00%
Ameren Corporation	AEE	4.56%	0.82	16.68%	12.11%	14.54%
American Electric Power Company, Inc.	AEP	4.56%	0.82	16.68%	12.11%	14.49%
Duke Energy Corporation	DUK	4.56%	0.81	16.68%	12.11%	14.35%
Edison International	EIX	4.56%	0.95	16.68%	12.11%	16.12%
Entergy Corporation	ETR	4.56%	0.95	16.68%	12.11%	16.11%
Evergy, Inc.	EVRG	4.56%	0.88	16.68%	12.11%	15.20%
IDACORP, Inc.	IDA	4.56%	0.85	16.68%	12.11%	14.90%
OGE Energy Corporation	OGE	4.56%	1.01	16.68%	12.11%	16.76%
Pinnacle West Capital Corporation	PNW	4.56%	0.93	16.68%	12.11%	15.84%
Portland General Electric Company	POR	4.56%	0.86	16.68%	12.11%	15.03%
PPL Corporation	PPL	4.56%	1.04	16.68%	12.11%	17.19%
Southern Company	SO	4.56%	0.87	16.68%	12.11%	15.12%
TXNM Energy	TXNM	4.56%	0.90	16.68%	12.11%	15.52%
Xcel Energy Inc.	XEL	4.56%	0.80	16.68%	12.11%	14.30%
PROXY GROUP MEAN			0.892			15.37%

Notes:

[1] Source: Bloomberg Professional, as of December 31, 2024

[2] Source: Bloomberg Professional, 5-Year Betas as of December 31, 2024

[3] Source: JMC-5.1 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 (2026 - 2030)	Beta (β)	Market Return (R_m)	Market Risk Premium ($R_m - R_f$)	ROE (K)
Company	Ticker					
Alliant Energy Corporation	LNT	4.30%	0.90	16.68%	12.38%	15.44%
Ameren Corporation	AEE	4.30%	0.90	16.68%	12.38%	15.44%
American Electric Power Company, Inc.	AEP	4.30%	0.85	16.68%	12.38%	14.82%
Duke Energy Corporation	DUK	4.30%	0.90	16.68%	12.38%	15.44%
Edison International	EIX	4.30%	1.00	16.68%	12.38%	16.68%
Entergy Corporation	ETR	4.30%	1.00	16.68%	12.38%	16.68%
Evergy, Inc.	EVRG	4.30%	0.95	16.68%	12.38%	16.06%
IDACORP, Inc.	IDA	4.30%	0.85	16.68%	12.38%	14.82%
OGE Energy Corporation	OGE	4.30%	1.05	16.68%	12.38%	17.29%
Pinnacle West Capital Corporation	PNW	4.30%	0.95	16.68%	12.38%	16.06%
Portland General Electric Company	POR	4.30%	0.95	16.68%	12.38%	16.06%
PPL Corporation	PPL	4.30%	1.10	16.68%	12.38%	17.91%
Southern Company	SO	4.30%	0.95	16.68%	12.38%	16.06%
TXNM Energy	TXNM	4.30%	0.90	16.68%	12.38%	15.44%
Xcel Energy Inc.	XEL	4.30%	0.85	16.68%	12.38%	14.82%
PROXY GROUP MEAN			0.940			15.93%

Notes:

[1] Source: Blue Chip Financial Forecasts, Vol. 44, No. 1, December 30, 2024, at 14

[2] Source: Value Line, as of December 31, 2024

[3] Source: JMC-5.1 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 (2023 - 2027)	Beta (β)	Market Return (R_m)	Market Risk Premium ($R_m - R_f$)	ROE (K)
Company	Ticker					
Alliant Energy Corporation	LNT	4.30%	0.86	16.68%	12.38%	14.97%
Ameren Corporation	AEE	4.30%	0.82	16.68%	12.38%	14.49%
American Electric Power Company, Inc.	AEP	4.30%	0.82	16.68%	12.38%	14.44%
Duke Energy Corporation	DUK	4.30%	0.81	16.68%	12.38%	14.30%
Edison International	EIX	4.30%	0.95	16.68%	12.38%	16.11%
Entergy Corporation	ETR	4.30%	0.95	16.68%	12.38%	16.10%
Evergy, Inc.	EVRG	4.30%	0.88	16.68%	12.38%	15.17%
IDACORP, Inc.	IDA	4.30%	0.85	16.68%	12.38%	14.86%
OGE Energy Corporation	OGE	4.30%	1.01	16.68%	12.38%	16.77%
Pinnacle West Capital Corporation	PNW	4.30%	0.93	16.68%	12.38%	15.82%
Portland General Electric Company	POR	4.30%	0.86	16.68%	12.38%	14.99%
PPL Corporation	PPL	4.30%	1.04	16.68%	12.38%	17.20%
Southern Company	SO	4.30%	0.87	16.68%	12.38%	15.09%
TXNM Energy	TXNM	4.30%	0.90	16.68%	12.38%	15.50%
Xcel Energy Inc.	XEL	4.30%	0.80	16.68%	12.38%	14.25%
PROXY GROUP MEAN			0.892			15.34%

Notes:

[1] Source: Blue Chip Financial Forecasts, Vol. 44, No. 1, December 30, 2024, at 14

[2] Source: Bloomberg Professional, 5-Year Betas as of December 31, 2024

[3] Source: JMC-5.1 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	11.29%	7.35%	3.93%
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	11.57%	4.93%	6.64%
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%

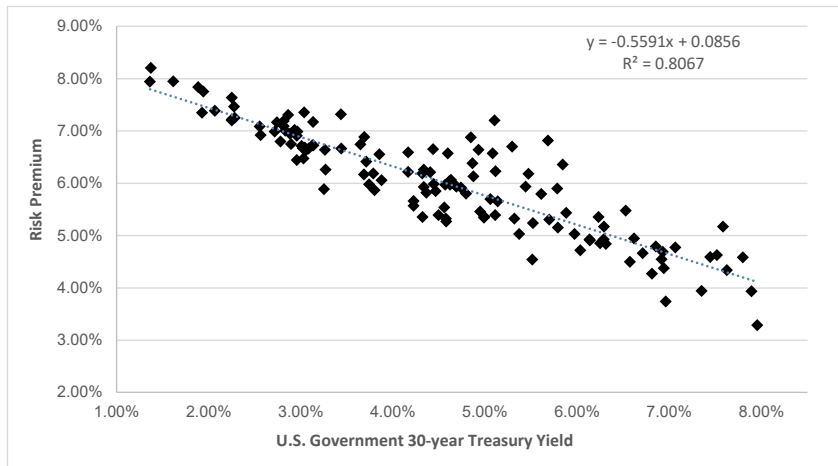
Risk Premium -- Vertically Integrated Electric
Utilities

	[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	9.88%	4.50%	5.39%
AVERAGE	10.56%	4.53%	6.02%
MEDIAN	10.46%	4.56%	6.06%

Risk Premium -- Vertically Integrated Electric Utilities



SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.897812072
R Square	0.806066516
Adjusted R Square	0.80457472
Standard Error	0.004427502
Observations	132

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	0.010592024	0.010592024	540.3329283	3.86894E-48
Residual	130	0.002548361	1.96028E-05		
Total	131	0.013140385			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	0.085555194	0.001155875	74.01766123	3.8006E-108	0.083268432	0.08784195
X Variable 1	-0.558726214	0.02403634	-23.24506245	3.86894E-48	-0.606279237	-0.5111732

	[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]	4.56%	6.01%	10.57%
Blue Chip Near-Term Projected Forecast (Q2 2025 - Q2 2026) [5]	4.48%	6.05%	10.53%
Blue Chip Long-Term Projected Forecast (2026-2030) [6]	4.30%	6.15%	10.45%
AVERAGE			10.52%

Notes:

- [1] Source: Regulatory Research Associates, rate cases through December 31, 2024
[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 December 31, 2024
[5] Source: Blue Chip Financial Forecasts, Vol. 44, No. 1, December 30, 2024 at 2
[6] Source: Blue Chip Financial Forecasts, Vol. 43, No. 12, November 27, 2024 at 14
[7] See notes [4], [5] & [6]
[8] Equals $0.085555 + (-0.558726 \times \text{Column [7]})$
[9] Equals Column [7] + Column [8]

EXPECTED EARNINGS ANALYSIS

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Company	Ticker	Value Line ROE 2027-2029	Value Line Total Capital 2023	Value Line Common Equity Ratio 2023	Total Equity 2023	Value Line Total Capital 2027-2029	Value Line Common Equity Ratio 2027-2029	Total Equity 2027-2029	Compound Annual Growth Rate	Adjustment Factor	Adjusted Return on Common Equity
Alliant Energy Corporation	LNT	12.00%	\$15,002	45.20%	\$6,781	\$17,070	48.00%	\$8,194	3.86%	1.019	12.23%
Ameren Corporation	AEE	10.00%	\$24,847	43.80%	\$10,883	\$29,500	48.50%	\$14,308	5.62%	1.027	10.27%
American Electric Power Company, Inc.	AEP	11.00%	\$62,837	42.00%	\$26,392	\$75,900	42.50%	\$32,258	4.10%	1.020	11.22%
Duke Energy Corporation	DUK	9.00%	\$121,564	40.40%	\$49,112	\$144,100	37.50%	\$54,038	1.93%	1.010	9.09%
Edison International	EIX	13.50%	\$48,260	28.70%	\$13,851	\$65,750	28.50%	\$18,739	6.23%	1.030	13.91%
Entergy Corporation	ETR	9.50%	\$37,851	38.60%	\$14,610	\$50,555	39.00%	\$19,716	6.18%	1.030	9.78%
Evergy, Inc.	EVRG	10.00%	\$20,019	48.00%	\$9,609	\$23,400	46.50%	\$10,881	2.52%	1.012	10.12%
IDACORP, Inc.	IDA	9.00%	\$5,683	51.20%	\$2,910	\$7,500	50.50%	\$3,788	5.41%	1.026	9.24%
OGE Energy Corporation	OGE	13.00%	\$9,238	49.60%	\$4,582	\$10,400	50.00%	\$5,200	2.56%	1.013	13.16%
Pinnacle West Capital Corporation	PNW	8.50%	\$13,718	45.00%	\$6,173	\$18,350	48.00%	\$8,808	7.37%	1.036	8.80%
Portland General Electric Company	POR	9.50%	\$7,513	44.20%	\$3,321	\$10,900	41.00%	\$4,469	6.12%	1.030	9.78%
PPL Corporation	PPL	9.50%	\$28,544	48.80%	\$13,929	\$34,280	50.50%	\$17,311	4.44%	1.022	9.71%
Southern Company	SO	14.50%	\$83,654	37.60%	\$31,454	\$93,500	37.00%	\$34,595	1.92%	1.010	14.64%
TXNM Energy	TXNM	10.00%	\$6,602	35.60%	\$2,350	\$10,400	30.50%	\$3,172	6.18%	1.030	10.30%
Xcel Energy Inc.	XEL	11.00%	\$42,529	41.40%	\$17,607	\$64,100	37.50%	\$24,038	6.42%	1.031	11.34%
PROXY GROUP MEAN											10.91%
PROXY GROUP MEDIAN											10.27%

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 x (1 + [8]) / (2 + [8])

[10] Equals [1] x [9]

YEARS 2025-2028 CAPITAL EXPENDITURES AS A PERCENT OF 2023 NET UTILITY PLANT
(\$ Millions)

		[1]	[2]	[3]	[4]	[5]	[6]	
		2023	2025	2026	2027	2028	2025-2028 Cap. Ex. / 2023 Net Plant	Rank
Alliant Energy Corporation	LNT							
Capital Spending per Share			\$5.60	\$5.53	\$5.47	\$5.40		
Common Shares Outstanding			256.70	256.80	256.90	257.00		
Capital Expenditures			\$1,437.5	\$1,421.0	\$1,404.4	\$1,387.8	32.94%	1
Net Plant		\$17,157.0						
Ameren Corporation	AEE							
Capital Spending per Share			\$12.80	\$12.87	\$12.93	\$13.00		
Common Shares Outstanding			272.00	276.33	280.67	285.00		
Capital Expenditures			\$3,481.6	\$3,555.5	\$3,630.0	\$3,705.0	42.55%	7
Net Plant		\$33,776.0						
American Electric Power Company, Inc.	AEP							
Capital Spending per Share			\$14.10	\$14.07	\$14.03	\$14.00		
Common Shares Outstanding			535.00	540.00	545.00	550.00		
Capital Expenditures			\$7,543.5	\$7,596.0	\$7,648.2	\$7,700.0	39.75%	6
Net Plant		\$76,693.0						
Duke Energy Corporation	DUK							
Capital Spending per Share			\$17.75	\$17.42	\$17.08	\$16.75		
Common Shares Outstanding			773.00	773.67	774.33	775.00		
Capital Expenditures			\$13,720.8	\$13,474.7	\$13,228.2	\$12,981.3	46.31%	11
Net Plant		\$115,315.0						
Edison International	EIX							
Capital Spending per Share			\$16.25	\$16.50	\$16.75	\$17.00		
Common Shares Outstanding			388.00	388.67	389.33	390.00		
Capital Expenditures			\$6,305.0	\$6,413.0	\$6,521.3	\$6,630.0	46.13%	10
Net Plant		\$56,084.0						
Entergy Corporation	ETR							
Capital Spending per Share			\$22.00	\$21.25	\$20.50	\$19.75		
Common Shares Outstanding			222.00	224.67	227.33	230.00		
Capital Expenditures			\$4,884.0	\$4,774.2	\$4,660.3	\$4,542.5	43.03%	8
Net Plant		\$43,834.0						
Eversource Energy	EVERG							
Capital Spending per Share			\$9.30	\$9.37	\$9.43	\$9.50		
Common Shares Outstanding			230.00	230.00	230.00	230.00		
Capital Expenditures			\$2,139.0	\$2,154.3	\$2,169.7	\$2,185.0	36.44%	4
Net Plant		\$23,729.0						
IDACORP, Inc.	IDA							
Capital Spending per Share			\$16.60	\$15.53	\$14.47	\$13.40		
Common Shares Outstanding			54.00	54.67	55.33	56.00		
Capital Expenditures			\$896.4	\$849.2	\$800.5	\$750.4	57.38%	14
Net Plant		\$5,745.2						
OGE Energy Corporation	OGE							
Capital Spending per Share			\$4.75	\$4.75	\$4.75	\$4.75		
Common Shares Outstanding			200.20	200.20	200.20	200.20		
Capital Expenditures			\$951.0	\$951.0	\$951.0	\$951.0	33.66%	2
Net Plant		\$11,301.0						
Pinnacle West Capital Corporation	PNW							
Capital Spending per Share			\$16.80	\$17.03	\$17.27	\$17.50		
Common Shares Outstanding			118.00	119.33	120.67	122.00		
Capital Expenditures			\$1,982.4	\$2,032.6	\$2,083.5	\$2,135.0	45.79%	9
Net Plant		\$17,980.0						
Portland General Electric Company	POR							
Capital Spending per Share			\$11.30	\$11.62	\$11.93	\$12.25		
Common Shares Outstanding			106.00	107.33	108.67	110.00		
Capital Expenditures			\$1,197.8	\$1,246.9	\$1,296.8	\$1,347.5	53.31%	12
Net Plant		\$9,546.0						
PPL Corporation	PPL							
Capital Spending per Share			\$3.70	\$3.80	\$3.90	\$4.00		
Common Shares Outstanding			737.40	737.60	737.80	738.00		
Capital Expenditures			\$2,728.4	\$2,802.9	\$2,877.4	\$2,952.0	36.16%	3
Net Plant		\$31,418.0						
Southern Company	SO							
Capital Spending per Share			\$8.75	\$8.67	\$8.58	\$8.50		
Common Shares Outstanding			1095.00	1095.00	1095.00	1095.00		
Capital Expenditures			\$9,581.3	\$9,490.0	\$9,398.8	\$9,307.5	37.84%	5
Net Plant		\$99,844.0						

TXNM Energy, Inc	TXNM						
Capital Spending per Share		\$13.85	\$13.73	\$13.62	\$13.50		
Common Shares Outstanding		92.00	93.00	94.00	95.00		
Capital Expenditures		\$1,274.2	\$1,277.2	\$1,280.0	\$1,282.5	67.20%	16
Net Plant		\$7,609.9					
Xcel Energy Inc.	XEL						
Capital Spending per Share		\$15.50	\$15.17	\$14.83	\$14.50		
Common Shares Outstanding		565.00	570.00	575.00	580.00		
Capital Expenditures		\$8,757.5	\$8,645.0	\$8,529.2	\$8,410.0	66.50%	15
Net Plant		\$51,642.0					
FPL CapEx Annual Average	FPL	\$8,425.00	\$10,520.00	\$9,905.00	\$10,170.00	56.86%	13
Proxy Group Median		\$68,629.0					
FPL / Proxy Group Median							
FPL CapEx Total (2025 - 2028)						\$39,020.0	
FPL CapEx Annual Average						\$9,755.0	
Proxy Group Median						43.03%	
FPL as % Proxy Group Median						1.32	

Notes:

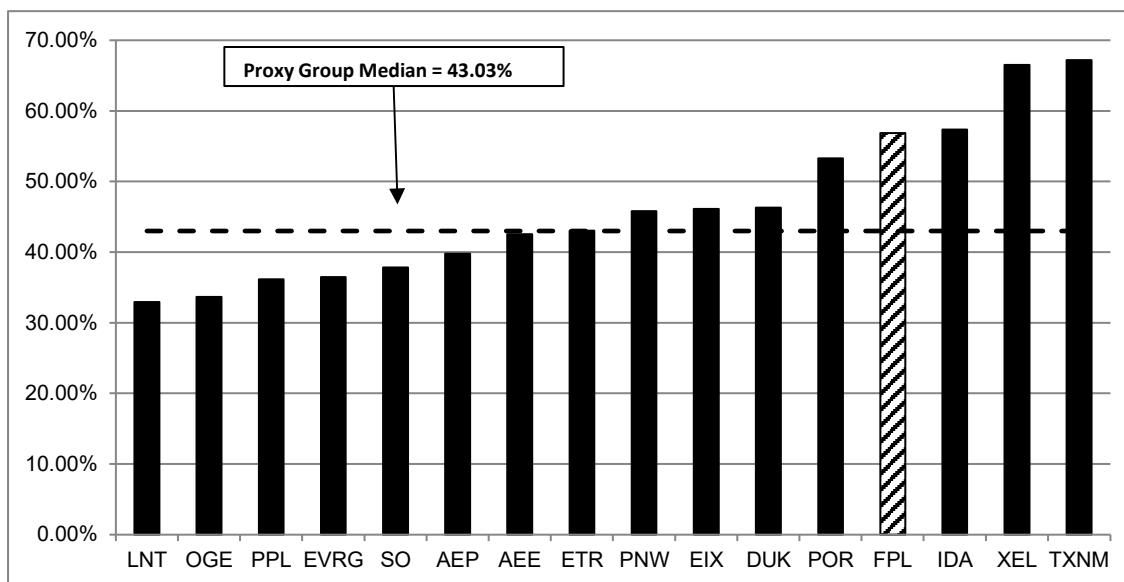
[1] - [5] Source: Value Line, dated October 18, 2024, November 8, 2024, and December 6, 2024

[6] Equals (Column [2] + [3] + [4] + [5]) / Column [1]

[7] Source: FPL SEC Form 10-K as of December 31, 2024, at 108

[8] Source: S&P Capital IQ

2025-2028 CAPITAL EXPENDITURES AS A PERCENT OF 2023 NET PLANT



Projected CAPEX / 2023 Net Plant

Company		2025-2028
1 Alliant Energy Corporation	LNT	32.94%
2 OGE Energy Corporation	OGE	33.66%
3 PPL Corporation	PPL	36.16%
4 Evergy, Inc.	EVRG	36.44%
5 Southern Company	SO	37.84%
6 American Electric Power Company, Inc.	AEP	39.75%
7 Ameren Corporation	AEE	42.55%
8 Entergy Corporation	ETR	43.03%
9 Pinnacle West Capital Corporation	PNW	45.79%
10 Edison International	EIX	46.13%
11 Duke Energy Corporation	DUK	46.31%
12 Portland General Electric Company	POR	53.31%
13 Florida Power & Light	FPL	56.86%
14 IDACORP, Inc.	IDA	57.38%
15 Xcel Energy Inc.	XEL	66.50%
16 TXNM Energy, Inc	TXNM	67.20%
Proxy Group Median		43.03%
FPL/Proxy Group		1.32

Notes:

Source: JMC-7 CapEx 1

COMPARISON OF PROXY GROUP COMPANIES
REGULATORY FRAMEWORK - ADJUSTMENT CLAUSES

Proxy Group Company	[1]			[2]		[3]			[4]	
	Operation State	Operation		Test Year	Rate Base	Decoupling		New Capital		CWIP in Rate Base
						Full	Partial	Generation	Other Infrastructure	
Alliant Energy Corporation	Iowa	Electric	1	Historical	Average			x	x	No
	Iowa	Gas	1	Historical	Average					No
	Wisconsin	Electric	1	Fully Forecast	Average					Rider
	Wisconsin	Gas	1	Fully Forecast	Average					Rider
Ameren Corporation	Illinois	Electric	1	Fully Forecast	Average		x		x	Partial
	Illinois	Gas	1	Fully Forecast	Average		x		x	Partial
	Missouri	Electric	1	Partially Forecast	Year End		x		x	No
	Missouri	Gas	1	Partially Forecast	Year End		x		x	No
American Electric Power Company, Inc.	Arkansas	Electric	1	Partially Forecast	Year End		x	x		No
	Indiana	Electric	1	Historical	Year End		x		x	Rider
	Kentucky	Electric	1	Historical	Year End		x			Yes
	Louisiana	Electric	1	Historical	Average		x			Partial
	Michigan	Electric	1	Fully Forecast	Average		x			Large projects only
	Ohio	Electric	1	Partially Forecast	Year End		x		x	Partial
	Oklahoma	Electric	1	Historical	Year End		x		x	Yes
	Tennessee	Electric	1	Fully Forecast	Average				x	Yes
	Texas	Electric	1	Historical	Year End				x	No
	Virginia	Electric	1	Historical	Year End			x		Rider
	West Virginia	Electric	1	Historical	Average		X	x	x	Large projects only
Duke Energy Corporation	Florida	Electric	1	Fully Forecast	Average			x		Yes
	Indiana	Electric	1	Historical	Year End		x	x	x	Rider
	Kentucky	Electric	1	Fully Forecast	Average		x			Yes
	Kentucky	Gas	1	Fully Forecast	Average		x			Yes
	North Carolina	Electric	1	Historical	Year End		x			Large projects only
	North Carolina	Gas	1	Historical	Year End	x			x	Large projects only
	Ohio	Electric	1	Partially Forecast	Year End		x		x	Partial
	Ohio	Gas	1	Partially Forecast	Year End	x			x	Partial
	South Carolina	Electric	1	Historical	Year End		x			Yes
	South Carolina	Gas	1	Historical	Year End		x			Yes
	Tennessee	Gas	1	Fully Forecast	Average		x		x	Yes
Edison International	California	Electric	1	Fully Forecast	Average	x			x	Rider
Entergy Corporation	Arkansas	Electric	1	Partially Forecast	Average		x	x	x	No
	Louisiana-NOCC	Electric	1	Fully Forecast	Average		x	x		Partial
	Louisiana-NOCC	Gas	1	Fully Forecast	Average					Partial
	Louisiana	Electric	1	Historical	Average		x	x	x	Partial
	Louisiana	Gas	1	Historical	Average		x		x	Partial
	Mississippi	Electric	1	Fully Forecast	Average		x			Partial
	Texas	Electric	1	Historical	Year End				x	No

COMPARISON OF PROXY GROUP COMPANIES
REGULATORY FRAMEWORK - ADJUSTMENT CLAUSES

Proxy Group Company	[1]			[2]		[3]			[4]	
	Operation State	Operation		Test Year	Rate Base	Decoupling		New Capital		CWIP in Rate Base
						Full	Partial	Generation	Other Infrastructure	
Evergy, Inc.	Kansas	Electric	1	Historical	Year End		x			Partial
	Missouri	Electric	1	Partially Forecast	Year End		x		x	No
Hawaiian Electric Industries Inc.	Hawaii	Electric	1	Fully Forecast	Average	x		x	x	No
IDACORP	Idaho	Electric	1	Partially Forecast	Average	x				No
	Oregon	Electric	1	Fully Forecast	Average					No
OGE Energy Corporation	Arkansas	Electric	1	Partially Forecast	Year End		x	x		No
	Oklahoma	Electric	1	Historical	Year End		x		x	Yes
Pinnacle West Capital Corporation	Arizona	Electric	1	Historical	Year End		x			No
Portland General Electric Company	Oregon	Electric	1	Fully Forecast	Average		x	x		No
PPL Corp.	Kentucky	Electric	1	Historical	Year End		x		x	Yes
	Kentucky	Gas	1	Historical	Year End		x		x	Yes
	Pennsylvania	Electric	1	Fully Forecast	Year End				x	Partial
	Rhode Island	Electric	1	Fully Forecast	Average	x			x	No
	Rhode Island	Gas	1	Fully Forecast	Average	x			x	No
	Virginia	Electric	1	Historical	Year End					Yes
Southern Company	Alabama	Electric	1	Fully Forecast	Year End			x	x	Yes
	Georgia	Electric	1	Fully Forecast	Average			x	x	Large projects only
	Georgia	Gas	1	Fully Forecast	Average	x			x	Large projects only
	Illinois	Gas	1	Fully Forecast	Average		x		x	Partial
	Mississippi	Electric	1	Fully Forecast	Year End		x		x	Rider
	Tennessee	Gas	1	Fully Forecast	Average	x				Yes
	Virginia	Gas	1	Partially Forecast	Year End		x		x	Yes
TXNM Energy	New Mexico	Electric	1	Fully Forecast	Average				x	Partial
	Texas	Electric	1	Historical	Year End				x	Partial
Xcel Energy Inc.	Colorado	Electric	1	Historical	Average		x	x	x	Partial
	Colorado	Gas	1	Historical	Average		x		x	Partial
	Minnesota	Electric	1	Fully Forecast	Average	x				Partial
	Minnesota	Gas	1	Fully Forecast	Average	x			x	Partial
	New Mexico	Electric	1	Historical	Year End					Yes
	North Dakota	Electric	1	Fully Forecast	Average				x	Rider
	North Dakota	Gas	1	Fully Forecast	Average					No
	South Dakota	Electric	1	Historical	Average		x	x	x	No
	Texas	Electric	1	Historical	Year End				x	No

COMPARISON OF PROXY GROUP COMPANIES
REGULATORY FRAMEWORK - ADJUSTMENT CLAUSES

Proxy Group Company	[1]			[2]		[3]		[4]	
	Operation State	Operation		Test Year	Rate Base	Decoupling		New Capital	
						Full	Partial	Generation	Other Infrastructure
	Wisconsin	Electric	1	Fully Forecast	Average				
	Wisconsin	Gas	1	Fully Forecast	Average				
Proxy Company Totals				Historical: 29	Average: 41				
Total Jurisdictions			73	Forecast: 44	Year End: 32	11	39	16	43
Percent of Jurisdictions				Forecast: 60%	Average: 56%	15.1%	53.4%	21.9%	58.9%
Florida Power & Light	Florida	Electric		Fully Forecast	Average			x	x
									Yes

Notes:

[1] Source: S&P Global Market Intelligence, "Regulatory Focus: Adjustment Clauses," dated July 18, 2022. Operating subsidiaries not covered in this report were excluded from this exhibit.

[2] Sources: "Innovative Regulatory Tools for Addressing an Increasingly Complex Energy Landscape," Prepared by Pacific Economics Group Research for Edison Electric Institute, Table A1, February 2024; S&P RRA Research; Company Investor Presentations.

[3] Sources: S&P Global Market Intelligence, "Regulatory Focus: Adjustment Clauses," dated July 18, 2022; "Innovative Regulatory Tools for Addressing an Increasingly Complex Energy Landscape," Prepared by Pacific Economics Group Research for Edison Electric Institute, Tables A2, A4, A5, February 2024.

[4] Source: S&P Global Market Intelligence, Regulatory Research Associates, Commission Profiles

[5] This exhibit includes the adjustment mechanisms for the electric and gas distribution companies.

FLOTATION COST ADJUSTMENT

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
Company	Date	Shares Issued (000)	Offering Price	Under- writing Discount	Offering Expense (000)	Net Proceeds Per Share	Total Flotation Costs (000)	Gross Equity Issue Before Costs (000)	Net Proceeds (000)	Flotation Cost Percentage
Alliant Energy Corporation	11/14/2019	4,275	\$ 52.63	\$ 0.40	\$ 500	\$ 52.12	\$ 2,189	\$ 225,000	\$ 222,811	0.97%
Alliant Energy Corporation	12/13/2018	8,359	\$ 44.85	\$ 0.52	\$ 1,000	\$ 44.21	\$ 5,347	\$ 374,900	\$ 369,553	1.43%
Ameren Corporation	8/5/2019	7,549	\$ 74.30	\$ 0.12	\$ 750	\$ 74.08	\$ 1,656	\$ 560,906	\$ 559,250	0.30%
Ameren Corporation	9/9/2009	21,850	\$ 25.25	\$ 0.76	\$ 450	\$ 24.47	\$ 17,001	\$ 551,713	\$ 534,711	3.08%
American Electric Power Company, Inc.	4/1/2009	69,000	\$ 24.50	\$ 0.74	\$ 400	\$ 23.76	\$ 51,115	\$ 1,690,500	\$ 1,639,385	3.02%
American Electric Power Company, Inc.	2/27/2003	56,000	\$ 20.95	\$ 0.63	\$ 550	\$ 20.31	\$ 35,746	\$ 1,173,200	\$ 1,137,454	3.05%
Duke Energy Corporation	3/1/2016	10,638	\$ 72.00	\$ 2.16	\$ 400	\$ 69.80	\$ 23,377	\$ 765,900	\$ 742,523	3.05%
Edison International	7/30/2019	32,200	\$ 68.50	\$ 1.63	\$ 725	\$ 66.85	\$ 53,110	\$ 2,205,700	\$ 2,152,590	2.41%
Entergy Corporation	6/6/2018	13,289	\$ 75.25	\$ 0.80	\$ 650	\$ 74.40	\$ 11,281	\$ 1,000,000	\$ 988,719	1.13%
Evergy, Inc.	9/27/2016	60,490	\$ 26.45	\$ 0.79	\$ 500	\$ 25.65	\$ 48,499	\$ 1,599,961	\$ 1,551,462	3.03%
Evergy, Inc.	9/24/2013	11,500	\$ 14.00	\$ 0.49	\$ 500	\$ 13.47	\$ 6,135	\$ 161,000	\$ 154,865	3.81%
IDACORP, Inc.	12/9/2004	4,025	\$ 30.00	\$ 1.20	\$ 300	\$ 28.73	\$ 5,130	\$ 120,750	\$ 115,620	4.25%
OGE Energy Corp.	8/21/2003	5,324	\$ 21.60	\$ 0.79	\$ 325	\$ 20.75	\$ 4,531	\$ 115,000	\$ 110,469	3.94%
Pinnacle West Capital Corporation	2/28/2024	11,241	\$ 66.50	\$ 2.00	\$ 550	\$ 64.46	\$ 22,975	\$ 747,500	\$ 724,525	3.07%
Pinnacle West Capital Corporation	4/8/2010	6,900	\$ 38.00	\$ 1.33	\$ 190	\$ 36.64	\$ 9,367	\$ 262,200	\$ 252,833	3.57%
Portland General Electric Company	10/25/2022	11,615	\$ 43.00	\$ 1.24	\$ 500	\$ 41.72	\$ 14,859	\$ 499,445	\$ 484,586	2.98%
Portland General Electric Company	6/11/2013	12,765	\$ 29.50	\$ 0.96	\$ 600	\$ 28.49	\$ 12,839	\$ 376,568	\$ 363,728	3.41%
PPL Corporation	5/8/2018	63,250	\$ 27.00	\$ 0.29	\$ 1,000	\$ 26.69	\$ 19,614	\$ 1,707,750	\$ 1,688,136	1.15%
TXNM Energy	12/6/2006	5,750	\$ 30.79	\$ 1.08	\$ 250	\$ 29.67	\$ 6,449	\$ 177,043	\$ 170,594	3.64%
TXNM Energy	3/23/2005	3,400	\$ 26.76	\$ 0.87	\$ 200	\$ 25.83	\$ 3,157	\$ 90,984	\$ 87,827	3.47%
Xcel Energy Inc.	8/3/2010	21,850	\$ 21.50	\$ 0.65	\$ 600	\$ 20.83	\$ 14,693	\$ 469,775	\$ 455,082	3.13%
Xcel Energy Inc.	2/25/2002	23,000	\$ 22.50	\$ 0.73	\$ 300	\$ 21.76	\$ 17,090	\$ 517,500	\$ 500,410	3.30%
							\$ 386,160	\$ 15,393,293	\$ 14,414,768	2.51%

Notes:

[1] - [3] Source: S&P Capital IQ; Two most recent equity issuances of each company in the proxy group, excluding issuances without gross underwriting discount. Evergy, Inc.'s issuances under former entity Great Plains Energy.

[4] Source: Company Prospectus Supplements

[5] Equals Col. [8] / Col. [1]

[6] Equals (Col. [1] x Col. [3]) + Col. [4]

[7] Equals Col. [1] x Col. [2]

[8] Equals Col. [7] - Col. [6]

[9] Equals Col. [6] / Col. [7]

The flotation adjustment is derived by dividing the dividend yield by $1 - F$ (where F = flotation costs expressed in percentage terms), or by 0.9749, and adding that result to the constant growth rate to determine the cost of equity. Using the formulas shown previously in my testimony, the Constant Growth DCF calculation is modified as follows to accommodate an adjustment for flotation costs:

FLOTATION COST ADJUSTMENT												
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company	Ticker	Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Expected Div. Yield Adj. for Flotation Costs	Value Line EPS Growth	First Call EPS Growth	Zacks Earnings Growth	Average Earnings Growth	DCF	Flotation Adjusted DCF
Alliant Energy Corporation	LNT	\$1.92	\$60.98	3.15%	3.25%	3.34%	6.00%	7.00%	6.60%	6.53%	9.78%	9.87%
Ameren Corporation	AEE	\$2.68	\$91.24	2.94%	3.03%	3.11%	6.50%	6.38%	6.60%	6.49%	9.53%	9.60%
American Electric Power Company, Inc.	AEP	\$3.72	\$95.01	3.92%	4.04%	4.14%	6.50%	6.49%	6.20%	6.40%	10.44%	10.54%
Duke Energy Corporation	DUK	\$4.18	\$111.39	3.75%	3.86%	3.96%	5.00%	6.26%	6.40%	5.89%	9.75%	9.85%
Edison International	EIX	\$3.12	\$83.07	3.76%	3.89%	3.99%	6.50%	6.10%	8.50%	7.03%	10.92%	11.02%
Entergy Corporation	ETR	\$2.40	\$75.54	3.18%	3.26%	3.35%	0.50%	7.00%	8.40%	5.30%	8.56%	8.65%
Evergy, Inc.	EVERG	\$2.67	\$62.75	4.26%	4.39%	4.50%	7.50%	5.40%	5.70%	6.20%	10.59%	10.70%
IDACORP, Inc.	IDA	\$3.44	\$114.12	3.01%	3.13%	3.21%	6.00%	8.31%	8.30%	7.54%	10.66%	10.74%
OGE Energy Corporation	OGE	\$1.69	\$42.37	3.98%	4.09%	4.20%	6.50%	6.00%	5.20%	5.90%	9.99%	10.10%
Pinnacle West Capital Corporation	PNW	\$3.58	\$89.26	4.01%	4.14%	4.25%	4.50%	6.90%	8.20%	6.53%	10.68%	10.78%
Portland General Electric Company	POR	\$2.00	\$45.65	4.38%	4.58%	4.70%	6.00%	8.75%	12.30%	9.02%	13.60%	13.71%
PPL Corporation	PPL	\$1.03	\$33.34	3.09%	3.20%	3.28%	7.50%	7.20%	6.80%	7.17%	10.37%	10.45%
The Southern Company	SO	\$2.88	\$85.14	3.38%	3.49%	3.58%	6.50%	6.40%	6.80%	6.57%	10.06%	10.15%
TXNM Energy	TXNM	\$1.55	\$48.65	3.19%	3.26%	3.34%	5.00%	5.05%	3.00%	4.35%	7.61%	7.69%
Xcel Energy Inc.	XEL	\$2.19	\$69.38	3.16%	3.26%	3.34%	6.00%	7.00%	6.90%	6.63%	9.89%	9.98%
MEAN											10.16%	10.26%
											[12]	0.09%

Notes:

[1] Source: Bloomberg Professional

[2] Source: Bloomberg Professional, equals 30-day average as of December 31, 2024

[3] Equals [1] / [2]

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

[5] Equals [4] / (1 - Flotation Cost)

[6] Source: Value Line

[7] Source: Yahoo! Finance

[8] Source: Zacks Earnings Growth

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

[10] Equals [4] + [9]

[11] Equals [5] + [9]

[12] Equals Average of [11] - Average of [10]

CAPITAL STRUCTURE ANALYSIS

COMMON EQUITY RATIO [1]

Proxy Group Company	Ticker	2023	2022	2021	Average
Alliant Energy Corporation	LNT	51.00%	51.48%	50.36%	50.95%
Ameren Corporation	AEE	51.93%	52.32%	53.05%	52.43%
American Electric Power Company, Inc.	AEP	47.86%	47.02%	47.14%	47.34%
Duke Energy Corporation	DUK	51.44%	51.23%	52.92%	51.86%
Edison International	EIX	40.34%	41.53%	42.42%	41.43%
Entergy Corporation	ETR	51.96%	47.65%	45.48%	48.36%
Eversource Energy	EVRG	58.36%	59.11%	60.19%	59.22%
IDACORP, Inc.	IDA	49.42%	54.37%	55.00%	52.93%
OGE Energy Corporation	OGE	53.07%	55.65%	53.01%	53.91%
Pinnacle West Capital Corporation	PNW	47.81%	49.10%	50.04%	48.98%
Portland General Electric Company	POR	44.49%	43.24%	45.09%	44.27%
PPL Corporation	PPL	54.39%	55.56%	55.56%	55.17%
Southern Company	SO	53.69%	53.15%	54.38%	53.74%
TXNM Energy	TXNM	48.47%	47.58%	50.69%	48.91%
Xcel Energy Inc.	XEL	53.60%	54.07%	53.76%	53.81%
MEAN		50.52%	50.87%	51.27%	50.89%
MEDIAN		51.44%	51.48%	52.92%	51.86%
LOW		40.34%	41.53%	42.42%	41.43%
HIGH		58.36%	59.11%	60.19%	59.22%

COMMON EQUITY RATIO - UTILITY OPERATING COMPANIES [2]

Company Name	Ticker	2023	2022	2021	Average
Interstate Power and Light Company	LNT	49.74%	50.55%	50.22%	50.17%
Wisconsin Power and Light Company	LNT	52.36%	52.54%	50.54%	51.81%
Ameren Illinois Company	AEE	53.97%	54.33%	55.21%	54.50%
Union Electric Company	AEE	50.08%	50.52%	51.12%	50.57%
AEP Texas Inc.	AEP	45.24%	41.64%	42.67%	43.18%
Appalachian Power Company	AEP	46.98%	46.94%	47.36%	47.09%
Indiana Michigan Power Company	AEP	47.86%	47.35%	46.64%	47.28%
Kentucky Power Company	AEP	41.36%	41.93%	43.13%	42.14%
Kingsport Power Company	AEP	51.12%	52.13%	47.53%	50.26%
Ohio Power Company	AEP	50.50%	49.39%	48.76%	49.55%
Public Service Company of Oklahoma	AEP	51.18%	51.39%	53.44%	52.01%
Southwestern Electric Power Company	AEP	50.08%	50.30%	48.70%	49.69%
Duke Energy Carolinas, LLC	DUK	50.95%	50.64%	51.62%	51.07%
Duke Energy Florida, LLC	DUK	50.91%	49.07%	51.99%	50.66%
Duke Energy Indiana, LLC	DUK	51.17%	49.66%	53.56%	51.47%
Duke Energy Kentucky, Inc.	DUK	58.57%	50.50%	49.62%	52.90%
Duke Energy Ohio, Inc.	DUK	60.43%	62.30%	64.40%	62.38%
Duke Energy Progress, LLC	DUK	48.69%	50.67%	51.28%	50.21%
Southern California Edison Company	EIX	40.34%	41.53%	42.42%	41.43%
Entergy Arkansas, LLC	ETR	45.08%	47.95%	47.84%	46.96%
Entergy Louisiana, LLC	ETR	55.45%	47.17%	43.08%	48.57%
Entergy Mississippi, LLC	ETR	49.32%	46.43%	45.53%	47.09%
Entergy New Orleans, LLC	ETR	54.33%	47.90%	45.47%	49.23%
Entergy Texas, Inc.	ETR	50.74%	49.99%	51.32%	50.68%
Evergy Kansas Central, Inc.	EVRG	62.57%	63.05%	64.77%	63.46%
Evergy Kansas South, Inc.	EVRG	84.34%	83.50%	83.11%	83.65%
Evergy Metro, Inc.	EVRG	48.64%	51.10%	51.36%	50.37%
Evergy Missouri West, Inc.	EVRG	45.26%	45.39%	41.44%	44.03%
Westar Energy (KPL)	EVRG	52.29%	52.83%	55.61%	53.58%
Idaho Power Company	IDA	49.42%	54.37%	55.00%	52.93%
Oklahoma Gas and Electric Company	OGE	53.07%	55.65%	53.01%	53.91%
Arizona Public Service Company	PNW	47.81%	49.10%	50.04%	48.98%
Portland General Electric Company	POR	44.49%	43.24%	45.09%	44.27%
Kentucky Utilities Company	PPL	52.73%	53.02%	53.11%	52.95%
Louisville Gas and Electric Company	PPL	52.83%	52.63%	52.71%	52.72%
The Narragansett Electric Company	PPL	60.03%	63.35%	62.03%	61.80%
PPL Electric Utilities	PPL	53.67%	55.26%	55.96%	54.96%
Alabama Power Company	SO	52.27%	52.22%	52.36%	52.28%
Georgia Power Company	SO	54.41%	53.50%	55.60%	54.51%
Mississippi Power Company	SO	55.01%	55.67%	55.40%	55.36%
Public Service Company of New Mexico	TXNM	48.56%	46.49%	50.80%	48.62%
Texas-New Mexico Power Company	TXNM	48.33%	49.58%	50.44%	49.45%
Northern States Power Company - MN	XEL	52.03%	52.06%	52.65%	52.25%
Northern States Power Company - WI	XEL	51.58%	52.40%	50.53%	51.50%
Public Service Company of Colorado	XEL	55.28%	56.15%	55.89%	55.78%
Southwestern Public Service Company	XEL	53.66%	54.04%	52.43%	53.38%

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

LONG-TERM DEBT RATIO [1]					
Proxy Group Company	Ticker	2023	2022	2021	Average
Alliant Energy Corporation	LNT	46.89%	46.40%	47.77%	47.02%
Ameren Corporation	AEE	44.36%	45.19%	45.71%	45.08%
American Electric Power Company, Inc.	AEP	50.54%	49.84%	51.79%	50.72%
Duke Energy Corporation	DUK	45.86%	45.36%	46.20%	45.80%
Edison International	EIX	56.34%	56.42%	50.77%	54.51%
Entergy Corporation	ETR	48.04%	52.35%	54.52%	51.63%
Evergy, Inc.	EVRG	35.80%	34.54%	35.55%	35.30%
IDACORP, Inc.	IDA	50.58%	45.63%	45.00%	47.07%
OGE Energy Corporation	OGE	46.07%	44.35%	46.30%	45.57%
Pinnacle West Capital Corporation	PNW	48.67%	48.60%	47.86%	48.38%
Portland General Electric Company	POR	53.56%	56.76%	54.91%	55.08%
PPL Corporation	PPL	42.01%	41.65%	40.23%	41.30%
Southern Company	SO	44.25%	44.23%	45.62%	44.70%
TXNM Energy	TXNM	48.60%	48.90%	49.18%	48.89%
Xcel Energy Inc.	XEL	44.80%	44.51%	45.05%	44.79%
MEAN		47.09%	46.98%	47.10%	47.06%
MEDIAN		46.89%	45.63%	46.30%	47.02%
LOW		35.80%	34.54%	35.55%	35.30%
HIGH		56.34%	56.76%	54.91%	55.08%

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

Company Name	Ticker	2023	2022	2021	Average
Interstate Power and Light Company	LNT	50.26%	49.45%	49.78%	49.83%
Wisconsin Power and Light Company	LNT	43.24%	42.93%	45.08%	43.75%
Ameren Illinois Company	AEE	42.05%	43.33%	43.77%	43.05%
Union Electric Company	AEE	46.47%	46.85%	47.43%	46.92%
AEP Texas Inc.	AEP	53.78%	57.33%	57.01%	56.04%
Appalachian Power Company	AEP	50.00%	51.34%	50.61%	50.65%
Indiana Michigan Power Company	AEP	51.18%	48.72%	51.80%	50.57%
Kentucky Power Company	AEP	56.50%	53.76%	54.51%	54.92%
Kingsport Power Company	AEP	48.88%	44.61%	40.19%	44.56%
Ohio Power Company	AEP	47.93%	47.85%	51.24%	49.01%
Public Service Company of Oklahoma	AEP	47.73%	40.87%	44.87%	44.49%
Southwestern Electric Power Company	AEP	48.74%	45.44%	51.30%	48.50%
Duke Energy Carolinas, LLC	DUK	47.03%	45.31%	47.54%	46.63%
Duke Energy Florida, LLC	DUK	48.31%	47.64%	46.77%	47.57%
Duke Energy Indiana, LLC	DUK	46.21%	45.74%	46.44%	46.13%
Duke Energy Kentucky, Inc.	DUK	36.61%	44.84%	44.18%	41.88%
Duke Energy Ohio, Inc.	DUK	33.42%	32.28%	35.60%	33.77%
Duke Energy Progress, LLC	DUK	47.30%	48.16%	47.80%	47.75%
Southern California Edison Company	EIX	56.34%	56.42%	50.77%	54.51%
Entergy Arkansas, LLC	ETR	54.92%	52.05%	52.16%	53.04%
Entergy Louisiana, LLC	ETR	44.55%	52.83%	56.92%	51.43%
Entergy Mississippi, LLC	ETR	50.68%	53.57%	54.47%	52.91%
Entergy New Orleans, LLC	ETR	45.59%	52.02%	54.43%	50.68%
Entergy Texas, Inc.	ETR	49.26%	50.01%	48.68%	49.32%
Evergy Kansas Central, Inc.	EVRG	33.53%	30.87%	31.89%	32.10%
Evergy Kansas South, Inc.	EVRG	14.61%	16.31%	16.89%	15.93%
Evergy Metro, Inc.	EVRG	44.90%	47.12%	48.64%	46.89%
Evergy Missouri West, Inc.	EVRG	35.54%	38.04%	38.23%	37.27%
Westar Energy (KPL)	EVRG	42.47%	38.21%	39.42%	40.03%
Idaho Power Company	IDA	50.58%	45.63%	45.00%	47.07%
Oklahoma Gas and Electric Company	OGE	46.07%	44.35%	46.30%	45.57%
Arizona Public Service Company	PNW	48.67%	48.60%	47.86%	48.38%
Portland General Electric Company	POR	53.56%	56.76%	54.91%	55.08%
Kentucky Utilities Company	PPL	45.89%	45.42%	42.19%	44.50%
Louisville Gas and Electric Company	PPL	47.17%	43.97%	39.58%	43.58%
The Narragansett Electric Company	PPL	31.00%	33.49%	37.97%	34.16%
PPL Electric Utilities	PPL	41.72%	43.35%	44.04%	43.04%
Alabama Power Company	SO	47.56%	47.78%	47.64%	47.66%
Georgia Power Company	SO	42.20%	41.96%	44.40%	42.85%
Mississippi Power Company	SO	44.99%	44.33%	44.60%	44.64%
Public Service Company of New Mexico	TXNM	48.02%	48.97%	49.01%	48.67%
Texas-New Mexico Power Company	TXNM	49.52%	48.77%	49.54%	49.27%
Northern States Power Company - MN	XEL	46.93%	46.56%	47.35%	46.95%
Northern States Power Company - WI	XEL	46.16%	45.64%	45.66%	45.82%
Public Service Company of Colorado	XEL	42.61%	42.06%	43.14%	42.60%
Southwestern Public Service Company	XEL	44.96%	45.48%	44.25%	44.90%

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	2023	2022	2021	Average
Alliant Energy Corporation	LNT	2.12%	2.12%	1.87%	2.04%
Ameren Corporation	AEE	3.71%	2.50%	1.25%	2.48%
American Electric Power Company, Inc.	AEP	1.60%	3.14%	1.07%	1.94%
Duke Energy Corporation	DUK	2.71%	3.41%	0.88%	2.33%
Edison International	EIX	3.32%	2.04%	6.81%	4.06%
Entergy Corporation	ETR	0.00%	0.00%	0.00%	0.00%
Eversource Energy	EVER	5.84%	6.35%	4.25%	5.48%
IDACORP, Inc.	IDA	0.00%	0.00%	0.00%	0.00%
OGE Energy Corporation	OGE	0.86%	0.00%	0.69%	0.52%
Pinnacle West Capital Corporation	PNW	3.52%	2.30%	2.10%	2.64%
Portland General Electric Company	POR	1.95%	0.00%	0.00%	0.65%
PPL Corporation	PPL	3.13%	2.60%	4.48%	3.40%
Southern Company	SO	2.06%	2.62%	0.00%	1.56%
TXNM Energy	TXNM	2.93%	3.52%	0.14%	2.19%
Xcel Energy Inc.	XEL	1.61%	1.42%	1.19%	1.40%
MEAN		2.36%	2.13%	1.65%	2.05%
MEDIAN		2.12%	2.30%	1.07%	2.04%
LOW		0.00%	0.00%	0.00%	0.00%
HIGH		5.84%	6.35%	6.81%	5.48%

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

Company Name	Ticker	2023	2022	2021	Average
Interstate Power and Light Company	LNT	0.00%	0.00%	0.00%	0.00%
Wisconsin Power and Light Company	LNT	4.40%	4.53%	4.38%	4.44%
Ameren Illinois Company	AEE	3.99%	2.35%	1.02%	2.45%
Union Electric Company	AEE	3.46%	2.63%	1.45%	2.51%
AEP Texas Inc.	AEP	0.98%	1.03%	0.32%	0.78%
Appalachian Power Company	AEP	3.02%	1.72%	2.03%	2.26%
Indiana Michigan Power Company	AEP	0.96%	3.93%	1.56%	2.15%
Kentucky Power Company	AEP	2.15%	4.30%	2.36%	2.94%
Kingsport Power Company	AEP	0.00%	3.26%	12.28%	5.18%
Ohio Power Company	AEP	1.56%	2.76%	0.00%	1.44%
Public Service Company of Oklahoma	AEP	1.08%	7.74%	1.69%	3.50%
Southwestern Electric Power Company	AEP	1.18%	4.25%	0.00%	1.81%
Duke Energy Carolinas, LLC	DUK	2.01%	4.04%	0.84%	2.30%
Duke Energy Florida, LLC	DUK	0.77%	3.29%	1.24%	1.77%
Duke Energy Indiana, LLC	DUK	2.62%	4.60%	0.00%	2.41%
Duke Energy Kentucky, Inc.	DUK	4.81%	4.66%	6.20%	5.22%
Duke Energy Ohio, Inc.	DUK	6.15%	5.42%	0.00%	3.86%
Duke Energy Progress, LLC	DUK	4.01%	1.17%	0.92%	2.04%
Southern California Edison Company	EIX	3.32%	2.04%	6.81%	4.06%
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	0.09%	0.09%	0.09%	0.09%
Entergy Texas, Inc.	ETR	0.00%	0.00%	0.00%	0.00%
Evergy Kansas Central, Inc.	EVRG	3.90%	6.07%	3.34%	4.44%
Evergy Kansas South, Inc.	EVRG	1.05%	0.19%	0.00%	0.42%
Evergy Metro, Inc.	EVRG	6.46%	1.78%	0.00%	2.74%
Evergy Missouri West, Inc.	EVRG	19.20%	16.58%	20.33%	18.70%
Westar Energy (KPL)	EVRG	5.23%	8.96%	4.97%	6.39%
Idaho Power Company	IDA	0.00%	0.00%	0.00%	0.00%
Oklahoma Gas and Electric Company	OGE	0.86%	0.00%	0.69%	0.52%
Arizona Public Service Company	PNW	3.52%	2.30%	2.10%	2.64%
Portland General Electric Company	POR	1.95%	0.00%	0.00%	0.65%
Kentucky Utilities Company	PPL	1.38%	1.56%	4.70%	2.55%
Louisville Gas and Electric Company	PPL	0.00%	3.40%	7.70%	3.70%
The Narragansett Electric Company	PPL	8.97%	3.16%	0.00%	4.04%
PPL Electric Utilities	PPL	4.61%	1.39%	0.00%	2.00%
Alabama Power Company	SO	0.17%	0.00%	0.00%	0.06%
Georgia Power Company	SO	3.39%	4.54%	0.00%	2.64%
Mississippi Power Company	SO	0.00%	0.00%	0.00%	0.00%
Public Service Company of New Mexico	TXNM	3.42%	4.53%	0.19%	2.72%
Texas-New Mexico Power Company	TXNM	2.15%	1.65%	0.02%	1.27%
Northern States Power Company - MN	XEL	1.05%	1.38%	0.00%	0.81%
Northern States Power Company - WI	XEL	2.27%	1.96%	3.80%	2.68%
Public Service Company of Colorado	XEL	2.11%	1.79%	0.97%	1.62%
Southwestern Public Service Company	XEL	1.37%	0.48%	3.32%	1.72%

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.