

Otter Tail Power
DCF Rate of Return Analysis Using Dividend Discount Model (DDM)

Company	Inputs:							Output: DDM (k) Return
	Dividend Yield	2018 EPS	Analyst Growth	Long-Term Growth	Retention Ratios			
					2018	2022	2037	
ALLETE	3.02%	3.35	6.00%	3.50%	0.33	0.25	0.36	6.76%
Alliant Energy	3.27%	2.15	6.61%	3.50%	0.38	0.36	0.36	7.20%
Black Hills Corp.	3.26%	3.40	4.56%	3.50%	0.43	0.42	0.36	7.15%
El Paso Electric	2.80%	2.30	4.75%	3.50%	0.38	0.33	0.36	6.52%
Hawaiian Electric	3.51%	1.90	7.10%	3.50%	0.35	0.38	0.36	7.34%
IDACORP, Inc.	2.62%	4.50	2.59%	3.50%	0.47	0.42	0.36	6.41%
NorthWestern Corp.	3.84%	3.40	2.49%	3.50%	0.35	0.31	0.36	7.21%
OGE Energy Corp	3.85%	2.10	1.46%	3.50%	0.33	0.26	0.36	7.05%
PNM Resources	2.85%	1.95	4.40%	3.50%	0.44	0.46	0.36	6.68%
	Mean:		4.44%	3.50%	0.38	0.35		6.92%
	Median:		4.56%	3.50%	0.38	0.36		7.05%