

Growth Rate Regression Analysis

Company	Ticker	Trailing P/E	Proj. Earnings Growth Rate	Proj. Dividend/ Distrib. Growth Rate	Proj. Book Value Growth Rate	Proj. Retained to Common Equity
ALLETE, Inc.	ALE	29.10	3.50%	4.50%	3.50%	3.00%
Alliant Energy Corporation	LNT	20.70	6.50%	6.00%	5.00%	4.00%
Ameren Corporation	AEE	20.40	7.50%	5.50%	4.50%	4.50%
American Electric Power Company, Inc.	AEP	19.80	4.50%	6.00%	4.00%	4.00%
Avangrid, Inc.	AGR	29.00	12.00%	5.50%	1.50%	2.00%
Avista Corporation	AVA	20.90	5.50%	4.00%	3.00%	3.00%
Black Hills Corporation	BKH	18.10	6.50%	6.00%	6.00%	4.00%
CenterPoint Energy, Inc.	CNP	28.30	3.50%	2.00%	5.50%	2.00%
CMS Energy Corporation	CMS	21.40	7.00%	7.00%	7.00%	5.50%
Consolidated Edison, Inc.	ED	18.10	3.00%	3.50%	3.50%	2.50%
Dominion Energy Inc.	D	21.70	6.50%	7.00%	8.00%	2.00%
DTE Energy Company	DTE	19.40	7.50%	6.50%	5.50%	4.50%
Duke Energy Corporation	DUK	20.20	5.50%	4.00%	2.00%	2.00%
Edison International	EIX	12.70	4.50%	5.50%	4.00%	6.50%
El Paso Electric Company	EE	18.70	3.00%	7.00%	3.50%	3.00%
Entergy Corporation	ETR	17.00	1.00%	2.00%	3.00%	4.50%
Exelon Corporation	EXC	22.70	7.50%	5.00%	5.50%	5.50%
FirstEnergy Corp.	FE	32.50	6.50%	4.00%	1.50%	8.00%
Eergy, Inc.	EVRG	NMF	NMF	NMF	NMF	3.50%
Hawaiian Electric Industries, Inc.	HE	19.70	3.50%	2.00%	4.00%	3.50%
IDACORP, Inc.	IDA	19.80	4.50%	6.50%	4.50%	4.00%
MGE Energy, Inc.	MGEE	27.20	7.50%	5.00%	9.50%	5.00%
NextEra Energy, Inc.	NEE	26.20	9.00%	10.50%	7.00%	5.00%
Eversource Energy	ES	21.20	5.50%	6.00%	4.00%	3.50%
NorthWestern Corporation	NWE	18.30	2.50%	4.50%	3.50%	3.00%
OGE Energy Corp.	OGE	18.70	6.00%	8.00%	4.00%	3.50%
Otter Tail Corporation	OTTR	21.70	9.00%	3.50%	7.50%	5.00%
PG&E Corporation	PCG	NMF	7.50%	2.00%	6.50%	4.50%
Pinnacle West Capital Corporation	PNW	18.40	6.00%	6.00%	4.00%	4.00%
PNM Resources, Inc.	PNM	20.50	7.50%	7.00%	4.00%	4.50%
Portland General Electric Company	POR	18.10	4.00%	6.00%	3.50%	3.00%
PPL Corporation	PPL	12.00	3.00%	2.50%	5.50%	5.00%
Public Service Enterprise Group Incorporated	PEG	19.20	4.50%	5.00%	4.50%	5.00%
Sempra Energy	SRE	20.80	9.50%	8.50%	5.00%	4.50%
Southern Company	SO	14.50	3.50%	3.00%	3.00%	3.50%
Vectren Corporation	VVC	27.30	5.50%	6.50%	5.50%	4.00%
WEC Energy Group, Inc.	WEC	21.50	7.00%	6.00%	3.50%	4.00%
Xcel Energy Inc.	XEL	20.20	5.50%	5.50%	4.50%	4.00%

Notes:

Source: Value Line Reports as of February 15, 2019

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SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.432927
R Square	0.187426
Adjusted R Square	0.163527
Standard Error	4.075650
Observations	36

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	130.268516	130.268516	7.842339	0.008357
Residual	34	564.771484	16.610926		
Total	35	695.040000			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	16.164232	1.855603	8.711041	0.000000	12.393194	19.935270
Proj. Earnings Growth Rate	84.920806	30.324336	2.800418	0.008357	23.294341	146.547270

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.110558
R Square	0.012223
Adjusted R Square	-0.016829
Standard Error	4.493605
Observations	36

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	8.495463	8.495463	0.420724	0.520933
Residual	34	686.544537	20.192486		
Total	35	695.040000			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	19.589934	2.299297	8.519966	0.000000	14.917200	24.262669
Proj. Dividend Growth Rate	26.301742	40.549536	0.648632	0.520933	-56.104831	108.708314

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.071194
R Square	0.005069
Adjusted R Square	-0.024194
Standard Error	4.509849
Observations	36

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	3.522876	3.522876	0.173210	0.679890
Residual	34	691.517124	20.338739		
Total	35	695.040000			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	20.168845	2.133844	9.451885	0.000000	15.832353	24.505337
Proj. Book Value Growth Rate	18.300654	43.972377	0.416185	0.679890	-71.061968	107.663276

Growth Rate Regression Analysis

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.025318
R Square	0.000641
Adjusted R Square	-0.028752
Standard Error	4.519873
Observations	36

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.445513	0.445513	0.021808	0.883472
Residual	34	694.594487	20.429250		
Total	35	695.040000			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	20.645893	2.513440	8.214199	0.000000	15.537969	25.753818
Proj. Retained to Common Equity	8.822031	59.739943	0.147674	0.883472	-112.584140	130.228202

SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.458287
R Square	0.210027
Adjusted R Square	0.108095
Standard Error	4.208528
Observations	36

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	4	145.977156	36.494289	2.060462	0.110137
Residual	31	549.062844	17.711705		
Total	35	695.040000			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	18.05290	3.17110	5.69295	0.00000	11.58540	24.52040
Proj. Earnings Growth Rate	104.44206	37.66839	2.77267	0.00932	27.61688	181.26724
Proj. Dividend Growth Rate	-38.04275	45.28721	-0.84003	0.40732	-130.40662	54.32112
Proj. Book Value Growth Rate	-5.46963	43.56109	-0.12556	0.90089	-94.31306	83.37380
Proj. Retained to Common Equity	-17.74757	57.08617	-0.31089	0.75796	-134.17559	98.68045