

Constant Growth Discounted Cash Flow Model
 30 Day Average Stock Price

Company	Ticker	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Annualized Dividend	Average Stock Price	Dividend Yield	Expected Dividend Yield	Zacks Earnings Growth	First Call Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Low ROE	Mean ROE	High ROE
ALLETE, Inc.	ALE	\$2.35	\$75.79	3.10%	3.17%	NA	6.00%	3.50%	4.75%	6.66%	7.92%	9.19%
Black Hills Corporation	BKH	\$2.02	\$66.05	3.06%	3.14%	4.70%	4.46%	6.50%	5.22%	7.59%	8.36%	9.66%
El Paso Electric Company	EE	\$1.44	\$51.25	2.81%	2.87%	4.40%	5.10%	3.00%	4.17%	5.85%	7.04%	7.98%
Hawaiian Electric Industries, Inc.	HE	\$1.28	\$36.69	3.49%	3.59%	6.40%	7.80%	3.50%	5.90%	7.05%	9.49%	11.42%
Northwestern Corporation	NWE	\$2.30	\$62.50	3.68%	3.73%	2.60%	2.59%	2.50%	2.56%	6.23%	6.29%	6.33%
OGE Energy Corp.	OGE	\$1.46	\$40.48	3.61%	3.71%	5.20%	NA	6.00%	5.60%	8.90%	9.31%	9.71%
PNM Resources, Inc.	PNM	\$1.16	\$41.99	2.76%	2.84%	4.70%	4.10%	7.50%	5.43%	6.92%	8.27%	10.37%
Pinnacle West Capital Corporation	PNW	\$2.95	\$86.95	3.39%	3.48%	4.60%	4.16%	6.00%	4.92%	7.62%	8.40%	9.49%
Proxy Group Mean				3.24%	3.32%	4.66%	4.89%	4.81%	4.82%	7.10%	8.13%	9.27%
Proxy Group Median				3.25%	3.33%	4.70%	4.46%	4.75%	5.07%	6.98%	8.31%	9.58%
Proxy Group Mean - Including Flotation Costs										7.23%	8.26%	9.40%
Proxy Group Median - Including Flotation Costs										7.11%	8.45%	9.71%
Proxy Group Mean Excl. ALE, EE, NWE				3.26%	3.35%	5.12%	5.13%	5.90%	5.41%	7.62%	8.76%	10.13%
Proxy Group Median Excl. ALE, EE, NWE				3.39%	3.48%	4.70%	4.31%	6.00%	5.43%	7.59%	8.40%	9.71%
Proxy Group Mean Excl. ALE, EE, NWE - Including Flotation Costs										7.75%	8.90%	10.26%
Proxy Group Median Excl. ALE, EE, NWE - Including Flotation Costs										7.72%	8.53%	9.85%
Flotation Costs										0.13%	0.13%	0.13%

Notes:

[1] Source: Bloomberg Professional

[2] Source: Bloomberg Professional, equals indicated number of trading day average as of February 15, 2019

[3] Equals [1] / [2]

[4] Equals [3] x (1 + 0.5 x [8])

[5] Source: Zacks

[6] Source: Yahoo! Finance

[7] Source: Value Line

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

[9] Equals [3] x (1 + 0.5 x Minimum([5], [6], [7])) + Minimum([5], [6], [7])

[10] Equals [4] + [8]

[11] Equals [3] x (1 + 0.5 x Maximum([5], [6], [7])) + Maximum([5], [6], [7])

Constant Growth Discounted Cash Flow Model
 90 Day Average Stock Price

Company	Ticker	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Annualized Dividend	Average Stock Price	Dividend Yield	Expected Dividend Yield	Zacks Earnings Growth	First Call Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Low ROE	Mean ROE	High ROE
ALLETE, Inc.	ALE	\$2.35	\$76.90	3.06%	3.13%	NA	6.00%	3.50%	4.75%	6.61%	7.88%	9.15%
Black Hills Corporation	BKH	\$2.02	\$64.12	3.15%	3.23%	4.70%	4.46%	6.50%	5.22%	7.68%	8.45%	9.75%
El Paso Electric Company	EE	\$1.44	\$54.34	2.65%	2.71%	4.40%	5.10%	3.00%	4.17%	5.69%	6.87%	7.82%
Hawaiian Electric Industries, Inc.	HE	\$1.28	\$37.01	3.46%	3.56%	6.40%	7.80%	3.50%	5.90%	7.02%	9.46%	11.39%
Northwestern Corporation	NWE	\$2.30	\$61.78	3.72%	3.77%	2.60%	2.59%	2.50%	2.56%	6.27%	6.33%	6.37%
OGE Energy Corp.	OGE	\$1.46	\$39.18	3.73%	3.83%	5.20%	NA	6.00%	5.60%	9.02%	9.43%	9.84%
PNM Resources, Inc.	PNM	\$1.16	\$41.40	2.80%	2.88%	4.70%	4.10%	7.50%	5.43%	6.96%	8.31%	10.41%
Pinnacle West Capital Corporation	PNW	\$2.95	\$86.69	3.40%	3.49%	4.60%	4.16%	6.00%	4.92%	7.63%	8.41%	9.50%
Proxy Group Mean				3.25%	3.32%	4.66%	4.89%	4.81%	4.82%	7.11%	8.14%	9.28%
Proxy Group Median				3.28%	3.36%	4.70%	4.46%	4.75%	5.07%	6.99%	8.36%	9.63%
Proxy Group Mean - Including Flotation Costs										7.24%	8.27%	9.41%
Proxy Group Median - Including Flotation Costs										7.12%	8.49%	9.76%
Proxy Group Mean Excl. ALE, EE, NWE				3.31%	3.40%	5.12%	5.13%	5.90%	5.41%	7.66%	8.81%	10.18%
Proxy Group Median Excl. ALE, EE, NWE				3.40%	3.49%	4.70%	4.31%	6.00%	5.43%	7.63%	8.45%	9.84%
Proxy Group Mean Excl. ALE, EE, NWE - Including Flotation Costs										7.79%	8.94%	10.31%
Proxy Group Median Excl. ALE, EE, NWE - Including Flotation Costs										7.76%	8.58%	9.97%
Flotation Costs										0.13%	0.13%	0.13%

Notes:

[1] Source: Bloomberg Professional

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[4] Equals [3] x (1 + 0.5 x [8])

[5] Source: Zacks

[6] Source: Yahoo! Finance

[7] Source: Value Line

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

[9] Equals [3] x (1 + 0.5 x Minimum([5], [6], [7])) + Minimum([5], [6], [7])

[10] Equals [4] + [8]

[11] Equals [3] x (1 + 0.5 x Maximum([5], [6], [7])) + Maximum([5], [6], [7])

Constant Growth Discounted Cash Flow Model
180 Day Average Stock Price

Company	Ticker	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Annualized Dividend	Average Stock Price	Dividend Yield	Expected Dividend Yield	Zacks Earnings Growth	First Call Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Low ROE	Mean ROE	High ROE
ALLETE, Inc.	ALE	\$2.35	\$76.55	3.07%	3.14%	NA	6.00%	3.50%	4.75%	6.62%	7.89%	9.16%
Black Hills Corporation	BKH	\$2.02	\$61.83	3.27%	3.35%	4.70%	4.46%	6.50%	5.22%	7.80%	8.57%	9.87%
El Paso Electric Company	EE	\$1.44	\$57.24	2.52%	2.57%	4.40%	5.10%	3.00%	4.17%	5.55%	6.73%	7.68%
Hawaiian Electric Industries, Inc.	HE	\$1.28	\$35.90	3.57%	3.67%	6.40%	7.80%	3.50%	5.90%	7.13%	9.57%	11.50%
Northwestern Corporation	NWE	\$2.30	\$59.97	3.84%	3.88%	2.60%	2.59%	2.50%	2.56%	6.38%	6.45%	6.49%
OGE Energy Corp.	OGE	\$1.46	\$37.55	3.89%	4.00%	5.20%	NA	6.00%	5.60%	9.19%	9.60%	10.00%
PNM Resources, Inc.	PNM	\$1.16	\$40.10	2.89%	2.97%	4.70%	4.10%	7.50%	5.43%	7.05%	8.40%	10.50%
Pinnacle West Capital Corporation	PNW	\$2.95	\$83.10	3.55%	3.64%	4.60%	4.16%	6.00%	4.92%	7.78%	8.56%	9.66%
Proxy Group Mean				3.32%	3.40%	4.66%	4.89%	4.81%	4.82%	7.19%	8.22%	9.36%
Proxy Group Median				3.41%	3.49%	4.70%	4.46%	4.75%	5.07%	7.09%	8.48%	9.76%
Proxy Group Mean - Including Flotation Costs										7.32%	8.35%	9.49%
Proxy Group Median - Including Flotation Costs										7.22%	8.61%	9.90%
Proxy Group Mean Excl. ALE, EE, NWE				3.43%	3.53%	5.12%	5.13%	5.90%	5.41%	7.79%	8.94%	10.31%
Proxy Group Median Excl. ALE, EE, NWE				3.55%	3.64%	4.70%	4.31%	6.00%	5.43%	7.78%	8.57%	10.00%
Proxy Group Mean Excl. ALE, EE, NWE - Including Flotation Costs										7.92%	9.07%	10.44%
Proxy Group Median Excl. ALE, EE, NWE - Including Flotation Costs										7.91%	8.70%	10.14%
Flotation Costs										0.13%	0.13%	0.13%

Notes:

[1] Source: Bloomberg Professional

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[3] Equals [1] / [2]

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[10] Equals [4] + [8]

[11] Equals [3] x (1 + 0.5 x Maximum([5], [6], [7])) + Maximum([5], [6], [7])