

Mr. Copeland Dividend Discount Model - Terminal Value Assuming M/B of 1.85

Company	Inputs:								Output:				Solver Cells	
	Dividend Yield	2018 EPS	Analyst Growth	Long-Term Growth	Retention Ratios 2018	Retention Ratios 2022	Retention Ratios 2037	Implied P/E Ratio	DDM (k) Return	Adjusted P/E Ratio	Delta	IRR		
ALLETE	3.02%	3.35	6.00%	3.50%	0.33	0.25	0.36	22.15	7.15%	22.15	0.00%	7.15%		
Alliant Energy	3.27%	2.15	6.61%	3.50%	0.38	0.36	0.36	19.04	7.50%	19.04	0.00%	7.50%		
Black Hills Corp.	3.26%	3.40	4.56%	3.50%	0.43	0.42	0.36	17.43	7.06%	17.43	0.00%	7.06%		
El Paso Electric	2.80%	2.30	4.75%	3.50%	0.38	0.33	0.36	22.07	6.63%	22.07	0.00%	6.63%		
Hawaiian Electric	3.51%	1.90	7.10%	3.50%	0.35	0.38	0.36	18.58	7.69%	18.58	0.00%	7.69%		
IDACORP, Inc.	2.62%	4.50	2.59%	3.50%	0.47	0.42	0.36	20.35	6.06%	20.35	0.00%	6.06%		
NorthWestern Corp.	3.84%	3.40	2.49%	3.50%	0.35	0.31	0.36	16.83	7.07%	16.83	0.00%	7.07%		
OGE Energy Corp	3.85%	2.10	1.46%	3.50%	0.33	0.26	0.36	17.31	6.84%	17.31	0.00%	6.84%		
PNM Resources	2.85%	1.95	4.40%	3.50%	0.44	0.46	0.36	19.63	6.53%	19.63	0.00%	6.53%		
Mean:			4.44%	3.50%	0.38	0.35		19.27	6.95%	19.27		6.95%		
Median:			4.56%	3.50%	0.38	0.36		19.04	7.06%	19.04		7.06%		
Current Market/Book Ratio								1.85						
Target Market/Book Ratio								1.85						
Difference								-						

Source: Exhibit__(BLC-1), Schedule 2

Mr. Copeland Dividend Discount Model - Terminal Value Assuming M/B of 1.25

Company	Inputs:								Output:				Solver Cells	
	Dividend Yield	2018 EPS	Analyst Growth	Long-Term Growth	Retention Ratios 2018	Retention Ratios 2022	Retention Ratios 2037	Implied P/E Ratio	DDM (k) Return	Adjusted P/E Ratio	Delta	IRR		
ALLETE	3.02%	3.35	6.00%	3.50%	0.33	0.25	0.36	22.15	5.74%	14.97	0.00%	5.74%		
Alliant Energy	3.27%	2.15	6.61%	3.50%	0.38	0.36	0.36	19.04	6.13%	12.86	0.00%	6.13%		
Black Hills Corp.	3.26%	3.40	4.56%	3.50%	0.43	0.42	0.36	17.43	5.71%	11.77	0.00%	5.71%		
El Paso Electric	2.80%	2.30	4.75%	3.50%	0.38	0.33	0.36	22.07	5.19%	14.92	0.00%	5.19%		
Hawaiian Electric	3.51%	1.90	7.10%	3.50%	0.35	0.38	0.36	18.58	6.33%	12.56	0.00%	6.33%		
IDACORP, Inc.	2.62%	4.50	2.59%	3.50%	0.47	0.42	0.36	20.35	4.61%	13.75	0.00%	4.61%		
NorthWestern Corp.	3.84%	3.40	2.49%	3.50%	0.35	0.31	0.36	16.83	5.78%	11.37	0.00%	5.78%		
OGE Energy Corp	3.85%	2.10	1.46%	3.50%	0.33	0.26	0.36	17.31	5.54%	11.69	0.00%	5.54%		
PNM Resources	2.85%	1.95	4.40%	3.50%	0.44	0.46	0.36	19.63	5.10%	13.26	0.00%	5.10%		
Mean:			4.44%	3.50%	0.38	0.35		19.27	5.57%	13.02		5.57%		
Median:			4.56%	3.50%	0.38	0.36		19.04	5.71%	12.86		5.71%		
Current Market/Book Ratio								1.85						
Target Market/Book Ratio								1.25						
Difference								(0.32)						

Source: Exhibit__(BLC-1), Schedule 2

Mr. Copeland Dividend Discount Model - Terminal Value Assuming M/B of 1.10

Company	Inputs:								Output:				Solver Cells	
	Dividend Yield	2018 EPS	Analyst Growth	Long-Term Growth	Retention Ratios 2018	Retention Ratios 2022	Retention Ratios 2037	Implied P/E Ratio	DDM (k) Return	Adjusted P/E Ratio	Delta	IRR		
ALLETE	3.02%	3.35	6.00%	3.50%	0.33	0.25	0.36	22.15	5.31%	13.17	0.00%	5.31%		
Alliant Energy	3.27%	2.15	6.61%	3.50%	0.38	0.36	0.36	19.04	5.71%	11.32	0.00%	5.71%		
Black Hills Corp.	3.26%	3.40	4.56%	3.50%	0.43	0.42	0.36	17.43	5.30%	10.36	0.00%	5.30%		
El Paso Electric	2.80%	2.30	4.75%	3.50%	0.38	0.33	0.36	22.07	4.75%	13.13	0.00%	4.75%		
Hawaiian Electric	3.51%	1.90	7.10%	3.50%	0.35	0.38	0.36	18.58	5.92%	11.05	0.00%	5.92%		
IDACORP, Inc.	2.62%	4.50	2.59%	3.50%	0.47	0.42	0.36	20.35	4.18%	12.10	0.00%	4.18%		
NorthWestern Corp.	3.84%	3.40	2.49%	3.50%	0.35	0.31	0.36	16.83	5.39%	10.01	0.00%	5.39%		
OGE Energy Corp	3.85%	2.10	1.46%	3.50%	0.33	0.26	0.36	17.31	5.15%	10.29	0.00%	5.15%		
PNM Resources	2.85%	1.95	4.40%	3.50%	0.44	0.46	0.36	19.63	4.66%	11.67	0.00%	4.66%		
Mean:			4.44%	3.50%	0.38	0.35		19.27	5.15%	11.46				
Median:			4.56%	3.50%	0.38	0.36		19.04	5.30%	11.32				
Current Market/Book Ratio								1.85						
Target Market/Book Ratio								1.10						
Difference								(0.41)						

Source: Exhibit__(BLC-1), Schedule 2