

COST OF EQUITY ESTIMATE

<u>Current Equity Risk Premium</u>	
(a) Avg. Yield over Study Period	7.83%
(b) Average Utility Bond Yield	<u>5.49%</u>
Change in Bond Yield	-2.34%
(c) Risk Premium/Interest Rate Relationship	<u>-0.4273</u>
Adjustment to Average Risk Premium	1.00%
(a) Average Risk Premium over Study Period	<u>3.89%</u>
Adjusted Risk Premium	4.89%
<u>Implied Cost of Equity</u>	
(b) Baa Utility Bond Yield	5.75%
Adjusted Equity Risk Premium	<u>4.89%</u>
Risk Premium Cost of Equity	10.64%

- (a) Exhibit AMM-9, page 2.
- (b) Average bond yield on all utility bonds and 'Baa' subset for six-months ending Mar. 2023 based on data from Moody's Investors Service at www.credittrends.com.
- (c) Exhibit AMM-9, page 3.

UTILITY RISK PREMIUM

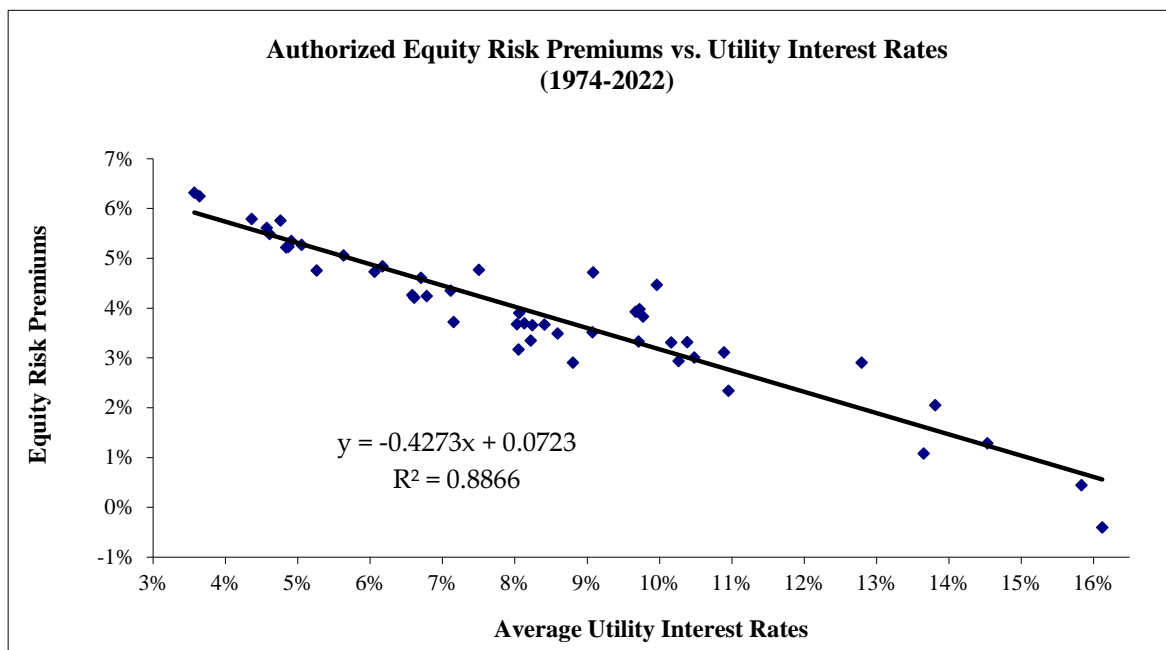
AUTHORIZED RETURNS

	(a)	(b)		(a)	(b)		
Year	Allowed ROE	Average Utility Bond Yield	Risk Premium	Year	Allowed ROE	Average Utility Bond Yield	Risk Premium
1974	13.10%	9.27%	3.83%	1999	10.72%	7.55%	3.17%
1975	13.20%	9.88%	3.32%	2000	11.58%	8.09%	3.49%
1976	13.10%	9.17%	3.93%	2001	11.07%	7.72%	3.35%
1977	13.30%	8.58%	4.72%	2002	11.21%	7.53%	3.68%
1978	13.20%	9.22%	3.98%	2003	10.96%	6.61%	4.35%
1979	13.50%	10.39%	3.11%	2004	10.81%	6.20%	4.61%
1980	14.23%	13.15%	1.08%	2005	10.51%	5.67%	4.84%
1981	15.22%	15.62%	-0.40%	2006	10.34%	6.08%	4.26%
1982	15.78%	15.33%	0.45%	2007	10.32%	6.11%	4.21%
1983	15.36%	13.31%	2.05%	2008	10.37%	6.65%	3.72%
1984	15.32%	14.03%	1.29%	2009	10.52%	6.28%	4.24%
1985	15.20%	12.29%	2.91%	2010	10.29%	5.56%	4.73%
1986	13.93%	9.46%	4.47%	2011	10.19%	5.13%	5.06%
1987	12.99%	9.98%	3.01%	2012	10.02%	4.26%	5.76%
1988	12.79%	10.45%	2.34%	2013	9.82%	4.55%	5.27%
1989	12.97%	9.66%	3.31%	2014	9.76%	4.41%	5.35%
1990	12.70%	9.76%	2.94%	2015	9.60%	4.37%	5.23%
1991	12.54%	9.21%	3.33%	2016	9.60%	4.11%	5.49%
1992	12.09%	8.57%	3.52%	2017	9.68%	4.07%	5.61%
1993	11.46%	7.56%	3.90%	2018	9.56%	4.34%	5.22%
1994	11.21%	8.30%	2.91%	2019	9.65%	3.86%	5.79%
1995	11.58%	7.91%	3.67%	2020	9.39%	3.07%	6.32%
1996	11.40%	7.74%	3.66%	2021	9.39%	3.14%	6.25%
1997	11.33%	7.63%	3.70%	2022	<u>9.52%</u>	<u>4.76%</u>	<u>4.76%</u>
1998	11.77%	7.00%	4.77%	Average	11.72%	7.83%	3.89%

(a) S&P Global Market Intelligence, *Major Rate Case Decisions*, RRA Regulatory Focus; *UtilityScope Regulatory Service*, Argus. Data for "general" rate cases (excluding limited-issue rider cases) beginning in 2006 (the first year such data presented by RRA).

(b) Moody's Investors Service.

REGRESSION RESULTS



SUMMARY OUTPUT

<i>Regression Statistics</i>	
Multiple R	0.941588
R Square	0.886588
Adjusted R Square	0.884175
Standard Error	0.004801
Observations	49

ANOVA

	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>
Regression	1	0.008469	0.008469	367.418596	0.000000
Residual	47	0.001083	0.000023		
Total	48	0.009552			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.072337	0.001875	38.582107	0.000000	0.068565	0.076109	0.068565	0.076109
X Variable 1	-0.427257	0.022290	-19.168166	0.000000	-0.472099	-0.382416	-0.472099	-0.382416