

The Empire District Electric Company Case No. ER-2021-0312
Constant-Growth Discounted Cash Flow (DCF) Estimated Costs of Common Equity
for the Comparable Electric Utility Companies

Company Name	Symbol	Ticker	[1]		[2]	[3]	[4]	[5]	[6]
			Analysts EPS		Analysts EPS Estimate (Value Line)	Projected		Average Growth Rate	Corrected FERC-Weighted Average Growth Rate According to Opinion 569-A
			Estimate (Market Intelligence)	Average		Long-Term GDP Growth Rate	Average		
Alliant Energy Corporation	LNT		5.90%	5.50%	5.70%	3.83%	5.08%	5.33%	
Ameren Corporation	AEE		7.32%	6.00%	6.66%	3.83%	5.72%	6.09%	
American Electric Power Company, Inc.	AEP		5.89%	6.50%	6.19%	3.83%	5.41%	5.72%	
Avista Corporation	AVA		5.08%	1.00%	3.04%	3.83%	3.30%	3.20%	
CMS Energy Corporation	CMS		7.20%	7.50%	7.35%	3.83%	6.18%	6.65%	
Duke Energy Corporation	DUK		5.14%	7.00%	6.07%	3.83%	5.32%	5.62%	
Evergy, Inc.	EVRG		6.33%	8.00%	7.17%	3.83%	6.05%	6.50%	
IDACORP, Inc.	IDA		3.53%	4.50%	4.02%	3.83%	3.95%	3.98%	
NorthWestern Corporation	NWE		4.99%	2.50%	3.75%	3.83%	3.77%	3.77%	
OGE Energy Corp.	OGE		2.44%	4.00%	3.22%	3.83%	3.42%	3.34%	
Pinnacle West Capital Corporation	PNW		2.78%	4.50%	3.64%	3.83%	3.70%	3.68%	
PNM Resources, Inc.	PNM		5.34%	7.50%	6.42%	3.83%	5.56%	5.90%	
Portland General Electric Company	POR		5.80%	4.00%	4.90%	3.83%	4.54%	4.69%	
Southern Company	SO		5.53%	5.00%	5.26%	3.83%	4.79%	4.97%	
Xcel Energy, Inc.	XEL		6.18%	6.00%	6.09%	3.83%	5.34%	5.64%	
Average			5.30%	5.30%	5.30%	3.83%	4.81%	5.00%	

[1] Analysts Earnings per Share Estimate from S&P Market Intelligence, as of August 31, 2021.

[2] Analysts Earnings per Share Estimate from Value Line: LNT, AEE, AEP, CMS, EVRG, OGE were pulled from the February 12, 2021 Value Publication; AVA, IDA, NWE, PNM, PNW, POR, XEL were pulled from the January 22, 2021 Value Line Publication; DUK and SO were pulled from the May 14, 2021 Value Line Publication

[3] Average of [1] and [2]

[4] Source: CBO, Fed and [5] $(2/3)*[3] + (1/3)*[4]$

[6] Equals $[3] * 80\% + [4] * 20\%$

The Empire District Electric Company Case No. ER-2019-0374
Recalculated Constant-Growth Discounted Cash Flow (DCF) Estimated Costs of Common Equity for the Comparable Electric Utility Companies

	(1)	(2)	(3)	(4)
	Expected	Average High/Low	Projected	Recalculated Estimated Cost
Company Name	Annual Dividend	Stock Price	Dividend Yield	of Equity
Alliant Energy Corporation	\$1.50	\$52.87	2.83%	7.90%
Ameren Corporation	\$2.00	\$76.78	2.60%	8.09%
American Electric Power Company, Inc.	\$2.79	\$92.32	3.02%	8.20%
Avista Corporation	\$1.59	\$47.66	3.34%	7.29%
CMS Energy Corporation	\$1.60	\$62.68	2.55%	8.44%
Duke Energy Corporation	\$3.89	\$93.24	4.18%	8.52%
Eergy, Inc.	\$3.74	\$116.65	3.21%	8.62%
IDACORP, Inc.	\$2.62	\$108.32	2.42%	6.05%
NorthWestern Corporation	\$2.37	\$72.90	3.25%	6.82%
OGE Energy Corp.	\$1.57	\$43.46	3.62%	8.37%
Pinnacle West Capital Corporation	\$3.15	\$92.74	3.40%	8.22%
PNM Resources, Inc.	\$1.58	\$50.54	3.12%	8.45%
Portland General Electric Company	\$1.60	\$56.13	2.85%	7.23%
Southern Company	\$2.53	\$61.35	4.12%	8.43%
Xcel Energy Inc.	\$1.64	\$63.11	2.59%	7.51%
Average	\$2.28	\$72.72	3.14%	7.88%
			High	8.62%
			Low	6.05%
		Proposed Dividend Yield:		3.14%
		Proposed Range of Growth:		<u>4.20%-5.00%</u>
		Estimated Proxy Cost of Common Equity:		<u>7.34% - 8.14%</u>

Notes: Column 1 = Expected Annual Dividend based on the sum of equity analysts' expected next four quarters of DPS. FactSet projected dividends per share according to SNL Financial.
Sources: Column 1 = SNL Financial Column 2 = Schedule 11.
Column 3 = Column 1/Column 2
Column 4 =

SCHEDULE PC-8-2

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Constant-Growth Discounted Cash Flow (DCF) Estimated Costs of Common Equity
for the Comparable Electric Utility Companies

Company Name	Ticker Symbol	[1]	[2]	[3]	[4]	[5]	[6]	[7]
		Projected Annual Dividend	Stock Price	Expected Dividend Yield	Estimated Growth Rate	DCF COE Estimate	Corrected FERC-Weighted Growth Rate According to Opinion No. 569-A	Corrected DCF COE Estimate
Alliant Energy Corporation	LNT	1.66	\$ 58.61	2.83%	5.08%	7.91%	5.33%	8.16%
Ameren Corporation	AEE	2.21	\$ 84.84	2.60%	5.72%	8.32%	6.09%	8.69%
American Electric Power Company, Inc.	AEP	3.15	\$ 86.75	3.63%	5.41%	9.04%	5.72%	9.35%
Avista Corporation	AVA	1.72	\$ 43.15	3.99%	3.30%	7.29%	3.20%	7.19%
CMS Energy Corporation	CMS	1.81	\$ 61.64	2.94%	6.18%	9.11%	6.65%	9.59%
Duke Energy Corporation	DUK	4.18	\$ 103.29	4.05%	5.32%	9.37%	5.62%	9.67%
Energy, Inc.	EVRG	2.03	\$ 64.57	3.14%	6.05%	9.20%	6.50%	9.64%
IDACORP, Inc.	IDA	2.95	\$ 102.56	2.87%	3.95%	6.83%	3.98%	6.85%
NorthWestern Corporation	NWE	2.53	\$ 62.58	4.04%	3.77%	7.81%	3.77%	7.81%
OGE Energy Corp.	OGE	1.65	\$ 34.49	4.79%	3.42%	8.21%	3.34%	8.13%
Pinnacle West Capital Corporation	PNW	3.48	\$ 82.76	4.21%	3.70%	7.91%	3.68%	7.89%
PNM Resources, Inc.	PNM	1.33	\$ 48.70	2.74%	5.56%	8.30%	5.90%	8.64%
Portland General Electric Company	POR	1.70	\$ 48.77	3.49%	4.54%	8.03%	4.69%	8.18%
Southern Company	SO	2.69	\$ 63.70	4.22%	4.79%	9.00%	4.97%	9.19%
Xcel Energy, Inc.	XEL	1.89	\$ 68.44	2.76%	5.34%	8.09%	5.64%	8.40%
		2.33	\$ 67.66	3.49%	4.81%	8.30%	5.00%	8.49%
				Mean		8.30%		
				High		9.37%		
				Low		6.83%		

[1] = Projected Annual Dividend is analysts' estimated average high/low dividends for the next 12 months (as of July 30, 2021) from Market Intelligence

[2] = Average of the opening and closing recent three-months stock prices, ending July 30, 2021. [3] = [1]/[2]

[4] = Average of analysts' estimated earnings per share growth rate for the next five years, as of July 30, 2021. Source: Market Intelligence and Value Line (see PC-8-2).

[5] = [3]-[4]

[6] See modified Schedule PC-7

[7] Equals [3] + [6]