

Flotation Cost Adjustment

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	
Company	Ticker	Completion Date	Shares		Underwriting Discount	Offering Expense (\$000)	Net Proceeds Per Share	Flotation Costs (\$000)	Gross Equity Issue Before		Flotation Cost Percentage
			Issued (000)	Offering Price					Costs (\$000)	Net Proceeds (\$000)	
Amer. Water Works	AWK	2/28/2023	12,650	\$135.50	\$2.03	\$511.00	\$133.43	\$26,191	\$1,714,075	\$1,687,885	1.53%
Amer. Water Works	AWK	8/13/2009	40,250	\$19.25	\$0.58	\$465.00	\$18.66	\$23,810	\$774,813	\$751,003	3.07%
Amer. States Water	AWR	5/14/2009	1,150	\$31.00	\$1.24	\$250.00	\$29.54	\$1,676	\$35,650	\$33,974	4.70%
Amer. States Water	AWR	9/22/2004	1,450	\$25.26	\$1.01	\$258.00	\$24.07	\$1,723	\$36,627	\$34,905	4.70%
California Water	CWT	3/20/2013	5,750	\$19.25	\$0.77	\$750.00	\$18.35	\$5,178	\$110,688	\$105,510	4.68%
California Water	CWT	10/5/2006	2,250	\$36.75	\$1.38	\$501.05	\$35.15	\$3,606	\$82,688	\$79,081	4.36%
Middlesex Water	MSEX	11/20/2019	760	\$60.50	\$2.57	\$215.00	\$57.65	\$2,169	\$46,000	\$43,831	4.72%
Middlesex Water	MSEX	6/8/2010	1,915	\$15.21	\$0.60	\$260.00	\$14.47	\$1,409	\$29,127	\$27,718	4.84%
SJW Group	SJW	3/9/2021	1,185	\$59.00	\$2.21	\$317.00	\$56.52	\$2,935	\$69,886	\$66,951	4.20%
SJW Group	SJW	11/28/2018	7,763	\$55.00	\$1.93	\$1,565.00	\$52.87	\$16,547	\$426,938	\$410,391	3.88%
Essential Utilities	WTRG	4/17/2019	37,370	\$34.62	\$0.78	\$1,400.00	\$33.80	\$30,549	\$1,293,750	\$1,263,201	2.36%
Essential Utilities	WTRG	6/7/2006	1,750	\$22.31	\$0.81	\$173.00	\$21.40	\$1,591	\$39,043	\$37,452	4.07%
Mean								\$9,782	\$388,274		

Weighted Average Flotation Costs	2.519%
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[1] Source: S&P Global

[2] Source: S&P Global; Company Prospectus Supplements

[3] Source: S&P Global; Company Prospectus Supplements

[4] Source: Company Prospectus Supplements

[5] Equals: $((1) \times ((2) - (3)) - (4)) / (1)$ [6] Equals $((1) \times (3)) + (4)$ [7] Equals $(1) \times (2)$ [8] Equals $(1) \times (5)$ [9] Equals $(6) / (7)$

**Constant Growth Discounted Cash Flow Model
Earnings Growth
30 Day Average Stock Price**

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company	Ticker	Indicated Annual Dividend	Weighted-Average Stock Price	Dividend Yield	Expected Dividend Yield	Adjusted for Flotation Costs	Zacks Earnings Growth	Yahoo Finance Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Mid ROE	Flotation-Adjusted ROE
Amer. Water Works	AWK	\$2.83	\$132.29	2.14%	2.21%	2.26%	7.80%	7.80%	3.00%	6.20%	8.41%	8.46%
Amer. States Water	AWR	\$1.72	\$81.00	2.12%	2.18%	2.24%	6.30%	4.40%	6.50%	5.73%	7.92%	7.97%
California Water	CWT	\$1.04	\$52.01	2.00%	2.09%	2.14%	NA	10.80%	6.50%	8.65%	10.74%	10.79%
Middlesex Water	MSEX	\$1.30	\$66.21	1.96%	2.00%	2.05%	NA	2.70%	5.00%	3.85%	5.85%	5.90%
SJW Group	SJW	\$1.52	\$66.47	2.29%	2.37%	2.43%	NA	6.10%	8.00%	7.05%	9.42%	9.48%
Essential Utilities	WTRG	\$1.23	\$36.76	3.34%	3.44%	3.53%	5.60%	5.20%	7.50%	6.10%	9.54%	9.63%
Mean				2.31%	2.38%	2.44%	6.57%	6.17%	6.08%	6.26%	8.65%	8.71%
Median				2.13%	2.19%	2.25%	6.30%	5.65%	6.50%	6.15%	8.91%	8.97%

[1] Source: Value Line

[2] Source: Yahoo Finance, as of January 11, 2024

[3] Equals [1] / [2]

[4] Equals [3] x (1 + 0.5 x [9])

[5] Equals [4] / (1 - [12])

[6] Source: Zacks

[7] Source: Yahoo Finance

[8] Source: Value Line

[9] Equals average ([6], [7], [8])

[10] Equals [4] + [9]

[11] Equals [5] + [9]

[12] Source: JC-9 Pg1

[13] Equals average of [11] - average of [10]

[12]	Weighted Average Flotation Costs	2.52%
	Flotation-Adjusted ROE	8.71%
	Unadjusted ROE	8.65%
[13]	Flotation Cost Adjustment	0.06%