

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

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Indicated	Weighted-		Expected	Zacks Earnings	Yahoo Finance	Value Line	Average		Mid	
Company	Ticker	Annual	Average Stock	Dividend Yield	Dividend Yield	Growth	Earnings	Earnings	Earnings	Low ROE	ROE	High ROE
		Dividend	Price				Growth	Growth	Growth			
[12] Amer. Water Works	AWK	\$2.83	\$132.29	2.14%	2.21%	7.80%	7.80%	5.50%	7.03%	7.70%	9.25%	10.02%
Amer. States Water	AWR	\$1.72	\$81.00	2.12%	2.18%	6.30%	4.40%	6.50%	5.73%	6.57%	7.92%	8.69%
California Water	CWT	\$1.04	\$52.01	2.00%	2.09%	NA	10.80%	6.50%	8.65%	8.56%	10.74%	12.91%
Middlesex Water	MSEX	\$1.30	\$66.21	1.96%	2.00%	NA	2.70%	5.00%	3.85%	4.69%	5.85%	7.01%
SJW Group	SJW	\$1.52	\$66.47	2.29%	2.37%	NA	6.10%	8.00%	7.05%	8.46%	9.42%	10.38%
Essential Utilities	WTRG	\$1.23	\$36.76	3.34%	3.44%	5.60%	5.20%	7.50%	6.10%	8.63%	9.54%	10.97%
Mean				2.31%	2.38%	6.57%	6.17%	6.50%	6.40%	7.43%	8.79%	10.00%
Median				2.13%	2.20%	6.30%	5.65%	6.50%	6.57%	8.08%	9.33%	10.20%

[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 [8])

[5] Source: Zacks

[6] Source: Yahoo Finance

[7] Source: Value Line, as of January 05, 2024

[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])

[12] See growth rate adjustment for Amer. Water Works in Direct Schedule JC-4 Pg.4

Constant Growth Discounted Cash Flow Model  
Earnings Growth  
90 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	Zacks Earnings Growth	Yahoo Finance Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Low ROE	Mid ROE	High ROE
Amer. Water Works	AWK	\$2.83	\$127.63	2.22%	2.30%	7.80%	7.80%	5.50%	7.03%	7.78%	9.33%	10.10%
Amer. States Water	AWR	\$1.72	\$80.29	2.14%	2.20%	6.30%	4.40%	6.50%	5.73%	6.59%	7.94%	8.71%
California Water	CWT	\$1.04	\$49.82	2.09%	2.18%	NA	10.80%	6.50%	8.65%	8.66%	10.83%	13.00%
Middlesex Water	MSEX	\$1.30	\$66.57	1.95%	1.99%	NA	2.70%	5.00%	3.85%	4.68%	5.84%	7.00%
SJW Group	SJW	\$1.52	\$63.61	2.39%	2.47%	NA	6.10%	8.00%	7.05%	8.56%	9.52%	10.49%
Essential Utilities	WTRG	\$1.23	\$35.46	3.46%	3.57%	5.60%	5.20%	7.50%	6.10%	8.75%	9.67%	11.09%
Mean				2.38%	2.45%	6.57%	6.17%	6.50%	6.40%	7.50%	8.85%	10.07%
Median				2.18%	2.25%	6.30%	5.65%	6.50%	6.57%	8.17%	9.43%	10.29%

[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 [8])

[5] Source: Zacks

[6] Source: Yahoo Finance

[7] Source: Value Line, as of January 05, 2024

[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])

[12] See growth rate adjustment for Amer. Water Works in Direct Schedule JC-4 Pg.4

Constant Growth Discounted Cash Flow Model  
Earnings Growth  
180 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	Zacks Earnings Growth	Yahoo Finance Earnings Growth	Value Line Earnings Growth	Average Earnings Growth	Low ROE	Mid ROE	High ROE
Amer. Water Works	AWK	\$2.83	\$134.96	2.10%	2.17%	7.80%	7.80%	5.50%	7.03%	7.65%	9.20%	9.98%
Amer. States Water	AWR	\$1.72	\$84.22	2.04%	2.10%	6.30%	4.40%	6.50%	5.73%	6.49%	7.83%	8.61%
California Water	CWT	\$1.04	\$51.81	2.01%	2.09%	NA	10.80%	6.50%	8.65%	8.57%	10.74%	12.92%
Middlesex Water	MSEX	\$1.30	\$73.66	1.76%	1.80%	NA	2.70%	5.00%	3.85%	4.49%	5.65%	6.81%
SJW Group	SJW	\$1.52	\$68.56	2.22%	2.30%	NA	6.10%	8.00%	7.05%	8.38%	9.35%	10.31%
Essential Utilities	WTRG	\$1.23	\$37.60	3.27%	3.37%	5.60%	5.20%	7.50%	6.10%	8.55%	9.47%	10.89%
Mean				2.23%	2.30%	6.57%	6.17%	6.50%	6.40%	7.36%	8.71%	9.92%
Median				2.07%	2.14%	6.30%	5.65%	6.50%	6.57%	8.02%	9.27%	10.14%

[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 [8])

[5] Source: Zacks

[6] Source: Yahoo Finance, as of January 05, 2024

[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])

[12] See growth rate adjustment for Amer. Water Works in Direct Schedule JC-4 Pg.4

American Water Works Projected Value Line EPS Growth Rate Post Adjustments for 2021 One-Time Gain (\$2.70)

	[1]	[2]	[3]	[4]
	2020	2021	2022	3-Yr Average
Reported Annual EPS	3.91	6.95	4.51	5.12
Adj. for Q4 '21 Transaction	3.91	4.25	4.51	4.22

[5] Proj. 3-5 Year EPS 5.75  
 [6] Proj. EPS / 3-Yr Average 1.36 -> at period 6 = 5.5%

[7] Period	0.50%	1.00%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%	5.00%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%
1	1.005	1.01	1.015	1.02	1.025	1.03	1.035	1.04	1.045	1.05	1.055	1.06	1.065	1.07	1.075	1.08
2	1.010025	1.0201	1.030225	1.0404	1.050625	1.0609	1.071225	1.0816	1.092025	1.1025	1.113025	1.1236	1.134225	1.1449	1.155625	1.1664
3	1.015075125	1.030301	1.045678375	1.061208	1.076890625	1.092727	1.108717875	1.124864	1.141166125	1.157625	1.174241375	1.191016	1.207949625	1.225043	1.242296875	1.259712
4	1.020150501	1.04060401	1.061363551	1.08243216	1.103812891	1.12550881	1.147523001	1.16985856	1.192518601	1.21550625	1.238824651	1.26247696	1.286466351	1.31079601	1.335469141	1.36048896
5	1.025251253	1.05101005	1.077284004	1.104080803	1.131408213	1.159274074	1.187686306	1.216652902	1.246181938	1.276281563	1.306960006	1.338225578	1.370086663	1.402551731	1.435629326	1.469328077
6	1.030377509	1.061520151	1.093443264	1.126162419	1.159693418	1.194052297	1.229255326	1.265319018	1.302260125	1.340095641	1.378842807	1.418519112	1.459142297	1.500730352	1.543301526	1.586874323
7	1.035529397	1.072135352	1.109844913	1.148685668	1.188685754	1.229873865	1.272279263	1.315931779	1.36086183	1.407100423	1.454679161	1.503630259	1.553986546	1.605781476	1.65904914	1.713824269
8	1.040707044	1.082856706	1.126492587	1.171659381	1.218402898	1.266770081	1.316809037	1.36856905	1.422100613	1.477455444	1.534686515	1.593848075	1.654995671	1.71818618	1.783477826	1.85093021
9	1.045910579	1.093685273	1.143389975	1.195092569	1.24886297	1.304773184	1.362897353	1.423311812	1.48609514	1.551328216	1.619094273	1.689478959	1.76257039	1.838459212	1.917238662	1.999004627
10	1.051140132	1.104622125	1.160540825	1.21899442	1.280084544	1.343916379	1.410598761	1.480244285	1.552969422	1.628894627	1.708144458	1.790847697	1.877137465	1.967151357	2.061031562	2.158924997

[1] Source: Value Line  
 [2] Source: Value Line  
 [3] Source: Value Line; \$2.70 adjustment made via footnote on AWK Value Line Report  
 [4] Equals the average of [1] - [3]  
 [5] Source: Value Line  
 [6] Equals [5] / [4]  
 [7] Equals 1\*(1+Rate)^Period