

Expected Earnings Analysis

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Company	Ticker	Expected ROE	Total Capital	Common	Total Equity	Total Capital	Common	Total Equity	Compound	Adjustment	Adjusted
		2026-2028	2022	Equity Ratio	2022	2026-2028	Equity Ratio	2026-2028	Annual	Factor	Return on
				2022			2026-2028		Growth Rate		Common
											Equity
Amer. Water Works	AWK	10.50%	\$27,000	41.30%	\$11,151	\$27,000	42.50%	\$11,475	0.57%	1.003	10.53%
Amer. States Water	AWR	14.00%	\$1,840	60.10%	\$1,106	\$1,840	50.00%	\$920	-3.61%	0.982	13.74%
California Water	CWT	9.50%	\$2,375	55.60%	\$1,321	\$2,375	62.00%	\$1,473	2.20%	1.011	9.60%
Middlesex Water	MSEX	12.50%	\$720	57.70%	\$415	\$720	59.50%	\$428	0.62%	1.003	12.54%
SJW Group	SJW	8.00%	\$2,325	42.70%	\$993	\$2,325	57.00%	\$1,325	5.95%	1.029	8.23%
Essential Utilities	WTRG	9.00%	\$16,800	45.80%	\$7,694	\$16,800	44.00%	\$7,392	-0.80%	0.996	8.96%
Mean											10.60%
Median											10.07%

[1] Source: Value Line

[2] Source: Value Line

[3] Source: Value Line

[4] Equals [2] x [3]

[5] Source: Value Line

[6] Source: Value Line

[7] Equals: [5] x [6]

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

[10] Equals [1] x [9]