AMERICAN ELEC. PWR. NYSE-AEP

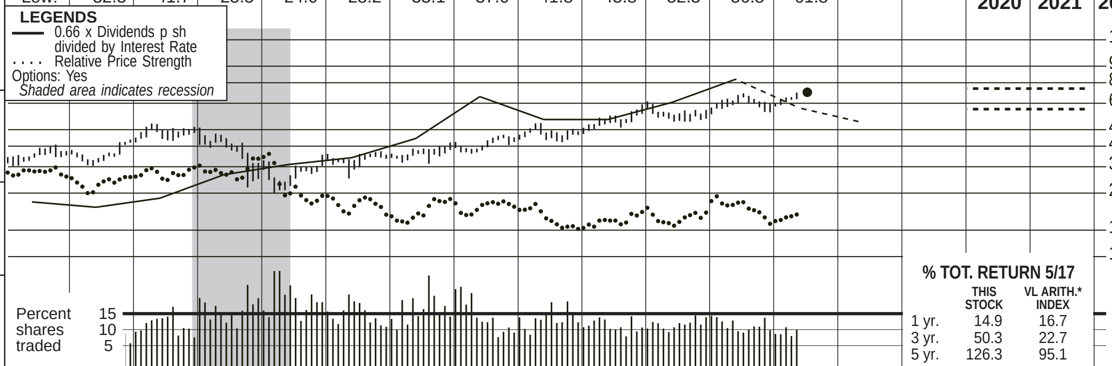
RECENT PRICE	72.13	P/E RATIO	20.0 (Trailing: 16.3 / Median: 14.0)	RELATIVE P/E RATIO	1.02	DIV'D YLD	3.4%	VALUE LINE

TIMELINESS 2 Raised 4/7/17
SAFETY 1 Raised 3/17/17
TECHNICAL 4 Lowered 6/16/17
BETA .65 (1.00 = Market)

High:	43.1	51.2	49.1	36.5	37.9	41.7	45.4	51.6	63.2	65.4	71.3	72.7
Low:	32.3	41.7	25.5	24.0	28.2	33.1	37.0	41.8	45.8	52.3	56.8	61.8

Target Price Range
2020 | 2021 | 2022

LEGENDS
—— 0.66 x Dividends p sh divided by Interest Rate
. . . . Relative Price Strength
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+5%)	*5%*
Low	60	(-15%)	*Nil*

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	1	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	365	389	378
to Sell	373	376	374
Hld's(000)	333330	341984	379059

Percent shares traded 15 10 5

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	14.9	16.7
3 yr.	50.3	22.7
5 yr.	126.3	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
190.10	42.96	36.82	35.51	30.76	31.82	33.41	35.56	28.22	30.01	31.27	30.77	31.48	34.78	33.51	33.31	*32.85*	*33.75*	Revenues per sh	*36.50*
7.65	6.99	5.76	5.89	5.96	6.67	6.80	6.84	6.32	6.29	6.83	6.92	7.02	7.57	7.98	8.47	*7.90*	*8.25*	"Cash Flow" per sh	*9.50*
3.27	2.86	2.53	2.61	2.64	2.86	2.86	2.99	2.97	2.60	3.13	2.98	3.18	3.34	3.59	4.23	*3.60*	*3.85*	Earnings per sh A	*4.75*
2.40	2.40	1.65	1.40	1.42	1.50	1.58	1.64	1.64	1.71	1.85	1.88	1.95	2.03	2.15	2.27	*2.39*	*2.51*	Div'd Decl'd per sh B ■	*2.90*
5.69	5.08	3.44	4.28	6.11	8.89	8.88	9.83	6.19	5.07	5.74	6.45	7.75	8.68	9.37	9.98	*11.90*	*12.65*	Cap'l Spending per sh	*12.50*
25.54	20.85	19.93	21.32	23.08	23.73	25.17	26.33	27.49	28.33	30.33	31.37	32.98	34.37	36.44	35.38	*36.80*	*38.20*	Book Value per sh C	*43.25*
322.24	338.84	395.02	395.86	393.72	396.67	400.43	406.07	478.05	480.81	483.42	485.67	487.78	489.40	491.05	491.71	*492.00*	*492.00*	Common Shs Outst'g D	*492.00*
13.9	12.7	10.7	12.4	13.7	12.9	16.3	13.1	10.0	13.4	11.9	13.8	14.5	15.9	15.8	15.2	*Bold figures are*		Avg Ann'l P/E Ratio	*14.5*
.71	.69	.61	.66	.73	.70	.87	.79	.67	.85	.75	.88	.81	.84	.80	.81	*Value Line*		Relative P/E Ratio	*.90*
5.3%	6.6%	6.1%	4.3%	3.9%	4.1%	3.4%	4.2%	5.5%	4.9%	5.0%	4.6%	4.2%	3.8%	3.8%	3.5%	*estimates*		Avg Ann'l Div'd Yield	*4.2%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $20772 mill. **Due in 5 Yrs** $10483 mill.
LT Debt $16722 mill. **LT Interest** $752 mill.
Incl. $1461.1 mill. securitized bonds. Incl. $343.5 mill. capitalized leases.
(LT interest earned: 4.2x)
Leases, Uncapitalized Annual rentals $238.2 mill.
Pension Assets-12/16 $4827.3 mill.
Oblig $5085.8 mill.
Pfd Stock None

Common Stock 491,712,071 shs.
as of 4/27/17
MARKET CAP: $35 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
13380	14440	13489	14427	15116	14945	15357	17020	16453	16380	*16150*	*16600*	Revenues ($mill)	*18000*
1147.0	1208.0	1365.0	1248.0	1513.0	1443.0	1549.0	1634.0	1763.4	2073.6	*1700*	*1835*	Net Profit ($mill)	*2250*
31.1%	31.3%	29.7%	34.8%	31.7%	33.9%	36.2%	37.8%	35.1%	26.8%	*36.0%*	*36.0%*	Income Tax Rate	*36.0%*
9.8%	9.9%	10.9%	10.4%	10.6%	11.2%	7.3%	9.0%	11.0%	8.0%	*12.0%*	*12.0%*	AFUDC % to Net Profit	*9.0%*
58.3%	59.1%	54.4%	53.1%	50.7%	50.6%	51.1%	49.0%	49.8%	50.0%	*52.0%*	*52.0%*	Long-Term Debt Ratio	*52.5%*
41.4%	40.7%	45.4%	46.7%	49.3%	49.4%	48.9%	51.0%	50.2%	50.0%	*48.0%*	*48.0%*	Common Equity Ratio	*47.5%*
24342	26290	28958	29184	29747	30823	32913	33001	35633	34775	*37650*	*39200*	Total Capital ($mill)	*44800*
29870	32987	34344	35674	36971	38763	40997	44117	46133	45639	*49375*	*53450*	Net Plant ($mill)	*64600*
6.3%	6.2%	6.2%	5.7%	6.6%	6.1%	6.0%	6.3%	6.1%	7.2%	*5.5%*	*6.0%*	Return on Total Cap'l	*6.5%*
11.3%	11.2%	10.3%	9.1%	10.3%	9.5%	9.6%	9.7%	9.9%	11.9%	*9.5%*	*10.0%*	Return on Shr. Equity	*10.5%*
11.4%	11.3%	10.4%	9.1%	10.3%	9.5%	9.6%	9.7%	9.9%	11.9%	*10.0%*	*10.0%*	Return on Com Equity E	*11.0%*
5.1%	5.1%	4.6%	3.1%	4.2%	3.5%	3.7%	3.8%	3.9%	5.5%	*3.5%*	*3.5%*	Retained to Com Eq	*4.5%*
55%	55%	56%	66%	60%	63%	62%	61%	60%	54%	*69%*	*67%*	All Div'ds to Net Prof	*63%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+1.1	-1.2	+.3
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.3	+.3	NA
Fixed Charge Cov. (%)	348	356	374

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	.5%	2.5%	*1.5%*
"Cash Flow"	2.5%	4.5%	*3.0%*
Earnings	3.0%	5.0%	*4.0%*
Dividends	4.0%	4.5%	*5.0%*
Book Value	4.5%	4.5%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	4648	4044	4302	4026	17020
2015	4580	3827	4431	3615	16453
2016	4045	3893	4652	3790	16380
2017	3933	*3900*	*4517*	*3800*	*16150*
2018	*4250*	*3950*	*4550*	*3850*	*16600*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.15	.80	1.01	.39	3.34
2015	1.27	.88	1.04	.41	3.59
2016	1.02	1.03	1.43	.76	4.23
2017	.96	*.95*	*1.20*	*.49*	*3.60*
2018	*1.10*	*1.00*	*1.25*	*.50*	*3.85*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.47	.49	.49	.50	1.95
2014	.50	.50	.50	.53	2.03
2015	.53	.53	.53	.56	2.15
2016	.56	.56	.56	.59	2.27
2017	.59	.59			

BUSINESS: American Electric Power Company, Inc. (AEP), through 10 operating utilities, serves 5.4 mill. customers in Arkansas, Kentucky, Indiana, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia, & West Virginia. Electric revenue breakdown: residential, 40%; commercial, 23%; industrial, 19%; wholesale, 15%; other, 3%. Sold SEEBOARD (British utility) '02; Houston Pipeline '05; commercial barge operation in '15. Generating sources not available. Fuel costs: 35% of revenues. '16 reported depreciation rates (utility): 1.5%-8.6%. Has 17,600 employees. Chairman, President & CEO: Nicholas K. Akins. Incorporated: New York. Address: 1 Riverside Plaza, Columbus, Ohio 43215-2373. Telephone: 614-716-1000. Internet: www.aep.com.

American Electric Power is becoming an almost entirely regulated company. In recent years, unfavorable market conditions have made the nonregulated generating business much less profitable. Accordingly, last fall AEP took a large nonrecurring charge to write off its nonregulated generating assets in anticipation of exiting this business. In the first quarter of 2017, the company raised $1.2 billion through the sale of some 5,200 megawatts of capacity and recorded a nonrecurring aftertax gain of $127.1 million. AEP will use the proceeds to invest in its regulated operations and its contracted renewable-energy business. The company plans to close a 603-megawatt coal-fired plant by June 1, 2018, and has over 2,100 mw of nonutility generating capacity (almost all coal-fired) left that it will sell or shut.

Earnings are likely to decline this year. The aforementioned asset sale was strategically desirable, but will hurt ongoing profits by more than $0.30 a share this year. In addition, the weather conditions were favorable for AEP last year, but unfavorable in the first quarter of 2017. Our share-earnings estimate is within management's targeted range of $3.55-$3.75.

The company is becoming more active in the regulatory arena. SWEPCO filed in Texas for a $69 million rate hike, based on a 10% return on a 48.5% common-equity ratio. Indiana-Michigan asked the Michigan commission for an increase of $52 million, based on a 10.6% return on a 46.4% common-equity ratio. Kentucky Power and Public Service of Oklahoma plan to file rate applications soon.

We forecast a 7% earnings increase in 2018. Rate relief should help. Ongoing investment in AEP's transmission business is another source of growth. And the company continues to add contracted renewable-energy projects. Our share-net estimate is at the midpoint of the company's guidance of $3.75-$3.95. AEP's goal is for annual profit growth of 5%-7%.

This timely stock has a dividend yield that is about equal to the industry mean. However, with the recent price near the upper end of our 2020-2022 Target Price Range, total return potential is low.

Paul E. Debbas, CFA *June 16, 2017*

(A) Dil. EPS. Excl. nonrec. gains (losses): '03, ($1.92); '04, 24¢; '05, (62¢); '06, (20¢); '07, (20¢); '08, 40¢; '10, (7¢); '11, 89¢; '12, (38¢); '13, (14¢); '16, ($2.99); '17, 24¢; disc. ops.: '03, (32¢); '04, 15¢; '05, 7¢; '06, 2¢; '08, 3¢; '15, 58¢; '16, (1¢). '14-'16 EPS don't sum due to rounding. Next egs. report due late July. **(B)** Div'ds paid early Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. **(C)** Incl. intang. In '16: $15.79/sh. **(D)** In mill. **(E)** Rate base: various. Rates all'd on com. eq.: 9.65%-10.9%; earn. on avg. com. eq., '16: 11.3%. Regul. Climate: Avg.

Company's Financial Strength	A+
Stock's Price Stability	100
Price Growth Persistence	55
Earnings Predictability	90

BLACK HILLS CORP. NYSE-BKH

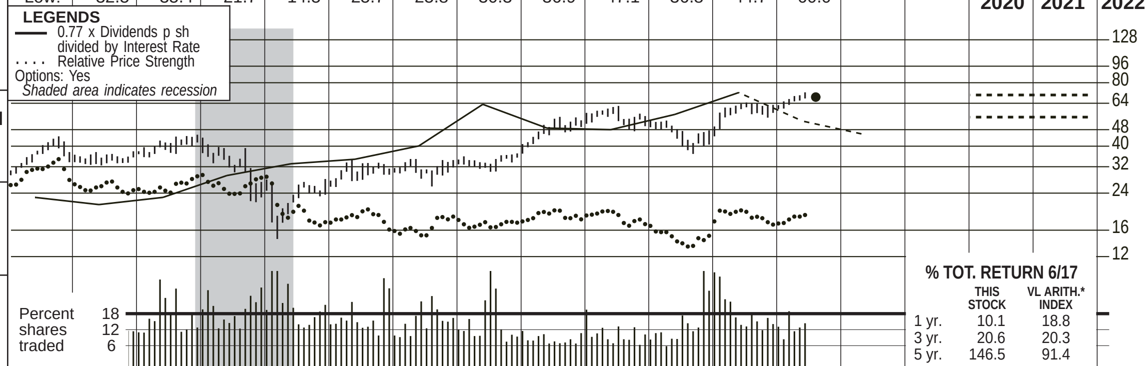
RECENT PRICE **68.46** | P/E RATIO **19.3** (Trailing: 22.2; Median: 18.0) | RELATIVE P/E RATIO **0.97** | DIV'D YLD **2.7%** | **VALUE LINE**

TIMELINESS 1 Raised 6/23/17
SAFETY 2 Raised 5/1/15
TECHNICAL 2 Raised 7/21/17
BETA .85 (1.00 = Market)

High:	37.9	45.4	44.0	28.0	34.5	34.8	37.0	55.1	62.1	53.4	64.6	72.0
Low:	32.5	35.4	21.7	14.5	25.7	25.8	30.3	36.9	47.1	36.8	44.7	60.0

Target Price Range

2020	2021	2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(Nil)	4%
Low	55	(-20%)	-2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	8	5	5	9	6	12	9	6	6
to Sell	0	0	0	0	0	0	1	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	118	129	121
to Sell	114	103	100
Hld's(000)	48357	48931	60019

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	10.1	18.8
3 yr.	20.6	20.3
5 yr.	146.5	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
57.96	15.74	35.17	34.54	41.97	19.69	18.41	26.03	32.58	33.29	28.96	26.55	28.67	31.20	25.48	29.47	*31.95*	*29.90*	Revenues per sh	*33.25*
5.27	4.93	4.26	4.46	4.81	5.04	5.29	2.95	5.41	4.88	4.01	5.59	5.93	6.25	5.67	6.28	*7.35*	*7.20*	"Cash Flow" per sh	*8.50*
3.42	2.33	1.84	1.74	2.11	2.21	2.68	.18	2.32	1.66	1.01	1.97	2.61	2.89	2.83	2.63	*3.55*	*3.75*	Earnings per sh A	*4.25*
1.12	1.16	1.20	1.24	1.28	1.32	1.37	1.40	1.42	1.44	1.46	1.48	1.52	1.56	1.62	1.68	*1.78*	*1.88*	Div'd Decl'd per sh B ■	*2.20*
14.07	8.65	2.80	2.80	4.18	9.24	6.92	8.51	8.90	12.04	10.03	7.90	7.97	8.92	8.90	8.89	*5.85*	*5.10*	Cap'l Spending per sh	*6.25*
18.95	19.66	21.72	22.43	22.29	23.68	25.66	27.19	27.84	28.02	27.53	27.88	29.39	30.80	28.63	30.25	*31.85*	*35.35*	Book Value per sh C	*41.00*
26.89	26.93	32.30	32.48	33.16	33.37	37.80	38.64	38.97	39.27	43.92	44.21	44.50	44.67	51.19	53.38	*54.00*	*60.25*	Common Shs Outst'g D	*61.00*
11.4	12.5	15.9	17.1	17.3	15.8	15.0	NMF	9.9	18.1	31.1	17.1	18.2	19.0	16.1	22.3	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
.58	.68	.91	.90	.92	.85	.80	NMF	.66	1.15	1.95	1.09	1.02	1.00	.81	1.17	*Value Line*		Relative P/E Ratio	*.95*
2.9%	4.0%	4.1%	4.2%	3.5%	3.8%	3.4%	4.2%	6.2%	4.8%	4.6%	4.4%	3.2%	2.8%	3.5%	2.9%	*estimates*		Avg Ann'l Div'd Yield	*3.5%*
						695.9	1005.8	1269.6	1307.3	1272.2	1173.9	1275.9	1393.6	1304.6	1573.0	*1725*	*1800*	Revenues ($mill)	*2025*
						100.1	6.8	89.7	64.6	40.4	86.9	115.8	128.8	128.3	140.3	*190*	*215*	Net Profit ($mill)	*265*
						31.3%	33.1%	30.7%	26.4%	31.1%	35.5%	34.7%	33.7%	35.8%	25.1%	*30.0%*	*30.0%*	Income Tax Rate	*30.0%*
						14.8%	173.2%	20.1%	28.0%	65.0%	5.4%	2.4%	2.4%	2.7%	5.3%	*3.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
						36.8%	32.3%	48.4%	51.9%	51.4%	43.2%	51.6%	47.9%	56.0%	66.5%	*67.5%*	*60.5%*	Long-Term Debt Ratio	*59.5%*
						63.2%	67.7%	51.6%	48.1%	48.6%	56.8%	48.4%	52.1%	44.0%	33.5%	*32.5%*	*39.5%*	Common Equity Ratio	*40.5%*
						1534.2	1551.8	2100.7	2286.3	2489.7	2171.4	2704.7	2643.6	3332.7	4825.8	*5280*	*5395*	Total Capital ($mill)	*6200*
						1823.5	2022.2	2160.7	2495.4	2789.6	2742.7	2990.3	3239.4	3259.1	4469.0	*4580*	*4670*	Net Plant ($mill)	*5050*
						7.9%	1.6%	5.9%	4.4%	3.3%	5.5%	5.5%	6.1%	4.9%	4.0%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
						10.3%	.7%	8.3%	5.9%	3.3%	7.1%	8.9%	9.4%	8.8%	8.7%	*11.0%*	*10.0%*	Return on Shr. Equity	*10.5%*
						10.3%	.7%	8.3%	5.9%	3.3%	7.1%	8.9%	9.4%	8.8%	8.7%	*11.0%*	*10.0%*	Return on Com Equity E	*10.5%*
						5.1%	NMF	3.2%	.7%	NMF	1.8%	3.7%	4.3%	3.8%	3.3%	*5.5%*	*5.0%*	Retained to Com Eq	*5.0%*
						50%	NMF	62%	87%	NMF	75%	58%	54%	57%	62%	*50%*	*50%*	All Div'ds to Net Prof	*51%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $3267.4 mill. **Due in 5 Yrs** $932.4 mill.
LT Debt $3210.7 mill. **LT Interest** $126.3 mill.
(LT interest earned: 3.3x)
Leases, Uncapitalized Annual rentals $6.7 mill.

Pension Assets-12/16 $364.7 mill. **Oblig** $440.2 mill.

Pfd Stock None

Common Stock 53,461,825 shs. **as of 4/30/17**

MARKET CAP: $3.7 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+2.9	+4.5	+3.0
Avg. Indust. Use (MWH)	13055	15552	17321
Avg. Indust. Revs. per KWH (¢)	7.97	8.02	7.80
Capacity at Yearend (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	992	1028	1086
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.9	+.9	+.6
Fixed Charge Cov. (%)	357	324	236

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-1.0%	-2.0%	*2.5%*
"Cash Flow"	2.5%	5.0%	*6.0%*
Earnings	3.5%	11.0%	*7.5%*
Dividends	2.5%	2.5%	*5.0%*
Book Value	2.5%	1.5%	*5.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	460.2	283.2	272.1	378.1	1393.6
2015	442.0	272.2	272.1	318.3	1304.6
2016	450.0	325.4	333.8	463.8	1573.0
2017	554.0	*350*	*346*	*475*	*1725*
2018	*575*	*365*	*365*	*495*	*1800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.08	.44	.60	.76	2.89
2015	1.07	.55	.58	.63	2.83
2016	.94	.31	.41	.97	2.63
2017	1.39	*.56*	*.65*	*.95*	*3.55*
2018	*1.45*	*.60*	*.70*	*1.00*	*3.75*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.38	.38	.38	.38	1.52
2014	.39	.39	.39	.39	1.56
2015	.405	.405	.405	.405	1.62
2016	.42	.42	.42	.42	1.68
2017	.445	.445			

BUSINESS: Black Hills Corporation is a holding company for Black Hills Energy, which serves 209,000 electric customers in CO, SD, WY and MT, and 1 million gas customers in NE, IA, KS, CO, WY, and AR. Mines coal & has gas & oil E&P business. Acq'd Cheyenne Light 1/05; utility ops. from Aquila 7/08; SourceGas 2/16. Discont. telecom in '05; oil marketing in '06; gas marketing in '11. Electric rev. breakdown: res'l, 31%; comm'l, 38%; ind'l, 17%; other, 14%. Generating sources: coal, 33%; other, 7%; purchased, 60%. Fuel costs: 32% of revs. '16 deprec. rate: 3.0%. Has 2,800 employees. Chairman & CEO: David R. Emery. Pres. & COO: Linn Evans. Inc.: SD. Address: P.O. Box 1400, 625 Ninth St., Rapid City, SD 57701. Tel.: 605-721-1700. Internet: www.blackhillscorp.com.

We estimate that Black Hills' earnings will rise significantly this year. In mid-February of 2016, the company acquired SourceGas, which provides gas utility service in four states. Black Hills incurred $0.56 a share of merger-related expenses last year. These costs were just $0.02 a share in the first quarter of 2017, and will most probably be very small over the remainder of the year. In addition, the utility benefited from a full quarter's worth of SourceGas' results in the first period this year, in what is the seasonally strongest time of year for a gas company. We have raised our 2017 share-earnings estimate by a nickel, to $3.55, because the March-quarter tally was above our estimate. Our revised estimate is at the midpoint of the company's targeted range of $3.45-$3.65.

We forecast a solid profit increase in 2018. Black Hills should benefit from modest utility growth and synergies effected from the SourceGas purchase. We figure that the losses at the gas and oil exploration and production unit will diminish as Black Hills continues to lessen its exposure to this business. Our earnings estimate of $3.75 a share would produce a bottom-line gain of 6%.

The utility has appealed a disappointing rate order in Colorado. Black Hills requested an $8.9 million electric rate hike, but was granted just $1.2 million. Its request for reconsideration or a rehearing was rejected. If the company's appeal is successful, the case will be remanded back to the commission for rehearing.

Black Hills will likely make another attempt to obtain permission to place natural gas reserves in the rate base. The company believes this would provide long-term price stability for its gas utility customers, besides enhancing the utility's earning power. Black Hills would retain some of its gas properties for this purpose, and is in talks with another producer to create a joint venture using that company's assets. The company's first try with the regulators was unsuccessful last year. Filings are anticipated later this quarter.

This timely stock lacks appeal for the 3- to 5-year period. With the recent quotation near the top end of our Target Price Range, total return potential is minuscule. The yield is subpar for a utility, too.

Paul E. Debbas, CFA *July 28, 2017*

(A) Dil. EPS. Excl. nonrec. gains (losses): '08, ($1.55); '09, (28¢); '10, 10¢; '12, 4¢; '15, ($3.54); '16, ($1.26); gains (losses) on disc. ops.: '06, 21¢; '07, (4¢); '08, $4.12; '09, 7¢; '11, 23¢; '12, (16¢). '14 EPS don't sum due to rounding. Next egs. due early Aug. **(B)** Div'ds paid early Mar., Jun., Sept., & Dec. ■ Div'd reinv. plan avail. **(C)** Incl. def'd chgs. In '16: $29.12/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate all'd on com. eq. in SD in '15: none specified; in CO in '17: 9.37%; earned on avg. com. eq., '16: 8.7%. Regulatory Climate: Avg.

Company's Financial Strength	A
Stock's Price Stability	80
Price Growth Persistence	70
Earnings Predictability	50

CMS ENERGY CORP. NYSE-CMS

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD
47.32	22.0	(Trailing: 22.4 / Median: 16.0)	1.12	2.9%

VALUE LINE

TIMELINESS **3** Raised 12/30/16

SAFETY **2** Raised 3/21/14

TECHNICAL **3** Raised 5/5/17

BETA .65 (1.00 = Market)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	17.0	19.5	17.5	16.1	19.3	22.4	25.0	30.0	36.9	38.7	46.3
Low:	12.1	15.0	8.3	10.0	14.1	17.0	21.1	24.6	26.0	31.2	35.0

High:	47.9	
Low:	41.1	

Target Price Range 2020 | 2021 | 2022

2020-22 PROJECTIONS

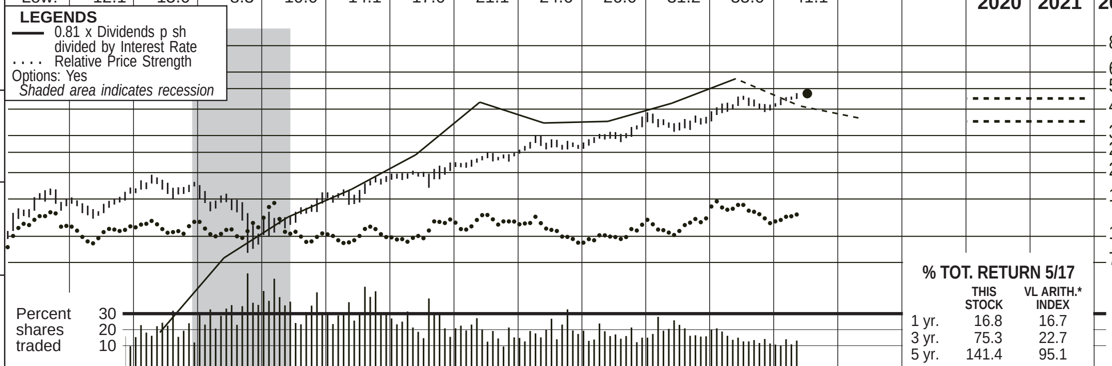
	Price	Gain	Ann'l Total Return
High	45	(-5%)	2%
Low	35	(-25%)	-3%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	1	0	0	0	0	0
Options	0	1	0	0	0	11	0	10	0
to Sell	3	0	0	0	0	0	1	1	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	203	232	254
to Sell	225	218	212
Hld's(000)	246256	246703	273887



% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	16.8	16.7
3 yr.	75.3	22.7
5 yr.	141.4	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
72.16	60.28	34.21	28.06	28.52	30.57	28.95	30.13	27.23	25.77	25.59	23.90	24.68	26.09	23.29	22.92	***22.80***	***23.50***	Revenues per sh	***25.50***
5.24	d.09	2.39	2.87	3.43	3.22	3.08	3.88	3.47	3.70	3.65	3.82	4.06	4.22	4.59	4.88	***5.30***	***5.65***	"Cash Flow" per sh	***7.00***
1.27	d2.99	d.29	.74	1.10	.64	.64	1.23	.93	1.33	1.45	1.53	1.66	1.74	1.89	1.98	***2.15***	***2.30***	Earnings per sh A	***2.75***
1.46	1.09	- -	- -	- -	- -	.20	.36	.50	.66	.84	.96	1.02	1.08	1.16	1.24	***1.33***	***1.42***	Div'd Decl'd per sh B ■	***1.70***
9.49	5.18	3.32	2.69	2.69	3.01	5.61	3.50	3.59	3.29	3.47	4.65	4.98	5.73	5.64	5.99	***6.55***	***6.65***	Cap'l Spending per sh	***6.25***
14.21	7.86	9.84	10.63	10.53	10.03	9.46	10.88	11.42	11.19	11.92	12.09	12.98	13.34	14.21	15.23	***16.25***	***17.35***	Book Value per sh C	***21.00***
132.99	144.10	161.13	195.00	220.50	222.78	225.15	226.41	227.89	249.60	254.10	264.10	266.10	275.20	277.16	279.21	***281.00***	***283.00***	Common Shs Outst'g D	***289.00***
20.8	- -	- -	12.4	12.6	22.2	26.8	10.9	13.6	12.5	13.6	15.1	16.3	17.3	18.3	20.9	*Bold figures are*		Avg Ann'l P/E Ratio	***14.5***
1.07	- -	- -	.66	.67	1.20	1.42	.66	.91	.80	.85	.96	.92	.91	.92	1.11	*Value Line*		Relative P/E Ratio	***.90***
5.5%	7.5%	- -	- -	- -	- -	1.2%	2.7%	4.0%	4.0%	4.3%	4.2%	3.8%	3.6%	3.4%	3.0%	*estimates*		Avg Ann'l Div'd Yield	***4.2%***

CAPITAL STRUCTURE as of 3/31/17
Total Debt $10045 mill. **Due in 5 Yrs** $4210 mill.
LT Debt $9233 mill. **LT Interest** $406 mill.
Incl. $104 mill. capitalized leases.
(LT interest earned: 3.1x)
Leases, Uncapitalized Annual rentals $20 mill.
Pension Assets-12/16 $2101 mill. **Oblig** $2562 mill.
Pfd Stock $37 mill. **Pfd Div'd** $2 mill.
Incl. 373,148 shs. $4.50 $100 par, cum., callable at $110.00.
Common Stock 280,453,409 shs.
as of 4/11/17
MARKET CAP: $13 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
6519.0	6821.0	6205.0	6432.0	6503.0	6312.0	6566.0	7179.0	6456.0	6399.0	***6400***	***6650***	Revenues ($mill)	***7400***
168.0	300.0	231.0	356.0	384.0	413.0	454.0	479.0	525.0	553.0	***610***	***660***	Net Profit ($mill)	***810***
37.6%	31.6%	34.6%	38.1%	36.8%	39.4%	39.9%	34.3%	34.0%	33.1%	***33.0%***	***34.0%***	Income Tax Rate	***33.0%***
3.6%	1.3%	13.0%	2.2%	2.6%	2.9%	2.0%	2.3%	2.7%	3.1%	***3.0%***	***3.0%***	AFUDC % to Net Profit	***2.0%***
70.5%	69.4%	67.9%	70.1%	66.9%	67.9%	67.5%	68.7%	68.3%	67.1%	***66.5%***	***65.5%***	Long-Term Debt Ratio	***64.5%***
25.9%	27.4%	29.0%	29.5%	32.6%	31.6%	32.2%	31.0%	31.4%	32.6%	***33.5%***	***34.0%***	Common Equity Ratio	***35.5%***
8212.0	8993.0	8977.0	9473.0	9279.0	10101	10730	11846	12534	13040	***13700***	***14450***	Total Capital ($mill)	***17100***
8728.0	9190.0	9682.0	10069	10633	11551	12246	13412	14705	15715	***16675***	***17600***	Net Plant ($mill)	***19800***
4.5%	5.4%	4.7%	5.8%	6.3%	5.9%	6.0%	5.7%	5.7%	5.8%	***6.0%***	***6.0%***	Return on Total Cap'l	***6.0%***
6.9%	10.9%	8.0%	12.5%	12.5%	12.8%	13.0%	12.9%	13.2%	12.9%	***13.0%***	***13.5%***	Return on Shr. Equity	***13.5%***
7.2%	11.7%	8.5%	12.5%	12.6%	12.9%	13.1%	13.0%	13.3%	13.0%	***13.5%***	***13.5%***	Return on Com Equity E	***13.5%***
5.1%	8.4%	4.1%	6.9%	5.6%	5.0%	5.2%	5.0%	5.2%	4.8%	***5.0%***	***5.0%***	Retained to Com Eq	***5.5%***
35%	31%	54%	46%	55%	61%	60%	62%	61%	63%	***61%***	***61%***	All Div'ds to Net Prof	***61%***

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+1.9	-.8	+1.7
Avg. Indust. Use (MWH)	NMF	5922	6031
Avg. Indust. Revs. per KWH (¢)	8.29	8.07	7.76
Capacity at Peak (Mw)	8776	8762	8331
Peak Load, Summer (Mw)	7498	7812	8227
Annual Load Factor (%)	59.7	55.5	54.6
% Change Customers (yr-end)	- -	+.6	+.5
Fixed Charge Cov. (%)	278	288	292

BUSINESS: CMS Energy Corporation is a holding company for Consumers Energy, which supplies electricity and gas to lower Michigan (excluding Detroit). Has 1.8 million electric, 1.7 million gas customers. Has 1,034 megawatts of nonregulated generating capacity. Sold Palisades nuclear plant in '07. Electric revenue breakdown: residential, 45%; commercial, 31%; industrial, 18%; other, 6%. Generating sources: coal, 27%; gas, 16%; other, 3%; purchased, 54%. Fuel costs: 44% of revenues. '16 reported deprec. rates: 3.9% electric, 2.9% gas, 9.8% other. Has 7,400 employees. Chairman: John G. Russell. President & CEO: Patti Poppe. Incorporated: Michigan. Address: One Energy Plaza, Jackson, Michigan 49201. Tel.: 517-788-0550. Internet: www.cmsenergy.com.

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-2.0%	-1.5%	*1.0%*
"Cash Flow"	3.5%	5.0%	*7.5%*
Earnings	8.5%	8.5%	*6.5%*
Dividends	- -	11.5%	*6.5%*
Book Value	3.0%	4.5%	*6.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	2523	1468	1430	1758	7179.0
2015	2111	1350	1486	1509	6456.0
2016	1801	1371	1587	1640	6399.0
2017	1829	***1371***	***1550***	***1650***	***6400***
2018	***1900***	***1450***	***1600***	***1700***	***6650***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.75	.30	.34	.35	1.74
2015	.73	.25	.53	.38	1.89
2016	.59	.45	.67	.28	1.98
2017	.71	***.40***	***.60***	***.44***	***2.15***
2018	***.80***	***.40***	***.65***	***.45***	***2.30***

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec. 31	Full Year
2013	.255	.255	.255	.255	1.02
2014	.27	.27	.27	.27	1.08
2015	.29	.29	.29	.29	1.16
2016	.31	.31	.31	.31	1.24
2017	.3325	.3325			

CMS Energy's utility subsidiary has filed an electric rate case. Consumers Energy is seeking an increase of $173 million, based on a 10.5% return on equity. The utility will self-implement an interim rate hike at the start of October, with the final order from the Michigan Public Service Commission (MPSC) due by late March.

Consumers Energy is awaiting a decision on its gas rate application. The utility is seeking $80 million, based on a 10.6% ROE. It self-implemented an increase of $20 million in late January. The MPSC's staff recommended a hike of just $6 million, based on a 9.5% ROE, and an administrative law judge proposed a boost of $38 million, based on a 10.0% ROE. The MPSC's decision is due by the end of July.

These rate cases are the last ones under Michigan's previous regulatory law. Future applications will be decided within 10 months, with no self-implementation after six months.

Another matter is pending before the state commission. Consumers Energy is asking the MPSC to approve a $172 million buyout of an above-market contract with Entergy, the owner of the Palisades nuclear plant in the state. The pact would terminate in 2018 instead of 2022. The utility would finance the payment by issuing securitized bonds. It expects a ruling from the MPSC by the end of August.

CMS Energy has produced steady earnings growth for the past several years, and we think this will continue in 2017 and 2018. Rate relief and modest demand growth should be factors in each year. Reductions in operating and maintenance expenses should offset the effects of regulatory lag. CMS Energy is also refinancing debt. Our 2017 estimate is within management's targeted range of $2.14-$2.18 a share. Our 2018 profit forecast of $2.30 a share would produce a 7% bottom-line increase, which is the midpoint of CMS Energy's annual 6%-8% goal.

We think this equity is expensively priced. The share price has risen 14% so far this year, without an apparent catalyst for such a move. The dividend yield is low for a utility. Finally, the recent quotation is *above* our 2020-2022 Target Price Range.

Paul E. Debbas, CFA *June 16, 2017*

(A) Diluted EPS. Excl. nonrec. gains (losses): '05, ($1.61); '06, ($1.08); '07, ($1.26); '09, (7¢); '10, 3¢; '11, 12¢; '12, (14¢); gains (losses) on disc. ops.: '05, 7¢; '06, 3¢; '07, (40¢); '09, 8¢; '10, (8¢); '11, 1¢; '12, 3¢. '16 EPS don't sum due to rounding. Next earnings report due late July. (B) Div'ds historically paid late Feb., May, Aug., & Nov. ■ Div'd reinvestment plan avail. (C) Incl. intang. In '16: $7.49/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '17: 10.1%; earned on avg. com. eq., '16: 13.5%. Regulatory Climate: Average.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	90
Earnings Predictability	80

CLECO CORPORATION NYSE-CNL

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
46.42	20.5	(Trailing: 21.1 / Median: 15.0)	1.16	3.6%	VALUE LINE

TIMELINESS 3 New 3/4/16
SAFETY 1 Raised 6/22/12
TECHNICAL 1 Raised 3/11/16
BETA .70 (1.00 = Market)

High:	24.4	26.2	29.8	28.4	28.1	31.8	38.3	45.3	50.4	59.2	55.2	54.5
Low:	18.9	20.5	22.1	17.3	18.7	24.3	30.1	36.2	40.4	45.5	48.5	44.8

Target Price Range
2019 | 2020 | 2021

2019-21 PROJECTIONS

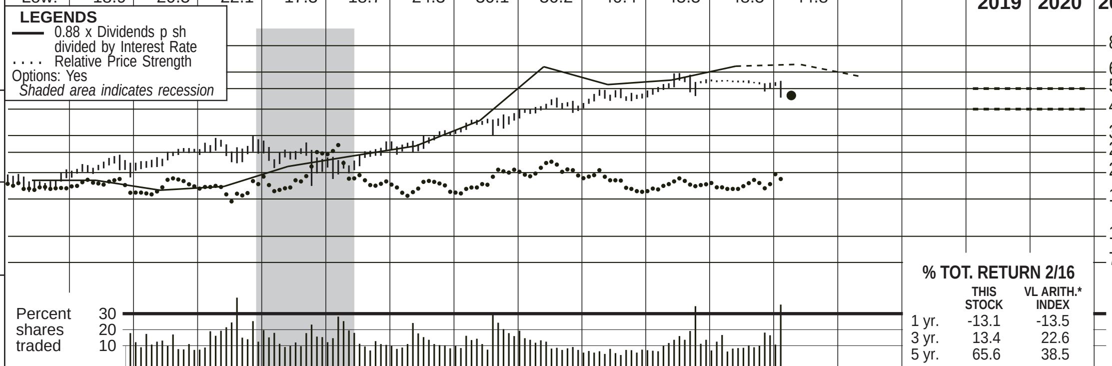
	Price	Gain	Ann'l Total Return
High	50	(+10%)	6%
Low	40	(-15%)	1%

Insider Decisions

	M	J	J	A	S	O	N	D	J
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	1	0	0	1	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	2Q2015	3Q2015	4Q2015
to Buy	97	97	94
to Sell	106	96	101
Hld's(000)	45428	46967	45747



% TOT. RETURN 2/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-13.1	-13.5
3 yr.	13.4	22.6
5 yr.	65.6	38.5

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
18.23	23.55	15.33	18.54	15.03	18.41	17.38	17.19	17.99	14.17	18.98	18.53	16.46	18.14	21.01	***20.00***	***21.05***	***22.15***	Revenues per sh	***25.25***
2.77	2.94	3.05	2.98	2.56	2.76	2.63	2.69	3.71	3.78	5.12	5.28	5.40	5.32	5.15	***4.85***	***5.10***	***5.35***	"Cash Flow" per sh	***6.50***
1.46	1.51	1.52	1.26	1.32	1.42	1.36	1.32	1.70	1.76	2.29	2.59	2.70	2.65	2.55	2.20	***2.25***	***2.35***	Earnings per sh A	***2.75***
.85	.87	.90	.90	.90	.90	.90	.90	.90	.90	.98	1.12	1.30	1.43	1.56	1.60	***1.63***	***1.68***	Div'd Decl'd per sh B ■	***1.80***
2.52	1.10	1.91	1.58	1.61	3.19	4.11	8.51	5.59	4.15	4.68	3.25	4.06	3.12	3.44	***2.60***	***4.30***	***3.05***	Cap'l Spending per sh	***3.25***
10.04	10.69	11.77	10.09	10.83	13.69	15.22	16.85	17.65	18.50	21.76	23.55	24.84	26.24	26.93	***27.70***	***28.35***	***29.05***	Book Value per sh C	***31.50***
44.99	44.96	47.04	47.18	49.62	49.99	57.57	59.94	60.04	60.26	60.53	60.29	60.36	60.45	60.42	***60.50***	***60.50***	***60.50***	Common Shs Outst'g D	***60.50***
13.2	14.6	12.2	12.4	13.8	15.0	17.3	19.6	14.1	13.2	12.3	13.3	15.0	17.3	20.5	24.4	*Bold figures are*		Avg Ann'l P/E Ratio	***16.0***
.86	.75	.67	.71	.73	.80	.93	1.04	.85	.88	.78	.83	.95	.97	1.08	1.24	*Value Line*		Relative P/E Ratio	***1.00***
4.4%	3.9%	4.8%	5.8%	5.0%	4.2%	3.8%	3.5%	3.8%	3.9%	3.5%	3.3%	3.2%	3.1%	3.0%	3.0%	*estimates*		Avg Ann'l Div'd Yield	***4.0%***
						1000.7	1030.6	1080.2	853.8	1148.7	1117.3	993.7	1096.7	1269.5	1209.4	***1275***	***1340***	Revenues ($mill)	***1525***
						74.7	79.6	102.1	106.3	139.5	157.8	163.6	160.7	154.7	133.7	***140***	***145***	Net Profit ($mill)	***165***
						36.0%	24.3%	15.3%	8.3%	44.1%	30.6%	28.5%	33.1%	30.3%	36.8%	***38.5%***	***38.5%***	Income Tax Rate	***38.5%***
						14.2%	57.9%	82.8%	93.5%	12.2%	4.3%	5.5%	3.4%	4.5%	3.0%	***3.0%***	***3.0%***	AFUDC % to Net Profit	***2.0%***
						40.9%	43.2%	51.1%	54.2%	51.5%	48.5%	45.6%	45.3%	45.3%	***46.0%***	***45.5%***	***40.0%***	Long-Term Debt Ratio	***42.5%***
						57.8%	56.7%	48.9%	45.8%	48.5%	51.5%	54.4%	54.7%	54.7%	***54.0%***	***54.5%***	***60.0%***	Common Equity Ratio	***57.5%***
						1515.6	1780.5	2167.7	2436.4	2717.9	2756.9	2756.5	2901.7	2976.9	***3100***	***3140***	***2930***	Total Capital ($mill)	***3325***
						1304.9	1725.9	2045.3	2247.0	2784.2	2893.9	3009.5	3083.1	3165.5	3191.6	***3280***	***3285***	Net Plant ($mill)	***3250***
						6.3%	5.6%	6.1%	5.9%	6.6%	7.0%	7.3%	6.8%	6.4%	***5.5%***	***5.5%***	***6.0%***	Return on Total Cap'l	***6.0%***
						8.3%	7.9%	9.6%	9.5%	10.6%	11.1%	10.9%	10.1%	9.5%	***8.0%***	***8.0%***	***8.0%***	Return on Shr. Equity	***8.5%***
						8.3%	7.8%	9.6%	9.5%	10.6%	11.1%	10.9%	10.1%	9.5%	***8.0%***	***8.0%***	***8.0%***	Return on Com Equity E	***8.5%***
						3.0%	2.6%	4.5%	4.7%	6.1%	6.3%	5.7%	4.7%	3.7%	***2.0%***	***2.5%***	***2.5%***	Retained to Com Eq	***3.0%***
						65%	68%	53%	51%	42%	43%	48%	54%	61%	***72%***	***71%***	***71%***	All Div'ds to Net Prof	***65%***

CAPITAL STRUCTURE as of 9/30/15
Total Debt $1226.6 mill. **Due in 5 Yrs** $466.2 mill.
LT Debt $1207.2 mill. **LT Interest** $69.4 mill.
Incl. $4.4 million capitalized leases.
(LT interest earned: 3.5x)

Leases, Uncapitalized Annual rentals $10.3 mill.
Pension Assets-12/14 $412.8 mill. **Oblig.** $498.4 mill.

Pfd Stock None

Common Stock 60,482,051 shs.
as of 10/21/15
MARKET CAP: $2.8 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2012	2013	2014
% Change Retail Sales (KWH)	-3.4	+1.4	-.3
Avg. Indust. Use (MWH)	3814	3870	3756
Avg. Indust. Revs. per KWH (¢)	6.83	7.50	7.49
Capacity at Peak (Mw)	3315	3315	3360
Peak Load, Summer (Mw)	2282	2278	2612
Annual Load Factor (%)	55.1	57.0	57.1
% Change Customers (avg.)	+.6	+.6	+.5
Fixed Charge Cov. (%)	326	360	380

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	1.5%	2.5%	*4.5%*
"Cash Flow"	6.5%	9.5%	*3.0%*
Earnings	7.0%	10.5%	*.5%*
Dividends	5.0%	9.5%	*3.5%*
Book Value	9.0%	8.0%	*3.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	240.9	263.9	328.8	263.1	1096.7
2014	284.4	309.1	371.4	304.6	1269.5
2015	295.4	289.1	345.5	279.4	1209.4
2016	***305***	***310***	***355***	***305***	***1275***
2017	***320***	***325***	***375***	***320***	***1340***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.45	.69	1.09	.41	2.65
2014	.43	.60	1.17	.35	2.55
2015	.44	.50	.90	.36	2.20
2016	***.35***	***.55***	***1.00***	***.35***	***2.25***
2017	***.40***	***.57***	***1.03***	***.35***	***2.35***

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.3125	.3125	.3375	.3375	1.30
2013	.3375	.3625	.3625	.3625	1.43
2014	.3625	.40	.40	.40	1.56
2015	.40	.40	.40	.40	1.60
2016	.40				

BUSINESS: Cleco Corporation is a holding company for Cleco Power LLC, which supplies electricity to about 286,000 customers in central Louisiana. Electric revenue breakdown: residential, 46%; commercial, 30%; industrial, 14%; other, 10%. Largest industrial customers are paper mills and other wood-product industries. Generating sources: gas & oil, 26%; petroleum coke, 26%; coal & lignite, 23%; purchased, 25%. Fuel costs: 44% of revenues. '14 reported depreciation rate (utility): 2.7%. Has 1,200 employees. Chairman: J. Patrick Garrett. President & CEO: Bruce A. Williamson. Incorporated: Louisiana. Address: 2030 Donahue Ferry Road, P.O. Box 5000, Pineville, Louisiana 71361-5000. Telephone: 318-484-7400. Internet: www.cleco.com.

The Louisiana Public Service Commission (LPSC) rejected the proposed acquisition of Cleco. An investor group led by Macquarie Infrastructure Partners and British Columbia Energy agreed to pay $55.37 a share in cash for each share of Cleco. However, some intervenors opposed the transaction, and the LPSC did not approve it. Whether the objection was more related to foreign ownership or the specific deal is uncertain.

The companies have not given up. They asked the LPSC for an immediate rehearing, and requested placement on the LPSC's Supplemental Agenda for its meeting on March 16th (in between the time this report went to press and the time it came out in print). If the companies' request proves unsuccessful, they can seek relief in the courts. However . . .

The stock is trading as though the deal is already dead. Due to the LPSC's rejection of the proposed combination, the share price of Cleco is down 11% year to date, in what has been a good year for most utility equities. Because the stock is no longer trading on takeover considerations, we restored its Timeliness rank.

We estimate that earnings will advance this year and next. In 2015, costs associated with the proposed acquisition (*included* in our earnings presentation) reduced profits by $0.08 a share. We figure that these expenses will be lower this year, and nonexistent in 2017. In addition, the utility benefits from a formula rate-making plan that provides some additional revenues every year without having to file a general rate case. Note that Cleco has not provided earnings guidance for 2016, nor has it stated any expectation for the dividend.

If the deal is terminated, we think there is a chance of a dividend increase in the second quarter. The board of directors has not raised the disbursement while the attempted takeover was pending. We look for an increase of a cent a share (2.5%) in the quarterly payout at the first dividend meeting following the termination of the proposed acquisition.

The dividend yield of Cleco stock is about equal to the mean for electric utilities. Total return potential over the 3- to 5-year period is unimpressive.

Paul E. Debbas, CFA *March 18, 2016*

(A) Diluted earnings. Excl. nonrec. gains (losses): '00, 5¢; '02, (5¢), '03, ($2.05); '05, $2.11; '07, $1.22; '10, $1.91; '11, 63¢; losses from discontinued operations: '00, 14¢; '01, 4¢. '13 EPS don't add due to rounding. Next earnings report due early May. **(B)** Div'ds historically paid in mid-Feb., May, Aug. and Nov. ■ Div'd reinvestment plan avail. **(C)** Incl. deferred charges. In '14: $10.89/sh. **(D)** In mill. **(E)** Rate base: Net original cost. Rate allowed on com. eq. in '14: 11.24%; earned on avg. com. eq., '14: 9.6%. Regulatory Climate: Average.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	85
Earnings Predictability	80

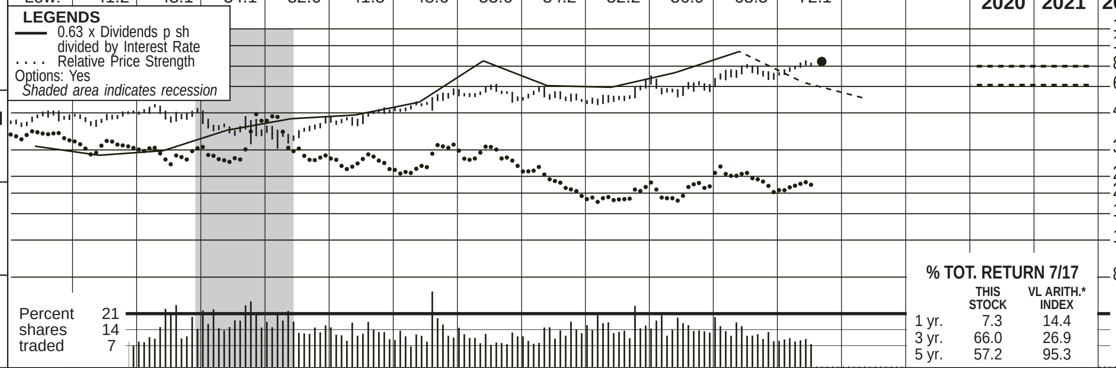
CON. EDISON NYSE-ED

RECENT PRICE	84.06	P/E RATIO	20.6 (Trailing: 21.3 Median: 15.0)	RELATIVE P/E RATIO	1.08	DIV'D YLD	3.4%	VALUE LINE

TIMELINESS 4 Lowered 8/18/17
SAFETY 1 New 7/27/90
TECHNICAL 3 Lowered 8/18/17
BETA .50 (1.00 = Market)

High:	49.3	52.9	49.3	46.3	51.0	62.7	66.0	64.0	68.9	72.3	81.9	85.1
Low:	41.2	43.1	34.1	32.6	41.5	48.6	53.6	54.2	52.2	56.9	63.5	72.1

Target Price Range 2020 2021 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	80	(-5%)	2%
Low	65	(-25%)	-2%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	11	8	7	11	7	7	11	9	8
Options	2	0	0	2	11	1	3	9	2
to Sell	0	0	1	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	322	346	322
to Sell	313	330	336
Hld's(000)	162537	167319	197947

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	7.3	14.4
3 yr.	66.0	26.9
5 yr.	57.2	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
45.41	39.65	43.51	40.24	47.66	47.14	48.23	49.62	46.36	45.69	44.17	41.62	42.27	44.11	42.85	39.59	39.40	40.85	Revenues per sh	44.50
5.70	5.44	5.12	4.54	5.27	5.28	5.77	5.99	5.86	6.24	6.61	7.15	7.45	7.30	7.93	7.89	8.40	8.80	"Cash Flow" per sh	10.00
3.21	3.13	2.83	2.32	2.99	2.95	3.48	3.36	3.14	3.47	3.57	3.86	3.93	3.62	4.05	3.94	4.05	4.20	Earnings per sh A	4.50
2.20	2.22	2.24	2.26	2.28	2.30	2.32	2.34	2.36	2.38	2.40	2.42	2.46	2.52	2.60	2.68	2.76	2.84	Div'd Decl'd per sh B ■	3.08
5.20	5.68	5.72	5.60	6.59	7.17	7.09	8.50	7.80	6.96	6.72	7.06	8.67	8.26	10.42	12.07	11.90	12.45	Cap'l Spending per sh	11.50
26.71	27.68	28.44	29.09	29.80	31.09	32.58	35.43	36.46	37.93	39.05	40.53	41.81	42.94	44.55	46.88	48.70	50.15	Book Value per sh C	55.00
212.15	213.93	225.84	242.51	245.29	257.46	272.02	273.72	281.12	291.62	292.89	292.87	292.87	292.88	293.00	305.00	311.00	312.00	Common Shs Outst'g D	315.00
12.0	13.3	14.3	18.2	15.1	15.5	13.8	12.3	12.5	13.3	15.1	15.4	14.7	15.9	15.6	18.8	Bold figures are		Avg Ann'l P/E Ratio	16.5
.61	.73	.82	.96	.80	.84	.73	.74	.83	.85	.95	.98	.83	.84	.79	.99	Value Line		Relative P/E Ratio	1.05
5.7%	5.3%	5.5%	5.3%	5.0%	5.0%	4.8%	5.7%	6.0%	5.2%	4.5%	4.1%	4.3%	4.4%	4.1%	3.6%	estimates		Avg Ann'l Div'd Yield	4.2%

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
13120	13583	13032	13325	12938	12188	12381	12919	12554	12075	12250	12750	Revenues ($mill)	14000
936.0	933.0	868.0	992.0	1062.0	1141.0	1157.0	1066.0	1193.0	1189.0	1265	1320	Net Profit ($mill)	1465
32.6%	36.0%	34.2%	36.0%	36.1%	34.5%	31.8%	34.0%	33.6%	35.3%	34.0%	34.0%	Income Tax Rate	34.0%
1.9%	1.7%	2.6%	2.4%	1.6%	.5%	.5%	.3%	.7%	1.3%	1.0%	1.0%	AFUDC % to Net Profit	1.0%
45.6%	48.3%	48.5%	48.6%	46.5%	45.9%	46.1%	48.0%	47.9%	50.8%	50.0%	50.5%	Long-Term Debt Ratio	48.0%
53.1%	50.6%	50.4%	50.4%	52.5%	54.1%	53.9%	52.0%	52.1%	49.2%	50.0%	49.5%	Common Equity Ratio	52.0%
16687	19160	20330	21952	21794	21933	22735	24207	25058	29033	30200	31625	Total Capital ($mill)	33300
19914	20874	22464	23863	25093	26939	28436	29827	32209	35216	37550	40025	Net Plant ($mill)	46000
7.0%	6.2%	5.7%	5.9%	6.2%	6.5%	6.4%	5.6%	6.0%	5.3%	5.5%	5.5%	Return on Total Cap'l	5.5%
10.3%	9.4%	8.3%	8.8%	9.1%	9.6%	9.4%	8.5%	9.1%	8.3%	8.5%	8.5%	Return on Shr. Equity	8.5%
10.4%	9.5%	8.4%	8.9%	9.2%	9.6%	9.4%	8.5%	9.1%	8.3%	8.5%	8.5%	Return on Com Equity E	8.5%
3.9%	3.1%	2.5%	3.2%	3.1%	3.6%	3.6%	2.6%	3.5%	3.0%	2.5%	3.0%	Retained to Com Eq	3.0%
63%	67%	71%	65%	66%	62%	62%	69%	61%	64%	67%	67%	All Div'ds to Net Prof	66%

CAPITAL STRUCTURE as of 6/30/17
Total Debt $16376 mill. **Due in 5 Yrs** $4265 mill.
LT Debt $14703 mill. **LT Interest** $669 mill.
(LT interest earned: 3.7x)

Leases, Uncapitalized Annual rentals $61 mill.

Pension Assets-12/16 $12472 mill. **Oblig** $14095 mill.

Pfd Stock None

Common Stock 305,674,488 shs. as of 7/31/17

MARKET CAP: $26 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-1.1	+1.9	-.4
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NMF	NMF	NA
Peak Load, Summer (Mw)	13568	13721	NA
Annual Load Factor (%)	NMF	NMF	NMF
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	366	370	352

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-.5%	-1.5%	1.0%
"Cash Flow"	4.5%	4.5%	4.5%
Earnings	3.5%	2.5%	2.5%
Dividends	1.5%	2.0%	3.0%
Book Value	4.0%	3.5%	3.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	3789	2911	3390	2829	12919
2015	3616	2788	3443	2707	12554
2016	3157	2794	3417	2707	12075
2017	3228	2633	3500	2889	12250
2018	3400	2900	3550	2900	12750

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.23	.63	1.49	.28	3.62
2015	1.26	.74	1.45	.60	4.05
2016	1.05	.77	1.47	.64	3.94
2017	1.27	.57	1.55	.66	4.05
2018	1.30	.63	1.60	.67	4.20

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.615	.615	.615	.615	2.46
2014	.63	.63	.63	.63	2.52
2015	.65	.65	.65	.65	2.60
2016	.67	.67	.67	.67	2.68
2017	.69	.69			

BUSINESS: Consolidated Edison, Inc. is a holding company for Consolidated Edison Company of New York, Inc. (CECONY), which sells electricity, gas, and steam in most of New York City and Westchester County. Also owns Orange and Rockland Utilities (O&R), which operates in New York and New Jersey. Has 3.6 million electric, 1.2 million gas customers. Pursues competitive energy opportunities through three wholly owned subsidiaries. Entered into midstream gas joint venture 6/16. Purchases most of its power. Fuel costs: 26% of revenues. '16 reported depreciation rates: 2.9%-3.1%. Has 15,000 employees. Chairman, President & CEO: John McAvoy. Inc.: New York. Address: 4 Irving Place, New York, New York 10003. Tel.: 212-460-4600. Internet: www.conedison.com.

We estimate that Consolidated Edison's earnings will increase modestly this year and next. The company's largest utility subsidiary, Consolidated Edison Company of New York, is benefiting from electric and gas rate hikes each year from 2017 through 2019. CECONY received an electric increase of $194.6 million (2.6%) at the start of 2017. In 2018, electric tariffs will rise $155.3 million (2.0%). In 2019, the increase will be $155.2 million (1.9%). The utility's gas rates were reduced by $5.4 million in 2017, but will advance by $92.3 million (5.6%) next year and $89.4 million (5.1%) in 2019. But rate relief isn't the only source of profit growth for the company. It continues to benefit from customer conversions from oil heat to gas heat. Profits from ConEd's renewable energy subsidiary are rising as the company expands the number of megawatts in operation. As of mid-2017, it had 1,133 mw of solar and wind capacity in operation, and another 398 mw under construction. The transmission subsidiary is increasing its contribution, as well. ConEd entered into a midstream gas joint venture in June of 2016.

Upon releasing second-quarter results, management narrowed its earnings guidance. ConEd now expects 2017 profits to wind up in a range of $4.00-$4.15 a share; its previous target was $3.95-$4.15. We are sticking with our estimate of $4.05 a share. Note, however, that mark-to-market accounting gains or losses, which arise from ConEd's renewable energy business, can skew earnings comparisons.

Finances are strong. ConEd's fixed-charge coverage and common-equity ratio are healthy. In fact, this ratio will benefit from the upcoming issuance of more than four million shares. The company merits a Financial Strength rating of A+, and its stock is ranked 1 (Highest) for Safety.

The recent price of this untimely equity is above our 2020-2022 Target Price Range. ConEd is not unique among utility issues in this regard, as many stocks in this industry are expensively priced. The dividend yield does not stand out among utilities, and 3- to 5-year total return potential is zero. Accordingly, better selections are available elsewhere.

Paul E. Debbas, CFA *August 18, 2017*

(A) Diluted EPS. Excl. nonrec. gains (losses): '02, (11¢); '03, (45¢); '13, (32¢); '14, 9¢; '16, 15¢; gain on discontinued operations: '08, $1.01. '14 & '16 EPS don't sum due to rounding. Next earnings report due early Nov. (B) Div'ds historically paid in mid-Mar., June, Sept., and Dec. ■ Div'd reinvestment plan avail. (C) Incl. intang. In '16: $25.29/sh. (D) In mill. (E) Rate base: net orig. cost. Rate allowed on com. eq. for CECONY in '17: 9.0%; O&R in '15: 9.0%; earned on avg. com. eq., '16: 8.6%. Regulatory Climate: Below Average.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	40
Earnings Predictability	95

DTE ENERGY CO. NYSE-DTE

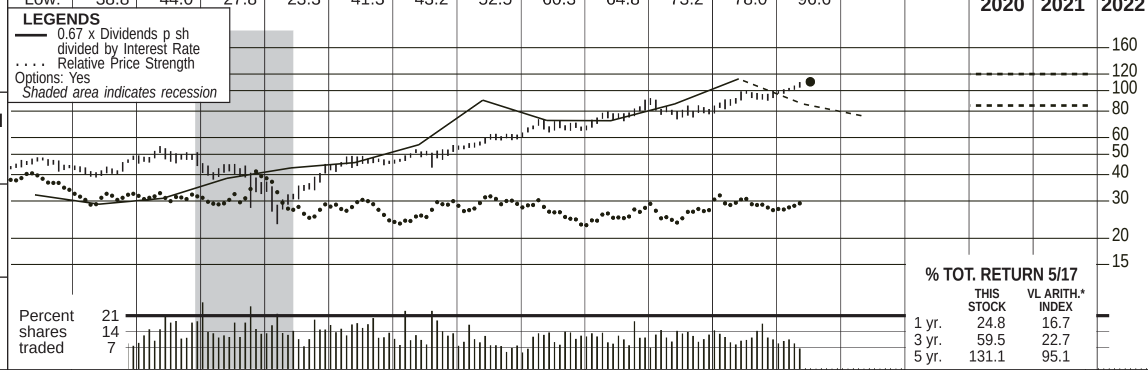
RECENT PRICE 110.16 | P/E RATIO 19.2 (Trailing: 19.4 / Median: 16.0) | RELATIVE P/E RATIO 0.97 | DIV'D YLD 3.1% | VALUE LINE

TIMELINESS 1 Raised 5/26/17
SAFETY 2 Raised 12/21/12
TECHNICAL 3 Lowered 3/10/17
BETA .65 (1.00 = Market)

High:	49.2	54.7	45.3	45.0	49.1	55.3	62.6	73.3	90.8	92.3	100.4	111.2
Low:	38.8	44.0	27.8	23.3	41.3	43.2	52.5	60.3	64.8	73.2	78.0	96.6

Target Price Range
2020 | 2021 | 2022

LEGENDS
— 0.67 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	120	(+10%)	6%
Low	85	(-25%)	-2%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	1	0	0
Options	1	0	0	1	0	7	12	0	0
to Sell	1	0	0	2	2	0	2	1	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	262	272	239
to Sell	196	244	261
Hld's(000)	119482	123429	138535

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	24.8	16.7
3 yr.	59.5	22.7
5 yr.	131.1	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
48.71	40.30	41.76	40.84	50.74	50.93	54.28	57.23	48.45	50.51	52.57	51.01	54.56	69.50	57.60	59.24	**65.20**	**67.70**	Revenues per sh	**75.50**
6.98	8.31	6.95	6.81	8.14	8.19	8.48	8.26	9.38	9.78	9.57	9.77	10.13	11.85	9.44	10.60	**12.00**	**12.55**	"Cash Flow" per sh	**15.00**
2.15	3.83	2.85	2.55	3.27	2.45	2.66	2.73	3.24	3.74	3.67	3.88	3.76	5.10	4.44	4.83	**5.75**	**5.75**	Earnings per sh A	**6.75**
2.06	2.06	2.06	2.06	2.06	2.08	2.12	2.12	2.12	2.18	2.32	2.42	2.59	2.69	2.84	3.06	**3.36**	**3.59**	Div'd Decl'd per sh B ■	**4.30**
6.80	5.88	4.45	5.19	5.99	7.92	7.96	8.42	6.26	6.49	8.77	10.56	10.59	11.58	11.26	11.40	**16.15**	**14.50**	Cap'l Spending per sh	**14.00**
28.48	27.26	31.36	31.85	32.44	33.02	35.86	36.77	37.96	39.67	41.41	42.78	44.73	47.05	48.88	50.22	**52.60**	**54.75**	Book Value per sh C	**62.75**
161.13	167.46	168.61	174.21	177.81	177.14	163.23	163.02	165.40	169.43	169.25	172.35	177.09	176.99	179.47	179.43	**179.50**	**179.50**	Common Shs Outst'g D	**187.00**
19.3	11.3	13.7	16.0	13.8	17.4	18.3	14.8	10.4	12.3	13.5	14.9	17.9	14.9	18.1	19.0	*Bold figures are*		Avg Ann'l P/E Ratio	**15.0**
.99	.62	.78	.85	.73	.94	.97	.89	.69	.78	.85	.95	1.01	.78	.91	1.01	*Value Line*		Relative P/E Ratio	**.95**
5.0%	4.8%	5.3%	5.0%	4.6%	4.9%	4.4%	5.2%	6.3%	4.8%	4.7%	4.2%	3.8%	3.5%	3.5%	3.3%	*estimates*		Avg Ann'l Div'd Yield	**4.2%**

CAPITAL STRUCTURE as of 3/31/17
Total Debt $11830 mill. **Due in 5 Yrs** $3138 mill.
LT Debt $11758 mill. **LT Interest** $481 mill.
Incl. $3 mill. capitalized leases and $756 mill. Trust Preferred Securities.
(LT interest earned: 4.0x)

Leases, Uncapitalized Annual rentals $33 mill.
Pension Assets-12/16 $4012 mill.
Oblig $5171 mill.
Pfd Stock None
Common Stock 179,387,424 shs.

MARKET CAP: $20 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
8861.0	9329.0	8014.0	8557.0	8897.0	8791.0	9661.0	12301	10337	10630	**11700**	**12150**	Revenues ($mill)	**14100**
453.0	445.0	532.0	630.0	624.0	666.0	661.0	905.0	796.0	868.0	**1035**	**1040**	Net Profit ($mill)	**1265**
25.1%	34.9%	31.6%	32.7%	35.9%	29.8%	27.5%	28.5%	25.6%	24.5%	**24.5%**	**24.5%**	Income Tax Rate	**24.5%**
7.1%	11.2%	2.6%	1.6%	1.6%	3.0%	3.5%	4.1%	4.3%	3.6%	**3.0%**	**3.0%**	AFUDC % to Net Profit	**3.0%**
54.4%	56.4%	54.0%	51.3%	50.6%	48.8%	47.7%	50.0%	50.2%	55.6%	**56.0%**	**56.0%**	Long-Term Debt Ratio	**56.5%**
45.6%	43.6%	46.0%	48.7%	49.4%	51.2%	52.3%	50.0%	49.8%	44.4%	**44.0%**	**44.0%**	Common Equity Ratio	**43.5%**
12824	13736	13648	13811	14196	14387	15135	16670	17607	20280	**21450**	**22250**	Total Capital ($mill)	**26900**
11408	12231	12431	12992	13746	14684	15800	16820	18034	19730	**21500**	**22875**	Net Plant ($mill)	**26300**
5.3%	5.0%	5.7%	6.3%	5.9%	6.1%	5.7%	6.6%	5.7%	5.3%	**6.0%**	**6.0%**	Return on Total Cap'l	**6.0%**
7.7%	7.4%	8.5%	9.4%	8.9%	9.0%	8.3%	10.9%	9.1%	9.6%	**11.0%**	**10.5%**	Return on Shr. Equity	**10.5%**
7.7%	7.4%	8.5%	9.4%	8.9%	9.0%	8.3%	10.9%	9.1%	9.6%	**11.0%**	**10.5%**	Return on Com Equity E	**10.5%**
1.5%	1.7%	2.9%	4.0%	3.4%	3.5%	2.7%	5.2%	3.4%	3.7%	**4.5%**	**4.0%**	Retained to Com Eq	**4.0%**
80%	77%	65%	57%	62%	61%	67%	52%	63%	61%	**58%**	**62%**	All Div'ds to Net Prof	**64%**

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-1.7	-.6	+3.5
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NMF	NMF	NMF
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	357	279	300

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	2.5%	4.0%	3.5%
"Cash Flow"	3.5%	2.0%	6.0%
Earnings	5.5%	6.0%	6.0%
Dividends	3.5%	5.5%	7.0%
Book Value	4.0%	4.0%	4.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	3930	2698	2595	3078	12301
2015	2984	2268	2598	2487	10337
2016	2566	2262	2928	2874	10630
2017	3236	**2450**	**3014**	**3000**	**11700**
2018	**3250**	**2600**	**3150**	**3150**	**12150**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.84	.70	.88	1.68	5.10
2015	1.53	.61	1.47	.83	4.44
2016	1.37	.84	1.88	.73	4.83
2017	2.23	**.92**	**1.50**	**1.10**	**5.75**
2018	**1.90**	**1.00**	**1.65**	**1.20**	**5.75**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.62	.62	.655	.655	2.55
2014	.655	.655	.655	.69	2.66
2015	.69	.69	.69	.73	2.80
2016	.73	.73	.73	.77	2.96
2017	.825	.825			

BUSINESS: DTE Energy Company is a holding company for DTE Electric (formerly Detroit Edison), which supplies electricity in Detroit and a 7,600-square-mile area in southeastern Michigan, and DTE Gas (formerly Michigan Consolidated Gas). Customers: 2.1 mill. electric, 1.3 mill. gas. Has various nonutility operations. Electric revenue breakdown: residential, 48%; commercial, 34%; industrial, 13%; other, 5%. Generating sources: coal, 67%; nuclear, 17%; gas, 1%; purchased, 15%. Fuel costs: 52% of revenues. '16 reported deprec. rates: 3.5% electric, 2.4% gas. Has 10,000 employees. Chairman & CEO: Gerard M. Anderson. President & COO: Jerry Norcia. Inc.: MI. Address: One Energy Plaza, Detroit, MI 48226-1279. Tel.: 313-235-4000. Internet: www.dteenergy.com.

DTE Energy's electric utility subsidiary has filed a general rate case. DTE Electric expects to file applications annually through 2018, and possibly beyond then. The utility is seeking an increase of $231 million, based on a 10.5% return on equity. It expects to self-implement an interim hike in November, with a final order due in April of 2018. This was the last case filed under Michigan's previous regulatory law. Subsequent petitions will be decided within 10 months, rather than 12, but without the self-implementation provision. As for DTE Gas, it expects to file a rate case in the next one to two years.

We have raised our 2017 earnings estimate by $0.45 a share, despite unfavorable weather in the first quarter. The company's service area experienced a milder-than-normal winter — except for severe storms that hurt net income by $20 million. Even so, rate relief and effective cost control helped, and should be positive factors in the remainder of 2017 and in 2018, as well. Note that we *include* mark-to-market accounting gains or losses in our earnings presentation because these are an ongoing part of DTE Energy's results. This hurt the bottom line by $0.39 a share last year, but boosted profits by $0.44 a share in the March period. This is why our estimate of $5.75 a share is above the company's targeted range of $5.15-$5.46. We forecast flat share net in 2018 because the first-quarter comparison will be difficult.

Nonutility operations are contributing to DTE Energy's profit growth, too. The company is expanding its gas transportation and storage segment. It made an acquisition last year, and plans to build some infrastructure. A 50% stake in the NEXUS project (a $1 billion investment) between Michigan and Ohio, with a target of late 2017, awaits the approval of the Federal Energy Regulatory Commission. Even if this is delayed, DTE Energy will be able to collect the allowance for funds used construction, a noncash credit to income, to offset the effect of the delay.

Timely DTE Energy stock has a dividend yield that is about equal to the utility average. Like most utility equities, the recent price is within our 2020-2022 Target Price Range, so total return potential is unimpressive.

Paul E. Debbas, CFA *June 16, 2017*

(A) Diluted EPS. Excl. nonrec. gains (losses): '03, (16¢); '05, (2¢); '06, 1¢; '07, $1.96; '08, 50¢; '11, 51¢; '15, (39¢); gains (losses) on disc. ops.: '03, 40¢; '04, (6¢); '05, (20¢); '06, (2¢); '07, $1.20; '08, 13¢; '12, (33¢). '16 EPS don't sum due to rounding. Next egs report due late July. **(B)** Div'ds paid in mid-Jan., Apr., July and Oct. ■ Div'd reinvest. plan avail. **(C)** Incl. intang. In '16: $39.01/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate allowed on com. eq. in '17: 10.1% elec.; in '16: 10.1% gas; earn. on avg. com. eq., '16: 4.9%. Reg. Clim.: Avg.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	85
Earnings Predictability	85

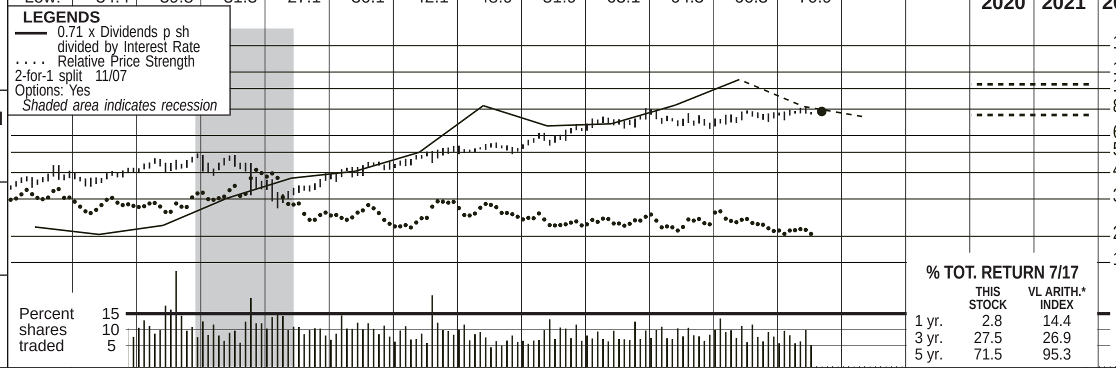
DOMINION ENERGY NYSE-D

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
77.96	22.7	(Trailing: 22.5) (Median: 19.0)	1.19	4.1%	VALUE LINE

TIMELINESS 4 Lowered 8/11/17
SAFETY 2 Raised 9/11/98
TECHNICAL 3 Lowered 8/18/17
BETA .65 (1.00 = Market)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
High:	42.2	49.4	48.5	39.8	45.1	53.6	55.6	68.0	80.9	79.9	79.0	81.6		
Low:	34.4	39.8	31.3	27.1	36.1	42.1	48.9	51.9	63.1	64.5	66.3	70.9		

Target Price Range
2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+35%)	11%
Low	75	(-5%)	4%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	0	0	1	0	0	0	0
Options	0	0	0	1	8	1	0	6	1
to Sell	0	0	0	1	0	1	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	423	449	434
to Sell	377	400	414
Hld's(000)	406322	407763	465004

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	2.8	14.4
3 yr.	27.5	26.9
5 yr.	71.5	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
19.94	16.58	18.57	20.54	25.96	23.61	27.17	27.93	25.24	26.17	25.24	22.73	22.56	21.25	19.59	18.70	*19.35*	*19.90*	Revenues per sh	*22.50*
3.92	4.45	3.97	4.18	3.70	4.91	5.08	5.07	4.82	5.11	5.04	5.24	5.47	5.71	5.98	6.33	*6.75*	*7.45*	"Cash Flow" per sh	*9.00*
1.49	2.41	1.96	2.13	1.50	2.40	2.13	3.04	2.64	2.89	2.76	2.75	3.09	3.05	3.20	3.44	*3.40*	*3.80*	Earnings per sh A	*4.50*
1.29	1.29	1.29	1.30	1.34	1.38	1.46	1.58	1.75	1.83	1.97	2.11	2.25	2.40	2.59	2.80	*3.02*	*3.30*	Div'd Decl'd per sh B ■	*4.20*
2.31	2.17	5.20	3.88	4.83	5.81	6.89	6.09	6.40	5.89	6.41	7.20	7.06	9.13	9.35	9.69	*8.95*	*7.80*	Cap'l Spending per sh	*8.75*
15.81	16.57	16.20	16.79	14.96	18.50	16.31	17.28	18.66	20.66	20.09	18.34	20.02	19.74	21.24	23.26	*25.10*	*25.65*	Book Value per sh C	*24.25*
529.40	616.20	650.40	680.40	695.00	698.00	576.80	583.20	599.40	580.80	569.70	576.10	581.50	585.30	596.30	627.80	*643.50*	*643.50*	Common Shs Outst'g D	*615.00*
20.9	12.0	15.2	15.1	24.9	16.0	20.6	13.8	12.7	14.3	17.3	18.9	19.2	23.0	22.1	21.3	*Bold figures are*		Avg Ann'l P/E Ratio	*20.0*
1.07	.66	.87	.80	1.33	.86	1.09	.83	.85	.91	1.09	1.20	1.08	1.21	1.11	1.13	*Value Line*		Relative P/E Ratio	*1.25*
4.1%	4.4%	4.3%	4.0%	3.6%	3.6%	3.3%	3.8%	5.2%	4.4%	4.1%	4.1%	3.8%	3.4%	3.7%	3.8%	*estimates*		Avg Ann'l Div'd Yield	*4.7%*

CAPITAL STRUCTURE as of 6/30/17
Total Debt $37038 mill. **Due in 5 Yrs** $15096 mill.
LT Debt $30155 mill. **LT Interest** $1197 mill.
(LT interest earned: 3.2x)

Leases, Uncapitalized Annual rentals $72 mill.

Pension Assets-12/16 $7016 mill. **Oblig** $8132 mill.

Pfd Stock None

Common Stock 642,585,953 shs.
as of 7/14/17
MARKET CAP: $50 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
15674	16290	15131	15197	14379	13093	13120	12436	11683	11737	*12450*	*12800*	Revenues ($mill)	*13850*
1414.0	1781.0	1585.0	1724.0	1603.0	1594.0	1806.0	1793.0	1899.0	2123.0	*2255*	*2570*	Net Profit ($mill)	*2975*
33.4%	37.1%	33.2%	38.6%	34.6%	36.2%	33.0%	28.1%	32.0%	22.8%	*30.0%*	*30.0%*	Income Tax Rate	*30.0%*
7.3%	4.9%	4.8%	5.9%	5.3%	5.7%	3.7%	4.5%	5.3%	7.5%	*6.0%*	*5.0%*	AFUDC % to Net Profit	*4.0%*
57.8%	59.1%	57.5%	56.3%	59.8%	60.9%	61.9%	65.4%	65.1%	67.4%	*67.0%*	*65.5%*	Long-Term Debt Ratio	*70.5%*
41.1%	39.8%	41.5%	42.8%	39.3%	38.2%	37.3%	34.6%	34.9%	32.6%	*33.0%*	*34.5%*	Common Equity Ratio	*29.5%*
22898	25290	26923	28012	29097	27676	31229	33360	36280	44836	*48825*	*48125*	Total Capital ($mill)	*50800*
21352	23274	25592	26713	29670	30773	32628	36270	41554	49964	*53550*	*56275*	Net Plant ($mill)	*64300*
8.0%	8.7%	7.5%	7.7%	7.0%	7.5%	7.3%	6.6%	6.5%	6.0%	*6.0%*	*6.5%*	Return on Total Cap'l	*7.5%*
14.6%	17.2%	13.9%	14.1%	13.7%	14.7%	15.2%	15.5%	15.0%	14.5%	*13.5%*	*15.0%*	Return on Shr. Equity	*19.0%*
14.9%	17.5%	14.0%	14.2%	13.9%	14.9%	15.4%	15.4%	15.0%	14.5%	*13.5%*	*15.0%*	Return on Com Equity E	*19.0%*
5.0%	8.4%	4.7%	5.3%	4.0%	3.5%	4.2%	3.3%	2.9%	2.7%	*1.5%*	*2.0%*	Retained to Com Eq	*1.5%*
67%	52%	67%	63%	71%	77%	73%	79%	81%	81%	*85%*	*83%*	All Div'ds to Net Prof	*88%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+1.6	+.7	NA
Avg. Indust. Use (MWH)	13847	13433	NA
Avg. Indust. Revs. per KWH (¢)	6.12	6.17	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.0	+.9	NA
Fixed Charge Cov. (%)	266	352	310

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-1.5%	-5.0%	*2.0%*
"Cash Flow"	3.5%	4.0%	*7.0%*
Earnings	5.0%	3.0%	*5.5%*
Dividends	7.0%	7.0%	*8.5%*
Book Value	2.5%	1.5%	*2.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	3630	2813	3050	2943	12436
2015	3409	2747	2971	2556	11683
2016	2921	2598	3132	3086	11737
2017	3384	2813	*3150*	*3103*	*12450*
2018	*3500*	*2900*	*3250*	*3150*	*12800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.03	.60	.95	.47	3.05
2015	.91	.70	1.00	.59	3.20
2016	.88	.73	1.10	.73	3.44
2017	1.01	.62	*1.02*	*.75*	*3.40*
2018	*1.05*	*.80*	*1.10*	*.85*	*3.80*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.562	.562	.563	.563	2.25
2014	.60	.60	.60	.60	2.40
2015	.647	.647	.648	.648	2.59
2016	.70	.70	.70	.70	2.80
2017	.755	.755			

BUSINESS: Dominion Energy, Inc. (formerly Dominion Resources, Inc.) is a holding company for Virginia Power & North Carolina Power, which serve 2.6 mill. customers in VA & northeastern NC. Serves 2.3 mill. gas customers in OH, WV, & UT. Nonutility ops. incl. independent power production. Owns 70.9% of Dominion Midstream Partners. Acq'd Questar 9/16. Elec. rev. breakdown: residential, 46%; commercial, 32%; industrial, 7%; other, 15%. Generating sources: nuclear, 31%; gas, 31%; coal, 24%; other, 6%; purch., 8%. Fuel costs: 25% of revs. '16 reported depr. rates: 2.3%-4.1%. Has 16,200 employees. Chairman, Pres. & CEO: Thomas F. Farrell II. Inc.: VA. Address: 120 Tredegar St., P.O. Box 26532, Richmond, VA 23261-6532. Tel.: 804-819-2000. Internet: www.dom.com.

We think Dominion Energy's share profits will decline modestly in 2017. (The company changed its name from Dominion Resources; the stock's ticker symbol remains D.) Unfavorable weather conditions hurt earnings by $0.10 a share in the first six months of 2017. The company is incurring integration expenses associated with its acquisition of Questar last September. Tax credits for solar investments are declining; this will hurt the year-to-year comparison by $0.20 a share. The Millstone nonregulated nuclear plant in Connecticut is receiving lower prices for the power it is producing, and will have an additional refueling outage. Average shares outstanding are rising as Dominion issues common equity. Our earnings estimate is at the low end of management's guidance of $3.40-$3.90 a share.

The company expects to increase earnings by at least 10% next year. The biggest factor is the conversion of the Cove Point liquefied natural gas terminal into an export facility. This project is on track for completion in late 2017, and will add an estimated $0.40-$0.45 a share to the bottom line in 2018. We forecast a 12% increase, to $3.80 a share. We are not assuming that Connecticut will pass legislation that would provide subsidies for Millstone, but such a move would be another positive factor for Dominion.

Some significant projects are in various stages of development. Virginia Power is building a 1,588-megawatt gas-fired plant. This is expected to achieve commercial operation in late 2018 at a cost of $1.3 billion. Dominion is a partner in a natural gas pipeline that is expected to be completed in late 2019. The capital spending on this project is expected at $1.5 billion. The company plans to spend $800 million a year on electric transmission for at least the next decade. Its long-term goal for profit growth is 6%-8% annually.

The untimely stock has an above-average dividend yield, even by utility standards. Stockholders can look forward to strong dividend growth, thanks to the distributions Dominion receives from its interest in Dominion Midstream Partners, a gas master limited partnership. Total return potential over the 3- to 5-year period is superior to that of most utility equities.

Paul E. Debbas, CFA *August 18, 2017*

(A) Dil. egs. Excl. nonrec. gains (losses): '01, (42¢); '03, ($1.46); '04, (22¢); '06, (18¢); '07, $1.67; '08, 12¢; '09, (47¢); '10, $2.18; '11, (7¢); '12, ($1.70); '14, (76¢); losses from disc. ops.: '06, 26¢; '07, 1¢; '10, 26¢; '12, 4¢; '13, 16¢. '14 & '15 EPS don't add due to rounding. Next egs. due early Nov. **(B)** Div'ds histor. paid in mid-Mar., June, Sept., & Dec. ■ Div'd reinvest. plan avail. **(C)** Incl. intang. In '16: $15.12/sh. **(D)** In mill., adj. for split. **(E)** Rate base: Net orig. cost, adj. Rate all'd on com. eq. in '11: 10.9%; earn. on avg. com. eq., '16: 15.8%. Reg. Clim.: Avg.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	80
Earnings Predictability	90

EDISON INTERNAT'L NYSE-EIX

RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
77.86	18.3 (Trailing: 18.6) (Median: 12.0)	0.92	2.9%	

TIMELINESS **2** Raised 6/2/17

SAFETY **2** Raised 5/3/13

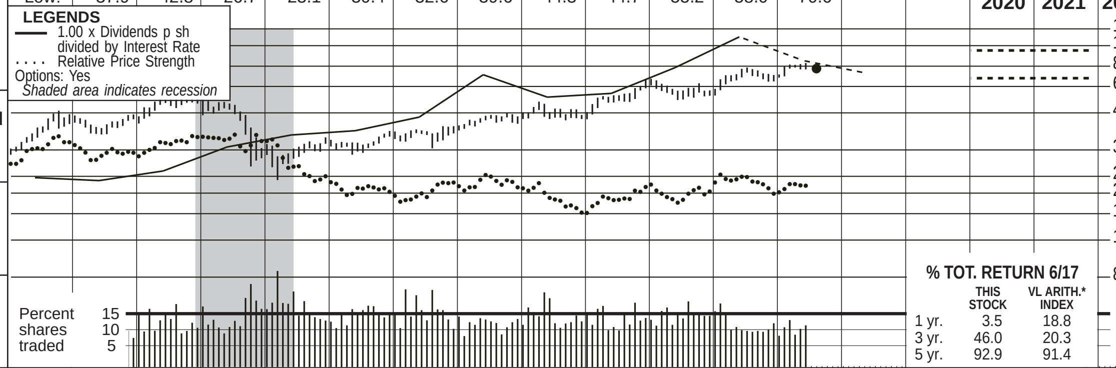
TECHNICAL **2** Lowered 7/28/17

BETA .60 (1.00 = Market)

High:	47.2	60.3	55.7	36.7	39.4	41.6	48.0	54.2	68.7	69.6	78.7	82.8
Low:	37.9	42.8	26.7	23.1	30.4	32.6	39.6	44.3	44.7	55.2	58.0	70.6

Target Price Range

2020	2021	2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	95	(+20%)	8%
Low	70	(-10%)	1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	1	1	1	0	10	9	2	2	3
to Sell	3	0	1	0	0	1	1	1	1

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	233	273	252
to Sell	251	243	273
Hld's(000)	263026	270585	292772

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	3.5	18.8
3 yr.	46.0	20.3
5 yr.	92.9	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
35.10	35.26	37.25	31.30	36.38	38.74	40.25	43.31	37.98	38.09	39.16	36.41	38.61	41.17	35.37	36.43	*37.60*	*39.45*	Revenues per sh	*45.50*
4.35	4.79	5.88	3.79	6.99	7.25	7.60	8.08	7.96	8.41	9.03	9.63	8.80	9.95	10.35	10.43	*11.05*	*11.40*	"Cash Flow" per sh	*13.75*
1.30	1.82	2.38	.69	3.34	3.28	3.32	3.68	3.24	3.35	3.23	4.55	3.78	4.33	4.15	3.94	*4.25*	*4.25*	Earnings per sh A	*5.25*
- -	- -	- -	.80	1.02	1.10	1.18	1.23	1.25	1.27	1.29	1.31	1.37	1.48	1.73	1.98	*2.21*	*2.36*	Div'd Decl'd per sh B ■	*2.90*
2.86	4.88	3.95	5.32	5.73	7.78	8.67	8.67	10.07	13.94	14.76	12.73	11.05	11.99	12.97	11.46	*13.10*	*15.40*	Cap'l Spending per sh	*16.00*
10.04	13.62	16.52	18.57	20.30	23.66	25.92	29.21	30.20	32.44	30.86	28.95	30.50	33.64	34.89	36.82	*38.30*	*39.65*	Book Value per sh C	*44.75*
325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	*325.81*	*325.81*	Common Shs Outst'g D	*325.81*
10.0	7.8	7.0	37.6	11.7	13.0	16.0	12.4	9.7	10.3	11.8	9.7	12.7	13.0	14.8	17.9	*Bold figures are*		Avg Ann'l P/E Ratio	*15.5*
.51	.43	.40	1.99	.62	.70	.85	.75	.65	.66	.74	.62	.71	.68	.75	.94	*Value Line*		Relative P/E Ratio	*.95*
- -	- -	- -	3.1%	2.6%	2.6%	2.2%	2.7%	4.0%	3.7%	3.4%	3.0%	2.8%	2.6%	2.8%	2.8%	*estimates*		Avg Ann'l Div'd Yield	*3.6%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $12938 mill. **Due in 5 Yrs** $2500 mill.
LT Debt $11662 mill. **LT Interest** $549 mill.
(LT interest earned: 4.0x)
Leases, Uncapitalized Annual rentals $393 mill.
Pens. Assets-12/16 $3388 mill. **Oblig** $4284 mill.
Pfd Stock $2191 mill. **Pfd Div'd** $123 mill.
4,800,198 sh. 4.08%-4.78%, $25 par, call. $25.50-$28.75/sh.; 3,250,000 sh. variable, noncum., call. $100; 1,250,000 sh. 6.5%, cum., $100 liq. value; 350,000 sh. 6.25%, $1000 liq. value; 460,012 sh. 5.1%-5.75%, $2500 liq. value.
Common Stock 325,811,206 shs. **as of 4/28/17**
MARKET CAP: $25 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
13113	14112	12374	12409	12760	11862	12581	13413	11524	11869	*12250*	*12850*	Revenues ($mill)	*14800*
1151.0	1266.0	1115.0	1153.0	1112.0	1594.0	1344.0	1539.0	1480.0	1422.0	*1520*	*1525*	Net Profit ($mill)	*1865*
27.3%	30.7%	33.0%	32.1%	25.7%	14.3%	25.2%	22.4%	6.6%	11.1%	*18.0%*	*18.0%*	Income Tax Rate	*18.0%*
8.2%	8.9%	10.5%	16.9%	14.8%	8.5%	7.8%	5.8%	8.0%	6.8%	*7.0%*	*7.0%*	AFUDC % to Net Profit	*6.0%*
49.1%	51.2%	49.3%	51.8%	55.3%	45.2%	45.7%	44.1%	45.0%	41.8%	*43.5%*	*46.0%*	Long-Term Debt Ratio	*46.0%*
46.0%	44.5%	46.5%	44.3%	40.6%	46.2%	46.2%	47.2%	46.7%	49.2%	*48.0%*	*46.5%*	Common Equity Ratio	*47.0%*
18375	21374	21185	23861	24773	20422	21516	23216	24352	24362	*25950*	*27875*	Total Capital ($mill)	*31000*
17403	18969	21966	24778	32116	30273	30455	32981	35085	37000	*39075*	*41775*	Net Plant ($mill)	*49400*
8.3%	7.4%	6.9%	6.3%	6.0%	8.9%	7.3%	7.7%	7.1%	6.9%	*7.0%*	*6.5%*	Return on Total Cap'l	*7.0%*
12.3%	12.1%	10.4%	10.0%	10.0%	14.2%	11.5%	11.9%	11.1%	10.0%	*10.5%*	*10.0%*	Return on Shr. Equity	*11.0%*
13.0%	12.8%	10.8%	10.4%	10.5%	15.9%	12.5%	13.0%	12.0%	10.8%	*11.0%*	*11.0%*	Return on Com Equity E	*12.0%*
9.2%	8.6%	6.7%	6.5%	6.3%	11.4%	8.1%	8.8%	7.2%	5.6%	*5.5%*	*5.0%*	Retained to Com Eq	*5.5%*
33%	35%	41%	40%	43%	32%	40%	37%	44%	53%	*55%*	*58%*	All Div'ds to Net Prof	*57%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+2.1	-1.4	-2.6
Avg. Indust. Use (MWH)	788	703	664
Avg. Indust. Revs. per KWH (¢)	8.86	9.07	6.51
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	23055	23079	23091
Annual Load Factor (%)	52.3	52.2	50.7
% Change Customers (yr-end)	+.6	+.6	+.5
Fixed Charge Cov. (%)	306	247	246

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	.5%	-.5%	*3.0%*
"Cash Flow"	5.5%	4.0%	*5.0%*
Earnings	5.5%	5.0%	*4.0%*
Dividends	6.0%	6.5%	*9.0%*
Book Value	5.5%	2.5%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	2926	3016	4356	3115	13413
2015	2512	2908	3763	2341	11524
2016	2440	2777	3767	2885	11869
2017	2463	*2950*	*3887*	*2950*	*12250*
2018	*2600*	*3100*	*4050*	*3100*	*12850*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.61	1.07	1.51	1.15	4.33
2015	.91	1.15	1.15	.94	4.15
2016	.85	.86	1.27	.96	3.94
2017	1.11	*.90*	*1.34*	*.90*	*4.25*
2018	*1.00*	*.90*	*1.40*	*.95*	*4.25*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.3375	.3375	.3375	.3375	1.35
2014	.355	.355	.355	.355	1.42
2015	.4175	.4175	.4175	.4175	1.67
2016	.48	.48	.48	.48	1.92
2017	.5425	.5425			

BUSINESS: Edison International (formerly SCECorp) is a holding company for Southern California Edison Company (SCE), which supplies electricity to 5.1 mill. customers in a 50,000-sq.-mi. area in central, coastal, & southern CA (excl. Los Angeles & San Diego). Edison Energy is an energy svcs. co. Disc. Edison Mission Energy (independent power producer) in '12. Elec. rev. breakdown: residential, 37%; commercial, 44%; industrial, 6%; other, 13%. Generating sources: gas, 6%; nuclear, 6%; hydro, 5%; purchased, 83%. Fuel costs: 38% of revs. '16 reported depr. rate: 3.8%. Has 12,400 empls. Chairman: William P. Sullivan. Pres. & CEO: Pedro J. Pizzaro. Inc.: CA. Address: 2244 Walnut Grove Ave., P.O. Box 976, Rosemead, CA 91770. Tel.: 626-302-2222. Web: www.edison.com.

Edison International's utility subsidiary has a general rate case pending. Southern California Edison is seeking electric tariff hikes of $196 million (2.5%) in 2018, $480 million (3.8%) in 2019, and $556 million (5.1%) in 2020. The utility plans capital spending of $14.8 billion (including $1.8 billion for grid modernization) over this three-year span. On the other hand, the California Public Utility Commission's (CPUC) Office of Ratepayer Advocates (ORA) is recommending a raise of just $14 million next year, while an intervenor group is proposing an increase of $129 million. The proposed grid modernization spending is new, compared with previous rate cases, and has been somewhat controversial, so far. Even if the CPUC's order comes after the end of 2017, it will be retroactive to the start of 2018.

The utility's cost-of-capital settlement was approved. This will lower SCE's allowed return on equity from 10.45% to 10.3%, effective in 2018 for a two-year span. We estimate that this will cut the utility's net profit by $39 million annually.

The company is still trying to resolve a controversy over a regulatory settlement pertaining to the shut San Onofre nuclear station. In 2015, SCE thought it had resolved this issue, which resulted in nearly $1.6 billion of refunds and credits for customers. However, the ORA and an intervenor complained about *ex parte* communications between the company and former CPUC commissioners. The parties have until August 15th to reach an agreement or put separate proposals before the CPUC. Additional refunds and/or credits cannot be ruled out.

We look for higher earnings this year, but flat share net in 2018. This year, several things combined to make first-quarter profits higher than usual. This will make the comparison difficult in 2018. We assume reasonable treatment in the aforementioned general rate case, but a lowered allowed ROE will offset part of the effect of the rate hike.

This timely stock has a dividend yield that is somewhat below the utility mean. Edison International offers superior dividend growth prospects through 2020-2022, but total return potential is only about average for this industry.

Paul E. Debbas, CFA *July 28, 2017*

(A) Diluted EPS. Excl. nonrec. gains (losses): '02, $1.48; '03, (12¢); '04, $2.12; '09, (64¢); '10, 54¢; '11, ($3.33); '13, ($1.12); '15, ($1.18); gains (loss) from disc. ops.: '12, ($5.11); '13, 11¢; '14, 57¢; '15, 11¢; '16, 3¢. '14 EPS don't add due to rounding. Next earnings report due early Aug. (B) Div'ds paid late Jan., Apr., July, & Oct. ■ Div'd reinvestment plan avail. (C) Incl. deferred charges. In '16: $22.88/sh. (D) In mill. (E) Rate base: net orig. cost. Rate allowed on com. eq. in '15: 10.45%; earned on avg. com. eq., '16: 11.0%. Regulatory Climate: Average.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	50
Earnings Predictability	65

EMPIRE DISTRICT NYSE-EDE

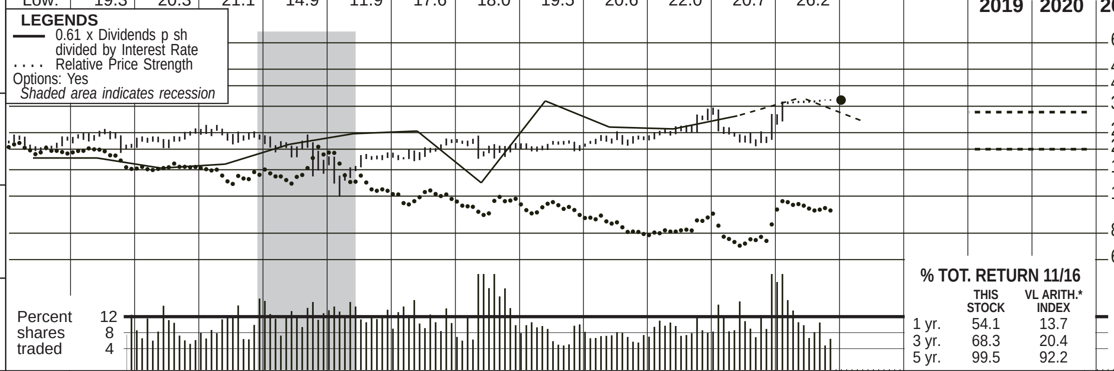
RECENT PRICE **34.20** | P/E RATIO **23.8** (Trailing: 24.8; Median: 16.0) | RELATIVE P/E RATIO **1.22** | DIV'D YLD **3.1%** | **VALUE LINE**

TIMELINESS – Suspended 2/19/16
SAFETY 2 Raised 3/23/12
TECHNICAL – Suspended 2/19/16
BETA .70 (1.00 = Market)

High:	25.0	25.1	26.1	23.5	19.4	22.5	23.3	22.0	24.3	31.2	31.5	34.5
Low:	19.3	20.3	21.1	14.9	11.9	17.6	18.0	19.5	20.6	22.0	20.7	26.2

Target Price Range

2019	2020	2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(-10%)	*1%*
Low	20	(-40%)	*-8%*

Insider Decisions

	F	M	A	M	J	J	A	S	O
to Buy	0	0	0	0	0	0	0	0	0
Options	5	0	1	0	0	1	0	0	1
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	1Q2016	2Q2016	3Q2016
to Buy	76	66	56
to Sell	89	71	61
Hld's(000)	26980	28320	29209

% TOT. RETURN 11/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	54.1	13.7
3 yr.	68.3	20.4
5 yr.	99.5	92.2

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
14.78	13.37	13.56	13.03	12.67	14.80	13.67	14.59	15.25	13.04	13.02	13.74	13.11	13.81	15.00	13.82	*13.50*	*13.55*	Revenues per sh	*14.75*
3.12	2.19	2.43	2.48	2.22	2.45	2.75	2.69	2.91	2.72	2.85	3.21	2.99	3.14	3.45	3.32	*3.60*	*3.80*	"Cash Flow" per sh	*4.50*
1.35	.59	1.19	1.29	.86	.92	1.41	1.09	1.17	1.18	1.17	1.31	1.32	1.48	1.55	1.29	*1.40*	*1.45*	Earnings per sh A	*1.75*
1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	.64	1.00	1.01	1.03	1.04	*1.04*	*1.06*	Div'd Decl'd per sh B ■ †	*1.20*
7.61	4.02	3.43	2.65	1.64	2.83	3.97	5.46	6.28	4.07	2.63	2.44	3.22	3.60	4.91	4.23	*2.70*	*2.40*	Cap'l Spending per sh	*3.50*
13.65	13.58	14.59	15.17	14.76	15.08	15.49	16.04	15.56	15.75	15.82	16.53	16.90	17.43	18.02	18.32	*18.55*	*18.85*	Book Value per sh C	*20.25*
17.60	19.76	22.57	24.98	25.70	26.08	30.25	33.61	33.98	38.11	41.58	41.98	42.48	43.04	43.48	43.82	*44.50*	*45.00*	Common Shs Outst'g D	*46.50*
17.7	33.9	16.2	15.8	24.8	24.5	15.9	21.7	17.3	14.3	16.8	15.8	15.8	15.0	16.2	18.6	*Bold figures are*		Avg Ann'l P/E Ratio	*14.5*
1.15	1.74	.88	.90	1.31	1.30	.86	1.15	1.04	.95	1.07	.99	1.01	.84	.85	.93	*Value Line*		Relative P/E Ratio	*.90*
5.4%	6.4%	6.6%	6.3%	6.0%	5.7%	5.7%	5.4%	6.3%	7.6%	6.5%	3.1%	4.8%	4.5%	4.1%	4.3%	*estimates*		Avg Ann'l Div'd Yield	*4.7%*
						413.5	490.2	518.2	497.2	541.3	576.9	557.1	594.3	652.3	605.6	*600*	*610*	Revenues ($mill)	*685*
						39.9	33.2	39.7	41.3	47.4	55.0	55.7	63.4	67.1	56.6	*60.0*	*65.0*	Net Profit ($mill)	*80.0*
						35.4%	30.3%	32.5%	32.5%	39.2%	38.4%	38.0%	37.1%	36.9%	37.4%	*37.5%*	*38.0%*	Income Tax Rate	*38.0%*
						10.7%	23.1%	31.5%	34.2%	21.5%	.9%	3.5%	9.4%	14.8%	13.6%	*8.0%*	*3.0%*	AFUDC % to Net Profit	*5.0%*
						49.7%	50.1%	53.6%	51.6%	51.3%	49.9%	49.1%	49.8%	50.6%	51.1%	*53.0%*	*50.0%*	Long-Term Debt Ratio	*50.5%*
						50.3%	49.9%	46.4%	48.4%	48.7%	50.1%	50.9%	50.2%	49.4%	48.9%	*47.0%*	*50.0%*	Common Equity Ratio	*49.5%*
						931.0	1081.1	1140.4	1240.3	1350.7	1386.2	1409.4	1493.6	1586.5	1640.7	*1765*	*1695*	Total Capital ($mill)	*1900*
						1031.0	1178.9	1342.8	1459.0	1519.1	1563.7	1657.6	1751.9	1910.3	2020.4	*2040*	*2045*	Net Plant ($mill)	*2175*
						5.9%	4.7%	5.2%	5.2%	5.1%	5.5%	5.4%	5.6%	5.5%	4.8%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
						8.5%	6.2%	7.5%	6.9%	7.2%	7.9%	7.8%	8.5%	8.6%	7.1%	*7.5%*	*7.5%*	Return on Shr. Equity	*8.5%*
						8.5%	6.2%	7.5%	6.9%	7.2%	7.9%	7.8%	8.5%	8.6%	7.1%	*7.5%*	*7.5%*	Return on Com Equity E	*8.5%*
						.8%	NMF	NMF	NMF	NMF	4.1%	1.9%	2.7%	2.9%	1.4%	*2.0%*	*2.0%*	Retained to Com Eq	*2.5%*
						90%	117%	109%	109%	110%	49%	76%	68%	66%	80%	*74%*	*73%*	All Div'ds to Net Prof	*69%*

CAPITAL STRUCTURE as of 9/30/16
Total Debt $854.9 mill. **Due in 5 Yrs** $216.8 mill.
LT Debt $829.6 mill. **LT Interest** $42.3 mill.
Incl. $3.3 mill. capitalized leases.
(LT interest earned: 3.0x)

Pension Assets-12/15 $186.9 mill.
Oblig $243.7 mill.

Pfd Stock None

Common Stock 44,094,312 shs.
as of 10/31/16

MARKET CAP: $1.5 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2013	2014	2015
% Change Retail Sales (KWH)	+1.3	+1.3	-1.8
Avg. Industrial Use (MWH)	2943	2981	3024
Avg. Industrial Rev/KWH (¢)	7.93	8.21	8.28
Capacity at Peak (Mw)	1377	1326	1280
Peak Load, Summer (Mw)	1080	1162	1149
Annual Load Factor (%)	56.2	52.8	52.5
% Change Customers (avg.)	+.5	+.3	+.5
Fixed Charge Cov. (%)	331	334	291

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	.5%	.5%	*.5%*
"Cash Flow"	3.5%	3.0%	*5.5%*
Earnings	3.5%	4.0%	*3.5%*
Dividends	-2.0%	-4.5%	*2.5%*
Book Value	2.0%	2.5%	*2.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	151.1	136.6	157.5	149.1	594.3
2014	179.7	149.8	171.5	151.3	652.3
2015	164.5	134.6	169.7	136.8	605.6
2016	151.3	139.3	175.4	*134*	*600*
2017	*160*	*140*	*175*	*135*	*610*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.30	.27	.56	.35	1.48
2014	.48	.26	.55	.26	1.55
2015	.34	.15	.58	.23	1.29
2016	.32	.21	.62	*.25*	*1.40*
2017	*.31*	*.26*	*.60*	*.28*	*1.45*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.25	.25	.25	.25	1.00
2013	.25	.25	.25	.255	1.01
2014	.255	.255	.255	.26	1.03
2015	.26	.26	.26	.26	1.04
2016	.26	.26	.26	.26	

BUSINESS: The Empire District Electric Company supplies electricity to 170,000 customers in a 10,000 sq. mi. area in southwestern Missouri (89% of retail elec. revs.), Kansas (5%), Oklahoma (3%), & Arkansas (3%). Acquired Missouri Gas (44,000 customers) 6/06. Supplies water service (4,000 customers) and has a small fiber-optics operation. Elec. rev. breakdown: residential, 42%; commercial, 31%; industrial, 16%; other, 11%. Generating sources: coal, 50%; gas, 27%; hydro, 1%; purch., 22%. Fuel costs: 31% of revenues. '15 reported depr. rate: 3.2%. Has about 750 employees. Chairman: D. Randy Laney. President & CEO: Bradley P. Beecher. Inc.: KS. Address: 602 S. Joplin Ave., P.O. Box 127, Joplin, MO 64802-0127. Tel.: 417-625-5100. Internet: www.empiredistrict.com.

It appears as if the acquisition of Empire District Electric Company will be completed soon. Algonquin Power & Utilities, a Canadian company that already has some operations in the United States under the Liberty Utilities name, has agreed to pay $34.00 in cash for each share of Empire District Electric. All shareholder and regulatory approvals have been received, except that of the Kansas Corporation Commission (KCC). However, the companies have reached a settlement with the KCC's staff. As part of the agreement, Empire District Electric would withdraw its pending request for a $6.4 million (25.7%) rate increase. Instead, the company would file for recovery of certain environmental costs through a rider on customers' bills. This would raise rates by $1.2 million. A ruling from the KCC is due by January 10, 2017. If the regulators approve the settlement—and there has been no significant opposition—the transaction is likely to be completed shortly thereafter. Accordingly, this might well be our last full-page report on Empire District Electric.

We advise stockholders to sell their shares on the open market. The recent price of Empire District Electric stock is *above* the buyout price. The Timeliness rank of this equity remains suspended due to the takeover agreement.

Empire District Electric received a rate increase in Missouri. The Missouri Public Service Commission approved a settlement calling for a hike of $20.4 million (4.5%), based on a return on equity in a range of 9.5%-9.9%. New tariffs took effect in mid-September.

We expect higher earnings this year and next, despite the inclusion of merger-related expenses. Merger-related costs are expected to reduce the bottom line by $0.10-$0.12 a share in 2016. Even so, we think profits will wind up higher for the year because the effects of regulatory lag hurt earnings in 2015. In addition, Empire District Electric should benefit from rate relief in 2016 and 2017. Note that we have raised our 2016 earnings estimate by $0.05 a share, to $1.40, because a hotter-than-normal summer helped boost the bottom line in the third quarter.

Paul E. Debbas, CFA *December 16, 2016*

(A) Diluted earnings. Excl. loss from discontinued operations: '06, 2¢. '15 EPS don't add due to rounding. Next earnings report due early Feb. (B) Div'ds historically paid in mid-Mar., June, Sept. and Dec. Div'ds suspended 3Q '11, reinstated 1Q '12. ■ Div'd reinvestment plan avail. (3% discount). † Shareholder investment plan avail. (C) Incl. intangibles. In '15: $5.88/sh. (D) In mill. (E) Rate base: Deprec. orig. cost. Rate allowed on com. eq. in MO in '16: 9.5%-9.9%; earned on avg. com. eq., '15: 7.2%. Regulatory Climate: Below Average.

Company's Financial Strength	B++
Stock's Price Stability	85
Price Growth Persistence	35
Earnings Predictability	85

SEMPRA ENERGY NYSE-SRE

RECENT PRICE **112.20** | P/E RATIO **22.2** (Trailing: 25.9 / Median: 15.0) | RELATIVE P/E RATIO **1.12** | DIV'D YLD **3.1%** | VALUE LINE

TIMELINESS **2** Raised 7/7/17
SAFETY **2** Raised 7/29/16
TECHNICAL **2** Lowered 7/28/17
BETA .80 (1.00 = Market)

High:	57.3	66.4	63.0	57.2	57.2	56.0	72.9	93.0	116.3	116.2	114.7	118.0
Low:	42.9	50.9	34.3	36.4	43.9	44.8	54.7	70.6	86.7	89.4	86.7	99.7

2020-22 PROJECTIONS

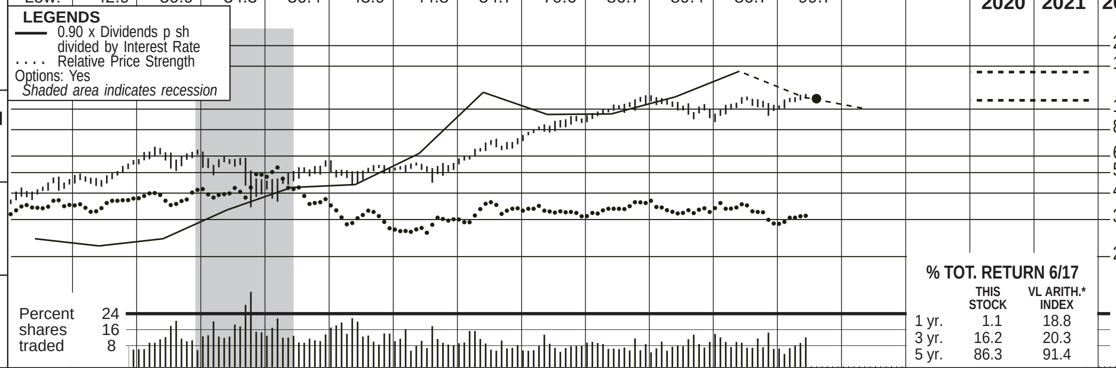
	Price	Gain	Ann'l Total Return
High	150	(+35%)	10%
Low	110	(Nil)	3%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	1	0	0	0	0	0	0
Options	0	0	0	1	8	0	4	0	2
to Sell	0	0	0	3	4	1	2	0	1

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	227	276	267
to Sell	253	242	266
Hld's(000)	200473	202823	225590



Target Price Range 2020 | 2021 | 2022

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	1.1	18.8
3 yr.	16.2	20.3
5 yr.	86.3	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
39.27	29.38	34.81	40.18	45.64	44.89	43.79	44.21	32.88	37.44	41.83	39.80	43.18	44.80	41.20	40.71	**42.65**	**44.50**	Revenues per sh	**55.50**
5.39	5.71	5.56	6.58	5.96	6.74	6.93	7.40	7.94	7.76	8.58	8.92	8.87	9.41	10.32	9.50	**10.85**	**11.65**	"Cash Flow" per sh	**15.50**
2.55	2.79	3.01	3.93	3.52	4.23	4.26	4.43	4.78	4.02	4.47	4.35	4.22	4.63	5.23	4.24	**5.05**	**5.50**	Earnings per sh A	**7.50**
1.00	1.00	1.00	1.00	1.16	1.20	1.24	1.37	1.56	1.56	1.92	2.40	2.52	2.64	2.80	3.02	**3.29**	**3.56**	Div'd Decl'd per sh B ■	**4.55**
5.22	5.92	4.63	4.62	5.46	7.28	7.70	8.47	7.76	8.58	11.85	12.20	10.52	12.68	12.71	16.85	**13.50**	**10.45**	Cap'l Spending per sh	**11.50**
13.17	13.79	17.17	20.78	23.95	28.66	31.87	32.75	36.54	37.54	41.00	42.42	45.03	45.98	47.56	51.77	**53.45**	**55.25**	Book Value per sh C	**58.25**
204.48	204.91	226.60	234.18	257.19	262.01	261.21	243.32	246.51	240.45	239.93	242.37	244.46	246.33	248.30	250.15	**252.00**	**254.00**	Common Shs Outst'g D	**236.00**
9.7	8.2	9.0	8.6	11.8	11.5	14.0	11.8	10.1	12.6	11.8	14.9	19.7	21.9	19.7	24.4	*Bold figures are*		Avg Ann'l P/E Ratio	**17.5**
.50	.45	.51	.45	.63	.62	.74	.71	.67	.80	.74	.95	1.11	1.15	.99	1.28	*Value Line*		Relative P/E Ratio	**1.10**
4.1%	4.4%	3.7%	2.9%	2.8%	2.5%	2.1%	2.6%	3.2%	3.1%	3.6%	3.7%	3.0%	2.6%	2.7%	2.9%	*estimates*		Avg Ann'l Div'd Yield	**3.5%**

CAPITAL STRUCTURE as of 3/31/17
Total Debt $17302 mill. **Due in 5 Yrs** $8136 mill.
LT Debt $14409 mill. **LT Interest** $619 mill.
Incl. $240 mill. capitalized leases.
(LT interest earned: 3.1x)

Leases, Uncapitalized Annual rentals $78 mill.
Pension Assets-12/16 $2459 mill. **Oblig** $3679 mill.
Pfd Stock $20 mill. **Pfd Div'd** $1.2 mill.
811,073 shs. 6% cum., $25 par.
Common Stock 250,831,410 shs.
as of 5/3/17
MARKET CAP: $28 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
11438	10758	8106.0	9003.0	10036	9647.0	10557	11035	10231	10183	**10750**	**11300**	Revenues ($mill)	**13100**
1135.0	1123.0	1193.0	1008.0	1088.0	1079.0	1060.0	1162.0	1314.0	1065.0	**1385**	**1510**	Net Profit ($mill)	**1875**
33.6%	29.2%	30.5%	26.5%	25.3%	18.2%	26.5%	19.7%	19.2%	14.4%	**29.0%**	**29.0%**	Income Tax Rate	**28.0%**
11.5%	13.2%	10.6%	11.3%	15.2%	17.2%	11.2%	14.4%	15.3%	22.2%	**26.0%**	**23.0%**	AFUDC % to Net Profit	**11.0%**
34.8%	44.5%	44.8%	49.4%	50.4%	52.8%	50.5%	51.7%	52.6%	52.7%	**53.5%**	**54.0%**	Long-Term Debt Ratio	**60.0%**
63.7%	54.2%	54.1%	49.6%	49.2%	46.7%	49.4%	48.2%	47.3%	47.3%	**46.5%**	**46.0%**	Common Equity Ratio	**40.0%**
13071	14692	16646	18186	20015	22002	22281	23513	24963	27400	**29075**	**30525**	Total Capital ($mill)	**34300**
14884	16865	18281	19876	23572	25191	25460	25902	28039	32931	**34875**	**35975**	Net Plant ($mill)	**38800**
9.6%	8.5%	8.3%	6.8%	6.7%	6.1%	6.0%	6.1%	6.4%	5.0%	**6.0%**	**6.0%**	Return on Total Cap'l	**7.0%**
13.3%	13.8%	13.0%	10.9%	10.9%	10.4%	9.6%	10.2%	11.1%	8.2%	**9.5%**	**10.0%**	Return on Shr. Equity	**13.0%**
13.5%	14.0%	13.1%	11.1%	11.0%	10.4%	9.6%	10.3%	11.1%	8.2%	**9.5%**	**10.0%**	Return on Com Equity E	**13.0%**
9.7%	9.7%	9.3%	7.0%	6.5%	5.1%	4.1%	5.0%	5.8%	2.9%	**3.5%**	**3.5%**	Retained to Com Eq	**5.0%**
29%	31%	29%	37%	41%	52%	58%	52%	48%	65%	**64%**	**64%**	All Div'ds to Net Prof	**61%**

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+1.8	-1.0	-3.8
Avg. Indust. Use (MWH)	4543	4683	4785
Avg. Indust. Revs. per KWH (¢)	16.55	17.58	NA
Capacity at Peak (Mw)	NMF	NMF	NMF
Peak Load, Summer (Mw)	NMF	NMF	NMF
Annual Load Factor (%)	NMF	NMF	NMF
% Change Customers (yr-end)	+.6	+.7	+.6
Fixed Charge Cov. (%)	288	295	237

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-.5%	2.5%	4.5%
"Cash Flow"	4.0%	4.0%	8.0%
Earnings	2.0%	1.0%	8.0%
Dividends	9.5%	11.0%	8.5%
Book Value	7.0%	5.0%	3.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	2795	2678	2815	2747	11035
2015	2682	2367	2481	2701	10231
2016	2622	2156	2535	2870	10183
2017	3031	**2250**	**2569**	**2900**	**10750**
2018	**3150**	**2400**	**2700**	**3050**	**11300**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.99	1.08	1.39	1.17	4.63
2015	1.74	1.03	.99	1.47	5.23
2016	1.61	.06	1.02	1.52	4.24
2017	1.75	**1.00**	**1.00**	**1.30**	**5.05**
2018	**1.85**	**1.10**	**1.10**	**1.45**	**5.50**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.60	.63	.63	.63	2.49
2014	.63	.66	.66	.66	2.61
2015	.66	.70	.70	.70	2.76
2016	.70	.755	.755	.755	2.97
2017	.755	.8225	.8225		

BUSINESS: Sempra Energy is a holding co. for San Diego Gas & Electric Company, which sells electricity & gas mainly in San Diego County, & Southern California Gas Company, which distributes gas to most of Southern California. Customers: 1.4 mill. electric, 6.6 mill. gas. Electric rev. breakdown: residential, 41%; commercial, 42%; industrial, 10%; other, 7%. Purchases most of its power; the rest is gas. Has subsidiaries in gas pipeline & storage, power generation, & liquefied natural gas. Sold commodities business in '10. Power costs: 38% of revs. '16 reported deprec. rates: 2.4%-6.6%. Has 17,400 employees. Chairman, President and CEO: Debra L. Reed. Inc.: California. Address: 488 8th Avenue, San Diego, CA 92101. Tel.: 619-696-2000. Internet: www.sempra.com.

We estimate a substantial earnings increase for Sempra Energy in 2017. The comparison with the company's 2016 profit is easy, particularly in the June quarter. A year ago, Sempra recorded an aftertax charge of $123 million for the early release of pipeline capacity for an asset it was selling. This is not the only reason for our optimism. Sempra's domestic utilities benefit from growth in their rate bases, and the South American utilities are experiencing volume growth that far exceeds that seen by electric companies in the United States. The company is expanding on the nonutility side of the business, especially in Mexico, where Sempra has made acquisitions and built pipelines. We have raised our share-earnings estimate by a nickel because the March-period tally was a bit above our expectation. Our revised estimate of $5.05 a share is at the midpoint of management's guidance of $4.85-$5.25.

The company's domestic utilities have received an order regarding their cost of capital settlement. The allowed return on equity for San Diego Gas & Electric will be cut from 10.3% to 10.2%, and the allowed ROE for Southern California Gas will be trimmed from 10.1% to 10.05%. The changes will take effect in 2018 and will remain in effect in 2019. The common-equity ratio will remain at 52%.

We forecast solid profit growth in 2018. The slight reduction in the domestic utilities' allowed ROEs (assuming the aforementioned settlement is approved by the California regulators) will hurt, but should be easily outweighed by a continuation of the positive factors boosting Sempra's bottom line this year. Our estimate is within the company's targeted range of $5.30-$5.80 a share.

Earnings growth should accelerate in 2019. This is when a liquefied natural gas export facility (now under construction) is expected to begin contributing to income. Once the project is fully operating, its yearly income is projected at $300 million-$350 million, rising as debt is retired.

The dividend yield of this timely stock is a bit below the utility mean. However, the above-average earnings and dividend growth we project through 2020-2022 should produce a total return that exceeds most utilities.

Paul E. Debbas, CFA *July 28, 2017*

(A) Dil. EPS. Excl. nonrec. gains (losses): '05, '06, $1.21; '07, (10¢). '14 & '16 EPS don't sum due to rounding or chg. in shs. Next egs. due early Aug. (B) Div'ds pd. mid-Jan., Apr., July, Oct. ■ Div'd reinv. plan avail. (C) Incl. intang. In '16: $25.29/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate all'd on com. eq.: SDG&E in '13: 10.3%; SoCalGas in '13: 10.1%; earn. on avg. com. eq., '16: 8.6%. Reg. Clim.: Avg. 17¢; '06, (6¢); '09, (26¢); '10, ($1.05); '11, $1.15; '12, (98¢); '13, (30¢); '15, 14¢; '16, $1.23; gain (losses) from disc. ops.: '05, (4¢);

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	85
Earnings Predictability	80

ENTERGY CORP. NYSE-ETR

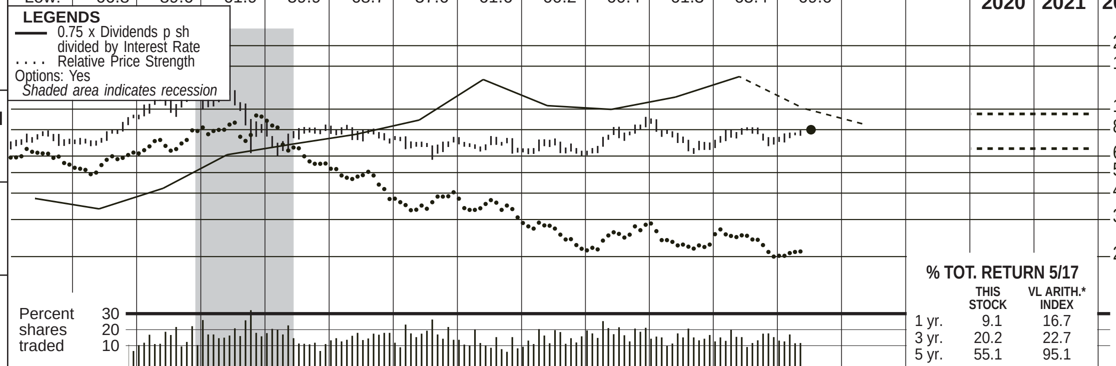
RECENT PRICE	80.03	P/E RATIO	16.7 (Trailing: 12.3 Median: 12.0)	RELATIVE P/E RATIO	0.85	DIV'D YLD	4.4%	VALUE LINE

TIMELINESS 3 Lowered 5/26/17
SAFETY 3 Lowered 3/22/13
TECHNICAL 3 Lowered 6/16/17
BETA .65 (1.00 = Market)

High:	94.0	125.0	127.5	86.6	84.3	74.5	74.5	72.6	92.0	90.3	82.1	80.6
Low:	66.8	89.6	61.9	59.9	68.7	57.6	61.6	60.2	60.4	61.3	65.4	69.6

Target Price Range 2020 | 2021 | 2022

LEGENDS
— 0.75 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	95	(+20%)	8%
Low	65	(-20%)	Nil

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	7	0	0	7	17	0	7	1
to Sell	3	0	0	0	0	0	3	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	274	251	274
to Sell	219	271	225
Hld's(000)	154079	160527	167400

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	9.1	16.7
3 yr.	20.2	22.7
5 yr.	55.1	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
43.59	37.34	40.17	46.69	46.61	53.94	59.47	69.15	56.82	64.27	63.67	57.94	63.86	69.71	64.54	60.55	*58.90*	*58.90*	Revenues per sh	*57.25*
6.41	7.62	7.43	8.33	8.18	10.69	11.73	12.89	13.29	16.54	17.53	15.98	16.25	17.68	17.71	18.72	*17.00*	*17.30*	"Cash Flow" per sh	*18.75*
3.08	3.68	3.69	3.93	4.40	5.36	5.60	6.20	6.30	6.66	7.55	6.02	4.96	5.77	5.81	6.88	*4.80*	*4.70*	Earnings per sh A	*5.00*
1.28	1.34	1.60	1.89	2.16	2.16	2.58	3.00	3.00	3.24	3.32	3.32	3.32	3.32	3.34	3.42	*3.50*	*3.58*	Div'd Decl'd per sh B ■ †	*3.80*
6.25	6.88	6.85	6.51	6.72	9.44	10.29	13.92	12.99	13.33	15.21	18.18	15.73	14.82	16.79	17.28	*20.85*	*20.40*	Cap'l Spending per sh	*19.50*
33.78	35.24	38.02	38.26	35.71	40.45	40.71	42.07	45.54	47.53	50.81	51.73	54.00	55.83	51.89	45.12	*46.10*	*47.25*	Book Value per sh C	*50.25*
220.73	222.42	228.90	216.83	216.83	202.67	193.12	189.36	189.12	178.75	176.36	177.81	178.37	179.24	178.39	179.13	*180.00*	*180.00*	Common Shs Outst'g D	*180.00*
12.5	11.5	13.8	15.1	16.3	14.3	19.3	16.6	12.0	11.6	9.1	11.2	13.2	12.9	12.5	10.9	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.64	.63	.79	.80	.87	.77	1.02	1.00	.80	.74	.57	.71	.74	.68	.63	.58	*Value Line*		Relative P/E Ratio	*1.00*
3.3%	3.2%	3.1%	3.2%	3.0%	2.8%	2.4%	2.9%	4.0%	4.2%	4.9%	4.9%	5.1%	4.5%	4.6%	4.6%	*estimates*		Avg Ann'l Div'd Yield	*4.7%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $15587 mill. **Due in 5 Yrs** $5713.3 mill.
LT Debt $13927 mill. **LT Interest** $650.4 mill.
Incl. $637.3 mill. of securitization bonds.
(LT interest earned: 2.9x)
Leases, Uncapitalized Annual rentals $76.7 mill.
Pension Assets-12/16 $5171.2 mill.
Oblig $7142.6 mill.
Pfd Stock $203.2 mill. **Pfd Div'd** $13.8 mill.
825,105 sh. 4.32%-7.55%, $100 par; 250,000 sh. 8.75%, all without sinking fund.
Common Stock 179,465,897 shs.
as of 4/28/17
MARKET CAP: $14 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
11484	13094	10746	11488	11229	10302	11391	12495	11513	10846	*10600*	*10600*	Revenues ($mill)	*10300*
1160.0	1240.5	1251.1	1270.3	1367.4	1091.9	904.5	1060.0	1061.2	1249.8	*875*	*860*	Net Profit ($mill)	*910*
30.7%	32.7%	33.6%	32.7%	17.3%	13.0%	26.7%	37.8%	2.2%	11.3%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
5.8%	5.6%	7.4%	7.4%	8.9%	11.9%	10.1%	9.3%	7.4%	8.1%	*11.0%*	*12.0%*	AFUDC % to Net Profit	*10.0%*
54.3%	58.2%	55.3%	56.3%	52.2%	55.8%	55.1%	54.9%	57.8%	63.6%	*62.5%*	*62.5%*	Long-Term Debt Ratio	*63.0%*
43.9%	40.2%	43.1%	42.1%	46.4%	42.9%	43.6%	43.8%	40.8%	35.5%	*36.5%*	*36.5%*	Common Equity Ratio	*36.5%*
17902	19795	19985	20166	19324	21432	22109	22842	22714	22777	*22675*	*23175*	Total Capital ($mill)	*24900*
20974	22429	23389	23848	25609	27299	27882	28723	27824	27921	*29525*	*30975*	Net Plant ($mill)	*34300*
7.9%	7.5%	7.6%	7.7%	8.5%	6.4%	5.4%	6.0%	6.0%	6.9%	*5.5%*	*5.0%*	Return on Total Cap'l	*5.0%*
14.2%	15.0%	14.0%	14.4%	14.8%	11.5%	9.1%	10.3%	11.1%	15.1%	*10.5%*	*10.0%*	Return on Shr. Equity	*10.0%*
14.4%	15.3%	14.3%	14.7%	15.0%	11.6%	9.2%	10.4%	11.2%	15.2%	*10.5%*	*10.0%*	Return on Com Equity E	*10.0%*
8.0%	8.1%	7.6%	7.6%	8.4%	5.2%	3.0%	4.4%	4.8%	7.7%	*3.0%*	*2.5%*	Retained to Com Eq	*2.5%*
46%	48%	48%	49%	45%	56%	68%	58%	58%	50%	*73%*	*76%*	All Div'ds to Net Prof	*77%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+2.9	+1.3	+.3
Avg. Indust. Use (MWH)	951	957	NA
Avg. Indust. Revs. per KWH(¢)	6.00	5.55	5.09
Capacity at Peak (Mw)	24367	24504	NA
Peak Load, Summer (Mw)	20472	21730	21387
Annual Load Factor (%)	65	61	NA
% Change Customers (yr-end)	+.6	+1.0	+.8
Fixed Charge Cov. (%)	309	223	258

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	3.0%	1.0%	*-2.0%*
"Cash Flow"	7.0%	2.5%	*.5%*
Earnings	3.0%	-2.0%	*-3.5%*
Dividends	5.0%	1.0%	*2.0%*
Book Value	3.0%	1.0%	*Nil*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	3208	2996	3458	2831	12494
2015	2920	2713	3371	2508	11513
2016	2610	2463	3125	2648	10846
2017	2588	*2450*	*3100*	*2462*	*10600*
2018	*2550*	*2450*	*3100*	*2500*	*10600*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	2.27	1.09	1.68	.74	5.77
2015	1.65	.83	1.90	1.43	5.81
2016	1.28	3.16	2.16	.28	6.88
2017	.92	*1.14*	*1.64*	*1.10*	*4.80*
2018	*1.00*	*1.10*	*1.60*	*1.00*	*4.70*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.83	.83	.83	.83	3.32
2014	.83	.83	.83	.83	3.32
2015	.83	.83	.83	.85	3.34
2016	.85	.85	.85	.87	3.42
2017	.87	.87			

BUSINESS: Entergy Corporation supplies electricity to 2.9 million customers through subsidiaries in Arkansas, Louisiana, Mississippi, Texas, and New Orleans (regulated separately from Louisiana). Distributes gas to 201,000 customers in Louisiana. Has a nonutility subsidiary that owns six nuclear units (one no longer operating). Electric revenue breakdown: residential, 37%; commercial, 27%; industrial, 26%; other, 10%. Generating sources: gas, 35%; nuclear, 31%; coal, 7%; purchased, 27%. Fuel costs: 28% of revenues. '16 reported depreciation rate: 2.8%. Has 13,600 employees. Chairman & CEO: Leo Denault. Incorporated: Delaware. Address: 639 Loyola Avenue, P.O. Box 61000, New Orleans, Louisiana 70161. Telephone: 504-576-4000. Internet: www.entergy.com.

Entergy is exiting almost all of its nonregulated operations. This strategic decision came in response to low market prices for the power produced by its nonregulated nuclear units, as well as rising nuclear operating costs. In 2014, the company closed the Vermont Yankee plant. This year, it sold FitzPatrick (in upstate New York) to Exelon. Entergy plans to close Palisades next year (if the buyout of a power contract is approved by the Michigan commission) and Pilgrim in Massachusetts in 2019. Finally, the company will shut in 2020 and 2021 the two Indian Point units, which have received much criticism from New York officials. These moves have forced Entergy to take significant nonrecurring charges in recent years, including one that amounted to $0.46 a share (net of gains on the FitzPatrick sale) in the first quarter of 2017.

Earnings will almost certainly decline sharply in 2017, and we forecast a more modest drop in 2018. Last year, tax credits made Entergy's tax rate much lower than normal. Difficult conditions for the nonregulated business are also a concern. We think this will offset growth from the utility operations.

Entergy's utilities have some large capital projects in various stages of development. Entergy Louisiana is building a 980-megawatt gas-fired power plant at an expected cost of $872 million. It is expected to go into service in 2019. A proposal for a similar facility, which would begin commercial operation in 2020, awaits regulatory approval. Entergy also wants to add generating capacity in its New Orleans and Texas jurisdictions. The new generating units will help the utilities meet rising demand from industrial customers, and will enhance Entergy's earning power. Finally, the company is seeking regulatory approval in each jurisdiction to build an advanced metering infrastructure. It has already received approval for this project in Mississippi.

This stock might interest income-oriented accounts. It has one of the highest yields of any utility issue, and the steps Entergy is taking with its nonregulated activities should reduce financial and operating risks. Total return potential to 2020-2022 is average for a utility.

Paul E. Debbas, CFA *June 16, 2017*

(A) Diluted EPS. Excl. nonrec. gains (losses): '01, 15¢; '02, ($1.04); '03, 33¢; '05, (21¢); '12, ($1.26); '13, ($1.14); '14, (56¢); '15, ($6.99); '16, ($10.14); '17, (46¢). '14 EPS don't sum due to rounding. Next earnings report due late July. (B) Div'ds historically paid in early Mar., June, Sept., & Dec. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. (C) Incl. def'd charges. In '16: $34.32/sh. (D) In mill. (E) Rate base: Net orig. cost. Allowed ROE (blended): 10%; earned on avg. com. eq., '16: 12.8%. Regulatory Climate: Average.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	10
Earnings Predictability	65

NEXTERA ENERGY NYSE-NEE

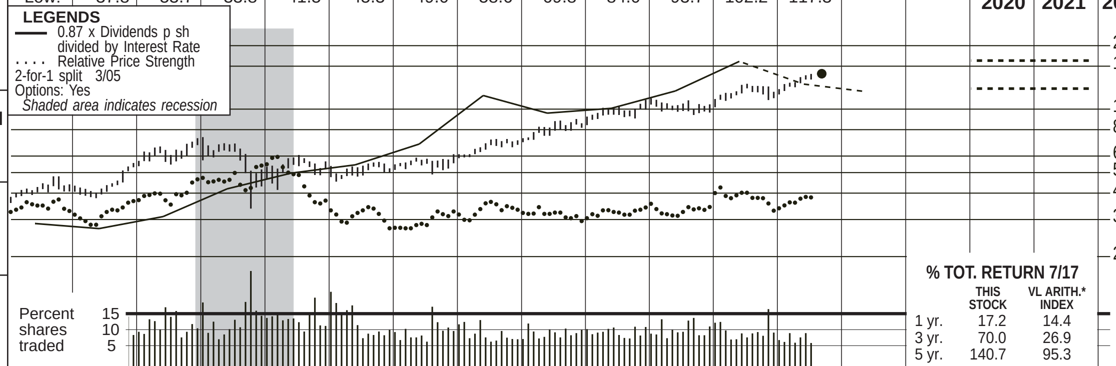
RECENT PRICE **147.35** | P/E RATIO **22.2** (Trailing: 21.0; Median: 16.0) | RELATIVE P/E RATIO **1.16** | DIV'D YLD **2.8%** | VALUE LINE

TIMELINESS 2 Raised 5/5/17
SAFETY 2 Lowered 2/26/10
TECHNICAL 4 Lowered 8/18/17
BETA .65 (1.00 = Market)

High:	55.6	72.8	73.8	60.6	56.3	61.2	72.2	89.8	110.8	112.6	132.0	147.8
Low:	37.8	53.7	33.8	41.5	45.3	49.0	58.6	69.8	84.0	93.7	102.2	117.3

Target Price Range 2020 | 2021 | 2022

LEGENDS
— 0.87 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 3/05
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	170	(+15%)	7%
Low	125	(-15%)	Nil

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	1	1	0	1	0	0	0	0
Options	0	1	0	0	23	0	1	1	0
to Sell	0	2	0	0	1	3	1	3	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	434	527	506
to Sell	540	522	539
Hld's(000)	341286	360210	403694

Percent shares traded 15 10 5

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	17.2	14.4
3 yr.	70.0	26.9
5 yr.	140.7	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
24.10	22.74	26.13	28.27	30.00	38.75	37.47	40.13	37.82	36.39	36.88	33.62	34.80	38.42	37.93	34.52	**36.50**	**36.00**	Revenues per sh	**38.25**
5.02	4.51	5.36	5.60	6.18	6.77	6.85	8.03	8.75	9.62	9.29	8.69	10.54	12.10	12.92	12.97	**14.30**	**14.50**	"Cash Flow" per sh	**17.25**
2.31	2.01	2.45	2.46	2.32	3.23	3.27	4.07	3.97	4.74	4.82	4.56	4.83	5.60	6.06	5.78	**6.70**	**7.05**	Earnings per sh A	**8.75**
1.12	1.16	1.20	1.30	1.42	1.50	1.64	1.78	1.89	2.00	2.20	2.40	2.64	2.90	3.08	3.48	**3.93**	**4.44**	Div'd Decl'd per sh B ■ †	**5.50**
3.28	3.44	3.75	3.75	4.09	9.22	12.32	12.80	14.52	13.89	15.93	22.31	15.36	15.84	18.17	20.59	**15.40**	**15.00**	Cap'l Spending per sh	**16.75**
17.10	17.48	18.91	20.25	21.52	24.49	26.35	28.57	31.35	34.36	35.92	37.90	41.47	44.96	48.97	52.01	**54.60**	**56.35**	Book Value per sh C	**64.50**
351.71	365.51	368.53	372.24	394.85	405.40	407.35	408.92	413.62	420.86	416.00	424.00	435.00	443.00	461.00	468.00	**471.00**	**500.00**	Common Shs Outst'g D	**535.00**
12.5	14.2	12.6	13.6	17.9	13.7	18.9	14.5	13.4	10.8	11.5	14.4	16.6	17.3	16.9	20.7	*Bold figures are*		Avg Ann'l P/E Ratio	**17.0**
.64	.78	.72	.72	.95	.74	1.00	.87	.89	.69	.72	.92	.93	.91	.85	1.10	*Value Line*		Relative P/E Ratio	**1.05**
3.9%	4.1%	3.9%	3.9%	3.4%	3.4%	2.7%	3.0%	3.5%	3.9%	4.0%	3.6%	3.3%	3.0%	3.0%	2.9%	*estimates*		Avg Ann'l Div'd Yield	**3.7%**

CAPITAL STRUCTURE as of 6/30/17
Total Debt $34524 mill. **Due in 5 Yrs** $14979 mill.
LT Debt $30392 mill. **LT Interest** $1271 mill.

(LT interest earned: 4.8x)

Pension Assets-12/16 $3651 mill. **Oblig** $2474 mill.

Pfd Stock None

Common Stock 469,234,339 shs.

MARKET CAP: $69 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
15263	16410	15643	15317	15341	14256	15136	17021	17486	16155	**17200**	**18000**	Revenues ($mill)	**20500**
1312.0	1639.0	1615.0	1957.0	2021.0	1911.0	2062.0	2465.0	2752.0	2693.0	**3265**	**3555**	Net Profit ($mill)	**4790**
21.9%	21.5%	16.8%	21.4%	22.4%	26.6%	26.9%	32.3%	30.8%	29.3%	**29.0%**	**29.0%**	Income Tax Rate	**29.0%**
5.7%	6.6%	7.9%	4.4%	4.4%	10.8%	7.0%	6.7%	6.9%	8.2%	**7.0%**	**6.0%**	AFUDC % to Net Profit	**5.0%**
51.2%	54.2%	55.7%	55.5%	58.2%	59.1%	57.1%	55.0%	54.2%	53.3%	**52.5%**	**50.5%**	Long-Term Debt Ratio	**47.5%**
48.8%	45.8%	44.3%	44.5%	41.8%	40.9%	42.9%	45.0%	45.8%	46.7%	**47.5%**	**49.5%**	Common Equity Ratio	**52.5%**
22015	25514	29267	32474	35753	39245	42009	44283	49255	52159	**54025**	**57100**	Total Capital ($mill)	**65800**
28652	32411	36078	39075	42490	49413	52720	55705	61386	66912	**70575**	**74275**	Net Plant ($mill)	**87000**
7.5%	7.9%	6.9%	7.4%	7.0%	6.2%	6.2%	7.0%	6.8%	6.3%	**7.0%**	**7.5%**	Return on Total Cap'l	**8.5%**
12.2%	14.0%	12.5%	13.5%	13.5%	11.9%	11.4%	12.4%	12.2%	11.1%	**12.5%**	**12.5%**	Return on Shr. Equity	**14.0%**
12.2%	14.0%	12.5%	13.5%	13.5%	11.9%	11.4%	12.4%	12.2%	11.1%	**12.5%**	**12.5%**	Return on Com Equity E	**14.0%**
6.1%	7.9%	6.5%	7.8%	7.4%	5.6%	5.2%	6.0%	6.1%	4.4%	**5.0%**	**4.5%**	Retained to Com Eq	**5.0%**
50%	44%	47%	42%	46%	53%	54%	51%	50%	60%	**57%**	**61%**	All Div'ds to Net Prof	**61%**

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+5.2	+5.6	-.8
Avg. Indust. Use (MWH)	294	277	255
Avg. Indust. Revs. per KWH (¢)	6.95	6.69	6.11
Capacity at Peak (Mw)	27055	26073	NA
Peak Load, Summer (Mw)	22900	22717	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.4	+1.4	+1.3
Fixed Charge Cov. (%)	316	348	339

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	1.5%	- -	.5%
"Cash Flow"	7.5%	6.5%	5.5%
Earnings	8.0%	5.0%	7.0%
Dividends	8.5%	9.0%	9.5%
Book Value	8.0%	7.5%	5.0%

QUARTERLY REVENUES ($ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	3674	4029	4654	4664	17021
2015	4104	4358	4954	4070	17486
2016	3835	3817	4805	3698	16155
2017	3972	4404	**4824**	**4000**	**17200**
2018	**4200**	**4600**	**5000**	**4200**	**18000**

EARNINGS PER SHARE A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.98	1.12	1.50	2.00	5.60
2015	1.45	1.59	1.93	1.10	6.06
2016	1.41	.93	1.62	1.82	5.78
2017	1.91	1.68	**1.76**	**1.35**	**6.70**
2018	**1.85**	**1.90**	**1.90**	**1.40**	**7.05**

QUARTERLY DIVIDENDS PAID B ■ †

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.66	.66	.66	.66	2.64
2014	.725	.725	.725	.725	2.90
2015	.77	.77	.77	.77	3.08
2016	.87	.87	.87	.87	3.48
2017	.9825	.9825			

BUSINESS: NextEra Energy, Inc. (formerly FPL Group, Inc.) is a holding company for Florida Power & Light Company (FPL), which provides electricity to 4.9 million customers in a 27,650-sq.-mi. area in eastern & southern Florida. NextEra Energy Resources is a non-regulated power generator with nuclear, gas, & wind ownership. Has a 79.9% stake in NextEra Energy Partners. Rev. breakdown: residential, 55%; commercial, 36%; industrial & other, 9%. Generating sources: gas, 70%; nuclear, 23%; coal, 4%; purchased, 3%. Fuel costs: 25% of revs. '16 reported depr. rate (utility): 3.4%. Has 13,800 employees. Chairman, President and CEO: James L. Robo. Inc.: Florida. Address: 700 Universe Blvd., Juno Beach, FL 33408. Tel.: 561-694-4000. Internet: www.nexteraenergy.com.

NextEra Energy's earnings will probably increase in 2017 and 2018. Both the utility and nonutility sides of the business are growing. Florida Power & Light is benefiting from rate relief. The utility's tariffs were raised by $400 million at the start of this year. Next year, FPL will receive a $211 million rate hike. The utility is also benefiting from strong customer growth. And eight solar projects are under construction at FPL (as opposed to those at the nonutility level). On the nonutility side, NextEra Energy Resources is expanding its portfolio of contracted wind and solar projects. As of late July, the company had signed contracts for wind, solar, and wind repowering projects totaling more than 3,500 mw of capacity this year and next, and expects this figure to wind up as high as 8,000 mw by the end of 2018. But renewable energy is not this subsidiary's only area of focus. Two natural gas pipeline projects achieved commercial operation in mid-2017.

There is some uncertainty to our estimates. Our earnings presentation *includes* mark-to-market accounting gains or losses arising from NextEra's nonregulated business. (We include these because they are an ongoing part of the company's operations.) These boosted earnings by $0.04 a share in the first six months of 2017. NextEra's share-profit guidance of $6.35-$6.85 and $6.80-$7.30 for 2017 and 2018, respectively, excludes these items. Separately, NextEra contends that it is entitled to a $275 million breakup fee from the owner of Oncor (a utility in Texas) because the Texas regulators rejected NextEra's takeover agreement. We have not included this in our 2017 earnings estimate, but will include it in our earnings presentation if the company receives a breakup fee.

This timely stock has been one of the top performers among utility issues in 2017. The price is up 23%. The market appreciates NextEra's steady performance in both sides of its business, as well as the company's good earnings and dividend growth potential. The dividend yield is a cut below the industry mean, and with the recent price within our 2020-2022 Target Price Range, total return potential is just modest.

Paul E. Debbas, CFA *August 18, 2017*

(A) Diluted EPS. Excl. nonrecur. gains (losses): '02, (60¢); '03, 5¢; '11, (24¢); '13, (80¢); '16, 47¢; 1Q '17, $1.46; gain on discont. ops.: '13, 44¢. '15 EPS don't add due to rounding. Next earnings report due late Oct. (B) Div'ds historically paid in mid-Mar., mid-June, mid-Sept., & mid-Dec. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail. (C) Incl. deferred charges. In '15: $6.36/sh. (D) In mill., adj. for stock split. (E) Rate allowed on com. eq. in '17: 9.6%-11.6%; earned on avg. com. eq., '15: 12.9%. Regulatory Climate: Average.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	70
Earnings Predictability	65

FORTIS INC. TSE-FTS.TO [A]

RECENT PRICE	45.48	P/E RATIO	19.0 (Trailing: 22.3; Median: 19.0)	RELATIVE P/E RATIO	0.96	DIV'D YLD	3.7%	VALUE LINE

TIMELINESS 2 Lowered 5/19/17

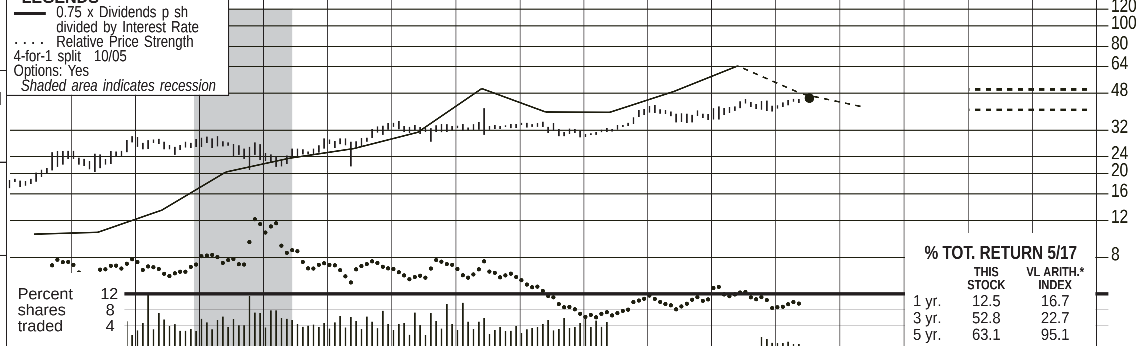
SAFETY 2 Raised 7/17/15

TECHNICAL 3 Raised 5/19/17

BETA .65 (1.00 = Market)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	30.0	29.8	29.9	29.2	34.5	35.4	40.7	35.1	40.5	42.1	45.1	45.9
Low:	20.4	24.5	20.7	21.5	21.6	28.2	30.5	29.6	29.8	34.5	36.0	40.6

LEGENDS
— 0.75 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
4-for-1 split 10/05
Options: Yes
Shaded area indicates recession



% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	12.5	16.7
3 yr.	52.8	22.7
5 yr.	63.1	95.1

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+10%)	*7%*
Low	40	(-10%)	*2%*

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	0	216	117
to Sell	0	1	109
Hld's(000)	000	186101	210953

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
10.48	10.40	12.13	11.99	13.86	14.14	17.48	23.07	21.24	21.01	19.84	19.07	18.99	19.57	23.89	17.03	*19.55*	*19.80*	Revenues per sh	*21.00*
1.88	1.83	1.92	2.23	2.73	3.05	2.96	3.51	3.66	3.99	3.90	4.10	4.10	3.62	5.21	3.91	*5.20*	*5.55*	"Cash Flow" per sh	*6.50*
.84	.96	1.03	1.01	1.19	1.36	1.29	1.52	1.51	1.62	1.74	1.65	1.63	1.38	2.11	1.89	*2.40*	*2.55*	Earnings per sh [B]	*3.00*
.47	.50	.52	.54	.59	.67	.82	1.00	1.04	1.12	1.17	1.21	1.25	1.30	1.43	1.55	*1.65*	*1.75*	Div'd Decl'd per sh [C] ■	*2.05*
2.49	3.33	2.99	2.92	4.93	4.80	5.16	5.34	5.79	5.89	5.91	5.68	5.32	6.00	7.97	5.13	*7.05*	*6.65*	Cap'l Spending per sh	*5.00*
7.49	8.50	8.84	10.47	11.76	12.26	16.72	18.00	18.57	18.95	20.53	20.84	22.39	24.90	28.63	32.32	*33.45*	*34.35*	Book Value per sh [D]	*37.25*
59.92	68.77	69.52	95.53	103.20	104.09	155.52	169.19	171.26	174.39	188.83	191.57	213.17	276.00	281.56	401.49	*422.00*	*429.00*	Common Shs Outst'g [E]	*450.00*
11.7	12.6	13.6	15.3	17.2	17.7	21.1	17.5	16.4	18.2	18.8	20.1	20.0	24.3	18.0	21.6	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
.60	.69	.78	.81	.92	.96	1.12	1.05	1.09	1.16	1.18	1.28	1.12	1.28	.91	1.15	*Value Line*		Relative P/E Ratio	*.95*
4.8%	4.1%	3.7%	3.5%	2.9%	2.8%	3.0%	3.8%	4.2%	3.8%	3.6%	3.6%	3.8%	3.9%	3.8%	3.8%	*estimates*		Avg Ann'l Div'd Yield	*4.5%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $22439 mill. **Due in 5 Yrs** $5105 mill.
LT Debt $20728 mill. **LT Interest** $844 mill.
Incl. $451 mill. capitalized leases.
(LT interest earned: 2.3x)

Leases, Uncapitalized Annual rentals $13 mill.

Pension Assets-12/16 $2646 mill.
Oblig $3037 mill.
Pfd Stock $1623 mill. **Pfd Div'd** $67 mill.

Common Stock 415,571,000 shs.
MARKET CAP: $19 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
2718.0	3903.0	3637.0	3664.0	3747.0	3654.0	4047.0	5401.0	6727.0	6838.0	*8250*	*8500*	Revenues ($mill)	*9400*
193.8	259.0	280.0	313.0	347.0	362.0	390.0	374.0	672.0	660.0	*1120*	*1205*	Net Profit ($mill)	*1450*
13.7%	19.3%	14.4%	17.2%	18.3%	14.1%	7.4%	14.6%	21.3%	16.9%	*27.0%*	*27.0%*	Income Tax Rate	*27.0%*
4.1%	5.0%	- -	4.2%	5.5%	5.0%	5.9%	7.2%	7.4%	10.0%	*9.0%*	*9.0%*	AFUDC % to Net Profit	*8.0%*
60.3%	56.8%	61.3%	60.5%	57.5%	55.1%	53.5%	54.8%	53.3%	59.3%	*58.0%*	*57.5%*	Long-Term Debt Ratio	*55.5%*
33.9%	35.4%	34.8%	33.5%	36.9%	35.1%	37.0%	35.7%	38.1%	36.2%	*37.5%*	*38.5%*	Common Equity Ratio	*40.5%*
7666.0	8597.0	9136.0	9868.0	10513	11358	12892	19235	21151	35874	*37425*	*38375*	Total Capital ($mill)	*41300*
7241.0	7969.0	8246.0	8762.0	9281.0	10249	12267	17816	19595	29337	*31100*	*32650*	Net Plant ($mill)	*35300*
4.3%	4.9%	5.0%	5.0%	5.0%	4.8%	4.6%	3.4%	4.5%	2.8%	*4.0%*	*4.5%*	Return on Total Cap'l	*5.0%*
6.4%	7.0%	7.9%	8.0%	7.8%	7.1%	6.5%	4.3%	6.8%	4.5%	*7.0%*	*7.5%*	Return on Shr. Equity	*8.0%*
7.2%	8.0%	8.2%	8.6%	8.2%	7.9%	7.0%	4.5%	7.4%	4.5%	*7.0%*	*7.5%*	Return on Com Equity [F]	*8.0%*
2.3%	2.7%	4.1%	2.8%	4.3%	3.7%	3.2%	1.7%	4.5%	2.1%	*2.0%*	*2.5%*	Retained to Com Eq	*2.5%*
69%	68%	54%	71%	52%	60%	61%	68%	46%	59%	*67%*	*67%*	All Div'ds to Net Prof	*68%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	NA	NA	NA
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	9740	9705	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+37.1	+.9	NA
Fixed Charge Cov. (%)	141	195	173

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	4.0%	-.5%	*.5%*
"Cash Flow"	5.0%	2.0%	*7.5%*
Earnings	4.0%	2.0%	*9.0%*
Dividends	9.0%	5.0%	*6.0%*
Book Value	9.5%	8.0%	*4.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1455	1056	1197	1693	5401
2015	1915	1538	1566	1708	6727
2016	1772	1485	1528	2053	6838
2017	2274	*1900*	*1926*	*2150*	*8250*
2018	*2350*	*1950*	*2000*	*2200*	*8500*

Cal-endar	EARNINGS PER SHARE [B] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.66	.22	.06	.44	1.38
2015	.71	.43	.50	.48	2.11
2016	.57	.38	.45	.49	1.89
2017	.72	*.48*	*.58*	*.62*	*2.40*
2018	*.75*	*.52*	*.62*	*.66*	*2.55*

Cal-endar	QUARTERLY DIVIDENDS PAID [C] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.31	.31	.31	.31	1.24
2014	.32	.32	.32	.32	1.28
2015	.34	.34	.34	.375	1.40
2016	.375	.375	.375	.40	1.53
2017	.40	.40			

BUSINESS: Fortis Inc.'s main focus is electricity, hydroelectric, and gas utility operations (both regulated and nonregulated) in the United States, Canada, and the Caribbean. Has 2 mill. electric, 1.2 mill. gas customers. Owns UNS Energy (Arizona), Central Hudson (New York), FortisBC Energy (British Columbia), FortisAlberta (Central Alberta), and Eastern Canada (Newfoundland). Sold commercial real estate and hotel property assets in 2015. Acquired ITC Holdings 10/16. Fuel costs: 34% of revenues. '16 reported deprec. rate: 2.8%. Has 8,000 employees. Chairman: David G. Norris. President & CEO: Barry V. Perry. Inc.: Canada. Address: Fortis Place, Suite 1100, 5 Springdale St., PO Box 8837, St. John's, NL, Canada, A1B 3T2. Tel.: 709-737-2800. Internet: www.fortisinc.com.

Fortis has announced a significant acquisition. The company has agreed to pay Teck Resources C$1.2 billion in cash for a two-thirds interest in the Waneta Dam (a 496-megawatt hydro project in British Columbia) and related transmission assets. Teck Metals would use Fortis' stake in the plant to produce power under a 20-year lease agreement. Fortis plans to fund the purchase with a combination of debt, equity, and cash on hand at the time of closing, probably in a manner that keeps its capitalization ratios near where they are now. The deal requires various regulatory approvals, including that of the Federal Energy Regulatory Commission in the United States. Completion of the transaction is expected in the fourth quarter. It should be accretive to earnings. We will not adjust our figures to reflect the acquisition until after it has closed.

Earnings are likely to improve materially this year. The comparison is easy. Last year, the costs that Fortis incurred as a result of its acquisition of ITC Holdings reduced profits by $0.29 a share. Other unusual expenses amounted to $0.10 a share. Fortis will also benefit from a full year's contribution from ITC, compared with less than three months in 2016. On the regulatory front, the company's utility in Tucson, Arizona received an $81.5 million rate increase in late February.

We forecast additional bottom-line growth in 2018. ITC's earning power rises each year thanks to a federally regulated formula rate plan that accounts for expected capital spending and increases in most kinds of expenses. Fortis' Canadian utilities should benefit from rate base expansion.

Fortis has a good track record of dividend growth. The company boasts 43 consecutive years of annual hikes in the disbursement—the longest such streak of any public company in Canada. Fortis has set a goal of 6% average annual dividend growth through 2021. We think it will attain this target.

Timely Fortis stock has a dividend yield that is slightly above the utility average. However, like most utility issues, the recent price is within our 2020-2022 Target Price Range. Thus, total return potential is unspectacular.

Paul E. Debbas, CFA *June 16, 2017*

(A) Also trades on NYSE under the symbol FTS. All data in Canadian dollars. **(B)** Dil. earnings. Excl. nonrec. gains: '06, 1¢; '07, 3¢; '14, 2¢; '15, 48¢. '15 EPS don't sum due to rounding. Next earnings report due late July. **(C)** Div'ds historically paid in early Mar., June, Sept., and Dec. ■ Div'd reinvest. plan avail. (2% disc.). **(D)** Incl. intang. In '16: $39.84/sh. **(E)** In mill., adj. for split. **(F)** Rate base: varies. Rates all'd on com. eq.: 8.3%-10.32%; earned on avg. com. eq., '16: 6.2%. Regulat. Climate: FERC, Above Avg.; AZ, Avg.; NY, Below Avg.

Company's Financial Strength	B+
Stock's Price Stability	100
Price Growth Persistence	35
Earnings Predictability	75

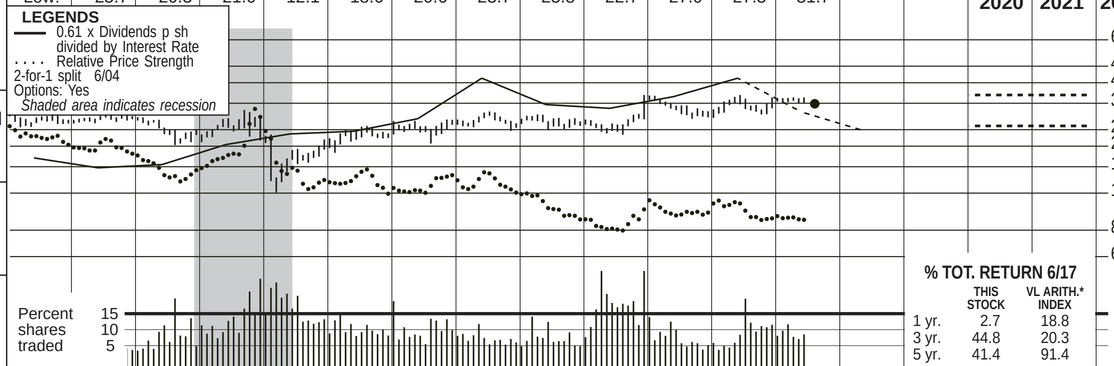
HAWAIIAN ELECTRIC NYSE-HE

RECENT PRICE	31.83	P/E RATIO	19.9 (Trailing: 13.8; Median: 18.0)	RELATIVE P/E RATIO	1.01	DIV'D YLD	3.9%	VALUE LINE

TIMELINESS 4 Lowered 6/16/17
SAFETY 2 Raised 11/2/12
TECHNICAL 1 Raised 7/14/17
BETA .70 (1.00 = Market)

High:	28.9	27.5	29.8	22.7	25.0	26.8	29.2	28.3	35.0	34.9	35.0	34.1		
Low:	25.7	20.3	21.0	12.1	18.6	20.6	23.7	23.8	22.7	27.0	27.3	31.7		

Target Price Range 2020 2021 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+10%)	*6%*
Low	25	(-20%)	*-1%*

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	8	0	0	0	6	0	0	0
to Sell	1	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	129	139	131
to Sell	92	100	111
Hld's(000)	47770	50087	61889

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	2.7	18.8
3 yr.	44.8	20.3
5 yr.	41.4	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
24.26	22.46	23.49	23.85	27.36	30.21	30.40	35.56	24.96	28.14	33.76	34.46	31.98	31.59	24.22	21.92	**22.95**	**24.30**	Revenues per sh	**26.25**
3.33	3.52	3.54	3.09	3.22	3.19	3.01	2.72	2.59	2.88	3.18	3.28	3.22	3.41	3.31	4.17	**3.65**	**3.80**	"Cash Flow" per sh	**4.25**
1.60	1.62	1.58	1.36	1.46	1.33	1.11	1.07	.91	1.21	1.44	1.67	1.62	1.64	1.50	2.29	**1.60**	**1.70**	Earnings per sh A	**2.00**
1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	**1.24**	**1.24**	Div'd Decl'd per sh B ■	**1.40**
1.77	1.74	2.15	2.66	2.76	2.58	2.62	3.12	3.29	1.92	2.45	3.32	3.49	3.31	3.39	3.04	**3.55**	**4.15**	Cap'l Spending per sh	**4.00**
13.06	14.21	14.36	15.01	15.02	13.44	15.29	15.35	15.58	15.67	15.95	16.28	17.06	17.47	17.94	19.03	**19.35**	**19.80**	Book Value per sh C	**22.00**
71.20	73.62	75.84	80.69	80.98	81.46	83.43	90.52	92.52	94.69	96.04	97.93	101.26	102.57	107.46	108.58	**109.00**	**109.00**	Common Shs Outst'g D	**112.00**
11.8	13.5	13.8	19.2	18.3	20.3	21.6	23.2	19.8	18.6	17.1	15.8	16.2	15.9	20.4	13.6	*Bold figures are*		Avg Ann'l P/E Ratio	**15.0**
.60	.74	.79	1.01	.97	1.10	1.15	1.40	1.32	1.18	1.07	1.01	.91	.84	1.03	.72	*Value Line*		Relative P/E Ratio	**.95**
6.6%	5.7%	5.7%	4.8%	4.6%	4.6%	5.2%	5.0%	6.9%	5.5%	5.0%	4.7%	4.7%	4.8%	4.1%	4.0%	*estimates*		Avg Ann'l Div'd Yield	**4.7%**
						2536.4	3218.9	2309.6	2665.0	3242.3	3375.0	3238.5	3239.5	2603.0	2380.7	**2500**	**2650**	Revenues ($mill)	**2950**
						93.6	92.2	84.9	115.4	140.1	164.9	163.4	170.2	161.8	250.1	**175**	**190**	Net Profit ($mill)	**225**
						35.4%	34.7%	34.1%	37.0%	35.1%	35.9%	34.0%	35.0%	36.5%	33.1%	**36.5%**	**36.5%**	Income Tax Rate	**36.5%**
						8.3%	14.2%	20.6%	7.4%	6.0%	6.9%	4.8%	5.5%	5.8%	4.6%	**11.0%**	**11.0%**	AFUDC % to Net Profit	**9.0%**
						47.6%	46.0%	48.0%	44.5%	44.9%	45.7%	44.0%	45.2%	43.5%	41.6%	**44.0%**	**46.5%**	Long-Term Debt Ratio	**47.5%**
						51.0%	52.7%	50.7%	54.3%	53.9%	53.1%	55.0%	53.8%	55.5%	57.5%	**55.5%**	**52.5%**	Common Equity Ratio	**51.5%**
						2501.8	2635.2	2840.8	2732.9	2841.3	3001.0	3142.9	3332.3	3473.5	3595.1	**3810**	**4110**	Total Capital ($mill)	**4775**
						2743.4	2907.4	3088.6	3165.9	3334.5	3594.8	3858.9	4148.8	4377.7	4603.5	**4770**	**4990**	Net Plant ($mill)	**5525**
						5.2%	4.7%	4.3%	5.6%	6.2%	6.7%	6.4%	6.2%	5.7%	7.9%	**5.5%**	**5.5%**	Return on Total Cap'l	**6.0%**
						7.1%	6.5%	5.8%	7.6%	8.9%	10.1%	9.3%	9.3%	8.2%	11.9%	**8.5%**	**8.5%**	Return on Shr. Equity	**9.0%**
						7.2%	6.5%	5.8%	7.7%	9.0%	10.2%	9.4%	9.4%	8.3%	12.0%	**8.5%**	**8.5%**	Return on Com Equity E	**9.0%**
						.8%	.5%	NMF	1.4%	2.1%	4.2%	3.7%	2.3%	1.5%	6.3%	**2.0%**	**2.5%**	Retained to Com Eq	**3.0%**
						89%	93%	116%	82%	78%	59%	61%	75%	83%	48%	**77%**	**73%**	All Div'ds to Net Prof F	**70%**

CAPITAL STRUCTURE as of 3/31/17
Total Debt $1618.7 mill. **Due in 5 Yrs** $443.8 mill.
LT Debt $1493.7 mill. **LT Interest** $70.3 mill.
Incl. $50 mill. 6.5% oblig. pfd. sec. of trust subsid.
(LT interest earned: 6.2x)
Leases, Uncapitalized Annual rentals $12.0 mill.
Pension Assets-12/16 $1369.7 mill.
Oblig $1935.5 mill.
Pfd Stock $34.3 mill. **Pfd Div'd** $2.0 mill.
1,114,657 shs. 4¼% to 5¼%, $20 par. call. $20 to $21; 120,000 shs. 7⅝%, $100 par. call. $100.
Sinking fund ends 2018.
Common Stock 108,750,455 shs. **as of 4/27/17**
MARKET CAP: $3.5 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-1.0	-.2	-1.2
Avg. Indust. Use (MWH)	6118	5630	5350
Avg. Indust. Revs. per KWH (¢)	29.82	22.71	20.28
Capacity at Yearend (Mw)	2362	2224	2220
Peak Load, Winter (Mw)	1554	1610	1593
Annual Load Factor (%)	69.3	66.9	66.6
% Change Customers (yr-end)	+.8	+.5	+.5
Fixed Charge Cov. (%)	410	399	437

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-.5%	-2.0%	*Nil*
"Cash Flow"	1.5%	4.5%	*2.5%*
Earnings	2.5%	9.0%	*1.5%*
Dividends	- -	- -	*2.0%*
Book Value	2.5%	3.0%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	783.7	798.7	867.1	790.0	3239.5
2015	637.9	623.9	717.2	624.0	2603.0
2016	551.0	566.2	646.1	617.4	2380.7
2017	591.6	**608.4**	**675**	**625**	**2500**
2018	**650**	**650**	**700**	**650**	**2650**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.45	.41	.46	.32	1.64
2015	.31	.33	.47	.39	1.50
2016	.30	.41	1.17	.41	2.29
2017	.31	**.38**	**.51**	**.40**	**1.60**
2018	**.33**	**.41**	**.54**	**.42**	**1.70**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.31	.31	.31	.31	1.24
2014	.31	.31	.31	.31	1.24
2015	.31	.31	.31	.31	1.24
2016	.31	.31	.31	.31	1.24
2017	.31	.31			

BUSINESS: Hawaiian Electric Industries, Inc. is the parent company of Hawaiian Electric Company, Inc. (HECO) & American Savings Bank (ASB). HECO & its subs., Maui Electric Co. (MECO) & Hawaii Electric Light Co. (HELCO), supply electricity to 458,000 customers on O'ahu, Maui, Molokai, Lanai, & Hawaii. Operating companies' systems are not interconnected. Electric. revenue breakdown: residential, 31%; commercial, 34%; large light & power, 34%; other, 1%. Generating sources: oil, 53%; purchased, 47%. Fuel costs: 43% of revs. '16 reported depr. rate (utility): 3.2%. Has 3,800 empls. Chairman: Jeffrey N. Watanabe. Pres. & CEO: Constance H. Lau. Inc.: HI. Address: 1001 Bishop St., Suite 2900, Honolulu, HI 96808-0730. Tel.: 808-543-5662. Internet: www.hei.com.

Two of Hawaiian Electric Industries' three utility subsidiaries have rate cases pending, and the third will file an application soon. HEI's largest utility, Hawaiian Electric Company, is seeking an increase of $106.4 million (6.9%), based on a 10.6% return on a 57% common-equity ratio. Hawaii Electric Light Company is asking for a hike of $19.3 million (6.5%), based on a 10.6% return on a 57.1% common-equity ratio. An interim order in the latter case is due in August, and one in the former case is due in November. HEI's other utility, Maui Electric Company, will file a petition in August, with an interim decision due in July of 2018.

The utilities have not been earning adequate ROEs. As a group, their ROE for the 12-month period that ended on March 31st was just 7.8%. Regulatory mechanisms designed to reduce the effects of regulatory lag have not been as beneficial as the company had hoped. Moreover, it is hard to ask for higher rates when the price of electricity in the Aloha State is already very high, which is one reason why the utilities went a few years without filing general rate cases.

We are concerned about the regulatory climate in Hawaii. Recent decisions in regulatory matters—most notably, the proposed takeover of HEI by NextEra Energy—have not gone well for the company. None of the three commissioners on the Public Utilities Commission was serving there when any of HEI's utilities last had a general rate case.

Earnings will almost certainly decline significantly in 2017. That's because HEI received a $90 million (pretax) payment from NextEra in the third period of 2016 due to the termination of the takeover agreement. (Were this to be excluded, the company's 2016 earnings would have been $1.75 a share.) Our 2017 estimate is within HEI's guidance of $1.55-$1.70 a share. Rate relief should help lift the bottom line in 2018. The company's American Savings Bank subsidiary is improving, too.

We advise investors to look elsewhere. The stock is ranked unfavorably for Timeliness. Although the dividend yield is somewhat above the utility average, the lack of dividend growth and the subpar regulatory climate are negative factors.

Paul E. Debbas, CFA *July 28, 2017*

(A) Dil. EPS. Excl. gains (losses) from disc. ops.: '01, (36¢); '03, (5¢); '04, 2¢; '05, (1¢); nonrec. gain (losses): '05, 11¢; '07, (9¢); '12, (25¢). Next earnings report due early Aug.
(B) Div'ds historically paid in early Mar., June, Sept., & Dec. ■ Div'd reinvest. plan avail.
(C) Incl. intang. In '16: $9.57/sh. (D) In mill., adj. for split. (E) Rate base: Orig. cost. Rate allowed on com. eq. in '11: HECO, 10%; in '12: HELCO, 10%; in '13: MECO, 9%; earn. on avg. com. eq., '16: 12.4%. Regulat. Climate: Below Avg. (F) Excl. div'ds paid through reinv. plan.

Company's Financial Strength	**A**
Stock's Price Stability	**95**
Price Growth Persistence	**30**
Earnings Predictability	**70**

IDACORP, INC. NYSE-IDA

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD
84.17	20.8	(Trailing: 20.6 Median: 14.0)	1.05	2.8%

VALUE LINE

TIMELINESS **2** Raised 6/16/17

SAFETY **2** Raised 8/2/13

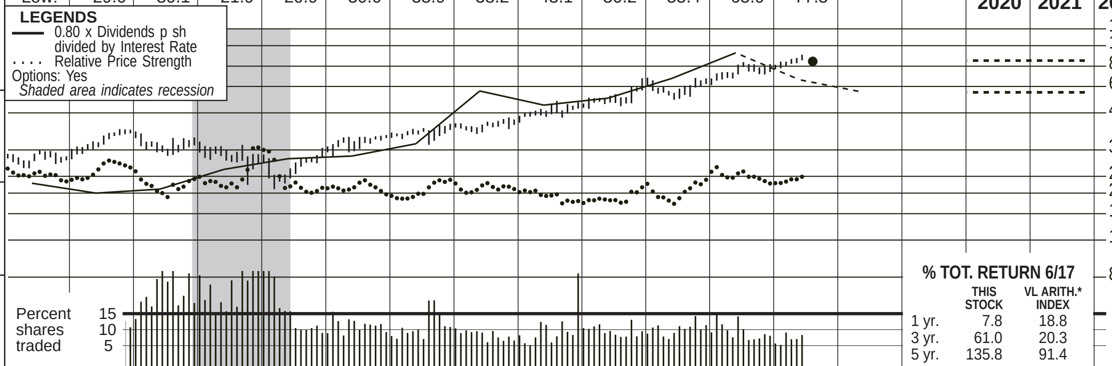
TECHNICAL **1** Raised 7/21/17

BETA .70 (1.00 = Market)

High:	40.2	39.2	35.1	32.8	37.8	42.7	45.7	54.7	70.1	70.5	83.4	90.7
Low:	29.0	30.1	21.9	20.9	30.0	33.9	38.2	43.1	50.2	55.4	65.0	77.5

Target Price Range

2020	2021	2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	85	(Nil)	3%
Low	60	(-30%)	-4%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	8	10	0	0
to Sell	0	0	0	0	0	0	3	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	89	105	95
to Sell	120	110	125
Hld's(000)	37603	38530	47507

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	7.8	18.8
3 yr.	61.0	20.3
5 yr.	135.8	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
150.10	24.43	20.41	20.00	20.15	21.23	19.51	20.47	21.92	20.97	20.55	21.55	24.81	25.51	25.23	25.04	***26.05***	***26.45***	Revenues per sh	***27.75***
5.63	4.08	3.50	4.12	3.87	4.58	4.11	4.27	5.07	5.35	5.84	5.93	6.29	6.58	6.70	6.86	***7.35***	***7.70***	"Cash Flow" per sh	***8.75***
3.35	1.63	.96	1.90	1.75	2.35	1.86	2.18	2.64	2.95	3.36	3.37	3.64	3.85	3.87	3.94	***4.05***	***4.20***	Earnings per sh A	***4.75***
1.86	1.86	1.70	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.37	1.57	1.76	1.92	2.08	***2.24***	***2.40***	Div'd Decl'd per sh B ■ †	***2.90***
4.78	3.53	3.89	4.73	4.53	5.16	6.39	5.19	5.26	6.85	6.76	4.78	4.68	5.45	5.84	5.89	***6.50***	***6.55***	Cap'l Spending per sh	***6.75***
23.15	23.01	22.54	23.88	24.04	25.77	26.79	27.76	29.17	31.01	33.19	35.07	36.84	38.85	40.88	42.74	***44.45***	***46.15***	Book Value per sh C	***51.50***
37.63	38.02	38.34	42.22	42.66	43.63	45.06	46.92	47.90	49.41	49.95	50.16	50.23	50.27	50.34	50.40	***50.45***	***50.50***	Common Shs Outst'g D	***50.65***
11.4	18.9	26.5	15.5	16.7	15.1	18.2	13.9	10.2	11.8	11.5	12.4	13.4	14.7	16.2	19.1	*Bold figures are*		Avg Ann'l P/E Ratio	***15.5***
.58	1.03	1.51	.82	.89	.82	.97	.84	.68	.75	.72	.79	.75	.77	.82	1.00	*Value Line*		Relative P/E Ratio	***.95***
4.9%	6.0%	6.7%	4.1%	4.1%	3.4%	3.5%	4.0%	4.5%	3.4%	3.1%	3.3%	3.2%	3.1%	3.1%	2.8%	*estimates*		Avg Ann'l Div'd Yield	***4.0%***

CAPITAL STRUCTURE as of 3/31/17
Total Debt $1745.0 mill. **Due in 5 Yrs** $230.0 mill.
LT Debt $1745.0 mill. **LT Interest** $81.1 mill.
(LT interest earned: 3.6x)

Pension Assets-12/16 $607.6 mill.
Oblig $895.1 mill.

Pfd Stock None

Common Stock 50,390,680 shs.
as of 4/28/17

MARKET CAP: $4.2 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
879.4	960.4	1049.8	1036.0	1026.8	1080.7	1246.2	1282.5	1270.3	1262.0	***1315***	***1335***	Revenues ($mill)	***1400***
82.3	98.4	124.4	142.5	166.9	168.9	182.4	193.5	194.7	198.3	***205***	***215***	Net Profit ($mill)	***240***
14.3%	16.3%	15.2%	- -	- -	13.4%	28.3%	8.0%	19.0%	15.5%	***20.0%***	***20.0%***	Income Tax Rate	***20.0%***
9.7%	10.2%	10.5%	19.1%	23.3%	20.3%	12.3%	13.6%	16.3%	16.3%	***16.0%***	***16.0%***	AFUDC % to Net Profit	***16.0%***
48.9%	47.6%	50.2%	49.3%	45.6%	45.5%	46.6%	45.3%	45.6%	44.8%	***44.0%***	***43.0%***	Long-Term Debt Ratio	***42.5%***
51.1%	52.4%	49.8%	50.7%	54.4%	54.5%	53.4%	54.7%	54.4%	55.2%	***56.0%***	***57.0%***	Common Equity Ratio	***57.5%***
2364.2	2485.9	2807.1	3020.4	3045.2	3225.4	3465.9	3567.6	3783.3	3898.5	***3985***	***4075***	Total Capital ($mill)	***4550***
2616.6	2758.2	2917.0	3161.4	3406.6	3536.0	3665.0	3833.5	3992.4	4172.0	***4330***	***4490***	Net Plant ($mill)	***4925***
4.7%	5.3%	5.7%	6.0%	6.8%	6.5%	6.4%	6.6%	6.2%	6.1%	***6.0%***	***6.0%***	Return on Total Cap'l	***6.5%***
6.8%	7.6%	8.9%	9.3%	10.1%	9.6%	9.9%	9.9%	9.5%	9.2%	***9.0%***	***9.0%***	Return on Shr. Equity	***9.0%***
6.8%	7.6%	8.9%	9.3%	10.1%	9.6%	9.9%	9.9%	9.5%	9.2%	***9.0%***	***9.0%***	Return on Com Equity E	***9.0%***
2.4%	3.4%	4.8%	5.5%	6.5%	5.7%	5.6%	5.4%	4.8%	4.3%	***4.0%***	***4.0%***	Retained to Com Eq	***3.5%***
64%	55%	46%	41%	36%	41%	43%	46%	50%	53%	***55%***	***57%***	All Div'ds to Net Prof	***61%***

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-3.6	+1.2	-.5
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	5.68	5.70	5.63
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	3184	3402	3299
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.4	+1.8	+1.8
Fixed Charge Cov. (%)	287	307	295

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	2.0%	3.5%	*1.5%*
"Cash Flow"	5.0%	4.5%	*4.5%*
Earnings	7.0%	5.5%	*3.5%*
Dividends	5.0%	10.0%	*7.0%*
Book Value	5.0%	5.5%	*4.0%*

Cal-endar	QUARTERLY REVENUES($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	292.7	317.8	382.2	289.8	1282.5
2015	279.4	336.3	369.2	285.4	1270.3
2016	281.0	315.4	372.0	293.6	1262.0
2017	302.5	***327.5***	***385***	***300***	***1315***
2018	***310***	***330***	***390***	***305***	***1335***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.55	.89	1.73	.69	3.85
2015	.47	1.31	1.46	.63	3.87
2016	.51	1.12	1.65	.66	3.94
2017	.66	***.97***	***1.85***	***.57***	***4.05***
2018	***.63***	***1.01***	***1.97***	***.59***	***4.20***

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.38	.38	.38	.43	1.57
2014	.43	.43	.43	.47	1.76
2015	.47	.47	.47	.51	1.92
2016	.51	.51	.51	.55	2.08
2017	.55	.55			

BUSINESS: IDACORP, Inc. is a holding company for Idaho Power Company, a regulated electric utility that serves 535,000 customers throughout a 24,000-square-mile area in southern Idaho and eastern Oregon (population: 1 million). Most of the company's revenues are derived from the Idaho portion of its service area. Revenue breakdown: residential, 41%; commercial, 24%; industrial, 14%; irrigation, 12%; other, 9%. Generating sources: hydro, 39%; coal, 25%; gas, 10%; purchased, 26%. Fuel costs: 33% of revenues. '16 reported depreciation rate: 2.6%. Has 2,000 employees. Chairman: Robert A. Tinstman. President & CEO: Darrel T. Anderson. Incorporated: Idaho. Address: 1221 W. Idaho St., Boise, Idaho 83702. Telephone: 208-388-2200. Internet: www.idacorpinc.com.

IDACORP's utility subsidiary received a rate order related to its interest in the North Valmy coal-fired plant. Idaho Power will accelerate depreciation on the facility so that it will be fully depreciated by the end of 2025. At that point, it might be closed. The utility will recover this increased expense from customers, which will boost cash flow by $13.3 million annually. As part of the order, $70 million of North Valmy's capital costs that were incurred after the utility's last rate order, in 2011, will be placed in the rate base. This will not increase the company's earnings, but will lessen its use of accumulated deferred investment tax credits (see below) to augment its income.

We look for a 3% earnings increase this year and a 4% rise in 2018. Idaho Power is benefiting from rapid customer growth. For the 12-month period that ended on March 31st, the customer count rose 1.9%—well above average for an electric utility. Kilowatt-hour sales growth isn't as high as customer growth due to the effects of energy efficiency, but still exceeds 1% (when normalized for weather fluctuations). Effective cost control is another strong point for the company. Our 2017 earnings estimate is at the top end of IDACORP's guidance of $3.90-$4.05 a share.

A regulatory mechanism is available to stabilize earnings. Every year, Idaho Power may use up to $25 million of these credits to bolster its income if its return on equity falls below 9.5%. In the first quarter of 2017, The utility booked these credits based on its assumption that it would need $7.5 million this year, but it won't need as much thanks to the aforementioned rate order.

We expect a dividend increase at the September board meeting. IDACORP is targeting a 50%-60% payout ratio, and management intends to recommend to the directors annual hikes of 5% or more until the upper end of this range is reached. We estimate that the board will raise the quarterly disbursement by $0.04 a share (7.3%), the same increase as a year ago.

This stock is timely. However, the dividend yield is below the industry mean, and the recent quotation is near the top end of our 2020-2022 Target Price Range.

Paul E. Debbas, CFA *July 28, 2017*

(A) Diluted EPS. Excl. nonrecurring gains (loss): '03, 26¢; '05, (24¢); '06, 17¢. '14 earnings don't add due to rounding. Next earnings report due early Aug. **(B)** Div'ds historically paid in late Feb., May, Aug., and Nov. ■ Div'd reinvestment plan available. † Shareholder investment plan available. **(C)** Incl. intangibles. In '16: $28.15/sh. **(D)** In millions. **(E)** Rate base: Net original cost. Rate allowed on common equity in '11: 10% (imputed); earned on avg. com. eq., '16: 9.4%. Regulatory Climate: Above Average.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	90
Earnings Predictability	95

GREAT PLAINS EN'GY NYSE-GXP

RECENT PRICE	29.04	P/E RATIO	29.0 (Trailing: 21.7 / Median: 16.0)	RELATIVE P/E RATIO	1.47	DIV'D YLD	4.0%	VALUE LINE

TIMELINESS 4 Lowered 6/9/17

SAFETY 3 Lowered 12/26/08

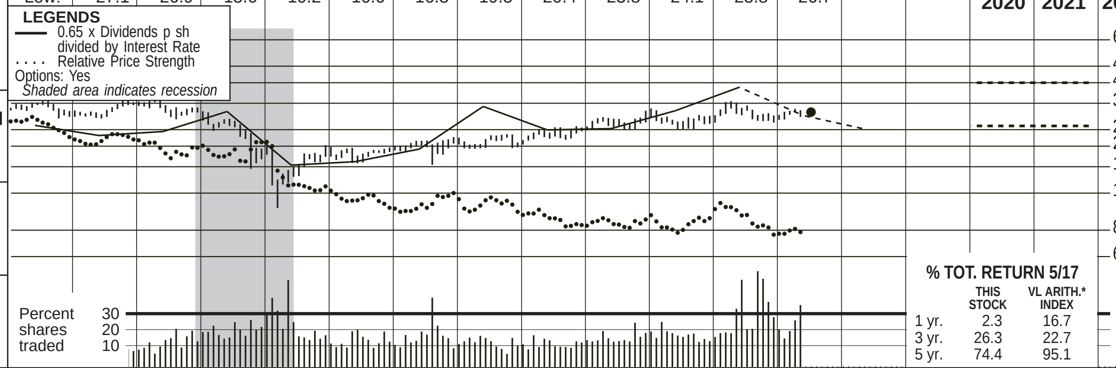
TECHNICAL 3 Lowered 6/16/17

BETA .75 (1.00 = Market)

High:	32.8	33.4	29.3	20.5	19.9	22.1	22.8	24.9	29.5	30.3	32.7	30.1
Low:	27.1	26.9	15.6	10.2	16.6	16.3	19.5	20.4	23.8	24.1	25.8	26.7

Target Price Range
2020 | 2021 | 2022

LEGENDS
— 0.65 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+40%)	12%
Low	25	(-15%)	1%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	2	0	0	2	0	0	11	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	204	217	190
to Sell	132	144	169
Hld's(000)	193395	192383	211740

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	2.3	16.7
3 yr.	26.3	22.7
5 yr.	74.4	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
23.61	26.91	31.04	33.13	34.85	33.30	37.89	14.00	14.51	16.62	17.03	15.05	15.90	16.66	16.21	12.43	*12.50*	*12.95*	Revenues per sh	*14.25*
4.70	4.40	4.69	4.75	4.54	3.86	4.24	3.09	3.27	4.12	3.51	3.45	4.01	4.01	3.98	3.35	*3.20*	*3.70*	"Cash Flow" per sh	*4.50*
1.59	2.04	2.27	2.46	2.18	1.62	1.86	1.16	1.03	1.53	1.25	1.35	1.62	1.57	1.37	1.61	*1.00*	*1.35*	Earnings per sh A	*1.50*
1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	.83	.83	.84	.86	.88	.94	1.00	1.06	*1.12*	*1.18*	Div'd Decl'd per sh B ■	*1.35*
4.38	1.91	2.19	2.66	4.49	6.05	6.15	8.86	6.49	4.76	3.40	4.01	4.42	5.10	4.42	2.86	*2.75*	*2.60*	Cap'l Spending per sh	*2.50*
12.59	13.58	13.82	15.35	16.37	16.70	18.18	21.39	20.62	21.26	21.74	21.75	22.58	23.26	23.68	24.73	*24.55*	*24.70*	Book Value per sh C	*25.00*
61.91	69.20	69.26	74.37	74.74	80.35	86.23	119.26	135.42	135.71	136.14	153.53	153.87	154.16	154.40	215.35	*216.00*	*216.50*	Common Shs Outst'g D	*218.00*
15.9	11.1	12.2	12.6	14.0	18.3	16.3	20.5	16.0	12.1	16.1	15.5	14.2	16.5	19.4	18.0	*Bold figures are*		Avg Ann'l P/E Ratio	*21.0*
.81	.61	.70	.67	.75	.99	.87	1.23	1.07	.77	1.01	.99	.80	.87	.98	.96	*Value Line*		Relative P/E Ratio	*1.30*
6.6%	7.3%	6.0%	5.4%	5.5%	5.6%	5.5%	7.0%	5.0%	4.5%	4.1%	4.1%	3.8%	3.6%	3.8%	3.6%	*estimates*		Avg Ann'l Div'd Yield	*4.3%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $8634.9 mill. **Due in 5 Yrs** $2944.3 mill.
LT Debt $7275.9 mill. **LT Interest** $305.7 mill.
(LT interest earned: 3.4x)

Leases, Uncapitalized Annual rentals $12.9 mill.

Pension Assets-12/16 $776.8 mill.
Oblig $1244.6 mill.
Pfd Stock $836.2 mill. **Pfd Div'd** $60.4 mill.

Common Stock 215,605,456 shs.
as of 4/30/17
MARKET CAP: $6.3 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
3267.1	1670.1	1965.0	2255.5	2318.0	2309.9	2446.3	2568.2	2502.2	2676.0	*2700*	*2800*	Revenues ($mill)	*3100*
159.2	119.5	135.6	211.7	174.4	199.9	250.2	242.8	213.0	290.0	*275*	*290*	Net Profit ($mill)	*330*
30.7%	34.5%	25.0%	31.7%	32.7%	34.3%	34.0%	32.3%	36.7%	37.4%	*37.0%*	*37.0%*	Income Tax Rate	*37.0%*
10.6%	46.8%	57.0%	25.7%	3.9%	3.3%	10.4%	12.8%	4.5%	4.6%	*3.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
40.7%	49.7%	53.2%	50.2%	47.8%	44.9%	50.0%	49.0%	50.3%	35.3%	*35.5%*	*39.0%*	Long-Term Debt Ratio	*41.0%*
57.9%	49.6%	46.2%	49.2%	51.6%	54.4%	49.4%	50.4%	49.1%	55.9%	*55.5%*	*61.0%*	Common Equity Ratio	*59.0%*
2709.8	5146.2	6044.5	5867.6	5741.2	6135.8	7029.1	7113.1	7440.6	9527.2	*9550*	*8730*	Total Capital ($mill)	*9275*
3444.5	6081.3	6651.1	6892.3	7053.5	7402.1	7746.4	8279.6	8662.4	8956.7	*9075*	*9125*	Net Plant ($mill)	*8900*
7.5%	3.5%	3.9%	5.3%	5.0%	5.0%	5.0%	4.7%	4.2%	3.9%	*3.5%*	*4.5%*	Return on Total Cap'l	*4.0%*
9.9%	4.6%	4.8%	7.2%	5.8%	5.9%	7.1%	6.7%	5.8%	4.7%	*4.0%*	*5.5%*	Return on Shr. Equity	*5.5%*
10.1%	4.6%	4.8%	7.3%	5.8%	5.9%	7.2%	6.7%	5.8%	5.1%	*4.0%*	*5.5%*	Return on Com Equity E	*6.0%*
.9%	NMF	.9%	3.4%	2.0%	2.2%	3.2%	2.7%	1.6%	1.8%	*NMF*	*.5%*	Retained to Com Eq	*.5%*
91%	NMF	81%	54%	66%	63%	55%	60%	73%	67%	*NMF*	*88%*	All Div'ds to Net Prof	*89%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+.4	-1.9	+.7
Avg. Indust. Use (MWH)	1455	1450	1500
Avg. Indust. Revs. per KWH (¢)	6.79	6.96	7.29
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	+.9	+.9	+1.1
Fixed Charge Cov. (%)	261	254	307

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-7.5%	-1.0%	*-1.0%*
"Cash Flow"	-1.5%	1.0%	*3.0%*
Earnings	-3.0%	3.5%	*Nil*
Dividends	-5.0%	3.5%	*5.0%*
Book Value	4.0%	2.5%	*1.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	585.1	648.4	782.5	552.2	2568.2
2015	549.1	609.0	781.4	562.7	2502.2
2016	572.1	670.8	856.8	576.3	2676.0
2017	570.7	*675*	*875*	*579.3*	*2700*
2018	*600*	*700*	*900*	*600*	*2800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.15	.34	.95	.12	1.57
2015	.12	.28	.82	.15	1.37
2016	.17	.20	.86	.39	1.61
2017	d.11	*.20*	*.80*	*.11*	*1.00*
2018	*.13*	*.25*	*.84*	*.13*	*1.35*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.2175	.2175	.2175	.23	.88
2014	.23	.23	.23	.245	.94
2015	.245	.245	.245	.2625	1.00
2016	.2625	.2625	.2625	.275	1.06
2017	.275	.275			

BUSINESS: Great Plains Energy Incorporated is a holding company for Kansas City Power & Light and two other subsidiaries, which supply electricity to 856,000 customers in western Missouri (71% of revenues) and eastern Kansas (29%). Acquired Aquila 7/08. Sold Strategic Energy (energy-marketing subsidiary) in '08. Electric revenue breakdown: residential, 40%; commercial, 39%; industrial, 9%; other, 12%. Generating sources: coal, 63%; nuclear, 13%; wind, 1%; gas & oil, 1%; purchased, 22%. Fuel costs: 22% of revenues. '16 reported deprec. rate (utility): 3.0%. Has 2,900 employees. Chairman, President & CEO: Terry Bassham. Inc.: Missouri. Address: 1200 Main St., Kansas City, Missouri 64105. Tel.: 816-556-2200. Internet: www.greatplainsenergy.com.

The Kansas Corporation Commission rejected Great Plains Energy's proposed acquisition of Westar Energy, but a deal isn't necessarily dead. Great Plains had agreed to pay $8.6 billion (85% in cash, 15% in stock) for Westar, which owns utilities that serve more than 700,000 customers in Kansas. However, there was some opposition to the deal, and the KCC expressed concern about the high price Great Plains would have paid, the company's capital structure if the transaction went through, and the prospective benefits for customers. The KCC denied the companies' petition for reconsideration, so Great Plains is deciding whether to revise the terms of the agreement with Westar or proceed as a stand-alone entity.

The proposed deal made earnings lower, and more unpredictable. Great Plains has already issued debt and equity in anticipation of closing the acquisition. The company is incurring merger-related costs and is recording mark-to-market accounting gains or losses resulting from an interest-rate swap. Note that our figures are for Great Plains as a stand-alone entity, and do not reflect the costs to unwind the deal (an estimated $500 million, including a $380 million breakup fee) if it doesn't go through.

Kansas City Power & Light received a rate order in Missouri. Effective May 28th, electric tariffs were raised $32.5 million, based on a return of 9.5% on a common-equity ratio of 49.2%. Frequent regulatory activity is necessary to deal with the effects of regulatory lag, especially in Missouri, which lacks regulatory mechanism used in other states that track certain kinds of expenses or capital spending. Great Plains' utilities plan to put forth rate applications in each of their jurisdictions in 2018.

Will the hunter become the hunted? If Great Plains is unable to reach a revised deal with Westar, or a new merger attempt is rejected again, the possibility that another utility makes a bid for Great Plains cannot be ruled out. However, we advise against buying the untimely stock based on such a possibility. The dividend yield and 3- to 5-year total return potential are each above average for an electric utility.

Paul E. Debbas, CFA *June 16, 2017*

(A) Diluted earnings. Excl. nonrec. gains (losses): '01, ($2.01); '02, (5¢); '03, 29¢; '04, (7¢); '09, 12¢; gain (losses) on disc. ops.: '03, (13¢); '04, 10¢; '05, (3¢); '08, 35¢. '14 & '16 EPS don't sum due to rounding. Next egs. report due mid-Aug. (B) Div'ds historically paid in mid-Mar., June, Sept. & Dec. ■ Div'd reinv. plan avail. (C) Incl. intang. In '16: $5.65/sh. (D) In mill. (E) Rate base: Fair value. Rate allowed on com. eq. in MO in '17: 9.5%; in KS in '15: 9.3%; earned on avg. com. eq., '16: 6.7%. Regulatory Climate: MO, Below Avg.; KS, Avg.

Company's Financial Strength	B+
Stock's Price Stability	95
Price Growth Persistence	15
Earnings Predictability	80

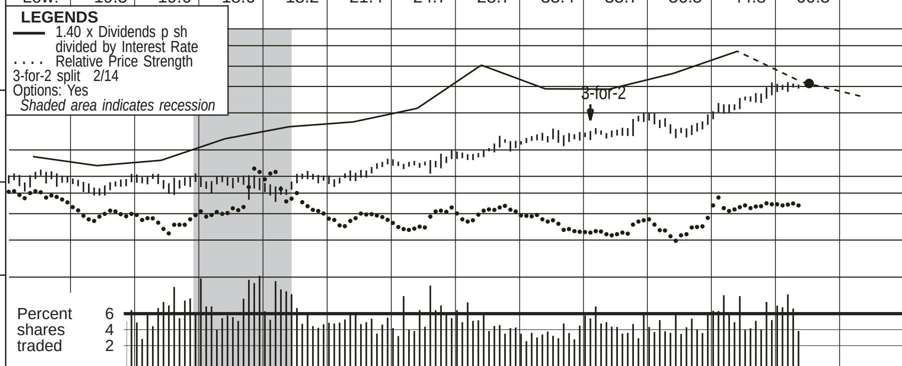
MGE ENERGY INC. NDQ-MGEE

RECENT PRICE	66.10	P/E RATIO	27.5 (Trailing: 29.4; Median: 16.0)	RELATIVE P/E RATIO	1.40	DIV'D YLD	1.9%	VALUE LINE

TIMELINESS **4** Raised 5/19/17
SAFETY **1** New 1/3/03
TECHNICAL **3** Lowered 6/16/17
BETA .75 (1.00 = Market)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
High:	24.7	24.8	24.3	25.5	29.1	31.9	37.4	40.5	48.0	48.0	66.9	68.1
Low:	19.5	19.6	18.6	18.2	21.4	24.7	28.7	33.4	35.7	36.5	44.8	60.3

Target Price Range
2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(-15%)	-2%
Low	45	(-30%)	-6%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	1	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	74	75	57
to Sell	57	64	73
Hld's(000)	12692	13125	15392

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	31.0	16.7
3 yr.	86.6	22.7
5 yr.	147.1	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
13.03	13.17	14.59	13.89	16.73	16.13	16.33	17.35	15.40	15.36	15.76	15.61	17.04	17.88	16.27	15.71	*16.55*	*17.55*	Revenues per sh	*20.85*
2.52	2.22	1.96	1.92	2.00	2.34	2.46	2.68	2.66	2.76	2.94	2.98	3.28	3.49	3.33	3.47	*3.90*	*4.30*	"Cash Flow" per sh	*5.40*
1.08	1.13	1.14	1.18	1.05	1.37	1.51	1.59	1.47	1.67	1.76	1.86	2.16	2.32	2.06	2.18	*2.40*	*2.55*	Earnings per sh A	*3.25*
.89	.89	.90	.91	.92	.93	.94	.96	.97	.99	1.01	1.04	1.07	1.11	1.16	1.21	*1.25*	*1.30*	Div'd Decl'd per sh B ■	*1.45*
1.65	2.97	3.02	3.13	2.80	2.94	4.14	3.08	2.35	1.76	1.88	2.84	3.43	2.67	2.08	2.41	*2.55*	*2.80*	Cap'l Spending per sh	*3.45*
8.45	8.62	9.56	11.06	11.21	11.93	12.99	13.92	14.47	15.14	15.89	16.71	17.81	19.02	19.92	20.89	*22.30*	*23.55*	Book Value per sh E	*28.90*
25.61	26.36	27.52	30.59	30.68	31.46	32.93	34.36	34.67	34.67	34.67	34.67	34.67	34.67	34.67	34.67	*35.00*	*35.00*	Common Shs Outst'g C	*36.00*
14.8	16.0	17.5	18.0	22.4	15.9	15.0	14.2	15.1	15.0	15.8	17.2	17.0	17.2	20.3	24.9	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.76	.87	1.00	.95	1.19	.86	.80	.85	1.01	.95	.99	1.09	.96	.91	1.02	1.31	*Value Line*		Relative P/E Ratio	*1.00*
5.5%	5.0%	4.5%	4.3%	3.9%	4.3%	4.1%	4.2%	4.4%	4.0%	3.6%	3.2%	2.9%	2.8%	2.8%	2.2%	*estimates*		Avg Ann'l Div'd Yield	*2.8%*
						537.6	596.0	533.8	532.6	546.4	541.3	590.9	619.9	564.0	544.7	*580*	*615*	Revenues ($mill)	*750*
						48.8	52.8	51.0	57.7	60.9	64.4	74.9	80.3	71.3	75.6	*85.0*	*90.0*	Net Profit ($mill)	*115*
						36.3%	35.5%	35.6%	36.9%	37.1%	37.7%	37.5%	37.5%	36.7%	36.0%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
						--	--	--	--	--	--	--	--	2.2%	2.0%	*2.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
						35.2%	36.3%	39.0%	38.9%	39.6%	38.2%	39.3%	37.5%	36.2%	34.6%	*34.5%*	*34.5%*	Long-Term Debt Ratio	*33.5%*
						64.8%	63.7%	61.0%	61.1%	60.4%	61.8%	60.7%	62.5%	63.8%	65.4%	*65.5%*	*65.5%*	Common Equity Ratio	*66.5%*
						660.1	750.6	822.7	859.4	911.9	937.9	1016.9	1054.7	1081.5	1106.9	*1195*	*1260*	Total Capital ($mill)	*1565*
						844.0	901.2	939.8	968.0	995.6	1073.5	1160.2	1208.1	1243.4	1282.1	*1310*	*1350*	Net Plant ($mill)	*1500*
						8.1%	7.7%	6.9%	7.6%	7.8%	7.9%	8.3%	8.5%	7.5%	7.7%	*8.0%*	*8.0%*	Return on Total Cap'l	*8.0%*
						11.4%	11.0%	10.2%	11.0%	11.1%	11.1%	12.1%	12.2%	10.3%	10.4%	*11.0%*	*11.0%*	Return on Shr. Equity	*11.0%*
						11.4%	11.0%	10.2%	11.0%	11.1%	11.1%	12.1%	12.2%	10.3%	10.4%	*11.0%*	*11.0%*	Return on Com Equity D	*11.0%*
						4.3%	4.4%	3.4%	4.4%	4.7%	4.9%	6.1%	6.4%	4.5%	4.7%	*5.5%*	*5.5%*	Retained to Com Eq	*6.0%*
						62%	60%	66%	60%	57%	56%	50%	48%	56%	55%	*51%*	*51%*	All Div'ds to Net Prof	*45%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $395.9 mill. **Due in 5 Yrs** $57.8 mill.
LT Debt $391.5 mill. **LT Interest** $20.0 mill.
(LT interest earned: 7.2x)

Leases, Uncapitalized Annual rentals $1.3 mill.
Pension Assets-12/16 $311.9 mill.
Obligation $349.6 mill.
Pfd Stock None

Common Stock 34,668,370 shs.
as of 4/30/17
MARKET CAP: $2.3 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-0.5	-0.3	1.1
Avg. Indust. Use (MWH)	2463	2484	2329
Avg. Indust. Revs. per KWH (¢)	7.78	8.17	7.55
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	783	783	783
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	NA	NA	NA
Fixed Charge Cov. (%)	702	616	645

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	.5%	1.5%	*4.0%*
"Cash Flow"	5.0%	4.5%	*8.0%*
Earnings	6.0%	6.0%	*7.0%*
Dividends	2.5%	3.0%	*4.0%*
Book Value	6.0%	5.5%	*6.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	210.3	128.8	135.1	145.7	619.9
2015	170.1	122.1	140.8	131.0	564.0
2016	147.5	121.6	136.7	138.9	544.7
2017	156.8	*130*	*145*	*148.2*	*580*
2018	*165*	*140*	*152*	*158*	*615*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.80	.41	.67	.44	2.32
2015	.53	.39	.82	.32	2.06
2016	.49	.47	.80	.42	2.18
2017	.56	*.50*	*.85*	*.49*	*2.40*
2018	*.58*	*.54*	*.90*	*.53*	*2.55*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.2634	.2634	.2717	.2717	1.07
2014	.2717	.2717	.2825	.2825	1.11
2015	.2825	.2825	.2950	.2950	1.16
2016	.2950	.2950	.3075	.3075	1.21
2017	.3075	.3075			

BUSINESS: MGE Energy Inc. is a holding company for Madison Gas and Electric. It provides electric service to about 149,000 customers in Dane County and gas service to 154,000 customers in seven counties in Wisconsin. Electric revenue breakdown, '16: residential, 34%; commercial, 53%; industrial, 4%; public authorities, 9%. Generating sources, '16: coal, 48%; purchased power, 30%; natural gas and other, 22%. Fuel costs: 21% of rev. '16 depr. rate: 3.5%. Has 704 employees. Off. and dir. own less than 1% of common; The Vanguard Group, Inc., 9.2%; BlackRock, Inc., 6.3% (3/17 proxy). Chairman: Gary J. Wolter. Pres. & CEO: Jeffrey M. Keebler. Inc.: WI. Addr.: 133 South Blair St., Madison, WI 53788. Tel.: 608-252-7000. Web: www.mgeenergy.com.

Shares of MGE Energy are trading near an all-time high. The stock has advanced nicely in price over the past couple of years. Earnings rebounded moderately in 2016, and the current year is shaping up to be a good one. The company posted moderate top-line growth for the March quarter. Earnings per share advanced roughly 14%, to $0.56. Electric net income increased during the period, helped by lower fuel costs and savings from the company's ongoing efforts to control operating expenses. Gas net income was relatively flat year over year. Looking forward, we anticipate favorable comparisons for the coming quarters, and healthy growth in revenues and earnings for full-year 2017.

MGE is seeking regulatory approval to build its largest wind farm to date. It is looking to construct, own, and operate a 66-megawatt wind farm near Saratoga, Iowa. Assuming approval, construction of the project is expected to begin in early 2018, with an estimated capital cost of $107 million.

Long-term prospects appear fairly good. MGE's utility businesses ought to further benefit from favorable demographics in its service territories. Growth in the residential customer base will likely remain a performance driver. Measures to control costs should support profitability. All things considered, we look for moderate growth in revenues and earnings per share for the company over the pull to early next decade.

Investors should probably look elsewhere at this time. This stock is unfavorably ranked for year-ahead relative price performance. Looking further out, this equity lacks long-term total return potential, as the shares presently trade at a price-to-earnings multiple that is well in excess of their historical average. Also, the dividend yield is subpar for a utility.

A pullback in the stock price some time in the future may offer a more attractive entry point. The company has built a track record of fairly consistent bottom-line growth over the past decade, and we expect this pattern will continue in the coming years. MGE earns high marks for Safety, Financial Strength, Price Stability, and Earnings Predictability. Volatility is below average, as well.

Michael Napoli, CFA *June 16, 2017*

(A) Diluted earnings. Next earnings report due early August. (B) Dividends historically paid in mid-March, June, September, and December. ■ Dvd. reinvestment plan available. (C) In millions, adjusted for split. (D) Rate allowed on common equity in '16: 10.2%; earned on common equity, '16: 10.4%. Regulatory Climate: Above Average. (E) Includes regulatory assets. In 2016: $164.9 mill., $4.76 per share.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	70
Earnings Predictability	90

NV ENERGY, INC. NYSE-NVE

RECENT PRICE 23.74 | P/E RATIO 18.1 (Trailing: 17.3 / Median: 17.0) | RELATIVE P/E RATIO 0.97 | DIV'D YLD 3.4% | VALUE LINE

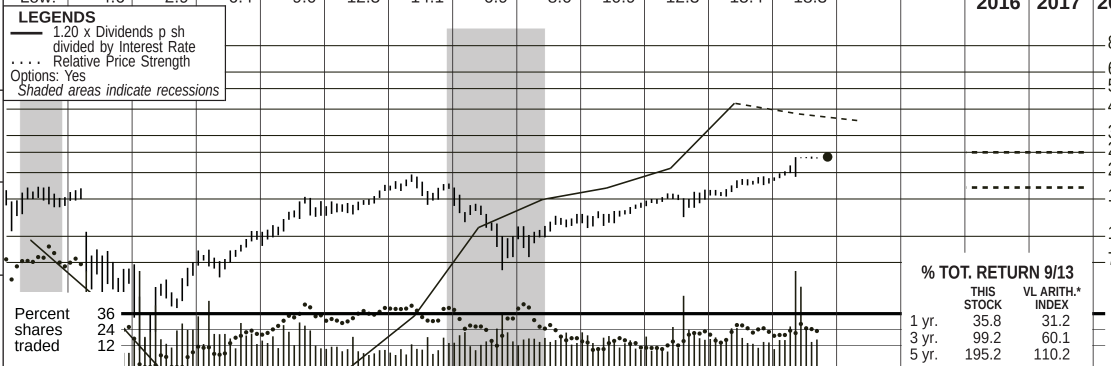
TIMELINESS – Suspended 6/7/13
SAFETY 3 Raised 2/10/06
TECHNICAL – Suspended 6/7/13
BETA .85 (1.00 = Market)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
High:			16.8	7.5	10.6	15.4	17.5	19.6	17.0	12.8	14.4	16.6
Low:			4.6	2.9	6.4	9.0	12.5	14.1	6.9	8.0	10.9	12.3

	2011	2012
High:	19.2	23.8
Low:	15.4	18.3

Target Price Range
2016 | 2017 | 2018

LEGENDS
— 1.20 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded areas indicate recessions



2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	25	(+5%)	5%
Low	17	(-30%)	-4%

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	0	0	0	0	0	0	0	0	0
Options	1	0	1	0	0	0	1	1	0
to Sell	1	0	2	0	0	0	0	0	0

Institutional Decisions

	4Q2012	1Q2013	2Q2013
to Buy	134	150	119
to Sell	136	116	187
Hld's(000)	203066	202006	189739

Percent shares traded 36 24 12

% TOT. RETURN 9/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	35.8	31.2
3 yr.	99.2	60.1
5 yr.	195.2	110.2

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
15.86	17.04	16.69	29.75	44.94	29.28	23.79	24.04	15.09	15.18	15.41	15.06	15.27	13.94	12.47	12.67	*12.70*	*13.15*	Revenues per sh	*14.50*
3.04	3.12	2.10	1.45	1.94	d1.27	2.75	4.65	2.42	2.89	2.91	2.02	3.45	3.48	2.91	3.67	*3.70*	*3.95*	"Cash Flow" per sh	*4.50*
1.65	1.64	.83	d.63	.34	d3.00	d1.15	.40	.44	1.14	.89	.89	.78	.96	.69	1.35	*1.30*	*1.40*	Earnings per sh A	*1.65*
1.60	1.45	1.17	1.00	.40	.20	- -	- -	- -	- -	.16	.34	.41	.45	.49	.64	*.76*	*.82*	Div'd Decl'd per sh B ■	*.95*
4.41	6.31	3.95	4.58	3.28	3.91	3.19	3.68	3.42	4.46	5.12	4.54	3.69	2.79	2.68	2.16	*2.20*	*1.85*	Cap'l Spending per sh	*2.00*
16.54	16.86	18.83	17.33	16.60	12.99	12.24	12.76	10.26	11.86	12.82	13.36	13.73	14.24	14.43	15.13	*15.65*	*16.25*	Book Value per sh C	*18.25*
50.40	51.27	78.43	78.48	102.11	102.18	117.24	117.47	200.79	221.03	233.74	234.32	234.83	235.32	236.00	235.08	*236.00*	*236.00*	Common Shs Outst'g D	*236.00*
12.9	15.2	25.7	- -	NMF	- -	- -	20.9	27.5	12.6	19.1	13.3	13.9	13.2	21.7	12.8	*Bold figures are*		Avg Ann'l P/E Ratio	*13.0*
.74	.79	1.46	- -	NMF	- -	- -	1.10	1.46	.68	1.01	.80	.93	.84	1.36	.82	*Value Line*		Relative P/E Ratio	*.85*
7.5%	5.8%	5.5%	6.5%	2.7%	2.2%	- -	- -	- -	- -	.9%	2.9%	3.8%	3.6%	3.3%	3.7%	*estimates*		Avg Ann'l Div'd Yield	*4.5%*

CAPITAL STRUCTURE as of 6/30/13
Total Debt $5023.8 mill. **Due in 5 Yrs** $1601.9 mill.
LT Debt $4543.7 mill. **LT Interest** $264.0 mill.
Incl. $44.3 mill. capitalized leases.
(LT interest earned: 2.7x)

Leases, Uncapitalized Annual rentals $17.4 mill.
Pension Assets-12/12 $841.5 mill. **Oblig.** $935.5 mill.

Pfd Stock None

Common Stock 235,580,598 shs. as of 7/31/13
MARKET CAP: $5.6 billion (Large Cap)

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		16-18
2789.2	2823.8	3030.2	3356.0	3601.0	3528.1	3585.8	3280.2	2943.3	2979.2	*3000*	*3100*	Revenues ($mill)	*3400*
d129.4	75.3	86.2	238.9	197.3	208.9	182.9	227.0	163.4	321.9	*310*	*335*	Net Profit ($mill)	*395*
- -	34.5%	33.4%	34.1%	30.7%	31.3%	29.2%	33.4%	34.7%	34.1%	*33.0%*	*33.0%*	Income Tax Rate	*33.0%*
- -	19.3%	52.2%	14.8%	29.3%	32.5%	24.3%	22.7%	12.0%	5.2%	*4.0%*	*4.0%*	AFUDC % to Net Profit	*4.0%*
70.7%	72.5%	64.4%	60.4%	58.0%	62.7%	62.2%	59.5%	59.5%	56.8%	*55.0%*	*53.5%*	Long-Term Debt Ratio	*46.0%*
28.3%	26.6%	34.8%	39.6%	42.0%	37.3%	37.8%	40.5%	40.5%	43.2%	*45.0%*	*46.5%*	Common Equity Ratio	*54.0%*
5065.1	5629.9	5927.3	6623.8	7134.4	8398.2	8527.3	8274.9	8415.0	8227.2	*8160*	*8215*	Total Capital ($mill)	*8000*
4642.7	4926.9	5397.6	6087.0	7011.0	8310.3	8665.6	8929.7	9227.1	9426.0	*9525*	*9515*	Net Plant ($mill)	*9400*
.4%	4.1%	4.0%	5.8%	4.7%	4.3%	4.1%	4.8%	3.7%	5.7%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.5%*
NMF	4.9%	4.1%	9.1%	6.6%	6.7%	5.7%	6.8%	4.8%	9.1%	*8.5%*	*9.0%*	Return on Shr. Equity	*9.0%*
NMF	4.8%	4.0%	9.0%	6.6%	6.7%	5.7%	6.8%	4.8%	9.1%	*8.5%*	*9.0%*	Return on Com Equity E	*9.0%*
NMF	4.8%	4.0%	9.0%	5.4%	4.1%	2.7%	3.6%	1.4%	4.8%	*3.5%*	*3.5%*	Retained to Com Eq	*4.0%*
NMF	5%	5%	1%	18%	38%	53%	47%	71%	47%	*58%*	*57%*	All Div'ds to Net Prof	*57%*

ELECTRIC OPERATING STATISTICS

	2010	2011	2012
% Change Retail Sales (KWH)	-1.4	-1.9	+3.6
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	7215	7052	7437
Annual Load Factor (%) F	43.0	44.7	44.2
% Change Customers (yr-end)	+.3	-2.8	+.9
Fixed Charge Cov. (%)	181	181	256

BUSINESS: NV Energy, Inc. (formerly Sierra Pacific Resources) is a holding company formed through the 7/99 merger of Sierra Pacific (now NV Energy North) and Nevada Power (now NV Energy South). Sells electricity in west central & southern Nevada & eastern California; provides gas to Reno & Sparks, NV & environs. Customers: 1.2 mill. elec., 153,000 gas. Elec. rev. breakdown: res'l, 45%; comm'l, 25%; ind'l, 27%; other, 3%. Generating sources: gas, 59%; coal, 10%; purchased, 31%. Fuel costs: 38% of revs. '12 reported deprec. rates: South, 3.2%; North, 2.9%. Has 2,700 employees. Chairman: Philip G. Satre. President & CEO: Michael W. Yackira. Inc.: NV. Address: 6226 West Sahara Ave., Las Vegas, NV 89146. Tel.: 702-402-5000. Internet: www.nvenergy.com.

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	-9.5%	-3.0%	*2.0%*
"Cash Flow"	17.0%	4.0%	*5.0%*
Earnings	- -	4.0%	*8.5%*
Dividends	- -	- -	*10.0%*
Book Value	-.5%	4.5%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	714.5	782.7	1128.0	655.0	3280.2
2011	641.0	674.9	1017.8	609.6	2943.3
2012	611.4	740.7	1026.5	600.6	2979.2
2013	584.2	731.6	*1050*	*634.2*	*3000*
2014	*625*	*750*	*1075*	*650*	*3100*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	d.01	.16	.75	.06	.96
2011	.01	.05	.73	d.11	.69
2012	.05	.29	.94	.07	1.35
2013	.09	.27	*.89*	*.05*	*1.30*
2014	*.10*	*.30*	*.92*	*.08*	*1.40*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.10	.10	.10	.11	.41
2010	.11	.11	.11	.12	.45
2011	.12	.12	.12	.13	.49
2012	.13	.17	.17	.17	.64
2013	.19	.19	.19		

Shareholders of NV Energy have approved the takeover of the company by MidAmerican Energy. MidAmerican, a subsidiary of Berkshire Hathaway, has agreed to pay $23.75 in cash for each share of NV Energy. The deal still requires the approval of the Public Utilities Commission of Nevada (PUCN) and the Federal Energy Regulatory Commission. The companies are targeting the first quarter of 2014 for completion of the transaction. Due to the buyout agreement, the Timeliness rank of NV Energy stock remains suspended.

We continue to advise NV Energy stockholders to sell their shares on the open market. The offer is generous, at 18 times earnings. The recent price of the stock is just slightly below the takeover price, leaving very little upside potential for stockholders. Accordingly, by selling their stock now, NV Energy holders can avoid downside risk in case the deal falls through. So far, the agreement has not generated much controversy, but an unfavorable regulatory outcome cannot be ruled out.

NV Energy North has revised its rate filing. This case was required by state regulatory law. The utility is now seeking an electric rate *decrease* of $4.7 million (0.7%) and a gas tariff hike of $6.0 million (6.7%). (The electric request is based on a reallocation of debt between the electric and gas businesses and a reduction in operating and maintenance costs.) NV Energy filed for returns on equity of 10.4% for electricity and 10.35% for gas, based on a common-equity ratio of 47%. An order is expected in December, with new rates taking effect at the start of 2014.

NV Energy is asking the PUCN for approval to combine its two utilities into one. The company is building a transmission line to connect NV Energy North and NV Energy South, which would enable it to operate the utilities as one entity. A ruling is expected in March of 2014.

We estimate that earnings will decline a bit this year. Weather patterns were favorable in 2012, and NV Energy is incurring costs related to the pending takeover. These reduced profits by $0.04 a share in the second quarter. We figure that earnings will exceed the 2012 level in 2014.

Paul E. Debbas, CFA *November 1, 2013*

(A) Diluted EPS. Excl. gains (losses) from disc. ops.: '00, 8¢; '01, 31¢; '03, (5¢); '04, (3¢); nonrec. gain (loss): '04, (21¢); '06, 20¢. '11 EPS don't add due to rounding. Next earnings report due late Feb. (B) Div'd reinstated 7/07. Div'ds historically paid mid-Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. intang. In '12: $6.77/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. for NV Energy North in '08: 10.6%; NV Energy South in '12: 10%; earned on avg. com. eq., '12: 9.2%. Reg. Climate: Avg. (F) NV Energy South only.

Company's Financial Strength	B+
Stock's Price Stability	90
Price Growth Persistence	90
Earnings Predictability	60

EVERSOURCE ENERGY NYSE-ES

RECENT PRICE **62.31** | P/E RATIO **19.6** (Trailing: 20.2 Median: 17.0) | RELATIVE P/E RATIO **1.03** | DIV'D YLD **3.2%** | VALUE LINE

TIMELINESS **2** Raised 8/11/17
SAFETY **1** Raised 5/22/15
TECHNICAL **3** Lowered 8/18/17
BETA .65 (1.00 = Market)

High:	28.9	33.6	31.6	26.5	32.2	36.5	40.9	45.7	56.7	56.8	60.4	63.3
Low:	19.1	26.2	17.2	19.0	24.7	30.0	33.5	38.6	41.3	44.6	50.0	54.1

Target Price Range
2020 | 2021 | 2022

2020-22 PROJECTIONS

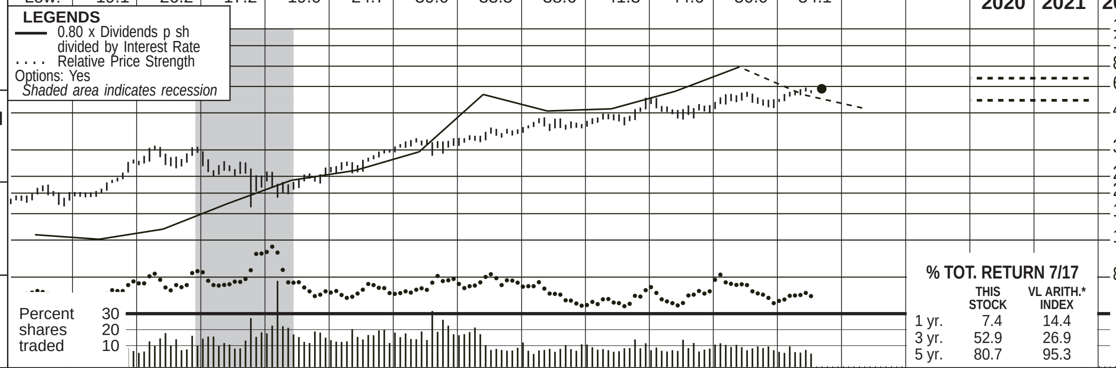
	Price	Gain	Ann'l Total Return
High	70	(+10%)	6%
Low	55	(-10%)	1%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	0	0	0	0	0	0	0
Options	1	0	0	12	9	2	0	1	1
to Sell	0	1	0	0	3	3	0	1	1

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	254	260	268
to Sell	226	244	246
Hld's(000)	219375	223907	250335



% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	7.4	14.4
3 yr.	52.9	26.9
5 yr.	80.7	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
52.82	40.89	47.53	51.82	41.85	44.64	37.27	37.22	30.97	27.76	25.21	19.98	23.16	24.42	25.08	24.11	**24.00**	**24.45**	Revenues per sh	27.25
10.48	6.32	5.80	5.00	5.46	3.69	4.82	6.16	4.96	5.68	4.88	4.03	5.22	4.56	4.94	5.46	**5.80**	**6.25**	"Cash Flow" per sh	7.50
1.37	1.08	1.24	.91	.98	.82	1.59	1.86	1.91	2.10	2.22	1.89	2.49	2.58	2.76	2.96	**3.10**	**3.30**	Earnings per sh A	4.00
.45	.53	.58	.63	.68	.73	.78	.83	.95	1.03	1.10	1.32	1.47	1.57	1.67	1.78	**1.90**	**2.00**	Div'd Decl'd per sh B ■	2.30
3.40	3.86	4.31	4.85	5.89	5.49	7.14	8.06	5.17	5.41	6.08	4.69	4.62	5.06	5.44	6.24	**8.55**	**8.75**	Cap'l Spending per sh	5.25
16.27	17.33	17.73	17.80	18.46	18.14	18.65	19.38	20.37	21.60	22.65	29.41	30.49	31.47	32.64	33.80	**35.00**	**36.35**	Book Value per sh C	41.00
130.13	127.56	127.70	129.03	131.59	154.23	156.22	155.83	175.62	176.45	177.16	314.05	315.27	316.98	317.19	316.89	**316.89**	**316.89**	Common Shs Outst'g D	316.89
14.1	16.1	13.4	20.8	19.8	27.1	18.7	13.7	12.0	13.4	15.4	19.9	16.9	17.9	18.1	18.7	*Bold figures are*		Avg Ann'l P/E Ratio	15.5
.72	.88	.76	1.10	1.05	1.46	.99	.82	.80	.85	.97	1.27	.95	.94	.91	.99	*Value Line*		Relative P/E Ratio	.95
2.3%	3.0%	3.5%	3.3%	3.5%	3.3%	2.6%	3.2%	4.2%	3.6%	3.2%	3.5%	3.5%	3.4%	3.3%	3.2%	*estimates*		Avg Ann'l Div'd Yield	3.7%

CAPITAL STRUCTURE as of 6/30/17
Total Debt $11320 mill. **Due in 5 Yrs** $4637.7 mill.
LT Debt $8899.0 mill. **LT Interest** $356.0 mill.
(LT interest earned: 4.9x)
Leases, Uncapitalized Annual rentals $14.1 mill.
Pension Assets-12/16 $4076.0 mill.
Oblig $5242.3 mill.
Pfd Stock $155.6 mill. **Pfd Div'd** $7.6 mill.
Incl. 2,324,000 shs $1.90-$3.28 rates ($50 par) not subject to mandatory redemption, call. at $50.50-$54.00; 430,000 shs 4.25%-4.78% not subject to mandatory redemption, call. at $102.80-$103.63.
Common Stock 316,885,808 shs. **as of 7/31/17**
MARKET CAP: $20 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
5822.2	5800.1	5439.4	4898.2	4465.7	6273.8	7301.2	7741.9	7954.8	7639.1	**7600**	**7850**	Revenues ($mill)	8650
251.5	296.2	335.6	377.8	400.3	533.0	793.7	827.1	886.0	949.8	**990**	**1065**	Net Profit ($mill)	1300
30.3%	29.7%	34.9%	36.6%	29.9%	34.0%	35.0%	36.2%	37.9%	36.9%	**37.5%**	**37.5%**	Income Tax Rate	37.5%
13.9%	15.8%	4.6%	7.1%	8.6%	2.3%	1.4%	2.4%	2.9%	3.9%	**5.0%**	**4.0%**	AFUDC % to Net Profit	2.0%
59.2%	60.4%	57.2%	55.1%	53.4%	43.7%	44.3%	45.9%	45.6%	44.8%	**45.5%**	**46.0%**	Long-Term Debt Ratio	47.5%
39.2%	38.1%	41.5%	43.6%	45.3%	55.4%	54.8%	53.2%	53.6%	54.4%	**53.5%**	**53.0%**	Common Equity Ratio	52.0%
7431.1	7926.2	8629.5	8741.8	8856.0	16675	17544	18738	19313	19697	**20675**	**21700**	Total Capital ($mill)	25000
7229.9	8207.9	8840.0	9567.7	10403	16605	17576	18647	19892	21351	**23350**	**25350**	Net Plant ($mill)	28500
5.0%	5.4%	5.4%	5.8%	5.9%	4.2%	5.5%	5.3%	5.5%	5.8%	**5.5%**	**6.0%**	Return on Total Cap'l	6.0%
8.3%	9.4%	9.1%	9.6%	9.7%	5.7%	8.1%	8.2%	8.4%	8.7%	**9.0%**	**9.0%**	Return on Shr. Equity	10.0%
8.4%	9.6%	9.2%	9.8%	9.8%	5.7%	8.2%	8.2%	8.5%	8.8%	**9.0%**	**9.0%**	Return on Com Equity E	10.0%
4.3%	5.3%	4.7%	5.0%	5.0%	1.6%	3.4%	3.5%	3.4%	3.5%	**3.5%**	**3.5%**	Retained to Com Eq	4.5%
50%	45%	50%	49%	50%	72%	59%	58%	61%	60%	**62%**	**60%**	All Div'ds to Net Prof	57%

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-1.6	+.3	-1.8
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	6.14	5.86	6.04
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Winter (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	426	447	436

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-6.0%	-2.5%	2.0%
"Cash Flow"	.5%	-.5%	7.0%
Earnings	12.0%	6.0%	6.5%
Dividends	9.5%	10.5%	5.5%
Book Value	6.0%	8.5%	4.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	2290	1677	1892	1881	7741.9
2015	2513	1817	1933	1691	7954.8
2016	2056	1767	2040	1776	7639.1
2017	2105	1763	**1932**	**1800**	**7600**
2018	**2200**	**1800**	**2000**	**1850**	**7850**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.74	.40	.74	.69	2.58
2015	.80	.65	.74	.57	2.76
2016	.77	.64	.83	.72	2.96
2017	.82	.72	**.84**	**.72**	**3.10**
2018	**.90**	**.75**	**.90**	**.75**	**3.30**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.367	.367	.367	.367	1.47
2014	.393	.393	.393	.393	1.57
2015	.417	.417	.418	.418	1.67
2016	.445	.445	.445	.445	1.78
2017	.475	.475			

BUSINESS: Eversource Energy (formerly Northeast Utilities) is the parent of utilities that have 3.1 million electric, 504,000 gas customers. Supplies power to most of Connecticut and gas to part of Connecticut; supplies power to three fourths of New Hampshire's population; supplies power to western Massachusetts and parts of eastern Massachusetts & gas to central & eastern Massachusetts. Acquired NSTAR 4/12. Electric revenue breakdown: residential, 52%; commercial, 36%; industrial, 5%; other, 7%. Fuel costs: 33% of revenues. '16 reported deprec. rate: 3.0%. Has 7,800 employees. Chairman, President & CEO: James J. Judge. Inc.: Massachusetts. Address: 300 Cadwell Drive, Springfield, Massachusetts 01104. Tel.: 413-785-5871. Internet: www.eversource.com.

Eversource Energy has agreed to acquire a water utility. The company would pay $880 million in cash for Aquarion Water, and would assume $795 million of debt. Aquarion, owned by a partnership led by Macquarie Infrastructure Partners, serves about 230,000 customers in Connecticut (90% of its business), Massachusetts, and New Hampshire. This makes it a good fit geographically with Eversource's electric and gas operations. The deal requires approval of the regulatory commissions in the three states. It is expected to be completed by yearend. Eversource plans to finance the purchase with the proceeds from the sale of its generating assets in New Hampshire. Management believes the income from Aquarion will offset the lost earnings provided by the transmission assets. Our estimates and projections do not include Aquarion.

The company's utilities in Massachusetts have electric rate cases pending. Eversource's utilities in the eastern and western parts of the state (which want to combine into one entity) requested increases totaling $96 million, based on a 10.5% return on a 53.5% common-equity ratio. They are also asking for a regulatory mechanism that decouples electric revenues and volume. An order is expected in November on all aspects of the case except rate design, which is due in late 2017. New tariffs will take effect at the start of 2018.

We look for solid earnings increases this year and next. Eversource is benefiting from investments in its transmission system. The allowed ROE for transmission is higher than that for the company's distribution system, despite reductions in the allowed ROE for transmission in recent years. (The ROE issue is still unsettled, given that a federal court overturned the most recent reduction, which was from 11.14% to 10.57%.) In addition, customers in the company's service area continue to convert from oil heat to gas heat. Our 2017 earnings estimate is within Eversource's guidance of $3.05-$3.20 a share. We forecast a rise in profits in 2018 in line with the company's annual goal of 5%-7%.

The dividend yield and 2020-2022 total return potential of this high-quality stock are average for a utility.

Paul E. Debbas, CFA *August 18, 2017*

(A) Dil. EPS. Excl. nonrec. gains (losses): '02, 10¢; '03, (32¢); '04, (7¢); '05, ($1.36); '08, (19¢); '10, 9¢. '14 EPS don't add due to rounding. Next earnings report due early Nov. (B) Div'ds historically paid late Mar., June, Sept., & Dec. ■ Div'd reinvest. plan avail. (C) Incl. def'd chgs. In '16: $22.59 sh. (D) In mill. (E) Rate all'd on com. eq. in MA: (elec) '11, 9.6%; (gas) '16, 9.8%; in CT: (elec.) '15, 9.02%; (gas) '15, 9.5%; in NH: '10, 9.67%; earned on avg. com. eq., '16: 9.0%. Regulatory Climate: CT, Below Avg.; NH, Avg.; MA, Above Avg.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	80
Earnings Predictability	85

XCEL ENERGY NYSE-XEL

RECENT PRICE	46.40	P/E RATIO	20.2 (Trailing: 21.0 / Median: 15.0)	RELATIVE P/E RATIO	1.02	DIV'D YLD	3.2%	VALUE LINE

TIMELINESS 3 Lowered 11/11/16
SAFETY 1 Raised 5/1/15
TECHNICAL 2 Lowered 7/28/17
BETA .60 (1.00 = Market)

High:	23.6	25.0	22.9	21.9	24.4	27.8	29.9	31.8	37.6	38.3	45.4	48.5
Low:	17.8	19.6	15.3	16.0	19.8	21.2	25.8	26.8	27.3	31.8	35.2	40.0

Target Price Range
2020 | 2021 | 2022

2020-22 PROJECTIONS

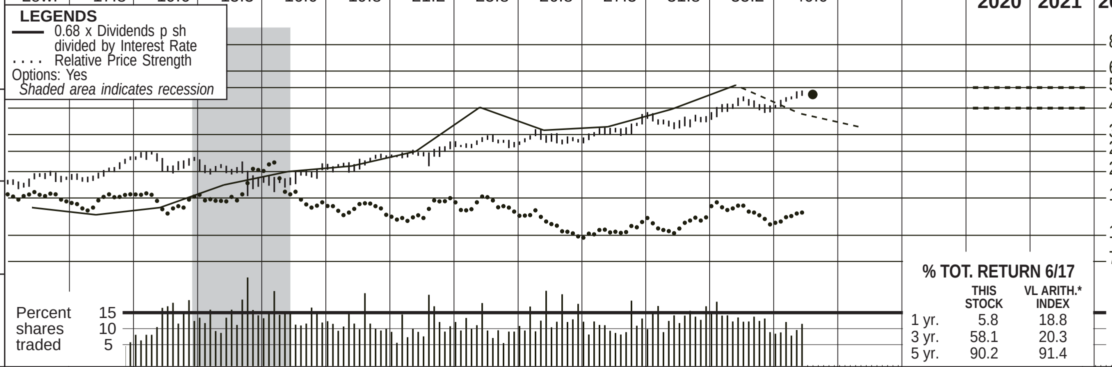
	Price	Gain	Ann'l Total Return
High	50	(+10%)	*6%*
Low	40	(-15%)	*1%*

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	1	0	0	0
Options	0	0	0	0	0	12	0	0	0
to Sell	0	0	1	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	257	299	292
to Sell	254	252	251
Hld's(000)	355920	366638	411894



% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	5.8	18.8
3 yr.	58.1	20.3
5 yr.	90.2	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
43.56	23.89	19.90	20.84	23.86	24.16	23.40	24.69	21.08	21.38	21.90	20.76	21.92	23.11	21.72	21.90	*22.70*	*23.25*	Revenues per sh	*25.75*
5.09	3.14	3.35	3.27	3.28	3.61	3.45	3.50	3.48	3.51	3.79	4.00	4.10	4.28	4.56	5.04	*5.50*	*5.75*	"Cash Flow" per sh	*6.75*
2.27	.42	1.23	1.27	1.20	1.35	1.35	1.46	1.49	1.56	1.72	1.85	1.91	2.03	2.10	2.21	*2.30*	*2.40*	Earnings per sh A	*2.75*
1.50	1.13	.75	.81	.85	.88	.91	.94	.97	1.00	1.03	1.07	1.11	1.20	1.28	1.36	*1.44*	*1.52*	Div'd Decl'd per sh B ■ †	*1.80*
7.40	6.04	2.49	3.19	3.25	4.00	4.89	4.66	3.91	4.60	4.53	5.27	6.82	6.33	7.26	6.42	*7.20*	*8.30*	Cap'l Spending per sh	*5.75*
17.95	11.70	12.95	12.99	13.37	14.28	14.70	15.35	15.92	16.76	17.44	18.19	19.21	20.20	20.89	21.73	*22.60*	*23.50*	Book Value per sh C	*26.25*
345.02	398.71	398.96	400.46	403.39	407.30	428.78	453.79	457.51	482.33	486.49	487.96	497.97	505.73	507.54	507.22	*507.00*	*507.00*	Common Shs Outst'g D	*507.00*
12.4	NMF	11.6	13.6	15.4	14.8	16.7	13.7	12.7	14.1	14.2	14.8	15.0	15.4	16.5	18.5	*Bold figures are*		Avg Ann'l P/E Ratio	*16.5*
.64	NMF	.66	.72	.82	.80	.89	.82	.85	.90	.89	.94	.84	.81	.83	.97	*Value Line*		Relative P/E Ratio	*1.05*
5.3%	6.6%	5.2%	4.7%	4.6%	4.4%	4.0%	4.7%	5.1%	4.5%	4.2%	3.9%	3.9%	3.8%	3.7%	3.3%	*estimates*		Avg Ann'l Div'd Yield	*4.0%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $15057 mill. **Due in 5 Yrs** $4154.5 mill.
LT Debt $13696 mill. **LT Interest** $619.7 mill.
Incl. $155.9 mill. capitalized leases.
(LT interest earned: 3.4x)

Leases, Uncapitalized Annual rentals $237.5 mill.
Pension Assets-12/16 $2855.8 mill. **Oblig** $3861.6 mill.
Pfd Stock None

Common Stock 507,762,881 shs. **as of 4/24/17**
MARKET CAP: $24 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
10034	11203	9644.3	10311	10655	10128	10915	11686	11024	11107	*11500*	*11800*	Revenues ($mill)	*13000*
575.9	645.7	685.5	727.0	841.4	905.2	948.2	1021.3	1063.6	1123.4	*1185*	*1225*	Net Profit ($mill)	*1390*
33.8%	34.4%	35.1%	37.5%	35.8%	33.2%	33.8%	33.9%	35.8%	34.1%	*33.0%*	*33.0%*	Income Tax Rate	*33.0%*
12.5%	15.9%	16.8%	11.7%	9.4%	10.8%	13.4%	12.5%	7.7%	7.8%	*8.0%*	*8.0%*	AFUDC % to Net Profit	*6.0%*
49.7%	52.2%	51.6%	53.1%	51.1%	53.3%	53.3%	53.0%	54.1%	56.3%	*56.0%*	*57.5%*	Long-Term Debt Ratio	*58.0%*
49.4%	47.1%	47.7%	46.3%	48.9%	46.7%	46.7%	47.0%	45.9%	43.7%	*44.0%*	*42.5%*	Common Equity Ratio	*42.0%*
12748	14800	15277	17452	17331	19018	20477	21714	23092	25216	*26100*	*27950*	Total Capital ($mill)	*31700*
16676	17689	18508	20663	22353	23809	26122	28757	31206	32842	*34900*	*37400*	Net Plant ($mill)	*42200*
6.3%	6.0%	6.2%	5.7%	6.5%	6.1%	6.0%	6.0%	5.8%	5.7%	*6.0%*	*5.5%*	Return on Total Cap'l	*5.5%*
9.0%	9.1%	9.3%	8.9%	9.9%	10.2%	9.9%	10.0%	10.0%	10.2%	*10.5%*	*10.5%*	Return on Shr. Equity	*10.5%*
9.1%	9.2%	9.4%	8.9%	9.9%	10.2%	9.9%	10.0%	10.0%	10.2%	*10.5%*	*10.5%*	Return on Com Equity E	*10.5%*
3.1%	3.8%	3.7%	3.6%	4.3%	4.7%	4.5%	4.5%	4.3%	4.0%	*4.0%*	*4.0%*	Retained to Com Eq	*3.5%*
66%	59%	61%	59%	56%	54%	54%	55%	57%	61%	*62%*	*63%*	All Div'ds to Net Prof	*66%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+.2	-.6	+.3
Large C & I Use (MWH)	24475	23521	22519
Large C & I Revs. per KWH (¢)	6.47	6.10	6.17
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	21429	19583	20423
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.9	+.9	+.9
Fixed Charge Cov. (%)	344	358	342

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-.5%	.5%	*2.5%*
"Cash Flow"	3.0%	5.0%	*6.5%*
Earnings	5.0%	6.0%	*4.5%*
Dividends	4.0%	5.0%	*6.0%*
Book Value	4.5%	4.5%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	3203	2685	2870	2928	11686
2015	2962	2515	2901	2646	11024
2016	2772	2500	3040	2795	11107
2017	2946	*2604*	*3050*	*2900*	*11500*
2018	*3000*	*2650*	*3150*	*3000*	*11800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.52	.39	.73	.39	2.03
2015	.46	.39	.84	.41	2.10
2016	.47	.39	.90	.45	2.21
2017	.47	*.42*	*.94*	*.47*	*2.30*
2018	*.56*	*.41*	*.95*	*.48*	*2.40*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.27	.27	.28	.28	1.10
2014	.28	.30	.30	.30	1.18
2015	.30	.32	.32	.32	1.26
2016	.32	.34	.34	.34	1.34
2017	.34	.36	.36		

BUSINESS: Xcel Energy Inc. is the parent of Northern States Power, which supplies electricity to Minnesota, Wisconsin, North Dakota, South Dakota & Michigan & gas to Minnesota, Wisconsin, North Dakota & Michigan; Public Service of Colorado, which supplies electricity & gas to Colorado; & Southwestern Public Service, which supplies electricity to Texas & New Mexico. Customers: 3.6 mill. electric, 1.9 mill. gas. Elec. rev. breakdown: residential, 31%; sm. comm'l & ind'l, 35%; lg. comm'l & ind'l, 18%; other, 16%. Generating sources not available. Fuel costs: 40% of revs. '16 reported depr. rate: 2.9%. Has 11,500 employees. Chairman, Pres. & CEO: Ben Fowke. Inc.: MN. Address: 414 Nicollet Mall, Minneapolis, MN 55401. Tel.: 612-330-5500. Internet: www.xcelenergy.com.

Xcel Energy's utility in Minnesota has received a rate order. Northern States Power's electric rates were raised by $75.0 million, retroactive to the start of 2016. The utility was granted an additional $60.0 million as a "true-up" to compensate for a shortfall in kilowatt-hour sales. Retroactive to the start of 2017, rates were boosted by an additional $59.9 million. There will be no increase next year, but tariffs will rise by $49.9 million in 2019. There will also be annual true-ups for sales and property taxes. The decision was based on a return of 9.2% on a common-equity ratio of 52.5%.

Some other rate cases are pending. In Wisconsin, NSP filed for electric and gas rate hikes of $24.7 million and $12.0 million, respectively. based on a return of 10.0% on a common-equity ratio of 52.53%. New tariffs should take effect at the start of 2018. Public Service of Colorado requested gas revenues of $63.2 million in 2018, $32.9 million in 2019, and $42.9 million in 2020, based on a return of 10.0% on a common-equity ratio of 55.25%. New rates are expected to take effect in February. Southwestern Public Service filed a motion with the New Mexico Supreme Court after the commission rejected its request for a $41.4 million electric rate hike. It plans to file another case this summer.

Frequent regulatory activity has enabled Xcel to reduce its problem of underearning its allowed ROE. Not long ago, the gap was about a percentage point, but this shortfall has been narrowed to six-tenths of a percentage point. Rate increases are also producing earnings growth for Xcel. Our 2017 share-net estimate is at the midpoint of the company's guidance of $2.25-$2.35. We forecast a 4% profit increase in 2018.

Renewable energy projects will expand the rate bases of Xcel's utilities. Projects in Colorado, Minnesota, and the Dakotas have been approved. In all, by 2020 Xcel intends to add 2,750 megawatts of capacity at a cost of $4.2 billion.

High-quality Xcel stock has a dividend yield that does not stand out among utilities. Like most utility equities, the recent quotation is well within our 2020-2022 Target Price Range. Thus, total return potential is low.

Paul E. Debbas, CFA *July 28, 2017*

(A) Diluted EPS. Excl. nonrecurring gain (losses): '02, ($6.27); '10, 5¢; '15, (16¢); gains (losses) on discontinued ops.: '03, 27¢; '04, (30¢); '05, 3¢; '06, 1¢; '09, (1¢); '10, 1¢. Next earnings report due late Oct. (B) Div'ds historically paid mid-Jan., Apr., July, and Oct. ■ Div'd reinvestment plan available. † Shareholder investment plan available. (C) Incl. intangibles. In '16: $6.07/sh. (D) In mill. (E) Rate base: Varies. Rate allowed on com. eq. (blended): 9.6%; earned on avg. com. eq., '16: 10.4%. Regulatory Climate: Average.

Company's Financial Strength	A+
Stock's Price Stability	100
Price Growth Persistence	55
Earnings Predictability	100

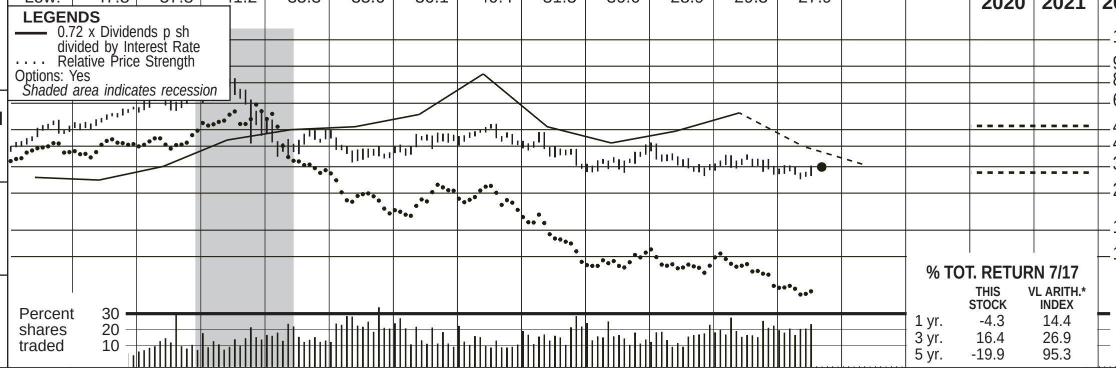
FIRSTENERGY NYSE-FE

RECENT PRICE	31.95	P/E RATIO	12.2 (Trailing: 14.1 / Median: 16.0)	RELATIVE P/E RATIO	0.64	DIV'D YLD	4.5%	VALUE LINE

TIMELINESS 3 Raised 8/11/17
SAFETY 3 Lowered 2/22/13
TECHNICAL 5 Lowered 6/23/17
BETA .65 (1.00 = Market)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	61.7	75.0	84.0	53.6	47.8	46.5	51.1	46.8	40.8	41.7	36.6	32.5
Low:	47.8	57.8	41.2	35.3	33.6	36.1	40.4	31.3	30.0	28.9	29.3	27.9

Target Price Range
2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+55%)	15%
Low	30	(-5%)	3%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	17	0	3	0
to Sell	0	0	2	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	220	296	274
to Sell	229	228	222
Hld's(000)	314579	345790	382370

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-4.3	14.4
3 yr.	16.4	26.9
5 yr.	-19.9	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
26.88	40.83	37.31	37.76	36.35	36.03	42.00	44.70	41.70	43.76	38.87	36.57	35.60	35.74	35.48	32.92	**32.00**	**32.25**	Revenues per sh	**32.00**
5.48	6.45	4.79	7.60	7.55	7.22	8.34	9.04	8.80	8.50	5.75	6.05	6.30	4.55	6.33	6.53	**6.35**	**6.45**	"Cash Flow" per sh	**6.75**
2.84	2.54	1.47	2.77	2.84	3.82	4.22	4.38	3.32	3.25	1.88	2.13	2.97	.85	2.00	2.10	**2.50**	**2.70**	Earnings per sh A	**2.75**
1.50	1.50	1.50	1.91	1.71	1.85	2.05	2.20	2.20	2.20	2.20	2.20	1.65	1.44	1.44	1.44	**1.44**	**1.44**	Div'd Decl'd per sh B ■	**1.60**
2.86	3.35	2.60	2.57	3.66	4.12	5.36	9.47	7.23	6.44	5.45	7.09	6.90	8.42	6.83	6.93	**6.60**	**6.00**	Cap'l Spending per sh	**5.25**
24.86	23.92	25.13	26.04	27.86	28.30	29.45	27.17	28.08	28.03	31.75	31.29	30.32	29.49	29.33	14.11	**15.25**	**17.15**	Book Value per sh C	**22.50**
297.64	297.64	329.84	329.84	329.84	319.21	304.84	304.84	304.84	304.84	418.22	418.22	418.63	421.10	423.56	442.34	**445.00**	**465.00**	Common Shs Outst'g D	**515.00**
10.9	13.0	22.5	14.1	16.1	14.2	15.6	15.6	13.0	11.7	22.4	21.1	13.1	39.8	17.0	15.9	*Bold figures are*		Avg Ann'l P/E Ratio	**14.5**
.56	.71	1.28	.74	.86	.77	.83	.94	.87	.74	1.41	1.34	.74	2.10	.86	.84	*Value Line*		Relative P/E Ratio	**.90**
4.8%	4.6%	4.5%	4.9%	3.7%	3.4%	3.1%	3.2%	5.1%	5.8%	5.2%	4.9%	4.3%	4.3%	4.2%	4.3%	*estimates*		Avg Ann'l Div'd Yield	**4.0%**

CAPITAL STRUCTURE as of 6/30/17
Total Debt $22822 mill. **Due in 5 Yrs** $7941 mill.
LT Debt $20582 mill. **LT Interest** $979 mill.
Incl. $75 mill. capitalized leases.
(LT interest earned: 2.3x)
Leases, Uncapitalized Annual rentals $125 mill.

Pension Assets-12/16 $6213 mill. **Oblig** $9246 mill.
Pfd Stock None

Common Stock 444,304,456 shs.

MARKET CAP: $14 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
12802	13627	12712	13339	16258	15294	14903	15049	15029	14562	**14250**	**15000**	Revenues ($mill)	**16500**
1309.0	1342.0	1015.0	991.0	752.0	891.0	1245.0	356.0	844.0	892.0	**1115**	**1240**	Net Profit ($mill)	**1460**
40.3%	36.7%	19.6%	38.6%	41.3%	41.1%	36.1%	5.6%	35.7%	37.8%	**38.0%**	**38.0%**	Income Tax Rate	**38.0%**
2.4%	3.9%	12.8%	16.6%	9.3%	8.1%	6.0%	33.1%	13.9%	11.5%	**7.0%**	**6.0%**	AFUDC % to Net Profit	**5.0%**
49.7%	52.4%	58.2%	59.5%	54.2%	53.7%	55.5%	60.7%	60.7%	74.5%	**75.0%**	**72.5%**	Long-Term Debt Ratio	**66.5%**
50.3%	47.7%	41.8%	40.5%	45.8%	46.3%	44.5%	39.3%	39.3%	25.5%	**25.0%**	**27.5%**	Common Equity Ratio	**33.5%**
17846	17383	20467	21124	28996	28263	28523	31596	31613	24433	**27325**	**29075**	Total Capital ($mill)	**34500**
15383	17723	19164	19788	30337	32903	33252	35783	37214	29387	**30675**	**31750**	Net Plant ($mill)	**33900**
9.0%	9.7%	6.9%	6.3%	4.0%	4.9%	6.0%	2.7%	4.3%	5.7%	**6.0%**	**6.0%**	Return on Total Cap'l	**6.0%**
14.6%	16.2%	11.9%	11.6%	5.7%	6.8%	9.8%	2.9%	6.8%	14.3%	**16.5%**	**15.5%**	Return on Shr. Equity	**12.5%**
14.6%	16.2%	11.9%	11.6%	5.7%	6.8%	9.8%	2.9%	6.8%	14.3%	**16.5%**	**15.5%**	Return on Com Equity E	**12.5%**
7.7%	8.1%	4.0%	3.8%	NMF	NMF	2.6%	NMF	1.9%	4.5%	**7.0%**	**7.5%**	Retained to Com Eq	**5.5%**
47%	50%	66%	68%	117%	103%	74%	NMF	72%	68%	**57%**	**53%**	All Div'ds to Net Prof	**56%**

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+1.1	-.8	+.3
Avg. Indust. Use (MWH)	NMF	NMF	NMF
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.3	+.3	+.5
Fixed Charge Cov. (%)	118	206	208

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-.5%	-3.5%	-1.5%
"Cash Flow"	-2.5%	-5.5%	2.5%
Earnings	-6.0%	-10.0%	9.0%
Dividends	-2.5%	-8.0%	2.0%
Book Value	-1.0%	-3.5%	-1.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	4182	3496	3888	3483	15049
2015	3897	3468	4123	3541	15029
2016	3869	3401	3917	3375	14562
2017	3547	3309	**3944**	**3450**	**14250**
2018	**3800**	**3500**	**4150**	**3550**	**15000**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.34	.27	.79	d.55	.85
2015	.53	.46	.95	.06	2.00
2016	.77	.34	.89	.10	2.10
2017	.69	.58	**.82**	**.41**	**2.50**
2018	**.80**	**.60**	**.85**	**.45**	**2.70**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.55	.55	.55	.55	2.20
2014	.36	.36	.36	.36	1.44
2015	.36	.36	.36	.36	1.44
2016	.36	.36	.36	.36	1.44
2017	.36	.36	.36		

BUSINESS: FirstEnergy Corp. is a holding company for Ohio Edison, Pennsylvania Power, Cleveland Electric, Toledo Edison, Metropolitan Edison, Penelec, Jersey Central Power & Light, West Penn Power, Potomac Edison, & Mon Power. Provides electric service to 6.1 million customers in OH, PA, NJ, WV, MD, & NY. Acq'd Allegheny Energy 2/11. Electric revenue breakdown by customer class not available. Generating sources: coal, 44%; nuclear, 26%; purchased, 30%. Fuel costs: 38% of revenues. '16 reported deprec. rate: 2.5%. Has 15,700 employees. Chairman: George M. Smart. President & CEO: Charles E. Jones. Incorporated: Ohio. Address: 76 South Main Street, Akron, Ohio 44308-1890. Telephone: 800-736-3402. Internet: www.firstenergycorp.com.

FirstEnergy has asset sales pending. In January, the company agreed to sell 1,572 megawatts of nonregulated generating capacity for $925 million. This is a step toward exiting its nonutility operations and becoming an entirely regulated company by mid-2018. However, due to worsening market conditions, the buyers are negotiating with FirstEnergy to lower the price. The company, which took a sizable noncash impairment charge in 2016 to write down the value of its nonregulated assets, took additional writedowns totaling $0.42 a share in the first two quarters of 2017. (These items are *excluded* from our earnings presentation.) This deal is expected to close by yearend. Separately, one of FirstEnergy's utilities is buying a 1,300-mw coal-fired plant from a nonutility sibling in a transaction that is seeking regulatory approval by early 2018. Together, these deals are expected to raise $350 million for the nonregulated side of the business after the retirement of debt.

The company's nonregulated activities remain troubled. FirstEnergy is still deciding how to exit the remainder of these operations. The company is seeking legislation in Ohio that would provide subsidies for its nuclear generating assets there, similar to laws in place in New York and Illinois. Whether this will be enacted into law is questionable. Finally, the company's nonutility arm is involved in disputes with some railroads that supply coal. A significantly negative outcome might well result in a bankruptcy filing (by the nonutility subsidiary, not FirstEnergy as a whole).

The prospects of FirstEnergy's regulated operations are much better. The company is benefiting from rate increases that took effect in Ohio, New Jersey, and Pennsylvania in January. FirstEnergy's transmission business will now benefit from a federally regulated, forward-looking formula rate plan.

This stock has a dividend yield that is more than a percentage point above the utility average. This reflects the uncertainties surrounding FirstEnergy's nonregulated businesses, as well as the lack of near-term dividend growth potential. We suggest that conservative utility investors look elsewhere.

Paul E. Debbas, CFA *August 18, 2017*

(A) Dil. EPS. Excl. nonrec. gain (losses): '10, (68¢); '11, 33¢; '12, (29¢); '13, ($2.07); '14, (17¢); '15, (63¢); '16, ($16.59); '17, (42¢); gain from disc. ops.: '14, 20¢. '14 EPS don't sum due to rounding. Next egs. report due late Oct. (B) Div'ds paid early Mar., June, Sep. & Dec. 5 div'ds decl. in '04, 3 in '13. ■ Div'd reinv. avail. (C) Incl. intang.: In '16: $14.99/sh. (D) In mill. (E) Rate base: Depr. orig. cost. Rates all'd on com. eq.: 9.75%-11.9%; earned on avg. com. eq., '16: 7.0%. Regulatory Climate: OH Above Avg.; PA, NJ Avg.; MD, WV Below Avg.

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	10
Earnings Predictability	40

OGE ENERGY CORP. NYSE-OGE

RECENT PRICE	35.80	P/E RATIO	18.4 (Trailing: 20.6 / Median: 15.0)	RELATIVE P/E RATIO	0.93	DIV'D YLD	3.6%	VALUE LINE

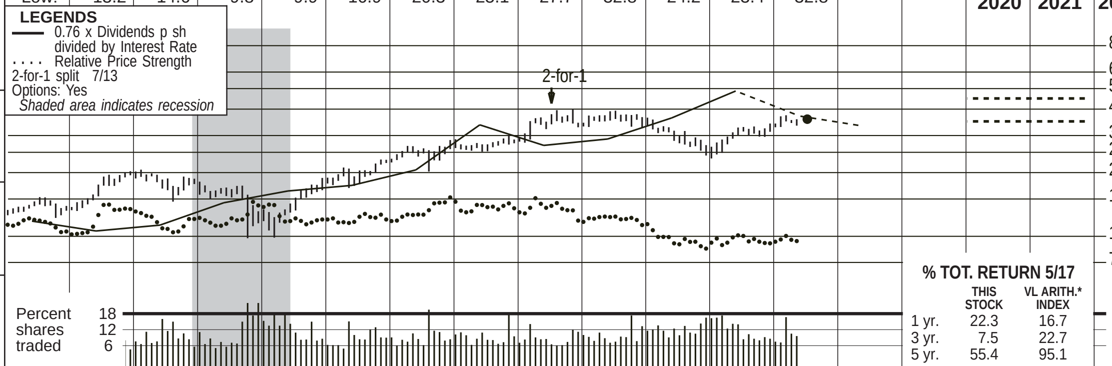
TIMELINESS **3** Lowered 3/3/17

SAFETY **2** Lowered 12/18/15

TECHNICAL **3** Lowered 6/16/17

BETA .95 (1.00 = Market)

High:	20.3	20.7	18.1	18.9	23.1	28.6	30.1	40.0	39.3	36.5	34.2	37.4
Low:	13.2	14.6	9.8	9.9	16.9	20.3	25.1	27.7	32.8	24.2	23.4	32.8



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+25%)	9%
Low	35	(Nil)	4%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	1	1	0	0	0	0	0	1	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	158	195	204
to Sell	152	156	162
Hld's(000)	132580	131802	148397

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	22.3	16.7
3 yr.	7.5	22.7
5 yr.	55.4	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
20.40	19.26	21.62	27.37	32.83	21.96	20.68	21.77	14.79	19.04	19.96	18.58	14.45	12.30	11.00	11.31	*11.50*	*12.00*	Revenues per sh	*14.25*
1.81	1.87	1.82	1.87	1.94	2.23	2.39	2.40	2.69	3.01	3.31	3.69	3.46	3.40	3.23	3.31	*3.40*	*3.50*	"Cash Flow" per sh	*4.25*
.65	.72	.87	.89	.92	1.23	1.32	1.25	1.33	1.50	1.73	1.79	1.94	1.98	1.69	1.69	*1.95*	*2.05*	Earnings per sh A	*2.50*
.67	.67	.67	.67	.67	.67	.68	.70	.71	.73	.76	.80	.85	.95	1.05	1.16	*1.27*	*1.40*	Div'd Decl'd per sh B ■	*1.75*
1.44	1.49	1.04	1.51	1.65	2.67	3.04	4.01	4.37	4.36	6.48	5.85	4.99	2.86	2.74	3.31	*4.90*	*2.95*	Cap'l Spending per sh	*1.75*
6.67	6.27	6.87	7.14	7.59	8.79	9.16	10.14	10.52	11.73	13.06	14.00	15.30	16.27	16.66	17.24	*17.95*	*18.60*	Book Value per sh C	*20.50*
155.98	157.00	174.80	180.00	181.20	182.40	183.60	187.00	194.00	195.20	196.20	197.60	198.50	199.40	199.70	199.70	*199.70*	*200.00*	Common Shs Outst'g D	*201.50*
17.4	14.1	11.8	14.1	14.9	13.7	13.8	12.4	10.8	13.3	14.4	15.2	17.7	18.3	17.7	17.7	*Bold figures are*		Avg Ann'l P/E Ratio	*16.5*
.89	.77	.67	.74	.79	.74	.73	.75	.72	.85	.90	.97	.99	.96	.89	.94	*Value Line*		Relative P/E Ratio	*1.05*
5.9%	6.6%	6.5%	5.3%	4.9%	4.0%	3.8%	4.5%	5.0%	3.7%	3.1%	2.9%	2.5%	2.6%	3.5%	3.9%	*estimates*		Avg Ann'l Div'd Yield	*4.3%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $3056.2 mill. **Due in 5 Yrs** $853.3 mill.
LT Debt $2703.2 mill. **LT Interest** $142.9 mill.
(LT interest earned: 4.3x)

Leases, Uncapitalized Annual rentals $6.0 mill.

Pension Assets-12/16 $595.9 mill. **Oblig** $672.2 mill.

Pfd Stock None

Common Stock 199,704,099 shs.

MARKET CAP: $7.1 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
3797.6	4070.7	2869.7	3716.9	3915.9	3671.2	2867.7	2453.1	2196.9	2259.2	*2300*	*2400*	Revenues ($mill)	*2850*
244.2	231.4	258.3	295.3	342.9	355.0	387.6	395.8	337.6	338.2	*395*	*405*	Net Profit ($mill)	*490*
32.3%	30.4%	31.7%	34.9%	30.7%	26.0%	24.9%	30.4%	29.2%	30.5%	*32.0%*	*32.0%*	Income Tax Rate	*32.0%*
1.6%	1.7%	9.1%	5.7%	9.0%	2.7%	2.6%	1.7%	3.7%	6.4%	*13.0%*	*7.0%*	AFUDC % to Net Profit	*3.0%*
44.4%	53.3%	50.6%	50.8%	51.6%	50.7%	43.1%	45.9%	44.3%	41.1%	*45.5%*	*47.0%*	Long-Term Debt Ratio	*52.0%*
55.6%	46.7%	49.4%	49.2%	48.4%	49.3%	56.9%	54.1%	55.7%	58.9%	*55.5%*	*53.0%*	Common Equity Ratio	*48.0%*
3025.5	4058.6	4129.7	4652.5	5300.4	5615.8	5337.2	5999.7	5971.6	5849.6	*6590*	*7030*	Total Capital ($mill)	*8625*
4246.3	5249.8	5911.6	6464.4	7474.0	8344.8	6672.8	6979.9	7322.4	7696.2	*8395*	*8695*	Net Plant ($mill)	*8775*
9.5%	7.0%	7.9%	7.8%	7.8%	7.7%	8.6%	7.8%	6.9%	7.0%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
14.5%	12.2%	12.7%	12.9%	13.4%	12.8%	12.8%	12.2%	10.2%	9.8%	*11.0%*	*11.0%*	Return on Shr. Equity	*12.0%*
14.5%	12.2%	12.7%	12.9%	13.4%	12.8%	12.8%	12.2%	10.2%	9.8%	*11.0%*	*11.0%*	Return on Com Equity E	*12.0%*
7.1%	5.4%	6.0%	6.7%	7.7%	7.2%	7.3%	6.5%	4.0%	3.3%	*4.0%*	*3.5%*	Retained to Com Eq	*3.5%*
51%	55%	53%	48%	43%	44%	43%	47%	61%	67%	*64%*	*68%*	All Div'ds to Net Prof	*72%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-.7	-2.9	-1.1
Avg. Indust. Use (MWH)	770	754	NA
Avg. Indust. Revs. per KWH (¢)	5.73	5.05	5.17
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	6339	6537	6538
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.0	+1.2	+1.1
Fixed Charge Cov. (%)	356	314	336

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-8.5%	-8.5%	*3.5%*
"Cash Flow"	5.0%	2.0%	*4.5%*
Earnings	6.0%	3.5%	*5.5%*
Dividends	4.5%	7.5%	*9.0%*
Book Value	8.0%	7.5%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	560.4	611.8	754.7	526.2	2453.1
2015	480.1	549.9	719.8	447.1	2196.9
2016	433.1	551.4	743.9	530.8	2259.2
2017	456.0	*550*	*750*	*544*	*2300*
2018	*475*	*575*	*800*	*550*	*2400*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.25	.50	.94	.29	1.98
2015	.22	.44	.88	.15	1.69
2016	.13	.35	.92	.29	1.69
2017	.18	*.47*	*1.00*	*.30*	*1.95*
2018	*.20*	*.50*	*1.05*	*.30*	*2.05*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.209	.209	.209	.209	.84
2014	.225	.225	.225	.25	.93
2015	.25	.25	.25	.275	1.03
2016	.275	.275	.275	.3025	1.13
2017	.3025	.3025			

BUSINESS: OGE Energy Corp. is a holding company for Oklahoma Gas and Electric Company (OG&E), which supplies electricity to 836,000 customers in Oklahoma (84% of electric revenues) and western Arkansas (8%); wholesale is (8%). Owns 25.7% of Enable Midstream Partners. Electric revenue breakdown: residential, 42%; commercial, 25%; industrial, 15%; other, 18%. Generating sources: coal, 33%; gas, 31%; wind, 5%; purchased, 31%. Fuel costs: 39% of revenues. '16 reported depreciation rate (utility): 3.0%. Has 2,500 employees. Chairman, President and Chief Executive Officer: Sean Trauschke. Incorporated: Oklahoma. Address: 321 North Harvey, P.O. Box 321, Oklahoma City, Oklahoma 73101-0321. Telephone: 405-553-3000. Internet: www.oge.com.

OGE Energy's utility subsidiary received a disappointing rate order in Oklahoma. The commission granted Oklahoma Gas and Electric a rate increase of just $8.8 million, based on a return of 9.5% on a common-equity ratio of 53%. This was well below the utility's request for a $92.5 million increase, based on a 10.25% ROE, and fell far short of even an administrative law judge's recommendation of a $40.7 million hike, based on a 9.87% ROE. What's more, the regulators reduced OG&E's depreciation by $36.4 million annually. This will not affect the company's earnings, but will hurt cash flow. The order was retroactive to July 1, 2016.

OG&E is hoping for a better outcome in its next rate case. This is planned for the fourth quarter, with new tariffs taking effect in mid-2018. The utility will seek recovery of a project to modernize a gas-fired generating plant, which is expected to cost $425 million.

The regulatory news was better in Arkansas. The state commission approved a settlement calling for a rate hike of $7.1 million, based on a 9.5% return on a 50% common-equity ratio. New tariffs took effect on June 1st.

We have cut our 2017 earnings estimate by $0.10 a share, to $1.95. This is due to the disappointing rate order in Oklahoma. The company now believes profits are likely to come in at the low end of its targeted range of $1.93-$2.09. We have also trimmed our 2018 forecast by $0.05 a share, to $2.05. Even this might prove optimistic if OG&E gets a disappointing ruling in its next rate case in Oklahoma.

We expect a hefty increase at the board's next dividend meeting, in late September. OGE has reiterated its expectation of 10% annual dividend growth through 2019. Despite the reduction in our earnings estimates, the company's payout ratio is still moderate for a utility. Also, OGE benefits from distributions (probably at least $140 million this year) from its 25.7% stake in Enable Midstream Partners, a natural gas master limited partnership.

This stock has a dividend yield that is slightly above the utility average. Total return potential to 2020-2022 is greater than that of most utilities.

Paul E. Debbas, CFA *June 16, 2017*

(A) Diluted EPS. Excl. nonrecurring losses: '02, 20¢; '03, 7¢; '04, 3¢; '15, 33¢; gains on discontinued operations: '02, 6¢; '05, 25¢; '06, 20¢. Next earnings report due early Aug. **(B)** Div'ds historically paid in late Jan., Apr., July, & Oct. ■ Div'd reinvestment plan available. **(C)** Incl. deferred charges. In '16: $2.03/sh. **(D)** In millions, adj. for split. **(E)** Rate base: Net original cost. Rate allowed on com. eq. in OK in '16: 9.5%; in AR in '11: 9.95%; earned on avg. com. eq., '16: 10.0%. Regulatory Climate: Average.

Company's Financial Strength	A
Stock's Price Stability	85
Price Growth Persistence	65
Earnings Predictability	80

OTTER TAIL CORP. NDQ-OTTR

RECENT PRICE	40.20	P/E RATIO	23.4 (Trailing: 23.5 / Median: 23.0)	RELATIVE P/E RATIO	1.19	DIV'D YLD	3.2%	VALUE LINE

TIMELINESS **3** Lowered 10/14/16

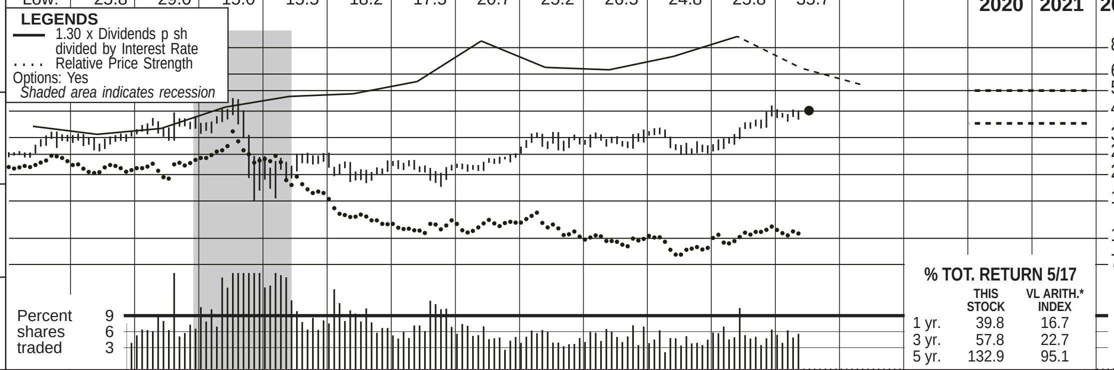
SAFETY **2** Raised 6/17/16

TECHNICAL **2** Raised 5/26/17

BETA .90 (1.00 = Market)

High:	31.9	39.4	46.2	25.4	25.4	23.5	25.3	31.9	32.7	33.4	42.6	41.0
Low:	25.8	29.0	15.0	15.5	18.2	17.5	20.7	25.2	26.5	24.8	25.8	35.7

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+25%)	9%
Low	35	(-15%)	Nil

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	6	0	9
to Sell	2	0	0	1	0	1	1	1	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	80	65	68
to Sell	45	57	63
Hld's(000)	14545	15287	18320

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	39.8	16.7
3 yr.	57.8	22.7
5 yr.	132.9	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
26.53	27.75	29.28	30.45	35.59	37.43	41.50	37.06	29.03	31.08	29.86	23.76	24.63	21.48	20.60	20.42	*20.65*	*21.35*	Revenues per sh	*25.00*
3.40	3.44	3.30	2.88	3.35	3.39	3.55	2.81	2.76	2.60	2.36	2.71	3.02	3.09	3.14	3.44	*3.65*	*3.90*	"Cash Flow" per sh	*4.90*
1.68	1.79	1.51	1.50	1.78	1.69	1.78	1.09	.71	.38	.45	1.05	1.37	1.55	1.56	1.60	*1.72*	*1.85*	Earnings per sh A	*2.30*
1.04	1.06	1.08	1.10	1.12	1.15	1.17	1.19	1.19	1.19	1.19	1.19	1.19	1.21	1.23	1.25	*1.28*	*1.30*	Div'd Decl'd per sh B ■	*1.38*
2.17	2.95	1.97	1.72	2.04	2.35	5.43	7.51	4.95	2.38	2.04	3.20	4.53	4.40	4.23	4.10	*3.75*	*4.65*	Cap'l Spending per sh	*2.10*
11.33	12.25	12.98	14.81	15.80	16.67	17.55	19.14	18.78	17.57	15.83	14.43	14.75	15.39	15.98	17.03	*18.25*	*19.25*	Book Value per sh C	*22.75*
24.65	25.59	25.72	28.98	29.40	29.52	29.85	35.38	35.81	36.00	36.10	36.17	36.27	37.22	37.86	39.35	*40.00*	*41.00*	Common Shs Outst'g D	*44.00*
16.4	16.0	17.8	17.3	15.4	17.3	19.0	30.1	31.2	55.1	47.5	21.7	21.1	18.8	18.2	20.2	*Bold figures are*		Avg Ann'l P/E Ratio	*18.0*
.84	.87	1.01	.91	.82	.93	1.01	1.81	2.08	3.51	2.98	1.38	1.19	.99	.92	1.06	*Value Line*		Relative P/E Ratio	*1.15*
3.8%	3.7%	4.0%	4.2%	4.1%	3.9%	3.5%	3.6%	5.4%	5.7%	5.6%	5.2%	4.1%	4.1%	4.3%	3.9%	*estimates*		Avg Ann'l Div'd Yield	*3.3%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $594.7 mill. **Due in 5 Yrs** $232.0 mill.
LT Debt $490.4 mill. **LT Interest** $26.0 mill.
(LT interest earned: 3.8x)

Leases, Uncapitalized Annual rentals $7 mill.
Pension Assets-12/16 $254.3 mill. **Oblig.** $314.6 mill.
Pfd Stock None

Common Stock 39,503,539 shs.
as of 4/30/17
MARKET CAP: $1.6 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1238.9	1311.2	1039.5	1119.1	1077.9	859.2	893.3	799.3	779.8	803.5	*825*	*875*	Revenues ($mill)	*1100*
54.0	35.1	26.0	13.6	16.4	39.0	50.2	56.9	58.6	62.0	*75.0*	*85.0*	Net Profit ($mill)	*115*
34.1%	30.0%	- -	- -	14.5%	5.2%	21.3%	22.5%	27.0%	24.5%	*25.0%*	*25.0%*	Income Tax Rate	*30.0%*
4.2%	6.1%	4.0%	.6%	3.8%	1.7%	- -	- -	1.7%	3.6%	*3.0%*	*4.0%*	AFUDC % to Net Profit	*5.0%*
38.9%	32.9%	38.8%	40.2%	44.6%	44.0%	42.1%	46.5%	42.4%	43.0%	*42.0%*	*41.0%*	Long-Term Debt Ratio	*40.5%*
59.4%	65.6%	59.8%	58.4%	54.0%	54.4%	57.9%	53.5%	57.6%	57.0%	*58.0%*	*59.0%*	Common Equity Ratio	*59.5%*
882.1	1032.5	1124.4	1083.3	1058.9	959.2	924.4	1071.3	1051.0	1175.4	*1255*	*1340*	Total Capital ($mill)	*1675*
854.0	1037.6	1098.6	1108.7	1077.5	1049.5	1167.0	1268.5	1387.8	1477.2	*1525*	*1650*	Net Plant ($mill)	*1950*
7.2%	4.3%	3.4%	2.7%	3.2%	5.7%	6.7%	6.7%	6.7%	6.5%	*6.5%*	*6.5%*	Return on Total Cap'l	*7.0%*
10.0%	5.1%	3.8%	2.1%	2.8%	7.3%	9.4%	9.9%	9.7%	9.3%	*9.5%*	*9.5%*	Return on Shr. Equity E	*10.0%*
10.2%	5.1%	3.8%	2.0%	2.7%	7.3%	9.3%	9.9%	9.7%	9.3%	*9.5%*	*9.5%*	Return on Com Equity	*10.0%*
3.5%	NMF	NMF	NMF	NMF	NMF	1.2%	2.2%	2.0%	2.1%	*2.5%*	*2.5%*	Retained to Com Eq	*4.0%*
66%	108%	NMF	NMF	NMF	113%	87%	78%	79%	78%	*74%*	*72%*	All Div'ds to Net Prof	*61%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+4.6	-2.2	3.4
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Winter (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	336	350	348

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-5.0%	-7.0%	*3.0%*
"Cash Flow"	- -	4.5%	*7.0%*
Earnings	-.5%	25.0%	*6.5%*
Dividends	1.0%	.5%	*2.0%*
Book Value	- -	-1.5%	*6.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	215.0	194.4	196.5	193.4	799.3
2015	202.8	188.2	200.0	188.8	779.8
2016	206.2	203.5	197.2	196.6	803.5
2017	214.1	*206*	*202*	*202.9*	*825*
2018	*225*	*220*	*215*	*215*	*875*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.59	.27	.43	.28	1.55
2015	.37	.36	.42	.41	1.56
2016	.38	.41	.37	.44	1.60
2017	.49	*.40*	*.39*	*.44*	*1.72*
2018	*.50*	*.44*	*.43*	*.48*	*1.85*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.298	.298	.298	.298	1.19
2014	.303	.303	.303	.303	1.21
2015	.308	.308	.308	.308	1.23
2016	.313	.313	.313	.313	1.25
2017	.320	.320			

BUSINESS: Otter Tail Corporation is the parent of Otter Tail Power Company, which supplies electricity to over 130,000 customers in Minnesota (53% of retail elec. revs.), North Dakota (38%), and South Dakota (9%). Electric rev. breakdown, '16: residential, 31%; commercial & farms, 36%; industrial, 31%; other, 2%. Fuel costs: 14.7% of revenues. Also has operations in manufacturing and plastics. 2016 depr. rate: 3.3%. Has 2,054 employees. Off. and dir. own 1.4% of common stock; Cascade Investment, LLC, 8.8%; The Vanguard Group, 8.3%; BlackRock, Inc., 6.3% (3/17 Proxy). CEO: Charles MacFarlane. Inc.: MN. Address: 215 South Cascade St., P.O. Box 496, Fergus Falls, Minnesota 56538-0496. Telephone: 866-410-8780. Internet: www.ottertail.com.

Shares of Otter Tail have traded in a fairly narrow range over the past six months. The company reported solid results for the March quarter. The top line advanced roughly 4%, on a year-to-year basis. Earnings per share of $0.49 were well above the prior-year tally. Performance was largely driven by interim revenue increases in Minnesota that Otter Tail Power Company began collecting in April of last year. Weather was also slightly more favorable for the utility in the recent quarter, compared with the year-ago period. The Manufacturing segment reported a measure of improvement, while the Plastics line benefited from an increase in pounds of polyvinyl chloride pipe sold. Interest costs declined, as well.

There has been a development on the regulatory front. The Minnesota Public Utilities Commission granted Otter Tail Power Company an annual revenue increase of $12.3 million. Moreover, the commission set return on equity at 9.41%.

Investment in operations ought to drive growth in the coming years. Otter Tail Power expects to spend $862 million overall through 2021. This includes major investments in regional transmission projects already under way. Two 345-kilovolt transmission projects remain on schedule and on budget. The company is a 50% owner in both the Big Stone South-Brookings line (which is expected to be completed later this year) and the Big Stone South-Ellendale project (scheduled for completion in 2019). All things considered, the utility rate base is expected to increase about 7.5% per annum through 2021. Otter Tail Power will add more wind, natural gas, and solar generation to prepare for the closing of its coal-fired Hoot Lake Plant early next decade.

This stock is neutrally ranked for year-ahead performance. The dividend yield here is respectable for a utility. But long-term total return potential is subpar, as the equity presently trades within our Target Price Range. Prospects for moderate bottom-line growth are reflected in the recent quotation. That said, a selloff some time in the future may offer investors a more attractive entry point. Otter Tail earns good marks for Safety, Financial Strength, and Price Stability.

Michael Napoli, CFA *June 16, 2017*

(A) Diluted earnings. Excl. nonrecurring gains (losses): '10, (44¢); '11, 26¢; '13, 2¢; gains (losses) from discont. operations: '04, 8¢; '05, 33¢; '06, 1¢; '11, ($1.11); '12, ($1.22); '13, 2¢; '14, 2¢; '15, 2¢; '16, 1¢. Earnings may not sum due to rounding. Next earnings report due early August. (B) Div'ds historically paid in early March, June, Sept., and Dec. ■ Div'd reinvestment plan avail. (C) Incl. intangibles. In '16: $52.5 mill., $1.34/sh. (D) In mill. (E) Regulatory Climate: MN, ND, Average; SD, Above Average.

Company's Financial Strength	A
Stock's Price Stability	85
Price Growth Persistence	25
Earnings Predictability	55

EXELON CORP. NYSE-EXC

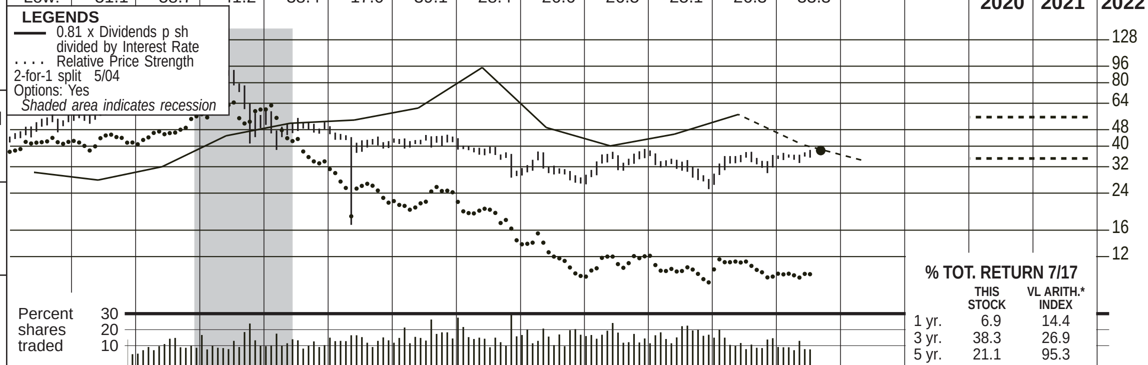
RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD
38.21	15.2 (Trailing: 16.3; Median: 15.0)	0.80	3.5%

VALUE LINE

TIMELINESS 4 Lowered 6/16/17
SAFETY 3 Lowered 11/23/12
TECHNICAL 3 Raised 7/7/17
BETA .70 (1.00 = Market)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	63.6	86.8	92.1	59.0	49.9	45.4	43.7	37.8	38.9	38.3	37.7	38.8
Low:	51.1	58.7	41.2	38.4	17.0	39.1	28.4	26.6	26.5	25.1	26.3	33.3

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+45%)	13%
Low	35	(-10%)	2%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	0	0	0	0	0	1	0
Options	0	1	1	0	11	0	0	0	1
to Sell	0	0	1	0	1	0	0	0	2

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	337	383	354
to Sell	336	333	364
Hld's(000)	679803	705876	781249

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	6.9	14.4
3 yr.	38.3	26.9
5 yr.	21.1	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
23.58	23.13	24.09	21.85	23.05	23.37	28.62	28.65	26.25	28.17	28.53	27.48	29.03	31.90	32.01	33.94	**34.75**	**35.75**	Revenues per sh	**38.25**
5.06	5.03	5.06	5.68	6.19	6.71	7.43	7.64	8.25	8.32	7.23	6.61	6.72	6.61	6.80	7.01	**8.00**	**8.30**	"Cash Flow" per sh	**9.25**
2.20	2.40	2.44	2.75	3.21	3.50	4.03	4.10	4.29	3.87	3.75	1.92	2.31	2.10	2.54	1.80	**2.60**	**2.70**	Earnings per sh A	**3.25**
.91	.88	.96	1.26	1.60	1.64	1.82	2.05	2.10	2.10	2.10	2.10	1.46	1.24	1.24	1.26	**1.31**	**1.34**	Div'd Decl'd per sh B ■	**1.70**
3.18	3.33	2.98	2.89	3.25	3.61	4.05	4.74	4.96	5.03	6.09	6.77	6.29	7.07	8.29	9.26	**8.60**	**8.30**	Cap'l Spending per sh	**8.25**
12.82	11.97	12.95	14.19	13.69	14.89	15.34	16.78	19.16	20.49	21.68	25.07	26.52	26.29	28.04	27.96	**28.85**	**30.20**	Book Value per sh C	**35.50**
642.01	646.63	656.37	664.19	666.37	669.86	660.88	658.15	659.76	661.85	663.37	854.78	857.29	859.83	919.92	924.04	**958.00**	**961.00**	Common Shs Outst'g D	**970.00**
13.2	10.5	11.8	13.0	15.4	16.5	18.2	18.0	11.5	11.0	11.3	19.1	13.4	16.0	12.6	18.7	*Bold figures are*		Avg Ann'l P/E Ratio	**14.0**
.68	.57	.67	.69	.82	.89	.97	1.08	.77	.70	.71	1.22	.75	.84	.63	.99	*Value Line*		Relative P/E Ratio	**.90**
3.1%	3.5%	3.4%	3.5%	3.2%	2.8%	2.5%	2.8%	4.3%	4.9%	5.0%	5.7%	4.7%	3.7%	3.9%	3.7%	*estimates*		Avg Ann'l Div'd Yield	**3.8%**

CAPITAL STRUCTURE as of 6/30/17
Total Debt $36332 mill. **Due in 5 Yrs** $12720 mill.
LT Debt $30956 mill. **LT Interest** $1316 mill.
Includes $641 mill. nonrecourse transition bonds.
(LT interest earned: 3.4x)
Leases, Uncapitalized Annual rentals $183 mill.

Pension Assets-12/16 $16791 mill. **Oblig** $21060 mill.
Pfd Stock None

Common Stock 960,087,898 shs.

MARKET CAP: $37 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
18916	18859	17318	18644	18924	23489	24888	27429	29447	31360	**33300**	**34350**	Revenues ($mill)	**37500**
2730.0	2721.0	2844.0	2567.0	2499.0	1579.0	1999.0	1826.0	2282.0	1677.0	**2455**	**2620**	Net Profit ($mill)	**3155**
34.6%	32.6%	38.8%	39.2%	36.8%	32.4%	36.5%	27.2%	32.2%	38.5%	**33.0%**	**33.0%**	Income Tax Rate	**33.0%**
1.8%	1.3%	2.3%	2.1%	3.0%	5.8%	4.5%	5.5%	5.4%	12.3%	**9.0%**	**8.0%**	AFUDC % to Net Profit	**6.0%**
53.9%	53.1%	47.2%	46.8%	45.7%	45.8%	44.4%	46.7%	48.3%	55.5%	**55.0%**	**54.0%**	Long-Term Debt Ratio	**53.0%**
45.7%	46.6%	52.4%	52.9%	54.0%	53.5%	55.2%	52.8%	51.3%	44.5%	**45.0%**	**46.0%**	Common Equity Ratio	**47.0%**
22189	23726	24112	25651	26661	40057	41196	42811	50272	58053	**61550**	**63375**	Total Capital ($mill)	**71300**
24153	25813	27341	29941	32570	45186	47330	52087	57439	71555	**75075**	**78225**	Net Plant ($mill)	**86600**
14.1%	13.1%	13.3%	11.4%	10.6%	5.1%	5.9%	5.3%	5.5%	4.1%	**5.0%**	**5.5%**	Return on Total Cap'l	**5.5%**
26.7%	24.4%	22.3%	18.8%	17.3%	7.3%	8.7%	8.0%	8.8%	6.5%	**9.0%**	**9.0%**	Return on Shr. Equity	**9.5%**
26.9%	24.6%	22.5%	18.9%	17.3%	7.3%	8.7%	8.0%	8.8%	6.5%	**9.0%**	**9.0%**	Return on Com Equity E	**9.5%**
15.3%	12.5%	11.5%	8.7%	7.7%	NMF	3.2%	3.3%	4.5%	1.9%	**4.5%**	**4.5%**	Retained to Com Eq	**4.5%**
43%	49%	49%	54%	56%	109%	63%	59%	49%	70%	**50%**	**49%**	All Div'ds to Net Prof	**52%**

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-.7	-1.0	+25.8
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NMF	NMF	NMF
Capacity at Peak (Mw)	NA	NA	NA
Peak Load (Mw)	NA	NA	NA
Nuclear Capacity Factor (%)	94.3	NA	NA
% Change Customers (yr-end)	+.6	+1.1	+33.7
Fixed Charge Cov. (%)	263	367	238

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	3.5%	3.5%	*3.0%*
"Cash Flow"	1.0%	-3.0%	*5.5%*
Earnings	-4.0%	-11.5%	*7.0%*
Dividends	-2.0%	-10.0%	*5.5%*
Book Value	7.0%	6.0%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	7237	6024	6912	7256	27429
2015	8830	6514	7401	6702	29447
2016	7573	6910	9002	7875	31360
2017	8757	7623	*9020*	*7900*	*33300*
2018	*9000*	*7900*	*9250*	*8200*	*34350*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.10	.68	.96	.36	2.10
2015	.80	.74	.69	.33	2.54
2016	.26	.45	.76	.32	1.80
2017	.83	.44	*.85*	*.48*	*2.60*
2018	*.75*	*.55*	*.90*	*.50*	*2.70*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.525	.31	.31	.31	1.46
2014	.31	.31	.31	.31	1.24
2015	.31	.31	.31	.31	1.24
2016	.31	.318	.318	.318	1.26
2017	.3275	.3275			

BUSINESS: Exelon Corporation is a holding company for Commonwealth Edison, PECO Energy, Baltimore Gas and Electric, Pepco, Delmarva Power, & Atlantic City Electric. Has 8.6 mill. elec., 1.3 mill. gas customers. Has nonregulated generating & energy-marketing ops. Acq'd Constellation Energy 3/12; Pepco Holdings 3/16. Elec. rev. breakdown: res'l, 63%; small comm'l & ind'l, 23%; large comm'l & ind'l, 13%; other, 1%. Generating sources: nuclear, 68%; other, 8%; purch., 24%. Fuel costs: 40% of revs. '16 depr. rates: 2.7%-5.9% elec., 2.2% gas. Has 34,400 empls. Chairman: Mayo A. Shattuck III. Pres. & CEO: Christopher M. Crane. Inc.: PA. Address: 10 S. Dearborn St., P.O. Box 805379, Chicago, IL 60680-5379. Tel.: 312-394-7398. Internet: www.exeloncorp.com.

Some of Exelon's utilities have received rate increases this year, while others have rate cases pending. The utilities that Exelon owns through the Pepco Holdings acquisition last year are not earning adequate returns on equity. In the first quarter, Delmarva Power received a $38.3 million electric rate hike in Maryland, based on a 9.6% ROE. In the second period, this utility was granted electric and gas tariff increases totaling $36.4 million, based on a 9.7% ROE. Last month, Pepco was granted a $36.9 million increase in Washington, DC, based on a 9.5% ROE. The second cycle of rate cases has begun, with Pepco seeking a $68.6 million rate hike in Maryland. An order is expected in October. Atlantic City Electric is asking the New Jersey regulators for a $72.6 million raise. A ruling is expected in the first quarter of 2018. Finally, Delmarva requested an electric increase of $27.0 million in Maryland. A decision is due in mid-February. All three of these filings are based on a 10.1% ROE.

Earnings should advance sharply this year and modestly in 2018. This year, costs associated with the Pepco deal will likely be below the 2016 level of $0.59 a share. Rate relief should be a positive factor each year. Note that ongoing and unpredictable accounting items, such as mark-to-market gains or charges and changes in the value of the nuclear decommissioning trust, can affect earnings.

Exelon's nonregulated business is operating in a difficult environment. Low natural gas prices, subsidized renewable energy, and weak demand for power are hurting this operation. In May, two nuclear plants (Quad Cities in Illinois and Three Mile Island in Pennsylvania) were unsuccessful bidders in the annual auction in their power pool. There are programs in place in Illinois and New York to subsidize nuclear energy to recognize their environmental benefits, but this did not help Quad Cities. Exelon plans to shut Three Mile Island (which is unprofitable, even on a cash flow basis) in 2019 unless a similar program is initiated in Pennsylvania.

This untimely stock has a dividend yield that is about average for a utility. Total return potential to 2020-2022 is above average for this industry.

Paul E. Debbas, CFA *August 18, 2017*

(A) Dil. egs. Excl. nonrec. gain (losses): '03, ($1.06); '05, ($1.85); '06, ($1.15); '09, (20¢); '12, (50¢); '13, (31¢); '14, 23¢; '16, (58¢); '17, (60¢). '14-'16 EPS don't add due to rounding or chg. in shs. Next egs. report due early Nov. (B) Div'ds paid in early Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. def'd chgs. In '16: $18.58/sh. (D) In mill., adj. for split. (E) Rate all'd on com. eq. in IL in '15: 9.25%; in MD in '16: 9.75% elec., 9.65% gas; in NJ in '16: 9.75%; earn. on avg. com. eq., '16: 6.4%. Reg. Clim.: PA, NJ Avg.; IL, MD, Below Avg.

Company's Financial Strength	B++
Stock's Price Stability	80
Price Growth Persistence	10
Earnings Predictability	55

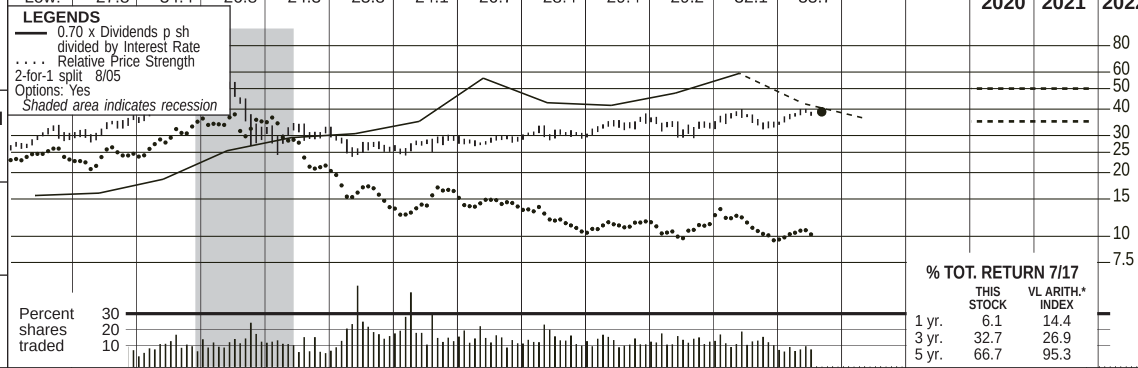
PPL CORPORATION NYSE-PPL

RECENT PRICE	38.83	P/E RATIO	18.4 (Trailing: 16.2 / Median: 13.0)	RELATIVE P/E RATIO	0.96	DIV'D YLD	4.2%	VALUE LINE

TIMELINESS **4** New 8/18/17
SAFETY **2** Raised 8/21/15
TECHNICAL **4** New 8/18/17
BETA .70 (1.00 = Market)

High:	37.3	54.6	55.2	34.4	33.1	30.3	30.2	33.6	38.1	36.7	39.9	40.2
Low:	27.8	34.4	26.8	24.3	23.8	24.1	26.7	28.4	29.4	29.2	32.1	33.7

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+30%)	10%
Low	35	(-10%)	2%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	9	0	2	0	0	1
to Sell	0	0	0	5	1	5	0	0	1

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	339	336	355
to Sell	340	350	313
Hld's(000)	471928	482749	539635

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	6.1	14.4
3 yr.	32.7	26.9
5 yr.	66.7	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
19.53	16.38	15.75	15.37	16.36	17.92	17.41	21.47	20.03	17.63	22.02	21.11	18.82	17.27	11.38	11.06	*10.60*	*10.70*	Revenues per sh	*10.50*
3.51	3.20	3.60	3.59	3.84	4.26	5.10	4.71	3.47	3.66	4.59	4.84	4.64	4.58	3.78	4.28	*3.60*	*3.85*	"Cash Flow" per sh	*4.50*
1.79	1.54	1.84	1.87	1.92	2.29	2.63	2.45	1.19	2.29	2.61	2.61	2.38	2.38	2.37	2.79	*2.05*	*2.25*	Earnings per sh A	*2.50*
.53	.72	.77	.82	.96	1.10	1.22	1.34	1.38	1.40	1.40	1.44	1.47	1.49	1.50	1.52	*1.58*	*1.64*	Div'd Decl'd per sh B ■	*1.82*
2.99	2.74	2.17	1.94	2.13	3.62	4.51	3.79	3.25	3.30	4.30	5.34	6.68	6.14	5.24	4.30	*4.95*	*4.85*	Cap'l Spending per sh	*3.75*
6.33	6.71	9.19	11.21	11.62	13.30	14.88	13.55	14.57	16.98	18.72	18.01	19.78	20.47	14.72	14.56	*15.30*	*16.20*	Book Value per sh C	*19.25*
293.16	331.47	354.72	378.14	380.15	385.04	373.27	374.58	377.18	483.39	578.41	581.94	630.32	665.85	673.86	679.73	*690.00*	*700.00*	Common Shs Outst'g D	*730.00*
12.4	11.1	10.6	12.5	15.1	14.1	17.3	17.6	25.7	11.9	10.5	10.9	12.8	14.1	13.9	12.8	*Bold figures are*		Avg Ann'l P/E Ratio	*16.5*
.64	.61	.60	.66	.80	.76	.92	1.06	1.71	.76	.66	.69	.72	.74	.70	.68	*Value Line*		Relative P/E Ratio	*1.05*
2.4%	4.2%	4.0%	3.5%	3.3%	3.4%	2.7%	3.1%	4.5%	5.1%	5.1%	5.1%	4.8%	4.4%	4.5%	4.2%	*estimates*		Avg Ann'l Div'd Yield	*4.4%*

CAPITAL STRUCTURE as of 6/30/17
Total Debt $20565 mill. **Due in 5 Yrs** $4911 mill.
LT Debt $18397 mill. **LT Interest** $754 mill.
Incl. 23 mill. units 7.75%, $25 liq. value; 82,000 units 8.23%, $1000 face value.
(LT interest earned: 3.8x)

Leases, Uncapitalized Annual rentals $55 mill.
Pension Assets-12/16 $10454 mill.
Oblig $11462 mill.
Pfd Stock None
Common Stock 685,855,683 shs.
as of 7/27/17
MARKET CAP: $27 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
6498.0	8044.0	7556.0	8521.0	12737	12286	11860	11499	7669.0	7517.0	*7300*	*7500*	Revenues ($mill)	*8150*
1031.0	940.0	465.0	1009.0	1456.0	1536.0	1541.0	1583.0	1603.0	1902.0	*1410*	*1580*	Net Profit ($mill)	*1910*
20.7%	31.8%	21.8%	22.0%	31.0%	26.2%	23.1%	33.0%	22.5%	25.4%	*27.0%*	*30.0%*	Income Tax Rate	*30.0%*
- -	.1%	9.5%	3.5%	4.0%	4.1%	3.7%	2.8%	1.6%	1.6%	*2.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
54.1%	57.1%	55.2%	59.0%	61.9%	64.1%	62.3%	58.0%	65.2%	64.3%	*64.0%*	*63.0%*	Long-Term Debt Ratio	*58.5%*
43.6%	40.5%	42.5%	39.8%	37.2%	35.9%	37.7%	42.0%	34.8%	35.7%	*36.0%*	*37.0%*	Common Equity Ratio	*41.5%*
12747	12529	12940	20621	29071	29205	33058	32484	28482	27707	*29225*	*30875*	Total Capital ($mill)	*33900*
12605	12416	13174	20858	27266	30032	33087	34597	30382	30074	*32425*	*34675*	Net Plant ($mill)	*40000*
9.8%	9.2%	5.2%	6.1%	6.5%	7.0%	6.2%	6.5%	7.1%	8.4%	*6.5%*	*6.5%*	Return on Total Cap'l	*7.0%*
17.6%	17.5%	8.0%	11.9%	13.1%	14.7%	12.4%	11.6%	16.2%	19.2%	*13.5%*	*14.0%*	Return on Shr. Equity	*13.5%*
18.2%	18.2%	8.1%	12.0%	13.3%	14.6%	12.4%	11.6%	16.2%	19.2%	*13.5%*	*14.0%*	Return on Com Equity E	*13.5%*
10.0%	8.5%	NMF	5.2%	6.4%	6.7%	5.3%	4.5%	6.0%	8.8%	*3.0%*	*4.0%*	Retained to Com Eq	*4.0%*
46%	54%	115%	58%	52%	54%	57%	61%	63%	54%	*77%*	*72%*	All Div'ds to Net Prof	*69%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-1.1	-.5	-.5
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Winter (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	309	321	339

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-2.0%	-8.0%	*NMF*
"Cash Flow"	1.0%	1.5%	*NMF*
Earnings	2.0%	4.5%	*NMF*
Dividends	4.5%	1.5%	*3.5%*
Book Value	3.0%	- -	*NMF*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1194	2833	3449	4023	11499
2015	2230	1781	1878	1780	7669
2016	2011	1785	1889	1832	7517
2017	1951	1725	*1850*	*1774*	*7300*
2018	*2000*	*1775*	*1900*	*1825*	*7500*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.50	.32	.73	.82	2.38
2015	.82	.37	.59	.60	2.37
2016	.71	.71	.69	.68	2.79
2017	.59	.43	*.54*	*.49*	*2.05*
2018	*.65*	*.50*	*.57*	*.53*	*2.25*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.36	.3675	.3675	.3675	1.46
2014	.3675	.3725	.3725	.3725	1.49
2015	.3725	.3725	.3725	.3775	1.50
2016	.3775	.38	.38	.38	1.52
2017	.38	.395	.395		

BUSINESS: PPL Corporation (formerly PP&L Resources, Inc.) is a holding company for PPL Electric Utilities (formerly Pennsylvania Power & Light Company), which distributes electricity to 1.4 million customers in eastern & central PA. Acq'd Kentucky Utilities and Louisville Gas and Electric (1.2 million customers) 11/10. Has electric distribution sub. in U.K. (7.8 million customers). Sold gas distribution subsidiary in '08. Spun off power generating subsidiary in '15. The company no longer breaks out data on electric operating statistics. Fuel costs: 20% of revs. '16 reported deprec. rate: 2.7%. Has 12,700 employees. Chairman, President & CEO: William H. Spence. Inc.: PA. Address: Two North Ninth St., Allentown, PA 18101-1179. Tel.: 800-345-3085. Internet: www.pplweb.com.

We estimate that PPL Corporation's earnings will decline significantly this year. The comparison with the 2016 tally is difficult. Last year, PPL booked income of $0.30 a share from the settlement of currency contracts. The company is hedging its exposure to the British pound, which arises from its ownership of utilities in the United Kingdom. PPL recorded some tax benefits in 2016, which are not expected in 2017. And average shares outstanding are rising as the company issues common equity (an expected $330 million this year). Note that our earnings presentation *includes* the effect of currency hedges, even though PPL excludes these from its definition of operating earnings. These hedges reduced the bottom line by $0.13 a share in the first six months of 2017. We have lowered our 2017 estimate by a dime a share, partly because the June-quarter tally fell short of our estimate. Our revised estimate of $2.05 a share is within management's guidance (on a GAAP basis) of $1.92-$2.12.

PPL's utilities in Kentucky received rate increases, effective July 1st. Louisville Gas and Electric was granted electric and gas tariff hikes of $57 million and $7 million for electricity and gas, respectively. Kentucky Utilities' electric rates were boosted by $52 million. The orders were based on a 9.7% return on a 53.3% common-equity ratio. In addition, the utilities' environmental cost recovery mechanism (which enables it to earn a return on this spending without filing a general rate case) will also have a 9.7% ROE, slightly below the previous level. The amounts granted—and the allowed return on equity—are slightly below those that the utility agreed to in a settlement.

We look for a partial earnings recovery in 2018. PPL will benefit from a full year of rate increases in Kentucky, along with modest growth at the company's utility operations. We are not estimating any gains or losses from currency hedges, since these are impossible to predict.

This untimely stock has a dividend yield that is above the utility mean. The modest dividend growth we project over the 3- to 5-year period should produce a total return that is slightly above the utility average.

Paul E. Debbas, CFA *August 18, 2017*

(A) Dil. EPS. Excl. nonrec. gain (losses): '07, (12¢); '10, (8¢); '11, 8¢; '13, (62¢); gains (losses) on disc. ops.: '07, 19¢; '08, 3¢; '09, (10¢); '10, (4¢); '12, (1¢); '14, 23¢; '15, ($1.36). '14 & '15 EPS don't sum to rounding. Next earnings report due early Nov. (B) Div'ds historically paid in early Jan., Apr., July, & Oct. ■ Div'd reinv. plan avail. (C) Incl. intang. In '16: $8.35/sh. (D) In mill., adj. for split. (E) Rate base: Fair val. Rate all'd on com. eq. in PA in '16: none spec.; in KY in '17: 9.7%; earned on avg. com. eq., '16: 19.2%. Regul. Climate: Avg.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	15
Earnings Predictability	65

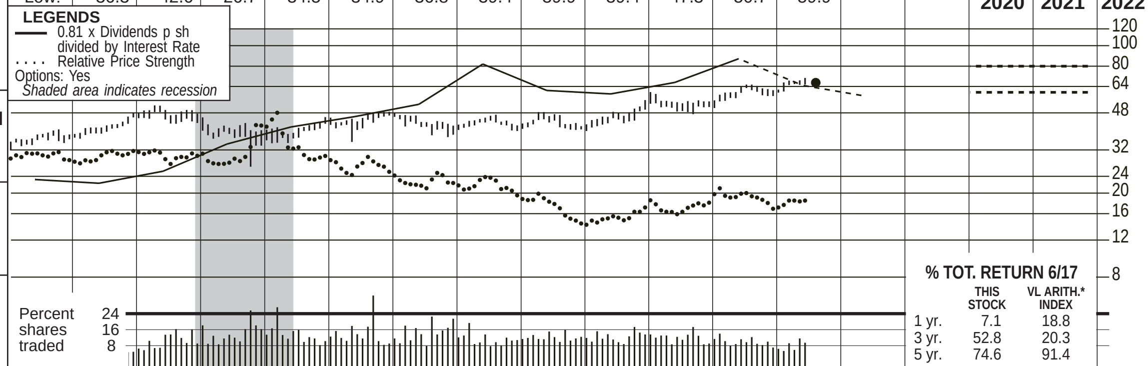
PG&E CORP. NYSE-PCG

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
66.63	18.0	(Trailing: 17.9 Median: 17.0)	0.91	3.3%	VALUE LINE

TIMELINESS	2	Lowered 7/21/17
SAFETY	2	Raised 7/28/17
TECHNICAL	2	Lowered 7/28/17

BETA .65 (1.00 = Market)

High:	48.2	52.2	45.7	45.8	48.6	48.0	47.0	48.5	55.2	60.2	65.4	70.3
Low:	36.3	42.6	26.7	34.5	34.9	36.8	39.4	39.9	39.4	47.3	50.7	59.9



Target Price Range

2020	2021	2022

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	80	(+20%)	8%
Low	60	(-10%)	1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	9	0	14
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	250	290	288
to Sell	260	237	233
Hld's(000)	405893	415770	455198

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	7.1	18.8
3 yr.	52.8	20.3
5 yr.	74.6	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
63.18	32.74	25.05	26.47	31.78	36.02	37.42	40.51	36.15	35.02	36.28	34.92	34.16	35.91	34.21	34.85	*35.75*	*36.75*	Revenues per sh	*41.25*
5.66	1.14	4.80	5.71	7.12	7.76	8.02	8.44	8.37	8.22	8.08	7.32	6.33	8.13	7.29	8.23	*9.25*	*9.70*	"Cash Flow" per sh	*10.75*
3.02	d2.36	2.05	2.12	2.35	2.76	2.78	3.22	3.03	2.82	2.78	2.07	1.83	3.06	2.00	2.83	*3.70*	*3.95*	Earnings per sh A	*4.50*
--	--	--	--	1.23	1.32	1.44	1.56	1.68	1.82	1.82	1.82	1.82	1.82	1.82	1.93	*2.08*	*2.27*	Div'd Decl'd per sh B ■ †	*2.90*
7.33	7.94	4.08	3.72	4.90	6.90	7.83	10.05	10.68	9.62	9.79	10.74	11.40	10.16	10.51	11.26	*11.65*	*11.55*	Cap'l Spending per sh	*11.50*
11.89	9.47	10.12	20.62	19.60	22.44	24.18	25.97	27.88	28.55	29.35	30.35	31.41	33.09	33.69	35.39	*37.55*	*39.55*	Book Value per sh C	*45.50*
363.38	381.67	416.52	418.62	368.27	348.14	353.72	361.06	370.60	395.23	412.26	430.72	456.67	475.91	492.03	506.89	*515.00*	*520.00*	Common Shs Outst'g D	*535.00*
4.8	--	9.5	13.8	15.4	14.8	16.8	12.1	13.0	15.8	15.5	20.7	23.7	15.0	26.4	21.1	*Bold figures are*		Avg Ann'l P/E Ratio	*15.5*
.25	--	.54	.73	.82	.80	.89	.73	.87	1.01	.97	1.32	1.33	.79	1.33	1.11	*Value Line*		Relative P/E Ratio	*.95*
--	--	--	--	3.4%	3.2%	3.1%	4.0%	4.3%	4.1%	4.2%	4.2%	4.2%	4.0%	3.4%	3.2%	*estimates*		Avg Ann'l Div'd Yield	*4.1%*

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
13237	14628	13399	13841	14956	15040	15598	17090	16833	17666	*18400*	*19100*	Revenues ($mill)	*22100*
1020.0	1198.0	1168.0	1113.0	1132.0	893.0	828.0	1450.0	988.0	1431.0	*1915*	*2090*	Net Profit ($mill)	*2465*
34.6%	26.2%	31.1%	33.0%	30.3%	23.9%	24.5%	19.2%	19.2%	3.7%	*18.0%*	*20.0%*	Income Tax Rate	*20.0%*
9.4%	9.5%	11.9%	14.4%	11.2%	17.5%	17.9%	10.0%	15.7%	11.4%	*9.0%*	*8.0%*	AFUDC % to Net Profit	*7.0%*
52.6%	52.2%	51.4%	49.6%	48.8%	48.7%	46.6%	48.5%	48.8%	47.1%	*46.5%*	*45.5%*	Long-Term Debt Ratio	*47.0%*
46.1%	46.5%	47.4%	49.3%	50.2%	50.4%	52.5%	50.7%	50.4%	52.1%	*53.0%*	*54.0%*	Common Equity Ratio	*52.5%*
18558	20163	21793	22863	24119	25956	27311	31050	32858	34412	*36500*	*38125*	Total Capital ($mill)	*46400*
23656	26261	28892	31449	33655	37523	41252	43941	46723	50581	*53725*	*56725*	Net Plant ($mill)	*65300*
7.4%	7.8%	6.7%	6.2%	5.9%	4.7%	4.2%	5.8%	4.1%	5.2%	*6.5%*	*6.5%*	Return on Total Cap'l	*6.5%*
11.6%	12.4%	11.0%	9.6%	9.2%	6.7%	5.7%	9.1%	5.9%	7.9%	*10.0%*	*10.0%*	Return on Shr. Equity	*10.0%*
11.8%	12.6%	11.2%	9.7%	9.2%	6.7%	5.7%	9.1%	5.9%	7.9%	*10.0%*	*10.0%*	Return on Com Equity E	*10.0%*
6.0%	6.8%	5.5%	3.9%	3.4%	1.0%	.2%	3.9%	.7%	2.8%	*4.5%*	*4.5%*	Retained to Com Eq	*3.5%*
50%	47%	52%	61%	63%	85%	96%	58%	88%	65%	*56%*	*57%*	All Div'ds to Net Prof	*63%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $18276 mill. **Due in 5 Yrs** $4726 mill.
LT Debt $16813 mill. **LT Interest** $775 mill.
(LT interest earned: 3.7x)
Leases, Uncapitalized Annual rentals $44 mill.
Pension Assets-12/16 $14729 mill.
Oblig $17305 mill.
Pfd Stock $252 mill. **Pfd Div'd** $14 mill.
4,534,958 shs. 4.36% to 5%, cumulative and $25 par, redeemable from $25.75 to $27.25; 5,784,825 shs. 5.00% to 6.00%, cumulative nonredeemable and $25 par.
Common Stock 511,000,943 shs. **as of 4/24/17**
MARKET CAP: $34 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-.2	-.5	-3.3
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	9.98	9.73	9.90
Capacity at Peak (Mw)	NMF	NMF	NMF
Peak Load, Summer (Mw)	NMF	NMF	NMF
Annual Load Factor (%)	NMF	NMF	NMF
% Change Customers (yr-end)	+.6	+.7	+.7
Fixed Charge Cov. (%)	304	189	242

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	1.0%	-.5%	*3.0%*
"Cash Flow"	1.5%	-1.0%	*5.5%*
Earnings	1.0%	-2.0%	*9.5%*
Dividends	8.0%	1.0%	*7.5%*
Book Value	5.0%	3.5%	*5.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	3891	3952	4939	4308	17090
2015	3899	4217	4550	4167	16833
2016	3974	4169	4810	4713	17666
2017	4268	*4432*	*4900*	*4800*	*18400*
2018	*4400*	*4600*	*5150*	*4950*	*19100*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.49	.57	1.71	.27	3.06
2015	.27	.83	.63	.27	2.00
2016	.22	.46	.77	1.36	2.83
2017	1.13	*.70*	*1.17*	*.70*	*3.70*
2018	*1.10*	*.75*	*1.35*	*.75*	*3.95*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.455	.455	.455	.455	1.82
2014	.455	.455	.455	.455	1.82
2015	.455	.455	.455	.455	1.82
2016	.455	.455	.49	.49	1.89
2017	.49	.49	.53		

BUSINESS: PG&E Corporation is a holding company for Pacific Gas and Electric Company and nonutility subsidiaries. Supplies electricity and gas to most of northern and central California (population 16 million). Has 5.4 million electric and 4.5 million gas customers. Electric revenue breakdown: residential, 40%; commercial, 39%; industrial, 11%; agricultural, 9%; other, 1%. Generating sources: nuclear, 24%; hydro, 11%; gas, 7%; purchased, 58%. Fuel costs: 30% of revenues. '16 reported depreciation rate (utility): 3.8%. Has 24,000 employees. Chairman: Anthony F. Earley, Jr. President & CEO: Geisha J. Williams. Incorporated: California. Address: 77 Beale Street, P.O. Box 770000, San Francisco, California 94177. Telephone: 415-973-1000. Internet: www.pgecorp.com.

PG&E has received a ruling in its general rate case. The California Public Utilities Commission (CPUC) approved a settlement calling for electric and gas rate hikes totaling $88 million in 2017 (retroactive to the start of the year), $444 million in 2018, and $361 million in 2019.

The utility also got an order regarding its cost of capital. (In California, this is reviewed separately from a general rate case.) PG&E's allowed return on equity will be cut from 10.4% to 10.25%, beginning in 2018 and staying in effect in 2019. The common-equity ratio will remain 52%. We estimate that the change will lower the utility's annual earning power by $29 million. Even after this reduction, the allowed return on equity will still be above those in many other states.

We believe earnings will be significantly higher in 2017, followed by further growth in 2018. Since 2010, PG&E's income has been hurt by unrecovered costs associated with a pipeline explosion in San Bruno, California in September of that year. These expenses are winding down, and should be concluded this year (and well below the 2016 level). Accordingly, with the risks of San Bruno behind the company, we have raised PG&E's Financial Strength rating and the stock's Safety rank a notch each, to B++ and 2 (Above Average), respectively. In 2018, the benefit of the general rate increase and continued growth in the rate base should outweigh the effect of a probable decline in the allowed ROE.

PG&E faces some uncertainty stemming from a wildfire in 2015. The company's estimate of third-party claims is $750 million, and PG&E has also incurred cleanup and legal costs. The utility believes the claims are covered by insurance, but the net expenses of the fire hurt profits by $0.27 in 2016.

The board of directors raised the dividend, effective with the July payment. As we had estimated, the quarterly increase was $0.04 a share (8.2%). PG&E's goal is a payout ratio of 55%-65%.

This timely stock has a dividend yield that is average for a utility. Total return potential to 2020-2022 is also about average for the group.

Paul E. Debbas, CFA *July 28, 2017*

(A) Diluted EPS. Excl. nonrec. gains (losses): '04, $6.95; '09, 18¢; '11, (68¢); '12, (15¢); '15, (21¢); '16, (5¢); gain from disc. ops.: '08, 41¢. '14 & '16 EPS don't sum due to change in shs. outstanding. Next earnings report due early Aug. (B) Div'ds historically paid in mid-Jan., Apr., July, and Oct. ■ Div'd reinvest. plan avail. † Shareholder investment plan avail. (C) Incl. intang. In '16: $15.69/sh. (D) In mill. (E) Rate base: net orig. cost. Rate allowed on com. eq. in '15: 10.4%; earned on avg. com. eq., '16: 8.2%. Regulatory Climate: Average.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	35
Earnings Predictability	50

PINNACLE WEST NYSE-PNW

RECENT PRICE	85.76	P/E RATIO	20.2 (Trailing: 20.9 Median: 15.0)	RELATIVE P/E RATIO	1.02	DIV'D YLD	3.2%	VALUE LINE

TIMELINESS	2	Lowered 7/28/17
SAFETY	1	Raised 5/3/13
TECHNICAL	2	Lowered 7/28/17

BETA .65 (1.00 = Market)

High:	51.0	51.7	42.9	38.0	42.7	48.9	54.7	61.9	71.1	73.3	82.8	89.6
Low:	38.3	36.8	26.3	22.3	32.3	37.3	45.9	51.5	51.2	56.0	62.5	75.8

Target Price Range

2020 | 2021 | 2022

2020-22 PROJECTIONS

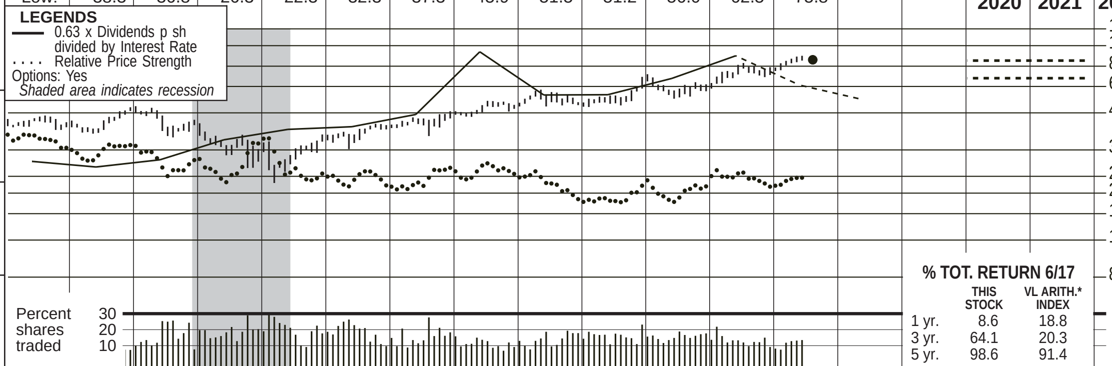
	Price	Gain	Ann'l Total Return
High	85	(Nil)	3%
Low	70	(-20%)	-1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	12	2	0	0	12	1	0	5
to Sell	1	0	0	3	0	0	4	0	6

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	182	198	229
to Sell	192	211	191
Hld's(000)	90564	92991	105747



% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	8.6	18.8
3 yr.	64.1	20.3
5 yr.	98.6	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
53.66	28.90	30.87	31.59	30.16	34.03	35.07	33.37	32.50	30.01	29.67	30.09	31.35	31.58	31.50	31.42	*32.60*	*34.65*	Revenues per sh	*39.50*
8.72	7.01	7.33	6.93	5.76	9.70	9.29	8.13	8.08	6.85	7.52	7.92	8.15	8.09	9.09	9.39	*9.90*	*10.35*	"Cash Flow" per sh	*12.00*
3.68	2.53	2.52	2.58	2.24	3.17	2.96	2.12	2.26	3.08	2.99	3.50	3.66	3.58	3.92	3.95	*4.25*	*4.45*	Earnings per sh A	*5.25*
1.53	1.63	1.73	1.83	1.93	2.03	2.10	2.10	2.10	2.10	2.10	2.67	2.23	2.33	2.44	2.56	*2.68*	*2.81*	Div'd Decl'd per sh B ■	*3.25*
12.27	9.81	7.60	5.86	6.39	7.59	9.37	9.46	7.64	7.03	8.26	8.24	9.36	8.38	9.84	11.64	*12.55*	*10.50*	Cap'l Spending per sh	*10.00*
29.46	29.44	31.00	32.14	34.57	34.48	35.15	34.16	32.69	33.86	34.98	36.20	38.07	39.50	41.30	43.15	*44.60*	*46.25*	Book Value per sh C	*51.75*
84.83	91.26	91.29	91.79	99.08	99.96	100.49	100.89	101.43	108.77	109.25	109.74	110.18	110.57	110.98	111.34	*112.00*	*112.50*	Common Shs Outst'g D	*114.00*
12.0	14.4	14.0	15.8	19.2	13.7	14.9	16.1	13.7	12.6	14.6	14.3	15.3	15.9	16.0	18.7	*Bold figures are*		Avg Ann'l P/E Ratio	*14.5*
.61	.79	.80	.83	1.02	.74	.79	.97	.91	.80	.92	.91	.86	.84	.81	.98	*Value Line*		Relative P/E Ratio	*.90*
3.5%	4.5%	4.9%	4.5%	4.5%	4.7%	4.8%	6.2%	6.8%	5.4%	4.8%	5.3%	4.0%	4.1%	3.9%	3.5%	*estimates*		Avg Ann'l Div'd Yield	*4.2%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $4606.2 mill. **Due in 5 Yrs** $1264.3 mill.
LT Debt $4273.9 mill. **LT Interest** $198.0 mill.
Incl. $13.4 mill. Palo Verde sale leaseback lessor notes.
(LT interest earned: 4.8x)
Leases, Uncapitalized Annual rentals $12.3 mill.
Pension Assets-12/16 $2675.4 mill. **Oblig** $3204.5 mill.
Pfd Stock None

Common Stock 111,560,427 shs.
as of 4/25/17
MARKET CAP: $9.6 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
3523.6	3367.1	3297.1	3263.6	3241.4	3301.8	3454.6	3491.6	3495.4	3498.7	*3650*	*3900*	Revenues ($mill)	*4500*
298.8	213.6	229.2	330.4	328.2	387.4	406.1	397.6	437.3	442.0	*475*	*505*	Net Profit ($mill)	*600*
33.6%	23.4%	36.9%	31.9%	34.0%	36.2%	34.4%	34.2%	34.3%	33.9%	*33.5%*	*33.5%*	Income Tax Rate	*33.5%*
14.8%	17.5%	11.2%	11.7%	12.8%	9.7%	10.0%	11.6%	11.8%	14.1%	*15.0%*	*11.0%*	AFUDC % to Net Profit	*7.0%*
47.0%	46.8%	50.4%	45.3%	44.1%	44.6%	40.0%	41.0%	43.0%	45.6%	*48.5%*	*46.0%*	Long-Term Debt Ratio	*46.0%*
53.0%	53.2%	49.6%	54.7%	55.9%	55.4%	60.0%	59.0%	57.0%	54.4%	*51.5%*	*54.0%*	Common Equity Ratio	*54.0%*
6658.7	6477.6	6686.6	6729.1	6840.9	7171.9	6990.9	7398.7	8046.3	8825.4	*9720*	*9625*	Total Capital ($mill)	*10925*
8436.4	8916.7	9257.8	9578.8	9962.3	10396	10889	11194	11809	12714	*13500*	*14000*	Net Plant ($mill)	*15100*
5.9%	4.7%	4.8%	6.5%	6.4%	6.8%	7.1%	6.4%	6.4%	6.0%	*6.0%*	*6.5%*	Return on Total Cap'l	*6.5%*
8.5%	6.2%	6.9%	9.0%	8.6%	9.8%	9.7%	9.1%	9.5%	9.2%	*9.5%*	*9.5%*	Return on Shr. Equity	*10.0%*
8.5%	6.2%	6.9%	9.0%	8.6%	9.8%	9.7%	9.1%	9.5%	9.2%	*9.5%*	*9.5%*	Return on Com Equity E	*10.0%*
2.5%	.3%	.7%	3.1%	2.8%	4.1%	4.1%	3.5%	3.9%	3.5%	*3.5%*	*3.5%*	Retained to Com Eq	*4.0%*
70%	96%	89%	66%	68%	58%	58%	62%	59%	62%	*63%*	*63%*	All Div'ds to Net Prof	*61%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-1.8	+1.3	+.3
Avg. Indust. Use (MWH)	659	658	640
Avg. Indust. Revs. per KWH (¢)	8.26	8.17	8.37
Capacity at Peak (Mw)	9259	9250	9192
Peak Load, Summer (Mw)	7007	7031	7051
Annual Load Factor (%)	48.6	48.3	48.0
% Change Customers (yr-end)	+1.2	+1.3	+1.3
Fixed Charge Cov. (%)	404	438	416

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	- -	.5%	4.0%
"Cash Flow"	1.5%	3.5%	5.0%
Earnings	3.5%	6.5%	5.5%
Dividends	2.5%	3.0%	5.0%
Book Value	2.0%	4.0%	4.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	686.2	906.3	1172.7	726.4	3491.6
2015	671.2	890.7	1199.1	734.4	3495.4
2016	677.2	915.4	1166.9	739.2	3498.7
2017	677.7	*950*	*1247.3*	*775*	*3650*
2018	*750*	*1000*	*1325*	*825*	*3900*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.14	1.19	2.20	.05	3.58
2015	.14	1.10	2.30	.37	3.92
2016	.04	1.08	2.35	.47	3.95
2017	.21	*1.24*	*2.40*	*.40*	*4.25*
2018	*.20*	*1.25*	*2.60*	*.40*	*4.45*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.545	.545	.545	.5675	2.20
2014	.5675	.5675	.5675	.595	2.30
2015	.595	.595	.595	.625	2.41
2016	.625	.625	.625	.655	2.53
2017	.655	.655			

BUSINESS: Pinnacle West Capital Corporation is a holding company for Arizona Public Service Company (APS), which supplies electricity to 1.2 million customers in most of Arizona, except about half of the Phoenix metro area, the Tucson metro area, and Mohave County in northwestern Arizona. Discontinued SunCor real estate subsidiary in '10. Electric revenue breakdown: residential, 50%; commercial, 40; industrial, 5%; other, 5%. Generating sources: nuclear, 28%; gas & other, 26%; coal, 20%; purchased, 26%. Fuel costs: 31% of revenues. '16 reported deprec. rate: 2.7%. Has 6,300 employees. Chairman, President & CEO: Donald E. Brandt. Inc.: AZ. Address: 400 North Fifth St., P.O. Box 53999, Phoenix, AZ 85072-3999. Tel.: 602-250-1000. Internet: www.pinnaclewest.com.

Pinnacle West's utility subsidiary is still awaiting an order on its regulatory settlement. Arizona Public Service (APS) filed for a rate increase of $165.9 million (5.7%), based on a 10.5% return on a 55.8% common-equity ratio. The utility also asked for changes in rate design so that solar customers would not be subsidized by nonsolar users to the extent they are today. APS, the commission's staff, and intervenors reached a settlement that (if approved by the commission) will raise rates by $94.6 million (3.3%), based on a 10% return on a 55.8% common-equity ratio. The solar subsidization problem would be reduced initially, with less subsidization each subsequent year. Finally, there would be a rate moratorium through mid-2019. An administrative law judge will put forth a recommendation before the commission issues its order. The company had hoped that new tariffs would go into effect on July 1st, but this will happen whenever the regulators decide they will take effect.

We have trimmed our 2017 earnings estimate by $0.05 a share. We had based our estimate on a midyear rate hike, but the delay will affect the company's income. (Management is not providing earnings guidance while the rate case is pending.) We are sticking with our profit forecast for 2018, as next year will have a full year's effect of the rate decision.

Two significant projects are under construction. The utility is adding pollution control equipment to two units of a coal-fired plant. The $400 million project is expected to be completed in the spring of 2018. APS is building five gas-fired units to replace old facilities and increase generating capacity by 220 megawatts. The $500 million project is scheduled for completion by the spring of 2019. Costs associated with these projects will be deferred for recovery in a future rate case, if the aforementioned regulatory settlement is approved.

This timely stock is ranked 1 (Highest) for Safety. However, the dividend yield does not stand out among utility stocks, and with the recent price above the upper end of our 2020-2022 Target Price Range, total return potential is uninspiring.

Paul E. Debbas, CFA *July 28, 2017*

(A) Diluted EPS. Excl. nonrec. losses: '02, 77¢; '09, $1.45; excl. gains (losses) from disc. ops.: '05, (36¢); '06, 10¢; '08, 28¢; '09, (13¢); '10, 18¢; '11, 10¢; '12, (5¢). '15 & '16 EPS don't sum due to rounding. Next earnings report due early Aug. (B) Div'ds historically pd. in early Mar., June, Sept., & Dec. There were 5 declarations in '12. ■ Div'd reinvest. plan avail. (C) Incl. deferred chgs. In '16: $14.54/sh. (D) In mill. (E) Rate base: Fair value. Rate allowed on com. eq. in '12: 10%; earned on avg. com. eq., '16: 9.4%. Regulatory Climate: Average.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	70
Earnings Predictability	95

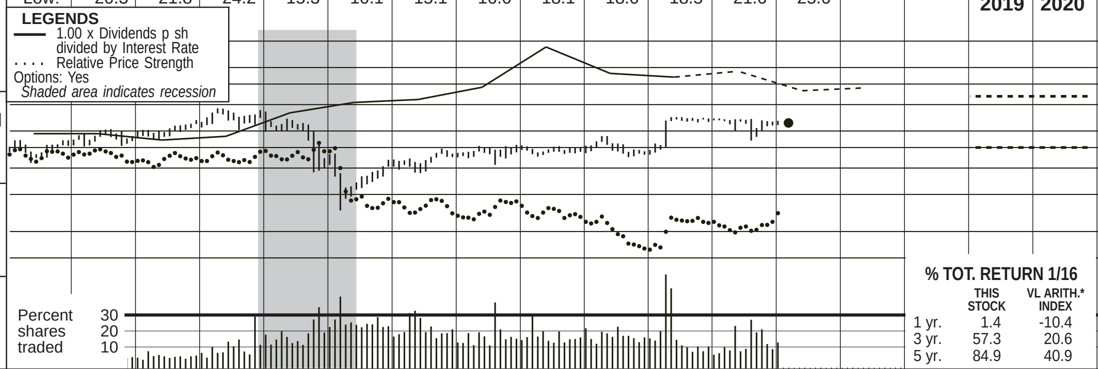
PEPCO HOLDINGS NYSE-POM

RECENT PRICE **26.20** | P/E RATIO **23.4** (Trailing: 28.5 / Median: 16.0) | RELATIVE P/E RATIO **1.45** | DIV'D YLD **4.1%** | VALUE LINE

TIMELINESS – Suspended 5/9/14
SAFETY 3 Lowered 6/6/03
TECHNICAL – Suspended 5/9/14
BETA .75 (1.00 = Market)

High:	24.5	27.0	30.7	29.6	18.7	19.8	20.6	20.5	22.7	27.9	27.5	26.8
Low:	20.3	21.8	24.2	15.3	10.1	15.1	16.6	18.1	18.0	18.5	21.6	25.6

Target Price Range 2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+35%)	11%
Low	20	(-25%)	-7%

Insider Decisions

	A	M	J	J	A	S	O	N	D
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	1Q2015	2Q2015	3Q2015
to Buy	151	140	156
to Sell	156	168	141
Hld's(000)	158602	160730	160867

% TOT. RETURN 1/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	1.4	-10.4
3 yr.	57.3	20.6
5 yr.	84.9	40.9

Pepco Holdings, Inc. (PHI) was formed on August 1, 2002, upon the merger of Potomac Electric Power Co. (PEPCO) and Conectiv. In the $2.2 billion deal, PEPCO common stockholders received one common share in PHI for each of their shares, and Conectiv investors exchanged each of their common shares for $25 worth of PHI stock and cash, prorated 50/50.

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
43.57	46.71	48.88	41.66	31.27	26.02	22.09	18.64	19.49	*19.70*	*20.85*	*22.25*	Revenues per sh	*26.15*
3.47	3.30	3.55	2.82	2.97	3.00	3.21	3.01	3.16	*3.35*	*3.40*	*3.50*	"Cash Flow" per sh	*4.30*
1.33	1.53	1.93	1.06	1.24	1.14	1.24	1.14	.96	*1.05*	*1.15*	*1.22*	Earnings per sh A	*2.00*
1.04	1.04	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.08	*1.08*	*1.08*	Div'd Decl'd per sh B ■	*1.08*
2.47	3.11	3.57	3.89	3.56	4.14	5.29	5.23	4.89	*5.20*	*5.20*	*5.00*	Cap'l Spending per sh	*4.00*
18.82	20.04	19.14	19.15	18.79	19.06	19.33	17.24	17.27	*18.10*	*18.45*	*18.60*	Book Value per sh C	*20.30*
191.93	200.51	218.91	222.27	225.08	227.50	230.02	250.32	250.32	*254.00*	*254.00*	*254.00*	Common Shs Outst'g D	*260.00*
18.1	18.2	12.2	13.7	14.0	16.7	15.6	17.5	26.0	*25.1*	*Bold figures are*		Avg Ann'l P/E Ratio	*14.0*
.98	.97	.73	.91	.89	1.05	.99	.98	1.37	*1.27*	*Value Line*		Relative P/E Ratio	*.90*
4.3%	3.7%	4.6%	7.4%	6.2%	5.7%	5.6%	5.4%	4.3%	4.1%	*estimates*		Avg Ann'l Div'd Yield	*3.9%*

CAPITAL STRUCTURE as of 9/30/15
Total Debt $6467 mill. **Due in 5 Yrs** $1196 mill.
LT Debt $5028 mill. **LT Interest** $260 mill.
(LT interest earned: 3.7x)

Pension Assets-12/14 $2.0 bill. **Oblig.** $2.2 bill.

Pfd Stock None

Common Stock 253,617,191 shs.
as of 10/16/15

MARKET CAP: $6.6 billion (Large Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
8362.9	9366.4	10700	9259.0	7039.0	5920.0	5081.0	4666.0	4878.0	*5000*	*5400*	*5650*	Revenues ($mill)	*6700*
254.4	296.5	400.0	235.0	276.0	257.0	285.0	280.0	242.0	*280*	*300*	*320*	Net Profit ($mill)	*525*
39.1%	39.3%	29.6%	31.9%	18.8%	37.2%	35.4%	35.3%	36.3%	*35.0%*	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
- -	- -	- -	- -	- -	10.1%	7.4%	6.4%	8.3%	*6.0%*	*5.0%*	*5.0%*	AFUDC % to Net Profit	*4.0%*
54.6%	54.1%	56.2%	53.8%	49.0%	49.1%	47.3%	48.4%	50.7%	*51.0%*	*52.0%*	*52.5%*	Long-Term Debt Ratio	*53.0%*
45.1%	45.9%	43.8%	46.2%	51.0%	50.9%	52.7%	51.6%	49.3%	*49.5%*	*48.0%*	*47.5%*	Common Equity Ratio	*47.0%*
8004.0	8753.0	9568.0	9203.0	8292.0	8516.0	8432.0	8368.0	8763.0	*9505*	*9875*	*9900*	Total Capital ($mill)	*11215*
7576.6	7876.7	8314.0	8863.0	7673.0	8220.0	8846.0	9704.0	10506	*10000*	*10500*	*10700*	Net Plant ($mill)	*12000*
5.1%	5.1%	5.8%	4.5%	5.1%	4.5%	4.9%	4.9%	4.2%	*5.0%*	*5.0%*	*5.5%*	Return on Total Cap'l	*6.0%*
7.0%	7.4%	9.5%	5.5%	6.5%	5.9%	6.4%	6.5%	5.6%	*8.0%*	*8.0%*	*8.0%*	Return on Shr. Equity	*10.0%*
7.0%	7.4%	9.5%	5.5%	6.5%	5.9%	6.4%	6.5%	5.6%	*8.0%*	*8.0%*	*8.0%*	Return on Com Equity E	*10.0%*
1.5%	2.3%	4.2%	NMF	.8%	.3%	.8%	.2%	NMF	*2.1%*	*2.3%*	*2.5%*	Retained to Com Eq	*4.5%*
78%	68%	56%	101%	87%	95%	87%	96%	112%	*105%*	*94%*	*89%*	All Div'ds to Net Prof	*53%*

ELECTRIC OPERATING STATISTICS

	2012	2013	2014
% Change Retail Sales (KWH)	NA	NA	NA
Avg. Resid'l Use (KWH)	10451	10405	10500
Avg. Resid'l Revs. per KWH(¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.3	+.6	+1.7
Fixed Charge Cov. (%)	253	246	250

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '19-'21
Revenues	-7.0%	-15.0%	*2.5%*
"Cash Flow"	-1.0%	-0.5%	*5.0%*
Earnings	-3.0%	-6.0%	*8.0%*
Dividends	3.0%	- -	*Nil*
Book Value	- -	-1.5%	*NMF*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1178	1053	1344	1091	4666.0
2014	1330	1117	1313	1118	4878.0
2015	1371	1140	1362	*1127*	*5000*
2016	*1350*	*1200*	*1550*	*1300*	*5400*
2017	*1410*	*1270*	*1610*	*1360*	*5650*

Cal-endar	EARNINGS PER SHARE AF Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.24	.22	.44	.24	1.14
2014	.30	.21	.31	.14	.96
2015	.21	.21	.36	*.27*	*1.05*
2016	*.23*	*.23*	*.39*	*.30*	*1.15*
2017	*.25*	*.25*	*.41*	*.31*	*1.22*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.27	.27	.27	.27	1.08
2013	.27	.27	.27	.27	1.08
2014	.27	.27	.27	.27	1.08
2015	.27	.27	.27	.27	1.08
2016					

BUSINESS: Pepco Holdings, Inc. consists mainly of three electric utility subsidiaries: Potomac Electric Power Co., serving Washington, D.C. and adjoining areas of Maryland; Delmarva Power, which serves the peninsula area of Delaware, Maryland and Virginia; and Atlantic City Electric, serving southern New Jersey. In July 2010, Pepco sold competitive energy business (Conectiv Energy) to Calpine Corp. Electricity customers: 1.8 million; gas customers: 125,000. Electricity breakdown: residential, 40%; commercial, 41%; other, 19%. 2014 depreciation rate: 2.5%. Has approximately 5,125 employees as of 12/31/14. Chrmn., Pres. & CEO: Joseph M. Rigby. Inc.: DE. Address: 701 Ninth Street, N.W., Wash., D.C. 20068. Telephone.: 202-872-2000. Internet: www.pepcoholdings.com.

March 4th may be make or break for Pepco Holdings' acquisition by Exelon Corp. Indeed, Christopher Crane, the CEO of Exelon, said during a recent conference call with equity analysts that his company will walk away from its planned merger with Pepco if the District of Columbia Public Service Commission (DCPSC) doesn't issue a ruling on the deal by that date. The DCPSC had previously suggested that it would make a decision by March 4th only to backtrack later, saying that it was under no obligation to meet the deadline. For his part, Mr. Crane has said that, absent a March 4th ruling, Exelon will begin buying back the nearly 58 million shares that it issued to help fund the $6.8 billion deal. This which would effectively end the 20-month courtship. That said, it is possible that CEO Crane was posturing a bit, given what's been a rather lengthy – and likely exhausting – merger review.

We still believe that a deal could get done. Underpinning our confidence is a belief that the long list of proposed merger concessions is sufficient enough to allay concerns that the marriage is not in the public interest. To that point, the two utilities have already said that they'll provide affordable rates for low-income households and invest further in clean, renewable energy. Chicago-based Exelon has also agreed to relocate a portion of the post-merger utility's headquarters to the DC area.

Our Timeliness rank for Pepco shares remains suspended due to the pending merger. At the recent quotation, the stock is trading approximately 4% below Exelon's $27.25-a-share, all-cash takeover offer. That said, we still recommend that investors take profits here, given the odds – however slim – that the deal is blocked. Were that to happen, a reversion to Pepco's premerger announcement trading levels (of $19 and change per share) is possible in our view, partly reflecting the unwinding of large arbitrage-related positions. It is also worth noting that, with its lackluster earnings record, Pepco hasn't increased its dividend in more than seven years. Accordingly, income-seeking investors should look elsewhere for utility industry exposure.

Nils C. Van Liew *February 19, 2016*

(A) Based on dil. shs. Excl. nonrecur. items: '05, 47¢; '06, d1¢; '08, 46¢; '10, 62¢ '13, 69¢. Next egs. rpt. due early March. **(B)** Div'ds paid in early March, June, Sep., and Dec. ■ Div'd reinvest. plan. **(C)** Incl. def'd chgs: '14, $4.5 bill. or $17.80/sh. **(D)** In mill. **(E)** Rate allowed in MD: 9.62% ('14-Pepco), 10.0% ('09-Delmarva); DC: 9.6% ('10-Pep.); DEL: 10.0% ('06-Del.); NJ: 9.75% ('14-ACE); Earned on '14 avg. com. eq., 5.6%. Reg. Clim.: Avg. **(F)** Qtrly egs. may not add due to chng. in shs.

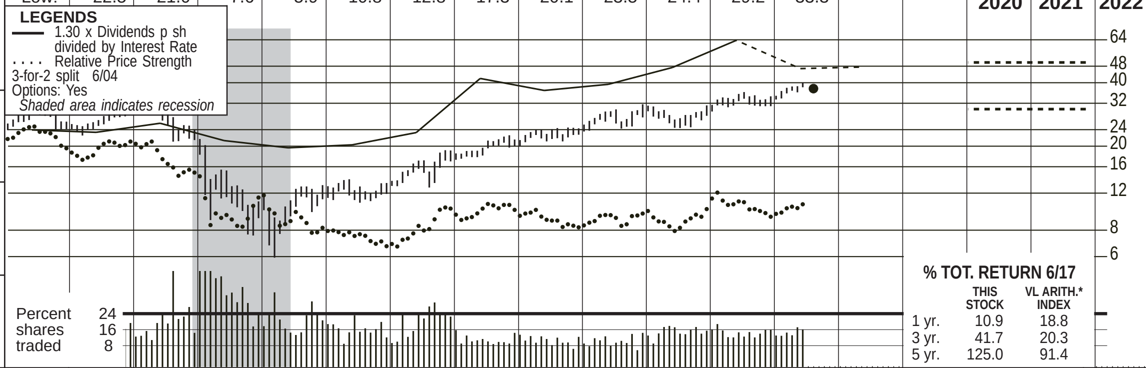
Company's Financial Strength	B+
Stock's Price Stability	95
Price Growth Persistence	20
Earnings Predictability	70

PNM RESOURCES NYSE-PNM

RECENT PRICE	37.55	P/E RATIO	20.3 (Trailing: 20.9 / Median: 17.0)	RELATIVE P/E RATIO	1.03	DIV'D YLD	2.6%	VALUE LINE

TIMELINESS **1** Raised 5/5/17
SAFETY **3** Lowered 5/9/08
TECHNICAL **2** Raised 7/21/17
BETA .75 (1.00 = Market)

High:	32.1	34.3	21.7	13.1	14.0	19.2	22.5	24.5	31.6	31.2	36.2	40.1
Low:	22.5	21.0	7.6	5.9	10.8	12.8	17.3	20.1	23.5	24.4	29.2	33.3



Target Price Range
2020 | 2021 | 2022

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+35%)	10%
Low	30	(-20%)	-2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	6	0	8
to Sell	0	0	0	0	0	0	2	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	98	127	108
to Sell	129	108	111
Hld's(000)	75779	77690	84373

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	10.9	18.8
3 yr.	41.7	20.3
5 yr.	125.0	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
40.09	19.92	24.11	26.54	30.19	32.25	24.92	22.65	19.01	19.31	21.35	16.85	17.42	18.03	18.07	17.11	**18.15**	**18.75**	Revenues per sh	**20.30**
4.31	2.83	3.05	3.14	3.56	3.57	2.54	1.76	2.32	2.67	3.18	3.38	3.51	3.62	3.98	4.28	**4.50**	**4.65**	"Cash Flow" per sh	**4.70**
2.61	1.07	1.15	1.43	1.56	1.72	.76	.11	.58	.87	1.08	1.31	1.41	1.45	1.64	1.65	**1.85**	**1.80**	Earnings per sh A	**2.50**
.53	.57	.61	.63	.79	.86	.91	.61	.50	.50	.50	.58	.68	.76	.80	.88	**.97**	**1.07**	Div'd Decl'd per sh B ■†	**1.37**
4.51	4.09	2.78	2.25	3.07	4.04	5.94	3.99	3.32	3.25	4.10	3.88	4.37	5.78	7.01	7.53	**5.65**	**5.50**	Cap'l Spending per sh	**5.50**
17.25	16.60	17.84	18.19	18.70	22.09	22.03	18.89	18.90	17.60	19.62	20.05	20.87	22.39	20.78	21.04	**23.60**	**24.50**	Book Value per sh C	**25.50**
58.68	58.68	60.39	60.46	68.79	76.65	76.81	86.53	86.67	86.67	79.65	79.65	79.65	79.65	79.65	79.65	**80.00**	**80.00**	Common Shs Outst'g D	**80.00**
7.3	15.1	14.7	15.0	17.4	15.6	35.6	NMF	18.1	14.0	14.5	15.0	16.1	18.7	16.8	19.8	*Bold figures are*		Avg Ann'l P/E Ratio	**16.0**
.37	.82	.84	.79	.93	.84	1.89	NMF	1.21	.89	.91	.95	.90	.98	.85	1.04	*Value Line*		Relative P/E Ratio	**1.00**
2.8%	3.5%	3.6%	2.9%	2.9%	3.2%	3.4%	4.9%	4.8%	4.1%	3.2%	3.0%	3.0%	2.8%	2.9%	2.7%	*estimates*		Avg Ann'l Div'd Yield	**3.4%**

CAPITAL STRUCTURE as of 3/31/17
Total Debt $2687.3 mill. **Due in 5 Yrs** $1602 mill.
LT Debt $1969.3 mill. **LT Interest** $110 mill.
(LT interest earned: 2.4x)
Pension Assets-12/16 $604.2 mill.
Oblig. $688.8 mill.

Pfd Stock $11.5 mill. **Pfd Div'd** $.5 mill.
115,293 shs. 4.58%, $100 par w/o mandatory redemption. Sinking fund began 2/1/84.

Common Stock 79,653,624 shs.
as of 4/24/17
MARKET CAP: $3.0 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1914.0	1959.5	1647.7	1673.5	1700.6	1342.4	1387.9	1435.9	1439.1	1363.0	**1450**	**1500**	Revenues ($mill)	**1625**
59.9	8.1	53.5	80.0	96.6	105.6	113.5	116.3	131.5	132.4	**150**	**145**	Net Profit ($mill)	**190**
5.1%	40.4%	30.4%	32.6%	38.8%	31.4%	31.6%	34.8%	34.5%	33.9%	**35.0%**	**35.0%**	Income Tax Rate	**35.0%**
- -	- -	6.4%	7.1%	8.8%	7.2%	1.3%	- -	1.3%	1.5%	**2.0%**	**3.0%**	AFUDC % to Net Profit	**8.0%**
42.0%	45.6%	48.7%	50.4%	51.5%	50.9%	50.0%	47.8%	54.1%	55.7%	**53.5%**	**53.0%**	Long-Term Debt Ratio	**52.5%**
57.6%	54.0%	51.0%	49.2%	48.1%	48.7%	49.7%	51.9%	45.5%	44.0%	**45.5%**	**46.0%**	Common Equity Ratio	**46.5%**
2935.8	3025.4	3214.9	3100.3	3245.6	3277.9	3344.0	3437.1	3633.3	3806.8	**4025**	**4150**	Total Capital ($mill)	**4385**
2935.4	3192.0	3332.4	3444.4	3627.1	3746.5	3933.9	4270.0	4535.4	4904.7	**4900**	**5050**	Net Plant ($mill)	**5270**
3.4%	1.9%	3.1%	4.2%	4.5%	5.1%	5.2%	5.1%	5.2%	5.2%	**5.5%**	**5.5%**	Return on Total Cap'l	**6.0%**
3.5%	.5%	3.2%	5.2%	6.1%	6.6%	6.8%	6.5%	7.9%	7.8%	**8.0%**	**8.0%**	Return on Shr. Equity	**9.5%**
3.5%	.5%	3.2%	5.2%	6.1%	6.6%	6.8%	6.5%	7.9%	7.9%	**8.0%**	**8.0%**	Return on Com Equity E	**9.5%**
NMF	NMF	.4%	2.2%	3.3%	3.8%	3.7%	3.2%	4.1%	3.7%	**3.5%**	**3.5%**	Retained to Com Eq	**3.5%**
117%	NMF	86%	58%	47%	43%	45%	51%	49%	54%	**52%**	**53%**	All Div'ds to Net Prof	**56%**

ELECTRIC OPERATING STATISTICS[F]

	2014	2015	2016
% Change Retail Sales (KWH)	-2.9	-2.1	+2.1
Avg. Indust. Use (MWH)	N/A	N/A	N/A
Avg. Indust. Revs. per KWH (¢)	N/A	N/A	N/A
Capacity at Peak (Mw)	2572	2707	2787
Peak Load, Summer (Mw)	2008	1948	1889
Annual Load Factor (%)	N/A	N/A	N/A
% Change Customers (yr-end)	+.7	+.6	+.9
Fixed Charge Cov. (%)	241	250	N/A

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-5.0%	-2.5%	1.5%
"Cash Flow"	1.5%	8.0%	5.0%
Earnings	- -	13.5%	9.0%
Dividends	0.5%	10.0%	10.0%
Book Value	1.0%	2.5%	3.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	328.9	346.2	413.9	346.9	1435.9
2015	332.9	352.9	417.4	335.9	1439.1
2016	311.0	315.4	400.4	336.2	1363.0
2017	330.2	**335**	**425**	**359.8**	**1450**
2018	**340**	**345**	**440**	**375**	**1500**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.16	.36	.69	.24	1.45
2015	.21	.44	.76	.23	1.64
2016	.13	.40	.78	.34	1.65
2017	.28	**.42**	**.79**	**.36**	**1.85**
2018	**.27**	**.41**	**.77**	**.35**	**1.80**

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.145	.165	.165	.165	.64
2014	.185	.185	.185	.185	.74
2015	.20	.20	.20	.20	.80
2016	.22	.22	.22	.22	.88
2017	.2425	.2425			

BUSINESS: PNM Resources is a holding company with two regulated electric utilities. Its Public Service of New Mexico unit (PNM) provides power generation, tranmission, and distribution services across north central New Mexico, including the cities of Albuquerque and Santa Fe. Texas-New Mexico Power Company (TNMP) transmits and distributes power throughout New Mexico. Electric rev. breakdown '16: residential, 29%; commercial, 31%; industrial, 18%; other, 22%. Fuels: coal, 57%; nuclear, 30%; gas/oil, 12%; solar, 1%. Fuel costs: 49% of revenues. '16 depreciation rate: 3.3%. Has 1,881 employees. Chairman, President & CEO: Patricia K. Collawn. Inc.: NM. Address: 414 Silver Ave. SW, Albuquerque, NM. 87102. Tel.: 505-241-2700. Internet: www.pnmresources.com.

PNM Resources has filed a proposed settlement agreement in a general rate case. Indeed, in early May, the holding company's regulated power unit (Public Service of New Mexico) submitted a revised plan to increase retail electricity rates that apparently has the backing of key constituencies, including Wal-Mart and the Sierra Club. Notably, it is our understanding that the rate hike will now likely be phased in over a two-year period (+3,9% in 2018; +3.4% in 2019), rather than all at once, and that the slower implementation will make 2018 something of a transitional year. With that in mind, we have lowered our share-net call for next year by $0.20, to $1.80.

We still look for earnings to reach $2.50 a share within the next three to five years. Key to achieving that goal will be the utility's ability to both earn authorized returns on its regulated businesses and minimize regulatory lag. A better regional economy should help, as well. On that front, certain leading indicators of residential and commercial growth recently turned positive. What's more, Facebook's recent decision to build a data center in Los Lunas (south of Albuquerque) may spur other companies to consider the Land of Enchantment for major projects.

PNM will next review its dividend policy sometime in December. At that meeting, we expect the board of directors to raise the quarterly distribution by roughly 10%, to 26.7 cents a share. What's more, it appears that PNM remains committed to increasing the dividend at a rate that's slightly above targeted earnings growth of 8% or so, as it looks to potentially reach a payout ratio that is closer to 60%.

Shares of PNM Resources are now ranked 1 (Highest) for relative year-ahead price performance, having moved up a notch on our Timeliness scale since late April. At the stock's recent quotation, however, long-term total return potential is unremarkable. At 2.6%, the dividend yield is nearly 70 basis points below that of the leading utility ETF (the XLU). What's more, the issue is already trading within our 3- to 5-year Target Price Range.

Nils C. Van Liew *July 28, 2017*

(A) EPS dil. Excl. n/r gains (losses): '01, (15¢); '03, 67¢; '05, (56¢); '08, ($3.77); '10, ($1.36); '11, 88¢. '13, (16); Excl. disc. ops.: '08, 42¢; '09, 78¢. Egs. may not sum due to rounding. Next egs. rpt. due early Aug. (B) Div'ds hist. pd. in Feb., May, Aug., Nov. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. (C) Incl. intang. '15: $3.49/sh. (D) In mill., adjust. for split. (E) Rate base: net orig. cost. ROE allowed in '11: 10.0%; earned on avg. com. eq., '13: 10.0%. Reg. Climate: Below Avg. (F) Excl. First Choice.

Company's Financial Strength	B
Stock's Price Stability	90
Price Growth Persistence	65
Earnings Predictability	75

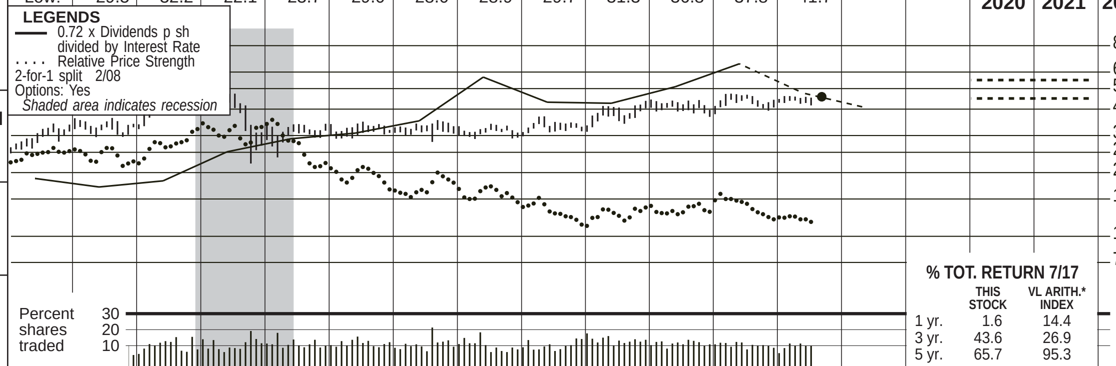
P.S. ENTERPRISE GP. NYSE-PEG

RECENT PRICE **45.77** | P/E RATIO **15.2** (Trailing: 14.8 / Median: 13.0) | RELATIVE P/E RATIO **0.80** | DIV'D YLD **3.8%** | VALUE LINE

TIMELINESS 4 Lowered 6/16/17
SAFETY 1 Raised 11/23/12
TECHNICAL 3 Lowered 8/11/17
BETA .70 (1.00 = Market)

High:	36.3	49.9	52.3	34.1	34.9	35.5	34.1	37.0	43.8	44.4	47.4	46.1
Low:	29.5	32.2	22.1	23.7	29.0	28.0	28.9	29.7	31.3	36.8	37.8	41.7

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+20%)	8%
Low	45	(Nil)	4%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	0	0	0	0	0	0	0
Options	1	1	1	3	7	5	1	1	1
to Sell	1	1	1	2	1	3	1	3	1

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	280	327	327
to Sell	299	303	305
Hld's(000)	326956	331155	384107

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	1.6	14.4
3 yr.	43.6	26.9
5 yr.	65.7	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
23.84	18.62	23.54	23.09	24.74	24.07	25.28	27.94	24.57	23.31	22.42	19.33	19.71	21.52	20.61	18.22	18.75	19.15	Revenues per sh	21.75
3.14	3.01	2.92	3.02	3.42	3.91	4.36	4.68	4.98	5.27	5.36	4.87	5.17	5.82	6.15	5.07	5.65	5.80	"Cash Flow" per sh	7.00
1.85	1.88	1.88	1.52	1.79	1.85	2.59	2.90	3.08	3.07	3.11	2.44	2.45	2.99	3.30	2.83	2.95	2.90	Earnings per sh A	3.25
1.08	1.08	1.08	1.10	1.12	1.14	1.17	1.29	1.33	1.37	1.37	1.42	1.44	1.48	1.56	1.64	1.72	1.80	Div'd Decl'd per sh B ■†	2.10
4.99	4.03	2.86	2.64	2.04	2.01	2.65	3.50	3.55	4.27	4.12	5.09	5.56	5.58	7.65	8.32	9.10	6.40	Cap'l Spending per sh	5.25
10.05	8.85	11.71	12.05	11.99	13.35	14.35	15.36	17.37	19.04	20.30	21.31	22.95	24.09	25.86	26.01	26.00	27.15	Book Value per sh C	30.75
411.68	450.53	472.27	476.20	502.33	505.29	508.52	506.02	505.99	505.97	505.95	505.89	505.86	505.84	505.28	504.87	506.00	506.00	Common Shs Outst'g D	506.00
12.0	10.0	10.6	14.3	16.5	17.8	16.5	13.6	10.0	10.4	10.4	12.8	13.5	12.6	12.4	15.3	Bold figures are		Avg Ann'l P/E Ratio	15.5
.61	.55	.60	.76	.88	.96	.88	.82	.67	.66	.65	.81	.76	.66	.62	.81	Value Line		Relative P/E Ratio	.95
4.9%	5.7%	5.4%	5.1%	3.8%	3.5%	2.7%	3.3%	4.3%	4.3%	4.2%	4.6%	4.4%	3.9%	3.8%	3.8%	estimates		Avg Ann'l Div'd Yield	4.0%

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
12853	14139	12431	11793	11343	9781	9968	10886	10415	9198	9500	9700	Revenues ($mill)	11000
1323.0	1477.0	1567.0	1557.0	1577.0	1239.0	1243.0	1518.0	1679.0	1436.0	1510	1480	Net Profit ($mill)	1730
44.5%	45.9%	42.3%	40.5%	40.4%	36.2%	39.5%	38.2%	37.4%	31.7%	37.0%	37.0%	Income Tax Rate	37.0%
2.7%	3.2%	3.8%	5.5%	2.7%	4.8%	4.6%	4.5%	5.5%	8.4%	8.0%	5.0%	AFUDC % to Net Profit	3.0%
54.0%	50.5%	46.3%	44.8%	42.1%	38.3%	40.4%	40.4%	40.3%	45.3%	47.0%	47.5%	Long-Term Debt Ratio	49.5%
45.5%	49.0%	53.2%	55.2%	57.9%	61.7%	59.6%	59.6%	59.7%	54.7%	53.0%	52.5%	Common Equity Ratio	50.5%
16041	15856	16513	17452	17731	17467	19470	20446	21900	24025	24750	26125	Total Capital ($mill)	31000
13275	14433	15440	16390	17849	19736	21645	23589	26539	29286	32025	33875	Net Plant ($mill)	37400
10.4%	11.2%	11.0%	10.4%	10.2%	8.1%	7.5%	8.4%	8.6%	6.8%	7.0%	6.5%	Return on Total Cap'l	6.5%
17.9%	18.8%	17.7%	16.2%	15.4%	11.5%	10.7%	12.5%	12.9%	10.9%	11.5%	11.0%	Return on Shr. Equity	11.0%
18.1%	19.0%	17.8%	16.2%	15.4%	11.5%	10.7%	12.5%	12.9%	10.9%	11.5%	11.0%	Return on Com Equity E	11.0%
9.9%	10.5%	10.1%	9.0%	8.6%	4.8%	4.4%	6.3%	6.8%	4.6%	5.0%	4.0%	Retained to Com Eq	4.5%
45%	45%	43%	45%	44%	58%	59%	49%	47%	58%	58%	62%	All Div'ds to Net Prof	61%

CAPITAL STRUCTURE as of 6/30/17
Total Debt $12521 mill. **Due in 5 Yrs** $5493 mill.
LT Debt $11621 mill. **LT Interest** $447 mill.
(LT interest earned: 6.3x)

Leases, Uncapitalized Annual rentals $29 mill.

Pension Assets-12/16 $5193 mill. **Oblig** $5772 mill.

Pfd Stock None

Common Stock 505,889,953 shs.
as of 7/18/17
MARKET CAP: $23 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-1.3	+2.4	-.3
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH(¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	9474	9595	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	NA	NA	NA
Fixed Charge Cov. (%)	635	705	522

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-1.5%	-3.0%	1.5%
"Cash Flow"	5.0%	2.0%	3.5%
Earnings	6.0%	-.5%	1.0%
Dividends	3.5%	3.0%	5.0%
Book Value	7.5%	6.0%	3.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	3223	2249	2641	2773	10886
2015	3135	2314	2688	2278	10415
2016	2616	1905	2587	2090	9198
2017	2592	2133	2525	2250	9500
2018	2750	2100	2550	2300	9700

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.76	.42	.87	.94	2.99
2015	1.15	.68	.87	.60	3.30
2016	.93	.37	.94	.59	2.83
2017	.94	.69	.81	.51	2.95
2018	1.00	.60	.80	.50	2.90

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.36	.36	.36	.36	1.44
2014	.37	.37	.37	.37	1.48
2015	.39	.39	.39	.39	1.56
2016	.41	.41	.41	.41	1.64
2017	.43	.43			

BUSINESS: Public Service Enterprise Group Incorporated is a holding company for Public Service Electric and Gas Company (PSE&G), which serves 2.2 million electric and 1.8 million gas customers in New Jersey, and PSEG Power LLC, a nonregulated power generator with nuclear, gas, and coal-fired plants in the Northeast. PSEG Energy Holdings is involved in renewable energy. The company no longer breaks out data on electric and gas operating statistics. Fuel costs: 31% of revenues. '15 reported depreciation rate (utility): 2.5%. Has 12,700 employees. Chairman, President & Chief Executive Officer: Dr. Ralph Izzo. Inc.: New Jersey. Address: 80 Park Plaza, P.O. Box 1171, Newark, New Jersey 07101-1171. Telephone: 973-430-7000. Internet: www.pseg.com.

We expect Public Service Enterprise Group's earnings will remain in a narrow range in 2017 and 2018. The company's utility subsidiary, Public Service Electric and Gas, is benefiting from regulatory mechanisms in New Jersey that allow concurrent recovery of certain kinds of capital spending (e.g., a system-hardening program). PSE&G also benefits from a federally regulated forward-looking mechanism for transmission expenditures — and the utility's allowed return on equity for transmission is above that on distribution. On the other hand, the earning power of PSEG Power, the primary nonutility subsidiary, is being squeezed due to unfavorable market conditions. The company is focusing on what it can control, such as plant performance and operating expenses. Our 2017 earnings estimate is within PSEG's targeted range of $2.80-$3.00 a share.

Some regulatory matters are pending or upcoming. The New Jersey Board of Public Utilities is proposing changes in regulation that would allow utilities to seek approval of capital investment programs that would last up to five years. Recent programs have been approved for two or three years, with a possibility of an extension. Along these lines, PSE&G is proposing to continue its accelerated gas main replacement program for a five-year period. The utility expects to spend $2.7 billion over this span. Separately, PSE&G is required to file a general rate case by November 1, 2017. Its last general rate case was settled in 2010.

Despite the conditions in the power markets, there are still opportunities for investment. PSEG Power is building three gas-fired or dual-fuel (gas or oil) plants in Maryland, New Jersey, and Connecticut to replace old units. The total cost of the projects is estimated at $1.875 billion-$2.120 billion. The plants are expected to be completed next year in Maryland and New Jersey and in 2019 in Connecticut.

This stock is untimely, but has appeal for conservative income-oriented investors. It is ranked 1 (Highest) for Safety. The dividend yield and 3- to 5-year total return potential are above the norms for the electric utility industry.

Paul E. Debbas, CFA *August 18, 2017*

(A) Diluted EPS. Excl. nonrecur. gain (losses): '02, ($1.30); '05, (3¢); '06, (35¢); '08, (96¢); '09, 6¢; '11, (34¢); '12, 7¢; '16, (30¢); '17, ($1.20); gains (loss) from disc. ops.: '05, (33¢); '06, 12¢; '07, 3¢; '08, 40¢; '11, 13¢. Next egs. report due late Oct. (B) Div'ds histor. paid in late Mar., June, Sept., and Dec. ■ Div'd reinvest. plan avail. † Sharehold. invest. plan avail. (C) Incl. intang. In '16: $6.80/sh. (D) In mill., adj. for split. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '10: 10.3%; earned on avg. com. eq., '16: 10.8%. Reg. Climate: Avg.

Company's Financial Strength	A++
Stock's Price Stability	90
Price Growth Persistence	20
Earnings Predictability	65

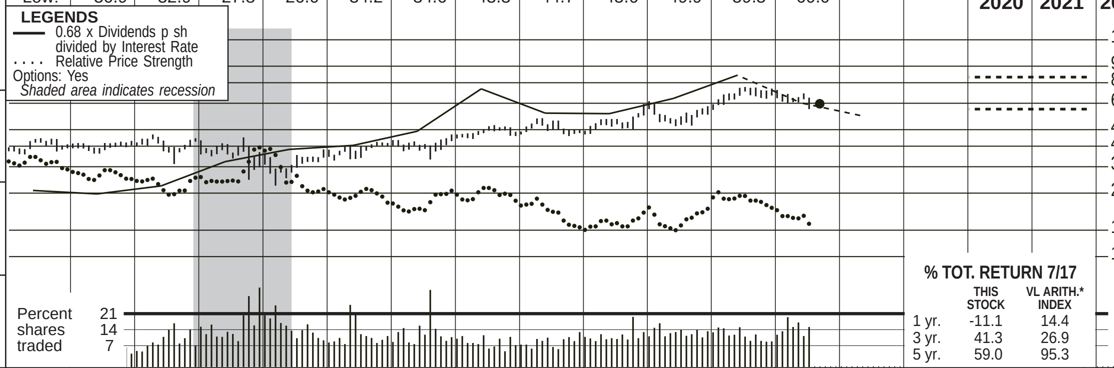
SCANA CORP. NYSE-SCG

RECENT PRICE 63.65 | P/E RATIO 14.9 (Trailing: 15.0 Median: 14.0) | RELATIVE P/E RATIO 0.78 | DIV'D YLD 4.0% | VALUE LINE

High:	42.4	45.5	44.1	38.6	42.0	45.5	50.3	54.4	63.4	65.6	76.4	74.1
Low:	36.9	32.9	27.8	26.0	34.2	34.6	43.3	44.7	45.6	49.9	59.5	60.0

TIMELINESS 2 Raised 8/18/17
SAFETY 2 Lowered 9/10/99
TECHNICAL 3 Lowered 8/11/17
BETA .65 (1.00 = Market)

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	85	(+35%)	11%
Low	60	(-5%)	3%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	0	0	0	0	0	0	0
Options	2	0	0	3	0	0	3	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	201	240	231
to Sell	215	220	251
Hld's(000)	92291	93634	111512

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-11.1	14.4
3 yr.	41.3	26.9
5 yr.	59.0	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
32.95	26.65	30.85	34.53	41.66	39.11	39.61	45.16	34.35	36.10	33.95	31.63	31.88	34.70	30.65	29.58	*29.40*	*31.25*	Revenues per sh	*38.00*
4.55	4.56	4.95	5.28	7.43	5.68	5.73	5.86	5.63	5.91	6.01	6.30	6.53	6.91	6.70	7.28	*7.45*	*7.95*	"Cash Flow" per sh	*9.75*
2.15	2.38	2.50	2.67	2.78	2.59	2.74	2.95	2.85	2.98	2.97	3.15	3.39	3.79	3.81	4.16	*4.15*	*4.25*	Earnings per sh A	*5.00*
1.20	1.30	1.38	1.46	1.56	1.68	1.76	1.84	1.88	1.90	1.94	1.98	2.03	2.10	2.18	2.30	*2.45*	*2.60*	Div'd Decl'd per sh B ■ †	*2.90*
4.99	6.41	6.94	4.86	3.38	4.52	6.21	7.68	7.41	6.87	6.81	8.16	7.84	7.65	8.07	11.05	*11.70*	*6.45*	Cap'l Spending per sh	*7.25*
20.95	19.64	20.82	21.78	23.35	24.39	25.37	25.85	27.63	29.05	29.94	31.47	33.08	34.95	38.09	40.06	*41.70*	*42.60*	Book Value per sh C	*46.25*
104.73	110.83	110.74	112.52	114.67	116.67	116.67	117.78	123.34	127.45	129.88	132.01	141.00	142.70	142.90	142.90	*142.90*	*137.50*	Common Shs Outst'g D	*125.00*
12.6	12.2	13.0	13.6	14.4	15.4	15.0	12.7	11.6	12.9	13.7	14.8	14.4	13.7	14.7	16.8	*Bold figures are*		Avg Ann'l P/E Ratio	*14.5*
.65	.67	.74	.72	.77	.83	.80	.76	.77	.82	.86	.94	.81	.72	.74	.89	*Value Line*		Relative P/E Ratio	*.90*
4.4%	4.5%	4.2%	4.0%	3.9%	4.2%	4.3%	4.9%	5.7%	4.9%	4.8%	4.2%	4.2%	4.1%	3.9%	3.3%	*estimates*		Avg Ann'l Div'd Yield	*4.0%*

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
4621.0	5319.0	4237.0	4601.0	4409.0	4176.0	4495.0	4951.0	4380.0	4227.0	*4200*	*4300*	Revenues ($mill)	*5000*
327.0	353.0	357.0	376.0	387.0	420.0	471.0	538.0	544.0	595.0	*600*	*600*	Net Profit ($mill)	*635*
29.2%	35.4%	32.0%	29.8%	30.3%	30.2%	32.1%	31.6%	31.8%	31.3%	*31.0%*	*31.5%*	Income Tax Rate	*33.0%*
4.6%	8.5%	14.3%	8.0%	5.4%	7.6%	8.7%	9.1%	7.7%	8.1%	*9.0%*	*4.0%*	AFUDC % to Net Profit	*3.0%*
48.4%	58.0%	56.8%	52.9%	54.3%	54.4%	53.6%	52.6%	51.9%	53.1%	*49.5%*	*53.5%*	Long-Term Debt Ratio	*54.0%*
49.7%	40.5%	43.2%	47.1%	45.7%	45.6%	46.4%	47.4%	48.1%	46.9%	*50.5%*	*46.5%*	Common Equity Ratio	*46.0%*
5952.0	7519.0	7891.0	7854.0	8511.0	9103.0	10059	10518	11325	12198	*11875*	*12575*	Total Capital ($mill)	*12600*
7538.0	8305.0	9009.0	9662.0	10047	10896	11643	12232	13425	14324	*15525*	*15925*	Net Plant ($mill)	*16900*
7.3%	6.2%	6.1%	6.5%	6.2%	6.3%	6.2%	6.6%	6.2%	6.3%	*6.5%*	*6.0%*	Return on Total Cap'l	*6.5%*
10.6%	11.2%	10.5%	10.2%	10.0%	10.1%	10.1%	10.8%	10.0%	10.4%	*10.0%*	*10.5%*	Return on Shr. Equity	*11.0%*
10.8%	11.4%	10.2%	10.2%	10.0%	10.1%	10.1%	10.8%	10.0%	10.4%	*10.0%*	*10.5%*	Return on Com Equity E	*11.0%*
4.0%	4.4%	3.6%	3.8%	3.6%	3.9%	4.1%	4.9%	4.3%	4.7%	*4.0%*	*4.0%*	Retained to Com Eq	*4.5%*
64%	62%	66%	63%	64%	61%	60%	55%	57%	55%	*59%*	*61%*	All Div'ds to Net Prof	*58%*

CAPITAL STRUCTURE as of 6/30/17
Total Debt $7760 mill. **Due in 5 Yrs** $2749 mill.
LT Debt $6455 mill. **LT Interest** $365 mill.
(LT interest earned: 3.4x)

Leases, Uncapitalized Annual rentals $31 mill.
Pension Assets-12/16 $793.6 mill.
Oblig $904.3 mill.
Pfd Stock None

Common Stock 142,916,917 shs.
as of 7/31/17
MARKET CAP: $9.1 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+4.7	-.9	+1.6
Avg. Indust. Use (MWH)	NA	NA	7991
Avg. Indust. Revs. per KWH (¢)	NA	NA	7.07
Capacity at Yearend (Mw)	5237	5234	5233
Peak Load, Summer (Mw)	4853	4970	4807
Annual Load Factor (%)	NA	NA	58.5
% Change Customers (yr-end)	+1.4	+1.5	+1.6
Fixed Charge Cov. (%)	307	323	319

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-2.0%	-2.0%	*3.0%*
"Cash Flow"	1.5%	3.5%	*6.0%*
Earnings	4.0%	6.0%	*4.0%*
Dividends	3.5%	3.0%	*5.0%*
Book Value	5.0%	5.5%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1590	1026	1121	1214	4951.0
2015	1389	967	1068	956	4380.0
2016	1172	905	1093	1057	4227.0
2017	1173	1001	*1026*	*1000*	*4200*
2018	*1250*	*950*	*1050*	*1050*	*4300*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.37	.68	1.01	.73	3.79
2015	1.39	.69	1.04	.69	3.81
2016	1.23	.74	1.32	.87	4.16
2017	1.19	.85	*1.25*	*.86*	*4.15*
2018	*1.30*	*.80*	*1.30*	*.85*	*4.25*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.495	.5075	.5075	.5075	2.02
2014	.5075	.525	.525	.525	2.08
2015	.525	.545	.545	.545	2.16
2016	.545	.575	.575	.575	2.27
2017	.575	.6125	.6125		

BUSINESS: SCANA Corporation is a holding company for South Carolina Electric & Gas Company, which supplies electricity to 718,000 customers in central, southern, and southwestern South Carolina. Supplies gas service to 1.4 million customers in North Carolina, South Carolina, and Georgia. Electric revenue breakdown: residential, 46%; commercial, 33%; industrial, 17%; other, 4%. Generating sources: coal, 38%; gas & oil, 27%; nuclear, 23%; hydro & other, 4%; purchased, 8%. Fuel costs: 40% of revenues. '16 reported depreciation rate: 2.6%. Has 5,900 employees. Chairman, CEO & President: Kevin B. Marsh. Incorporated: South Carolina. Address: 100 SCANA Parkway, Cayce, South Carolina 29033. Telephone: 803-217-9000. Internet: www.scana.com.

SCANA's electric utility subsidiary has abandoned its nuclear construction project. South Carolina Electric & Gas had planned to build two units at the site of the Summer nuclear plant. However, the project had cost overruns and extensive delays. This led to the bankruptcy filing of the contractor, Westinghouse. The utility will receive a guarantee from Toshiba, Westinghouse's parent, but the $1.1 billion won't be nearly enough to complete the project. Considering that the co-owner did not want to proceed with construction, SCE&G had little choice but to abandon construction of both units.

SCE&G believes the project's costs are recoverable under the state's Base Load Review Act. The utility filed with the state commission to certify that abandonment was the best option. The commission's decision is due by February 1st. In November, SCE&G will file for revised rates, which should be effective in April. In order to mitigate the effect on customers' bills, the company proposes to amortize the cost of the project over a 60-year span and offset this with the proceeds from Toshiba. SCANA didn't take a write-down when it reported second-quarter results, but there is still regulatory uncertainty here. Note that 15 months of construction work in progress are not currently reflected in rates. In addition, the abandonment is politically unpopular.

The company's capital spending and financing plans have changed considerably. Instead of issuing common stock, SCANA expects to begin a buyback in 2018. The company tentatively plans to repurchase $1.2 billion through 2021. The reduction in shares outstanding should enable share net to approximate what it would have been had construction of the nuclear units continued. SCANA also plans to maintain its dividend policy, with a targeted payout ratio of 55%-65%.

Timely SCANA stock has performed poorly this year. Due to the problems surrounding the nuclear project, the price has declined more than 10% in what has been an excellent year for most utility issues. Although the dividend yield and 3- to 5-year total return potential are above the utility averages, investors need to be aware of the regulatory risks.

Paul E. Debbas, CFA *August 18, 2017*

(A) Diluted earnings. Excl. nonrecurring gains (losses): '01, $3.00; '02, ($3.72); '03, 31¢; '04, (23¢); '05, 3¢; '06, 9¢; '15, $1.41. Next earnings report due late Oct. (B) Div'ds historically paid in early Jan., Apr., July, & Oct. ■ Div'd reinvestment plan available. † Shareholder investment plan available. (C) Incl. intangibles. In '16: $14.91/sh. (D) In millions. (E) Rate base: Net original cost. Rate allowed on com. eq. in SC: 10.25% elec. in '13, 10.25% gas in '05; in NC: 9.7% in '16; earned on avg. com. eq., '16: 10.7%. Regulatory Climate: Above Average.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	50
Earnings Predictability	100

SOUTHERN COMPANY NYSE-SO

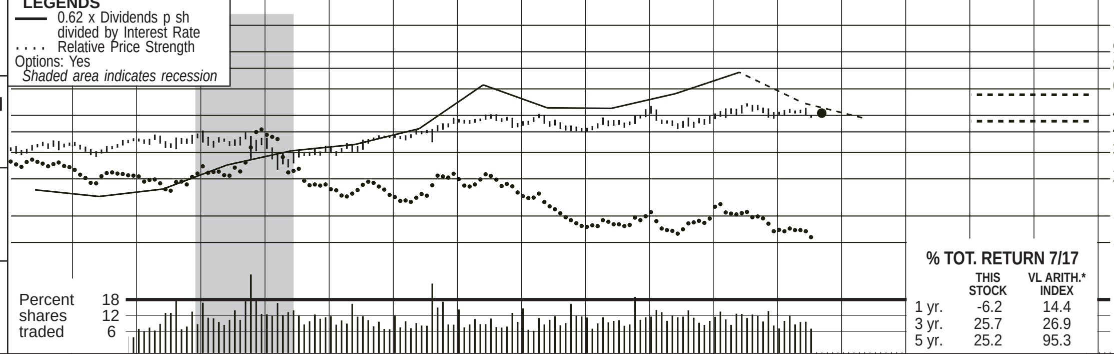
RECENT PRICE	49.12	P/E RATIO	16.8 (Trailing: 16.3, Median: 16.0)	RELATIVE P/E RATIO	0.88	DIV'D YLD	4.8%	VALUE LINE

TIMELINESS **4** Lowered 8/11/17
SAFETY **2** Lowered 2/21/14
TECHNICAL **3** Lowered 8/18/17
BETA .55 (1.00 = Market)

High:	37.4	39.3	40.6	37.6	38.6	46.7	48.6	48.7	51.3	53.2	54.6	52.0
Low:	30.5	33.2	29.8	26.5	30.8	35.7	41.8	40.0	40.3	41.4	46.0	46.7

Target Price Range
2020 | 2021 | 2022

LEGENDS
— 0.62 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+20%)	10%
Low	45	(-10%)	3%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	1	1	2	0	1	3
to Sell	0	0	0	1	0	3	0	1	3

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	524	570	572
to Sell	463	475	482
Hld's(000)	490983	522580	604511

Percent shares traded 18 12 6

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-6.2	14.4
3 yr.	25.7	26.9
5 yr.	25.2	95.3

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
14.54	14.73	15.31	16.05	18.28	19.24	20.12	22.04	19.21	20.70	20.41	19.06	19.26	20.34	19.18	20.09	*22.15*	*22.75*	Revenues per sh	*25.50*
3.55	3.46	3.53	3.65	4.03	4.01	4.22	4.43	4.43	4.51	4.91	5.18	5.27	5.28	5.47	5.69	*6.25*	*6.40*	"Cash Flow" per sh	*7.00*
1.61	1.85	1.97	2.06	2.13	2.10	2.28	2.25	2.32	2.36	2.55	2.67	2.70	2.77	2.84	2.83	*2.95*	*3.00*	Earnings per sh A	*3.50*
1.34	1.36	1.39	1.42	1.48	1.54	1.60	1.66	1.73	1.80	1.87	1.94	2.01	2.08	2.15	2.22	*2.30*	*2.38*	Div'd Decl'd per sh B ■ †	*2.62*
3.75	3.79	2.72	2.85	3.20	4.01	4.65	5.10	5.70	4.85	5.23	5.54	6.16	6.58	6.22	7.38	*8.70*	*7.95*	Cap'l Spending per sh	*7.00*
11.43	12.16	13.13	13.86	14.42	15.24	16.23	17.08	18.15	19.21	20.32	21.09	21.43	21.98	22.59	25.00	*24.30*	*25.20*	Book Value per sh C	*27.50*
698.34	716.40	734.83	741.50	741.45	746.27	763.10	777.19	819.65	843.34	865.13	867.77	887.09	907.78	911.72	990.39	*1022.0*	*1034.0*	Common Shs Outst'g D	*1040.0*
14.6	14.6	14.8	14.7	15.9	16.2	16.0	16.1	13.5	14.9	15.8	17.0	16.2	16.0	15.8	17.8	*Bold figures are*		Avg Ann'l P/E Ratio	*15.5*
.75	.80	.84	.78	.85	.87	.85	.97	.90	.95	.99	1.08	.91	.84	.80	.94	*Value Line*		Relative P/E Ratio	*.95*
5.7%	5.0%	4.7%	4.7%	4.4%	4.5%	4.4%	4.6%	5.5%	5.1%	4.6%	4.3%	4.6%	4.7%	4.8%	4.4%	*estimates*		Avg Ann'l Div'd Yield	*4.9%*

CAPITAL STRUCTURE as of 6/30/17
Total Debt $50190 mill. **Due in 5 Yrs** $17461 mill.
LT Debt $43885 mill. **LT Interest** $1536 mill.
(LT interest earned: 3.6x)
Leases, Uncapitalized Annual rentals $152 mill.
Pension Assets-12/16$11583 mill.**Ob** $12385 mill.
Pfd Stock $1972 mill. **Pfd Div'd** $45 mill.
Incl. 1 mill. shs. 4.2%-5.44% cum. pfd. ($100 par); 1.52 mill. shs. 5.2%-5.83% cum. pfd. ($1 par); 2 mill. shs. 6.0% noncum. pfd. ($25 par); 4 mill. shs. 5.6%-6.5% noncum. pfd. ($100 par); 8 mill. shs. 5.63%-6.5% noncum. pfd. ($1 par).
Common Stock 999,474,028 shs.
MARKET CAP: $49 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
15353	17127	15743	17456	17657	16537	17087	18467	17489	19896	*22650*	*23500*	Revenues ($mill)	*26450*
1782.0	1807.0	1910.0	2040.0	2268.0	2415.0	2439.0	2567.0	2647.0	2757.0	*3070*	*3190*	Net Profit ($mill)	*3645*
31.9%	33.6%	31.9%	33.5%	35.0%	35.6%	34.8%	33.8%	33.4%	28.5%	*33.5%*	*33.5%*	Income Tax Rate	*33.5%*
9.5%	12.3%	14.9%	13.7%	10.2%	9.4%	11.6%	13.9%	13.2%	11.9%	*12.0%*	*11.0%*	AFUDC % to Net Profit	*10.0%*
51.2%	53.9%	53.2%	51.2%	50.0%	49.9%	51.5%	49.5%	52.8%	61.5%	*62.5%*	*62.5%*	Long-Term Debt Ratio	*62.5%*
44.9%	42.6%	43.6%	45.7%	47.1%	47.3%	45.8%	47.3%	44.0%	35.7%	*35.0%*	*35.0%*	Common Equity Ratio	*35.0%*
27608	31174	34091	35438	37307	38653	41483	42142	46788	69359	*71050*	*74800*	Total Capital ($mill)	*81900*
33327	35878	39230	42002	45010	48390	51208	54868	61114	78446	*83950*	*88650*	Net Plant ($mill)	*99800*
7.9%	7.1%	6.9%	7.0%	7.2%	7.3%	6.8%	7.1%	6.6%	4.9%	*5.5%*	*5.5%*	Return on Total Cap'l	*5.5%*
13.2%	12.6%	12.0%	11.8%	12.2%	12.5%	12.1%	12.1%	12.0%	10.3%	*11.5%*	*11.5%*	Return on Shr. Equity	*12.0%*
14.0%	13.1%	12.4%	12.2%	12.5%	12.8%	12.5%	12.5%	12.6%	11.0%	*12.0%*	*12.0%*	Return on Com Equity E	*12.5%*
4.3%	3.5%	3.2%	3.0%	3.4%	3.6%	3.2%	3.2%	3.1%	2.5%	*2.5%*	*2.5%*	Retained to Com Eq	*3.0%*
70%	74%	75%	77%	73%	73%	75%	75%	76%	78%	*77%*	*78%*	All Div'ds to Net Prof	*76%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+3.3	-.7	+.2
Avg. Indust. Use (MWH)	3384	3371	3105
Avg. Indust. Revs. per KWH (¢)	6.37	5.88	6.01
Capacity at Yearend (Mw)	46549	44223	46291
Peak Load, Summer (Mw) F	37234	36794	35781
Annual Load Factor (%)	59.6	59.9	61.5
% Change Customers (yr-end)	+.8	+.9	+1.0
Fixed Charge Cov. (%)	417	433	330

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	1.0%	- -	*4.0%*
"Cash Flow"	3.5%	3.5%	*4.0%*
Earnings	3.0%	3.0%	*3.5%*
Dividends	4.0%	3.5%	*3.5%*
Book Value	5.0%	4.0%	*3.0%*

Cal-endar	QUARTERLY REVENUES (mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	4644	4467	5339	4017	18467
2015	4183	4337	5401	3568	17489
2016	3992	4459	6264	5181	19896
2017	5771	5430	*6200*	*5249*	*22650*
2018	*6050*	*5600*	*6400*	*5450*	*23500*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.66	.68	1.08	.36	2.77
2015	.56	.71	1.16	.42	2.84
2016	.57	.71	1.22	.33	2.83
2017	.73	.73	*1.06*	*.43*	*2.95*
2018	*.70*	*.75*	*1.10*	*.45*	*3.00*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.49	.5075	.5075	.5075	2.01
2014	.5075	.525	.525	.525	2.08
2015	.525	.5425	.5425	.5425	2.15
2016	.5425	.56	.56	.56	2.22
2017	.56	.58			

BUSINESS: The Southern Company, through its subs., supplies electricity to 4.6 million customers in GA, AL, FL, and MS. Also has a competitive generation business. Acq'd AGL Resources (renamed Southern Company Gas, 4.5 mill. customers in GA, FL, NJ, IL, VA, & TN) 7/16. Electric rev. breakdown: residential, 39%; commercial, 31%; industrial, 18%; other, 12%. Retail revs. by state: GA, 49%; AL, 35%; FL, 9%; MS, 7%. Generating sources: gas & oil, 42%; coal, 31%; nuclear, 15%; other, 4%; purchased, 8%. Fuel costs: 30% of revs. '16 reported depr. rate (utility): 3.0%. Has 32,000 employees. Chairman, President and CEO: Thomas A. Fanning. Inc.: DE. Address: 30 Ivan Allen Jr. Blvd., N.W., Atlanta, GA 30308. Tel.: 404-506-0747. Internet: www.southerncompany.com.

Southern Company's largest utility subsidiary is deciding whether to proceed with its nuclear construction project. Georgia Power is building two units at the site of the Vogtle nuclear station. The project has had delays and cost overruns, and received a blow when the contractor, Westinghouse, filed for bankruptcy protection. Westinghouse's parent, Toshiba, has agreed to pay the utility $1.7 billion whether or not it decides to complete the units. However, this is not nearly enough to complete the project. Georgia Power believes construction costs will exceed the $5.7 billion estimate it agreed to last year with the state regulators by $1.0 billion-$1.7 billion. The company expects to make a decision later this month. Our estimates and projections are based on a continuation of construction.

Another large construction project has had significant cost overruns. Mississippi Power was building a coal-gasification plant, but has been writing off construction costs that exceeded a $2.88 billion cap. Finally, the utility—prompted by the state commission—decided to cancel the gasifier and run the facility as a gas-fired plant. This resulted in a $2.0 billion aftertax ($2.09 a share) nonrecurring charge in the June quarter. Mississippi Power is trying to reach a settlement it can present to the commission regarding issues related to the plant. Moreover, Southern Company will issue an additional $1 billion in common equity in 2017 as a result of the writedown. This is one reason why we lowered our 2017 and 2018 share-earnings estimates by $0.05 and $0.10, respectively.

The aforementioned problems have weighed on the price of Southern Company stock. The share price has barely moved in 2017 in what has been an excellent year for most utility equities. Despite the problems, the company has stated that it has the earning power to continue raising the dividend by $0.08 a share annually. Southern Company's size and financial strength help in this regard.

This untimely stock has the highest dividend yield of any electric utility under our coverage. It has appeal for income-oriented investors who can tolerate the construction and regulatory risks.

Paul E. Debbas, CFA *August 18, 2017*

(A) Dil. EPS. Excl. nonrec. gain (losses): '03, 6¢; '09, (25¢); '13, (83¢); '14, (59¢); '15, (25¢); '16, (28¢); '17, ($2.18). '14 & '15 EPS don't add due to rounding. Next egs. report due early Nov. **(B)** Div'ds paid in early Mar., June, Sept., and Dec. ■ Div'd reinvest. plan avail. † Shrhldr. invest. plan avail. **(C)** Incl. def'd chgs. In '16: $17.26/sh. **(D)** In mill. **(E)** Rate base: AL, MS, fair value; FL, GA, orig. cost. All'd return on com. eq. (blended): 12.5%; earn. on avg. com. eq., '16: 11.8%. Regul. Climate: GA, AL Above Avg.; MS, FL Avg. **(F)** Winter peak in '14 & '15.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	25
Earnings Predictability	100

TECO ENERGY, INC. NYSE-TE

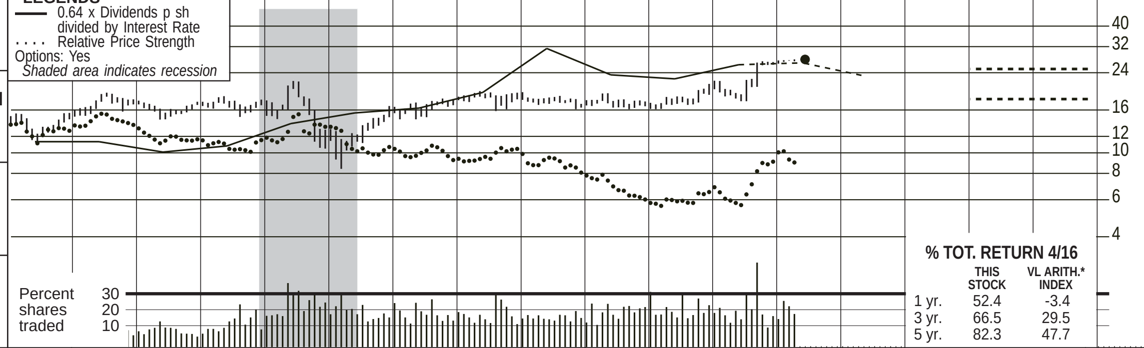
RECENT PRICE 27.76 | P/E RATIO 24.1 (Trailing: 25.9 Median: 16.0) | RELATIVE P/E RATIO 1.32 | DIV'D YLD 3.4% | VALUE LINE

TIMELINESS – Suspended 7/24/15
SAFETY 2 Raised 2/24/12
TECHNICAL – Suspended 7/24/15
BETA .80 (1.00 = Market)

High:	19.3	17.7	18.6	22.0	16.7	18.1	19.7	19.4	19.2	21.3	27.2	27.8
Low:	14.9	14.4	14.8	10.5	8.4	14.5	15.8	16.1	16.2	16.1	17.6	26.5

Target Price Range 2019 | 2020 | 2021

LEGENDS
— 0.64 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	25	(-10%)	1%
Low	18	(-35%)	-6%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	1	0	0	0	0
Options	2	0	0	1	2	0	6	3	0
to Sell	1	0	0	0	1	0	0	3	1

Institutional Decisions

	2Q2015	3Q2015	4Q2015
to Buy	144	152	139
to Sell	161	199	189
Hld's(000)	139893	152870	154969

Percent shares traded 30 20 10

% TOT. RETURN 4/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	52.4	-3.4
3 yr.	66.5	29.5
5 yr.	82.3	47.7

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
18.17	18.97	15.22	14.59	13.37	14.46	16.46	16.77	15.85	15.48	16.23	15.49	13.83	13.12	10.93	11.66	*11.00*	*11.40*	Revenues per sh	*12.50*
4.11	4.31	3.20	1.96	2.14	2.37	2.51	2.51	2.01	2.35	2.59	2.77	2.69	2.43	2.36	2.51	*2.65*	*2.90*	"Cash Flow" per sh	*3.50*
1.97	2.24	1.95	d.08	.71	1.00	1.17	1.27	.77	1.00	1.13	1.27	1.14	.92	.95	1.03	*1.15*	*1.25*	Earnings per sh A	*1.50*
1.33	1.37	1.41	.93	.76	.76	.76	.78	.80	.80	.82	.85	.88	.88	.88	.90	*.92*	*.94*	Div'd Decl'd per sh B ■	*1.00*
5.45	6.92	6.06	3.14	1.37	1.42	2.18	2.34	2.77	2.99	2.28	2.10	2.33	2.45	3.04	3.14	*3.00*	*2.35*	Cap'l Spending per sh	*2.25*
11.93	14.12	14.86	8.93	6.43	7.65	8.25	9.56	9.43	9.75	10.10	10.50	10.58	10.74	10.96	10.88	*11.05*	*11.35*	Book Value per sh C	*12.50*
126.30	139.60	175.80	187.80	199.70	208.20	209.50	210.90	212.90	213.90	214.90	215.80	216.60	217.30	234.90	235.30	*236.00*	*237.00*	Common Shs Outst'g D	*240.00*
11.9	12.9	11.0	- -	19.3	17.1	13.8	13.3	21.2	12.6	14.6	14.4	15.5	18.9	18.8	21.4	*Bold figures are*		Avg Ann'l P/E Ratio	*14.5*
.77	.66	.60	- -	1.02	.91	.75	.71	1.28	.84	.93	.90	.99	1.06	.99	1.08	*Value Line*		Relative P/E Ratio	*.90*
5.7%	4.8%	6.6%	7.4%	5.5%	4.4%	4.7%	4.6%	4.9%	6.3%	4.9%	4.6%	5.0%	5.1%	4.9%	4.1%	*estimates*		Avg Ann'l Div'd Yield	*4.8%*

CAPITAL STRUCTURE as of 3/31/16
Total Debt $4086.0 mill. **Due in 5 Yrs** $1800.5 mill.
LT Debt $3489.7 mill. **LT Interest** $159.8 mill.
(LT interest earned: 3.2x)

Leases, Uncapitalized Annual rentals $7.7 mill.

Pension Assets-12/15 $625.4 mill. **Oblig** $732.9 mill.

Pfd Stock None

Common Stock 235,550,000 shs. as of 4/29/16
MARKET CAP: $6.5 billion (Large Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
3448.1	3536.1	3375.3	3310.5	3487.9	3343.4	2996.6	2851.3	2566.4	2743.5	*2600*	*2700*	Revenues ($mill)	*3000*
244.4	265.8	162.4	213.9	242.9	272.6	246.0	197.8	213.1	241.2	*265*	*290*	Net Profit ($mill)	*360*
40.4%	40.7%	36.8%	31.6%	34.8%	36.1%	35.9%	35.5%	38.3%	39.2%	*38.5%*	*38.5%*	Income Tax Rate	*38.5%*
1.6%	2.3%	5.4%	6.5%	1.2%	.6%	1.7%	5.0%	7.4%	10.8%	*11.0%*	*2.0%*	AFUDC % to Net Profit	*1.0%*
65.0%	61.0%	61.5%	60.6%	59.2%	54.2%	56.5%	54.9%	56.6%	57.9%	*58.5%*	*58.5%*	Long-Term Debt Ratio	*58.0%*
35.0%	39.0%	38.5%	39.4%	40.8%	45.8%	43.5%	45.1%	43.4%	42.1%	*41.5%*	*41.5%*	Common Equity Ratio	*42.0%*
4941.6	5175.4	5214.3	5287.0	5317.8	4953.9	5264.5	5171.5	5928.7	6075.9	*6280*	*6450*	Total Capital ($mill)	*7175*
4766.9	4888.2	5221.3	5544.1	5841.0	5967.8	5990.1	6170.1	7088.2	7481.8	*7820*	*7985*	Net Plant ($mill)	*8275*
7.3%	7.3%	5.1%	6.0%	6.4%	7.4%	6.1%	5.4%	5.0%	5.3%	*5.5%*	*6.0%*	Return on Total Cap'l	*6.5%*
14.1%	13.2%	8.1%	10.3%	11.2%	12.0%	10.7%	8.5%	8.3%	9.4%	*10.0%*	*11.0%*	Return on Shr. Equity	*12.0%*
14.1%	13.2%	8.1%	10.3%	11.2%	12.0%	10.7%	8.5%	8.3%	9.4%	*10.0%*	*11.0%*	Return on Com Equity E	*12.0%*
5.0%	5.1%	NMF	2.1%	3.1%	3.9%	2.4%	.3%	.5%	1.2%	*2.0%*	*2.5%*	Retained to Com Eq	*4.0%*
65%	61%	104%	80%	72%	67%	77%	97%	93%	88%	*82%*	*76%*	All Div'ds to Net Prof	*66%*

ELECTRIC OPERATING STATISTICS

	2013	2014	2015
% Change Retail Sales (KWH)	- -	+.6	+2.6
Avg. Indust. Use (Mw)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	8.50	8.65	8.57
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Winter (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	+1.5	+1.6	+1.8
Fixed Charge Cov. (%)	272	287	288

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	-1.5%	-5.5%	*1.0%*
"Cash Flow"	1.0%	1.0%	*6.5%*
Earnings	6.0%	- -	*7.5%*
Dividends	1.0%	2.0%	*2.0%*
Book Value	3.5%	2.0%	*2.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	661.1	735.9	765.9	688.4	2851.3
2014	578.0	605.7	687.2	695.5	2566.4
2015	693.0	680.6	693.8	676.1	2743.5
2016	659.5	*640.5*	*650*	*650*	*2600*
2017	*675*	*675*	*675*	*675*	*2700*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.19	.24	.29	.20	.92
2014	.22	.27	.28	.18	.95
2015	.27	.26	.28	.22	1.03
2016	.31	*.24*	*.34*	*.26*	*1.15*
2017	*.35*	*.26*	*.36*	*.28*	*1.25*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.22	.22	.22	.22	.88
2013	.22	.22	.22	.22	.88
2014	.22	.22	.22	.22	.88
2015	.225	.225	.225	.225	.90
2016	.23				

BUSINESS: TECO Energy, Inc. is a holding company for Tampa Electric, which serves 706,000 customers in west central Florida, and Peoples Gas, which serves 354,000 customers in Florida. Acq'd New Mexico Gas (513,000 customers) 9/14. Sold TECO Transport 12/07; discontinued generation investments in Guatemala in '12; discontinued TECO Coal in '14. Electric revenue breakdown: residential, 50%; commercial, 30%; industrial, 8%; other, 12%. Generating sources: coal, 59%; gas, 36%; purchased, 5%. Fuel costs: 38% of revs. '14 reported deprec. rate (utility): 3.6%. Has 4,400 employees. Chairman: Sherrill W. Hudson. Pres. & CEO: John B. Ramil. Inc.: FL. Address: TECO Plaza, 702 N. Franklin St., Tampa, FL 33602. Tel.: 813-228-1111. Web: www.tecoenergy.com.

It appears as if the acquisition of TECO Energy might be completed within the next several weeks. Emera, a Canadian company, has agreed to pay $27.55 in cash for each share of TECO Energy. Just one more regulatory approval is required: that of the New Mexico Public Regulation Commission (NMPRC). The companies and various intervenors have reached an unopposed settlement that will be presented to the NMPRC. In early May, a hearing examiner conducted hearings on the proposed combination, and will make a recommendation by early June, before the NMPRC issues its ruling. The current time line suggests that July is the best estimate for the closing date of the transaction. Thus, this might well be our last full-page report on TECO Energy.

We advise TECO Energy stockholders to sell their shares on the open market. The recent price of TECO Energy stock is slightly *above* the buyout price, so stockholders have no incentive to await completion of the takeover. Emera's offer is generous, at 24 times estimated 2016 earnings. The Timeliness rank of TECO Energy stock remains suspended due to the pending acquisition.

TECO Energy's utilities are performing well. Tampa Electric and Peoples Gas are benefiting from healthy customer growth, thanks to the solid economy in the utilities' service territory, and each utility is likely to earn a return on equity in the upper half of its allowed ROE range in 2016. (The allowed ROEs are shown in Footnote E.) New Mexico Gas, which TECO Energy bought in September of 2014, is benefiting from effective cost controls. Because first-quarter results were better than we expected, we have raised our 2016 share-earnings estimate by a nickel, to $1.15. A continuation of current trends, plus rate relief that Tampa Electric will receive for a project to expand a gas-fired power plant, points to higher profits in 2017.

Our earnings presentation includes costs associated with the Emera deal. These were negligible in the first period of 2016, but reduced the bottom line by $0.06 a share in 2015. We are not estimating any such expenses over the remainder of 2016.

Paul E. Debbas, CFA *May 20, 2016*

(A) Diluted EPS. Excl. nonrec. gain (losses): '03, ($4.97); '07, 63¢; '10, (2¢); '14, (3¢); gains (losses) on disc. ops.: '04, (77¢); '05, 31¢; '06, 1¢; '07, 7¢; '12, (15¢); '14, (34¢); '15, (29¢). Next earnings report due early Aug. (B) Div'ds paid in late Feb., May, Aug., & Nov. ■ Div'd reinv. plan avail. (C) Incl. intangibles. In '15: $3.86/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '13 (elec.): 10.25%-12.25%; in '09 (gas): 9.75%-11.75%; in NM in '12: 10% (implied); earned on avg. com. eq., '15: 9.4%. Regulatory Climate: Avg.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	80

UNS ENERGY NYSE-UNS

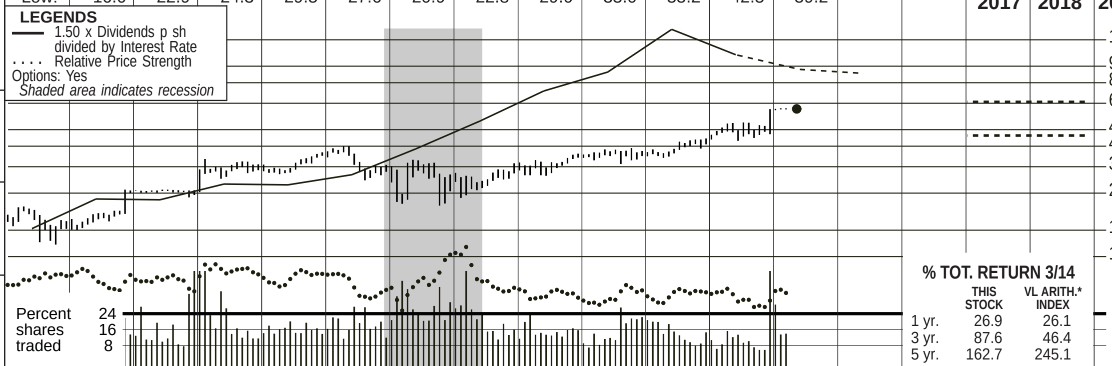
RECENT PRICE	60.23	P/E RATIO	20.1 (Trailing: 19.8 / Median: 18.0)	RELATIVE P/E RATIO	1.05	DIV'D YLD	3.2%	VALUE LINE

TIMELINESS – Suspended 12/20/13
SAFETY 3 New 12/31/04
TECHNICAL – Suspended 12/20/13
BETA .70 (1.00 = Market)

High:	24.9	24.9	34.8	37.5	40.0	34.5	33.3	36.9	39.3	43.6	60.0	60.6
Low:	16.0	22.9	24.3	29.5	27.6	20.9	22.8	29.0	33.0	35.2	42.5	59.2

Target Price Range
2017 | 2018 | 2019

LEGENDS
1.50 x Dividends p sh divided by Interest Rate
. . . . Relative Price Strength
Options: Yes
Shaded area indicates recession



2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+10%)	*7%*
Low	45	(-25%)	*-8%*

Insider Decisions

	J	J	A	S	O	N	D	J	F
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	1	0	0	0	0	0	0
to Sell	0	0	3	0	0	0	0	0	0

Institutional Decisions

	2Q2013	3Q2013	4Q2013
to Buy	105	109	96
to Sell	79	80	109
Hld's(000)	37355	37570	38280

% TOT. RETURN 3/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	26.9	26.1
3 yr.	87.6	46.4
5 yr.	162.7	245.1

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
23.83	24.85	31.12	43.12	25.50	28.71	34.13	35.26	37.42	39.12	39.41	38.89	39.78	40.89	35.36	35.74	***36.40***	***37.60***	Revenues per sh	***41.20***
3.48	3.96	4.23	5.41	4.80	5.20	5.29	5.21	5.68	5.64	4.56	7.82	7.33	7.44	6.48	7.33	***7.35***	***7.60***	"Cash Flow" per sh	***8.00***
.68	1.08	1.27	1.79	.97	1.30	1.31	1.30	1.85	1.55	.39	2.69	2.82	2.75	2.20	3.04	***3.12***	***3.40***	Earnings per sh A	***3.80***
--	--	.32	.40	.50	.60	.64	.76	.84	.90	.96	1.16	1.56	1.68	1.72	1.74	***1.85***	***1.95***	Div'd Decl'd per sh B ■ †	***2.28***
2.52	2.87	3.19	3.63	3.36	4.06	4.49	5.83	6.77	6.95	9.85	8.01	7.26	10.13	7.43	7.85	***9.45***	***8.05***	Cap'l Spending per sh	***7.85***
7.65	10.02	11.20	12.68	13.05	15.97	16.95	17.68	18.59	19.54	19.16	20.94	22.46	24.07	25.77	27.22	***27.00***	***28.20***	Book Value per sh	***32.70***
32.26	32.35	33.22	33.50	33.58	33.79	34.26	34.87	35.19	35.32	35.46	35.85	36.54	36.92	41.34	41.54	***41.50***	***42.00***	Common Shs Outst'g C	***42.50***
23.3	10.8	11.8	10.8	18.2	14.6	18.7	23.9	17.7	22.0	73.8	10.4	11.6	13.3	17.8	15.9	*Bold figures are*		Avg Ann'l P/E Ratio	***14.0***
1.21	.62	.77	.55	.99	.83	.99	1.27	.96	1.17	4.44	.69	.74	.83	1.13	.89	*Value Line*		Relative P/E Ratio	***.90***
--	--	2.1%	2.1%	2.8%	3.2%	2.6%	2.5%	2.6%	2.6%	3.3%	4.1%	4.8%	4.6%	4.4%	3.6%	*estimates*		Avg Ann'l Div'd Yield	***4.1%***

CAPITAL STRUCTURE as of 12/31/13
Total Debt $1806.6 mill. **Due in 5 Yrs** $477.0 mill.
LT Debt $1656.8 mill. **LT Interest** $71.0 mill.
Incl. $149.8 mill. capitalized leases.

(LT interest earned: 3.0x)

Pension Assets-12/13 $323 mill. **Oblig.** $352 mill.
Pfd Stock None

Common Stock 41,633,535 shs.
as of 2/14/14
MARKET CAP: $2.5 billion (Mid Cap)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		17-19
1169.0	1229.5	1316.9	1381.4	1397.5	1394.4	1453.7	1509.5	1461.8	1484.6	***1510***	***1580***	Revenues ($mill)	***1750***
45.9	46.1	69.2	58.4	14.0	104.3	111.5	110.0	90.9	127.5	***125***	***140***	Net Profit ($mill)	***160***
42.5%	41.4%	38.8%	40.1%	54.8%	38.2%	41.2%	37.8%	38.0%	31.4%	***38.0%***	***38.0%***	Income Tax Rate	***40.0%***
--	--	2.9%	3.4%	--	--	--	--	--	--	***Nil***	***Nil***	AFUDC % to Net Profit	***Nil***
77.1%	75.3%	72.9%	68.8%	72.9%	70.5%	68.5%	67.8%	62.3%	59.4%	***62.0%***	***62.5%***	Long-Term Debt Ratio	***63.0%***
22.9%	24.7%	27.1%	31.2%	27.1%	29.5%	31.5%	32.2%	37.7%	40.6%	***38.0%***	***37.5%***	Common Equity Ratio	***37.0%***
2540.3	2494.9	2414.1	2214.9	2506.4	2547.0	2602.8	2758.6	2826.0	2787.6	***2950***	***3180***	Total Capital ($mill)	***3740***
2081.1	2171.5	2259.6	2407.3	2617.7	2785.7	2961.5	3182.3	3300.4	3534.8	***3450***	***3625***	Net Plant ($mill)	***4200***
5.1%	5.1%	5.9%	5.7%	3.0%	5.2%	5.5%	5.3%	4.5%	5.8%	***6.0%***	***6.0%***	Return on Total Cap'l	***5.5%***
7.9%	7.5%	10.6%	8.5%	2.1%	13.9%	13.6%	12.4%	8.5%	11.3%	***11.0%***	***12.0%***	Return on Shr. Equity	***11.5%***
7.9%	7.5%	10.6%	8.5%	2.1%	13.9%	13.6%	12.4%	8.5%	11.3%	***11.0%***	***12.0%***	Return on Com Equity D	***11.5%***
4.1%	3.2%	6.1%	3.9%	NMF	8.4%	6.7%	5.4%	2.0%	4.9%	***4.5%***	***5.5%***	Retained to Com Eq	***4.5%***
48%	57%	43%	54%	NMF	40%	51%	56%	77%	57%	***58%***	***53%***	All Div'ds to Net Prof	***60 %***

ELECTRIC OPERATING STATISTICS

	2011	2012	2013
% Change Retail Sales (KWH)	+.4	-.7	+.1
Avg. Indust. Use (MWH)	5060	5086	5090
Avg. Indust. Revs. per KWH (¢)	7.10	7.20	7.20
Capacity at Peak (Mw)	3271	2950	3015
Peak Load, Summer (Mw)	2334	2290	2230
Annual Load Factor (%)	N/A	N/A	N/A
% Change Customers (yr-end)	+.4	+.5	+.8
Fixed Charge Cov. (%)	251	239	291

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Revenues	1.5%	-0.5%	*1.0%*
"Cash Flow"	3.5%	6.0%	*2.0%*
Earnings	7.0%	16.0%	*6.5%*
Dividends	13.0%	13.5%	*5.5%*
Book Value	6.5%	6.0%	*5.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	344.8	369.7	450.9	344.1	1509.5
2012	315.4	364.0	434.1	348.3	1461.8
2013	332.1	365.2	437.0	350.2	1484.6
2014	***325***	***370***	***450***	***365***	***1510***
2015	***350***	***375***	***485***	***370***	***1580***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.35	.71	1.46	.22	2.75
2012	.17	.64	1.21	.18	2.20
2013	.27	.83	1.62	.32	3.04
2014	***.25***	***.75***	***1.67***	***.45***	***3.12***
2015	***.45***	***.80***	***1.65***	***.50***	***3.40***

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.39	.39	.39	.39	1.56
2011	.42	.42	.42	.42	1.68
2012	.43	.43	.43	.43	1.72
2013	.435	.435	.435	.435	1.74
2014	.48				

BUSINESS: UNS Energy Corporation, through its subsidiaries, operates as an electric utility in Arizona. Subsidiaries include Tucson Electric Power (TEP), UNS Gas, and UNS Electric. '13 retail customers: TEP, 413,000 (in southeastern Arizona); UNS Gas, 149,000; UNS Electric, 93,000. Revenue sources: residential, 42%; commercial, 23%; industrial, 35%. Copper mining is largest industry served. Fuels: coal, 75%; gas, 8%; purchased power, 17%. '13 TEP reported depreciation rate: 4.0%. Has 1,977 employees: TEP, 1,398; UNS Gas, 188; UNS Electric, 143; Other, 248. Chrmn. & CEO: Paul J. Bonavia. Pres.: David G. Hutchens. Inc.: AZ. Address: 88 E. Broadway Blvd., Tucson, AZ 85701. Telephone: 520-571-4000. Internet: www.uns.com.

The Federal Energy Regulatory Commission has approved the acquisition of UNS Energy Corporation by Fortis. UNS stockholders would receive $60.25 in cash for each of their shares. The offer is generous, at 19 times estimated 2014 earnings. Indeed, the proposed purchase has been deemed consistent with the interest of the public, which moves the acquisition one step closer to completion. In addition, the shareholders of UNS Energy approved the transaction on March 26, 2014. The acquisition is expected to be completed by the end of 2014. It is now subject to approval by the Arizona Corporation Commission (ACC). The deal will give UNS much needed capital access to meet clean energy requirements. UNS will remain as a stand-alone company headquartered in Tucson, Arizona. One-third of Fortis' assets will be in the United States once the deal closes, and it will gain approximately 65,000 customers in Arizona.

UNS Energy had a profitable year. The electric utility reported net income of $127 million and share earnings of $3.04. The significant increase in net income was mainly due to higher revenue at UNS Energy's primary subsidiary, Tucson Electric Power (TEP). The subsidiary was able to report higher revenues for the year thanks to a non-fuel base rate increase which became effective on July 1, 2013, combined with a reduction in capital lease interest expense. The company also declared a first quarter dividend of $0.48 per share for common shareholders.

Tucson Electric Power (TEP) has started to work on a new transmission line. The 138 KV is expected to reduce electrical outages and provide more capacity for TEP. The project is expected to cost $4.5 million and was approved by the Arizona Corporation Commission in March, 2011. The transmission line is expected to be completed in 2014.

The Timeliness rank for this issue is suspended due to the impending acquisition. There is minimal potential for capital gains at this juncture as the stock is trading just below the takeover price. We advise investors to sell their holdings at the current level in order to avoid downside risk in case the deal falls through.

Saumya Ajila *May 2, 2014*

(A) EPS diluted. Excl. nonrecur. gains: '98, 19¢; '99, $1.35; '00, 48¢; '03, $2.00. Next earnings report due early May. Earnings may not sum due to rounding. (B) Div'ds historically paid in early Mar., June, Sept., and Dec. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. (C) In millions. (D) Rate base: fair value. Rate allowed on com. eq. in '13: 10.0%; earned on avg. com. eq., '13: 8.5%. Regulatory Climate: Avg.

Company's Financial Strength	B+
Stock's Price Stability	90
Price Growth Persistence	80
Earnings Predictability	40

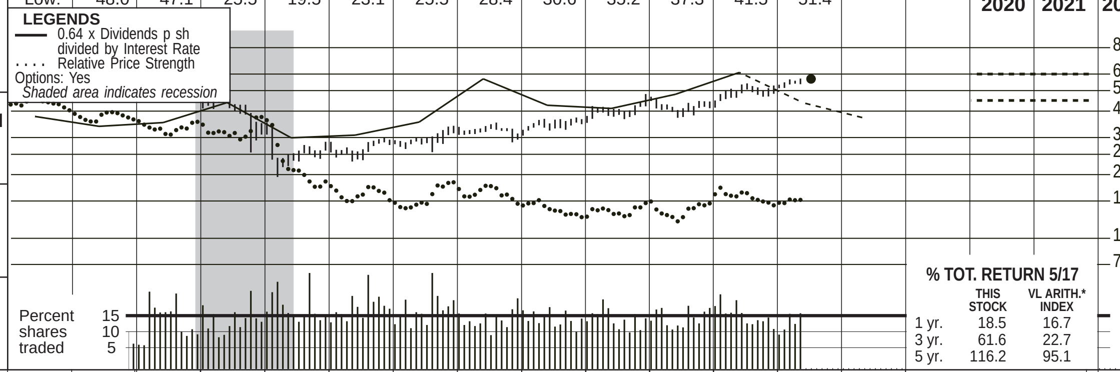
AMEREN NYSE-AEE

RECENT PRICE	56.82	P/E RATIO	20.7 (Trailing: 21.2 / Median: 15.0)	RELATIVE P/E RATIO	1.05	DIV'D YLD	3.2%	VALUE LINE

TIMELINESS 3 Lowered 8/19/16
SAFETY 2 Raised 6/20/14
TECHNICAL 3 Lowered 6/9/17
BETA .65 (1.00 = Market)

High:	55.2	55.0	54.3	35.3	29.9	34.1	35.3	37.3	48.1	46.8	54.1	57.2
Low:	48.0	47.1	25.5	19.5	23.1	25.5	28.4	30.6	35.2	37.3	41.5	51.4

LEGENDS
— 0.64 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



Target Price Range
2020 | 2021 | 2022

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+5%)	5%
Low	45	(-20%)	-2%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	10	11	0	0
to Sell	1	1	0	1	0	1	0	4	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	200	222	237
to Sell	205	228	205
Hld's(000)	162586	169889	191604

Percent shares traded 15 10 5

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	18.5	16.7
3 yr.	61.6	22.7
5 yr.	116.2	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
32.64	24.93	28.20	26.43	33.12	33.30	36.23	36.92	29.87	31.77	31.04	28.14	24.06	24.95	25.13	25.04	*25.75*	*26.60*	Revenues per sh	*29.00*
6.33	5.28	6.29	5.57	6.10	6.02	6.76	6.44	6.06	6.33	5.87	5.87	5.25	5.77	6.08	6.59	*6.90*	*7.40*	"Cash Flow" per sh	*9.00*
3.41	2.66	3.14	2.82	3.13	2.66	2.98	2.88	2.78	2.77	2.47	2.41	2.10	2.40	2.38	2.68	*2.75*	*2.95*	Earnings per sh A	*3.50*
2.54	2.54	2.54	2.54	2.54	2.54	2.54	2.54	1.54	1.54	1.56	1.60	1.60	1.61	1.66	1.72	*1.78*	*1.84*	Div'd Decl'd per sh B ■	*2.15*
7.99	5.11	4.19	4.13	4.63	4.99	6.96	9.75	7.51	4.66	4.50	5.49	5.87	7.66	8.12	8.78	*9.15*	*9.05*	Cap'l Spending per sh	*9.75*
24.26	24.93	26.73	29.71	31.09	31.86	32.41	32.80	33.08	32.15	32.64	27.27	26.97	27.67	28.63	29.27	*30.25*	*31.40*	Book Value per sh C	*35.50*
138.05	154.10	162.90	195.20	204.70	206.60	208.30	212.30	237.40	240.40	242.60	242.63	242.63	242.63	242.63	242.63	*242.63*	*242.63*	Common Shs Outst'g D	*242.63*
12.1	15.8	13.5	16.3	16.7	19.4	17.4	14.2	9.3	9.7	11.9	13.4	16.5	16.7	17.5	18.3	*Bold figures are*		Avg Ann'l P/E Ratio	*14.5*
.62	.86	.77	.86	.89	1.05	.92	.85	.62	.62	.75	.85	.93	.88	.88	.97	*Value Line*		Relative P/E Ratio	*.90*
6.2%	6.1%	6.0%	5.5%	4.9%	4.9%	4.9%	6.2%	6.0%	5.8%	5.3%	5.0%	4.6%	4.0%	4.0%	3.5%	*estimates*		Avg Ann'l Div'd Yield	*4.2%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $8192 mill. **Due in 5 Yrs** $3466 mill.
LT Debt $6597 mill. **LT Interest** $330 mill.
(LT interest earned: 3.9x)
Leases, Uncapitalized Annual rentals $6 mill.
Pension Assets-12/16 $3813 mill. **Oblig** $4518 mill.
Pfd Stock $142 mill. **Pfd Div'd** $6 mill.
807,595 sh. $3.50 to $5.50 cum. (no par), $100 stated val., redeem. $102.176-$110/sh.; 616,323 sh. 4.00% to 6.625%, $100 par, redeem. $100-$104/sh.
Common Stock 242,634,798 shs. **as of 4/28/17**
MARKET CAP: $14 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
7546.0	7839.0	7090.0	7638.0	7531.0	6828.0	5838.0	6053.0	6098.0	6076.0	*6250*	*6450*	Revenues ($mill)	*7050*
629.0	615.0	624.0	669.0	602.0	589.0	518.0	593.0	585.0	659.0	*680*	*725*	Net Profit ($mill)	*875*
33.5%	33.7%	34.7%	36.8%	37.3%	36.9%	37.5%	38.9%	38.3%	36.7%	*38.0%*	*38.0%*	Income Tax Rate	*38.0%*
.8%	4.6%	5.8%	7.8%	5.6%	6.1%	7.1%	5.7%	5.1%	4.1%	*4.0%*	*4.0%*	AFUDC % to Net Profit	*3.0%*
45.0%	47.8%	49.7%	48.2%	45.3%	49.5%	45.2%	47.2%	49.3%	47.7%	*47.5%*	*48.0%*	Long-Term Debt Ratio	*48.5%*
53.4%	50.8%	49.1%	50.9%	53.7%	49.4%	53.7%	51.7%	49.7%	51.3%	*51.5%*	*51.0%*	Common Equity Ratio	*50.5%*
12654	13712	15991	15185	14738	13384	12190	12975	13968	13840	*14250*	*14925*	Total Capital ($mill)	*17000*
15069	16567	17610	17853	18127	16096	16205	17424	18799	20113	*21325*	*22450*	Net Plant ($mill)	*25200*
6.2%	5.7%	5.3%	6.0%	5.6%	6.0%	5.6%	5.8%	5.3%	6.0%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.5%*
9.0%	8.6%	7.8%	8.5%	7.5%	8.7%	7.7%	8.7%	8.3%	9.1%	*9.0%*	*9.5%*	Return on Shr. Equity	*10.0%*
9.2%	8.7%	7.8%	8.6%	7.5%	8.8%	7.8%	8.7%	8.3%	9.2%	*9.5%*	*9.5%*	Return on Com Equity E	*10.0%*
1.3%	1.0%	3.5%	3.8%	2.8%	3.0%	1.9%	2.9%	2.5%	3.3%	*3.5%*	*3.5%*	Retained to Com Eq	*4.0%*
86%	88%	56%	56%	63%	66%	76%	67%	70%	64%	*64%*	*62%*	All Div'ds to Net Prof	*60%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-.1	-1.1	-4.2
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	5.46	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	355	343	351

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-2.0%	-4.0%	*2.5%*
"Cash Flow"	.5%	- -	*6.5%*
Earnings	-1.5%	-1.5%	*6.0%*
Dividends	-4.0%	1.5%	*4.5%*
Book Value	-1.0%	-2.5%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1594	1419	1670	1370	6053.0
2015	1556	1401	1833	1308	6098.0
2016	1434	1427	1859	1356	6076.0
2017	1514	*1500*	*1836*	*1400*	*6250*
2018	*1550*	*1550*	*1900*	*1450*	*6450*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.40	.62	1.20	.19	2.40
2015	.45	.40	1.41	.12	2.38
2016	.43	.61	1.52	.13	2.68
2017	.42	*.80*	*1.33*	*.20*	*2.75*
2018	*.50*	*.85*	*1.35*	*.25*	*2.95*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.40	.40	.40	.40	1.60
2014	.40	.40	.40	.41	1.61
2015	.41	.41	.41	.425	1.66
2016	.425	.425	.425	.44	1.72
2017	.44				

BUSINESS: Ameren Corporation is a holding company formed through the merger of Union Electric and CIPSCO. Acq'd CILCORP 1/03; Illinois Power 10/04. Has 1.2 mill. electric and 127,000 gas customers in Missouri; 1.2 mill. electric and 813,000 gas customers in Illinois. Discontinued nonregulated power-generation operation in '13. Electric rev. breakdown: residential, 45%; commercial, 33%; industrial, 12%; other, 10%. Generating sources: coal, 66%; nuclear, 23%; hydro, 3%; purchased & other, 8%. Fuel costs: 28% of revs. '16 reported deprec. rates: 3%-4%. Has 8,600 employees. Chairman, President & CEO: Warner L. Baxter. Inc.: MO. Address: One Ameren Plaza, 1901 Chouteau Ave., P.O. Box 66149, St. Louis, MO 63166-6149. Tel.: 314-621-3222. Internet: www.ameren.com.

Ameren received an electric rate increase in Missouri. Effective April 1st, tariffs rose $92 million. In addition, the utility will benefit from a $54 million reduction in energy costs and a $26 million reduction in amortization and other expenses. This rate order arose from a "black box" settlement in which an allowed return on equity and common-equity ratio were not specified, but the commission indicated that an implicit ROE of 9.2%-9.7% is reasonable. (The utility's previous allowed ROE, established in 2015, was 9.53%.) The effects of the rate order should help earnings increase in 2017 and 2018. Forward-looking rate plans in Illinois and the company's federally regulated transmission business are positive factors, as well. Our 2017 estimate, which we cut by $0.05 a share due to a milder-than-usual winter in Missouri, is at the midpoint of Ameren's targeted range of $2.65-$2.85 a share.

We forecast that earnings will rise 7%, to $2.95 a share, in 2018. This is within Ameren's goal of 5%-8% annual profit growth. Note that the Callaway nuclear unit will not have a refueling and maintenance outage next year.

Electric transmission is a source of profit growth for Ameren. Of the company's $10.8 billion capital spending plan for the 2017-2021 period, $2.8 billion is slated for transmission. This is noteworthy because the utility's allowed ROE for transmission (set by the Federal Energy Regulatory Commission at 10.82%) is well above what it can reasonably expect to earn on its state-regulated operations. The allowed ROE for transmission is likely to remain superior, even if FERC reduces it. Some customers have complained to FERC that allowed ROEs for transmission are too high, but this matter is on hold because the five-man commission temporarily lacks a quorum.

Ameren stock has a dividend yield that is about average, by utility standards. Like many utility equities, the recent quotation is near the upper end of our 2020-2022 Target Price Range. Accordingly, total return potential over the 3- to 5-year period is low, despite our expectation of decent dividend growth over that time frame.

Paul E. Debbas, CFA *June 16, 2017*

(A) Dil. EPS. Excl. nonrec. gain (losses): '05, (11¢); '10, ($2.19); '11, (32¢); '12, ($6.42); gain (loss) from disc. ops.: '13, (92¢); '15, 21¢. '14 & '16 EPS don't sum due to rounding. Next egs. report due early Aug. **(B)** Div'ds histor. paid in late Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. **(C)** Incl. intang. In '16: $7.62/sh. **(D)** In mill. **(E)** Rate base: Orig. cost depr. Rate all'd on com. eq. in MO in '17: elec., none specified; in '11: gas, none spec.; in IL in '14: elec., 8.7%, in '16: gas, 9.6%; earned on avg. com. eq., '16: 9.3%. Reg. Climate: Below Avg.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	25
Earnings Predictability	85

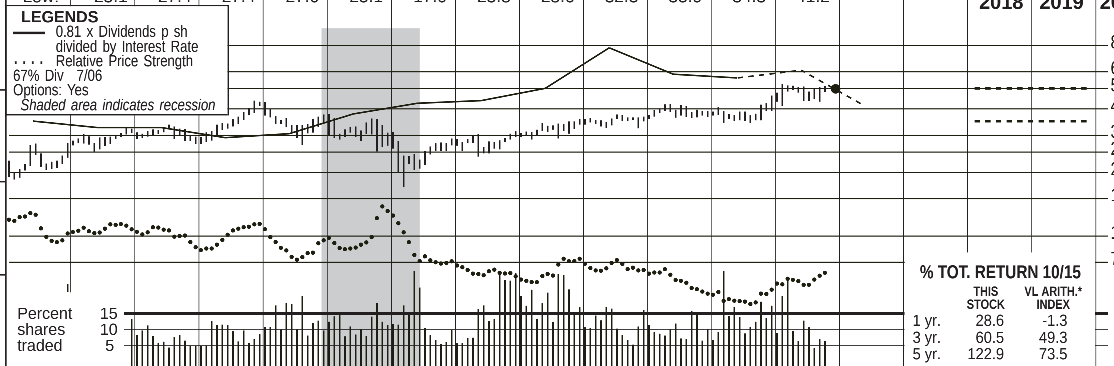
UIL HOLDINGS NYSE-UIL

RECENT PRICE 49.75 | P/E RATIO 21.1 (Trailing: 23.5 / Median: 17.0) | RELATIVE P/E RATIO 1.19 | DIV'D YLD 3.5% | VALUE LINE

TIMELINESS – Suspended 3/6/15
SAFETY 2 Raised 2/29/08
TECHNICAL – Suspended 3/6/15
BETA .75 (1.00 = Market)

High:	32.8	33.7	43.8	43.0	37.8	31.2	31.3	35.8	37.7	42.1	46.3	52.5
Low:	25.1	27.4	27.4	27.0	25.1	17.0	23.8	28.6	32.3	35.9	34.3	41.2

Target Price Range 2018 | 2019 | 2020



2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(Nil)	4%
Low	35	(-30%)	-4%

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	1	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2014	1Q2015	2Q2015
to Buy	88	84	80
to Sell	104	115	96
Hld's(000)	38777	37867	41350

% TOT. RETURN 10/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	28.6	-1.3
3 yr.	60.5	49.3
5 yr.	122.9	73.5

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
29.01	37.54	46.15	47.55	40.39	45.87	49.88	34.03	39.23	37.69	29.91	19.75	31.01	29.22	28.52	28.70	29.45	31.70	Revenues per sh	37.00
4.67	5.53	6.61	5.89	4.69	4.37	4.13	4.65	5.48	5.93	5.09	3.65	5.33	5.65	5.51	4.64	6.00	6.30	"Cash Flow" per sh	6.90
2.23	2.56	2.53	1.85	1.24	1.54	1.30	1.86	1.87	1.89	1.94	1.99	1.96	2.04	2.28	1.92	2.25	2.60	Earnings per sh A	2.75
1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	Div'd Decl'd per sh B ■	1.73
1.48	2.31	2.01	2.41	2.19	2.04	2.25	3.09	9.92	8.57	4.12	4.03	6.48	5.67	5.38	5.49	5.45	6.15	Cap'l Spending per sh	7.90
19.55	20.42	21.25	20.28	20.65	22.84	22.39	18.53	18.55	18.85	19.15	21.31	21.61	21.95	23.85	24.07	25.40	26.50	Book Value per sh C	30.45
23.44	23.46	23.53	23.79	23.86	24.01	24.32	24.86	25.03	25.17	29.98	50.51	50.65	50.87	56.75	56.85	56.75	56.75	Common Shs Outst'g E	56.75
12.6	10.8	11.5	15.0	18.0	18.7	23.5	18.7	18.4	16.7	12.7	14.0	16.4	17.2	16.9	19.8	Bold figures are		Avg Ann'l P/E Ratio	16.0
.72	.70	.59	.82	1.03	.99	1.25	1.01	.98	1.01	.85	.89	1.03	1.09	.95	1.05	Value Line		Relative P/E Ratio	1.00
6.2%	6.2%	5.9%	6.2%	7.7%	6.0%	5.7%	5.0%	5.0%	5.5%	7.0%	6.2%	5.4%	4.9%	4.5%	4.6%	estimates		Avg Ann'l Div'd Yield	3.9%

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		18-20
1213.1	846.0	982.0	948.7	896.6	997.7	1570.4	1486.5	1618.7	1631.9	1670	1800	Revenues ($mill)	2100
31.4	45.4	46.7	48.1	54.3	70.3	99.7	103.7	120.3	109.6	130	150	Net Profit ($mill)	170
44.1%	31.2%	39.5%	42.2%	38.0%	38.6%	38.5%	41.9%	37.7%	34.4%	38.0%	38.0%	Income Tax Rate	40.0%
9.0%	8.0%	8.3%	8.3%	10.0%	26.3%	12.1%	- -	12.1%	10.0%	10.0%	10.0%	AFUDC % to Net Profit	10.0%
47.2%	47.0%	50.8%	53.6%	54.0%	58.4%	58.6%	58.9%	56.0%	55.6%	58.0%	58.0%	Long-Term Debt Ratio	58.0%
52.8%	53.0%	49.2%	46.4%	46.0%	41.6%	41.4%	41.1%	44.0%	44.4%	42.0%	42.0%	Common Equity Ratio	42.0%
1031.5	869.2	943.6	1023.6	1247.7	2587.9	2642.7	2716.9	3077.7	3079.6	3430	3595	Total Capital ($mill)	4145
592.1	647.0	878.4	1073.6	1153.0	2327.5	2570.4	2787.4	3068.7	3292.7	3380	3550	Net Plant ($mill)	4110
4.1%	6.5%	6.2%	6.1%	5.8%	3.7%	5.2%	5.4%	5.3%	5.0%	5.5%	5.5%	Return on Total Cap'l	5.5%
5.8%	9.9%	10.1%	10.1%	9.5%	6.5%	9.1%	9.3%	8.9%	8.0%	10.0%	10.0%	Return on Shr. Equity	10.0%
5.8%	9.9%	10.1%	10.1%	9.5%	6.5%	9.1%	9.3%	8.9%	8.0%	10.0%	10.0%	Return on Com Equity D	10.0%
NMF	NMF	3.1%	1.0%	1.2%	1.7%	1.1%	1.5%	2.4%	.9%	3.5%	4.0%	Retained to Com Eq	4.5%
NMF	117%	70%	90%	88%	74%	88%	84%	73%	89%	65%	60%	All Div'ds to Net Prof	50%

CAPITAL STRUCTURE as of 9/30/15
Total Debt $1821.8 mill. **Due in 5 Yrs.** $131.9 mill.
LT Debt $1730.3 mill. **LT Interest** $75.0 mill.
(LT interest earned: 3.0x)
Leases, Uncapitalized: Ann. rentals $4.5 mill.

Pension Assets-12/14 $722 mill. **Oblig.** $987 mill.

Pfd Stock None

Common Stock 56,629,377 shs.
as of 10/29/15

MARKET CAP: $2.7 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2012	2013	2014
% Change Retail Sales (KWH)	-2.6	-1.6	-1.4
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	7.1	7.8	7.9
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.2	+1.6	+.8
Fixed Charge Cov. (%)	249	262	257

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Revenues	-4.5%	-4.0%	4.5%
"Cash Flow"	0.5%	-1.0%	4.5%
Earnings	3.0%	2.0%	5.0%
Dividends	- -	- -	Nil
Book Value	1.0%	4.5%	4.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	458.3	283.5	323.8	420.9	1486.5
2013	548.0	319.1	316.5	435.1	1618.7
2014	571.2	334.8	293.0	432.9	1631.9
2015	584.1	312.0	330.5	443.4	1670
2016	605	350	370	475	1800

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.92	.23	.31	.56	2.04
2013	1.01	.35	.31	.61	2.28
2014	.97	.16	.22	.57	1.92
2015	1.01	.28	.27	.69	2.25
2016	1.00	.40	.45	.75	2.60

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.432	.432	.432	.432	1.73
2012	.432	.432	.432	.432	1.73
2013	.432	.432	.432	.432	1.73
2014	.432	.432	.432	.432	1.73
2015	.432	.432			

BUSINESS: UIL Holdings, through its subsidiaries, operates as one of the largest regulated utility companies in Connecticut. Business consists of electric distribution/transmission operations of The United Illuminating Company and natural gas transportation/distribution operations of The Southern Connecticut Gas Company, The Connecticut Natural Gas Company, and The Berkshire Gas Company. Revenue distribution by class: residential, 53%; commercial, 28%; industrial, 4%; other, 15%. Fuel costs: 36% of revenues; O&M costs, 24%. Has 1,902 employees as of 12/14. President & Chief Executive Officer: James P. Torgerson. Inc.: CT. Address: 157 Church Street, P.O. Box 1564, New Haven, CT. 06506-0901. Telephone: 203-499-2000. Internet: www.uil.com.

UIL Holdings expects to soon become part of Iberdrola. Indeed, the Connecticut electric and gas utility is still targeting a year-end closing for its merger with the Spanish company's U.S. unit (Iberdrola U.S.), which includes New York State Electric & Gas and the second-largest wind-power portfolio in the United States. Under terms of the proposed transaction, investors are slated to receive $10.50 in cash and one share of newly issued stock in the merged company, worth up to $44.03, for each share of UIL that they own. Current UIL stakeholders would own 18.5% of the yet-to-be-named newco, which plans to list on the New York Stock Exchange, while Iberdrola S.A. would control the remaining 81.5%.

Left standing in the merger's way is, among other things, approval by the Connecticut Public Utility Regulatory Authority (CPURA). That body's draft decision in July would have denied the change of control, which prompted UIL to withdraw its original submission. A subsequent settlement agreement, promising concessions to ratepayers and other constituences, should help clear the path for approval. That said, CPURA is expected to issue a final ruling on December 9th.

Reported earnings rose sharply in the September quarter, as a one-time reserve made for an easy year-ago comparison. Still, the headline growth figure was significantly less than we envisioned, due to higher uncollectable billings at the utility's gas distribution unit. Ahead of the merger, UIL has also put off a rate case, further limiting near-term growth.

Shares of UIL remain unranked for year-ahead Timeliness due to the utility's pending merger with Iberdrola. Investors may want to stay pat here with the intention of participating in the cash-and-stock exchange. That option, in our view, will provide good exposure to what looks to be a relatively fast-growing, shareholder-friendly newco. Indeed, earnings at the merged company are expected to increase approximately 10% per year through 2019, partly reflecting the accelerated utilization of existing tax benefits. A competitive dividend and above-average payout increases also appear to be in the cards.

Nils C. Van Liew *November 20, 2015*

(A) EPS basic. Excl. nonrecur. gains (losses): '00, 4¢; '03, (26¢); '04, $2.14; '06, ($5.07); '10, (47¢). Next egs. report due in early February (B) Div'ds historically paid in early March, June, Sept., and Dec. ■ Div'd reinvest. plan avail. (C) Incl. deferred charges. In '14: $321.9 mill. or $5.66/sh. (D) Rate base: orig. cost. Rate allowed on common equity in '13: 9.15%. Earned on average common equity in '14: 8.0%. Regul. Clim.: Below Average. (E) In millions. Adjusted for stock dividend.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	85

UNITIL CORP. AMEX--UTL

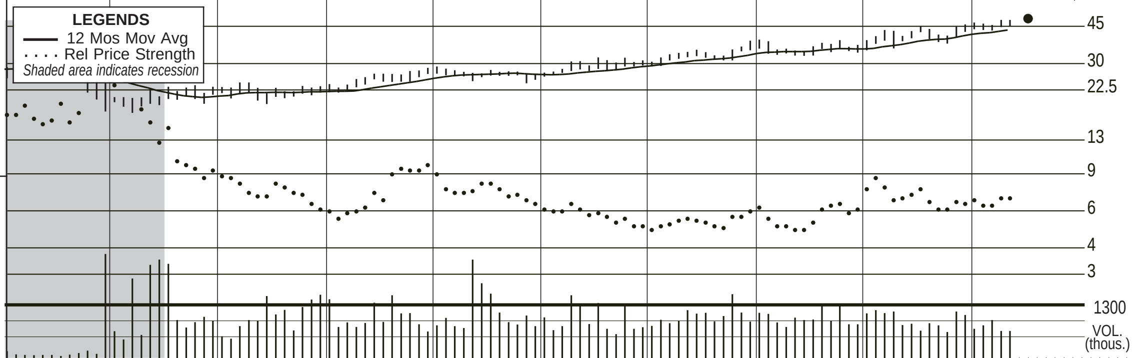
RECENT PRICE	TRAILING P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
49.05	24.0	1.14	2.9%	

RANKS

PERFORMANCE	2	Above Average
Technical	3	Average
SAFETY	2	Above Average
BETA .65		(1.00 = Market)

Financial Strength	B+
Price Stability	95
Price Growth Persistence	50
Earnings Predictability	60

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High	29.26	23.67	24.40	28.60	29.00	32.07	38.55	39.00	46.00	50.08
Low	17.75	17.50	19.28	21.84	24.15	26.01	29.05	32.63	34.70	43.03



© VALUE LINE PUBLISHING LLC	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017/2018
SALES PER SH	36.99	33.87	32.91	32.21	25.62	26.51	30.60	30.51	27.26	
"CASH FLOW" PER SH	3.68	3.44	3.52	4.16	3.86	4.28	4.80	5.15	5.24	
EARNINGS PER SH	1.65	1.03	.88	1.50	1.43	1.57	1.79	1.89	1.94	*2.09 A,B/2.20 C*
DIV'DS DECL'D PER SH	1.38	1.38	1.38	1.38	1.38	1.38	1.39	1.40	1.42	
CAP'L SPENDING PER SH	3.63	5.42	4.55	5.21	4.97	6.47	6.65	7.43	6.97	
BOOK VALUE PER SH	17.90	17.82	17.36	17.50	18.90	19.15	19.62	20.20	20.82	
COMMON SHS OUTST'G (MILL)	7.79	10.84	10.89	10.95	13.78	13.84	13.92	13.99	14.07	
AVG ANN'L P/E RATIO	15.8	20.3	25.1	16.8	18.7	18.5	18.4	18.5	21.0	*23.5/22.3*
RELATIVE P/E RATIO	.95	1.35	1.60	1.05	1.20	1.04	.97	.95	1.15	
AVG ANN'L DIV'D YIELD	5.3%	6.6%	6.2%	5.5%	5.2%	4.8%	4.2%	4.0%	3.5%	
SALES ($MILL)	288.2	367.0	358.4	352.8	353.1	366.9	425.8	426.8	383.4	*Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.*
OPERATING MARGIN	18.5%	20.2%	22.7%	27.8%	27.4%	28.9%	28.0%	29.6%	34.3%	
DEPRECIATION ($MILL)	19.1	27.4	28.9	29.3	35.1	37.7	42.1	45.7	46.6	
NET PROFIT ($MILL)	9.7	10.0	9.6	16.4	18.2	21.6	24.7	26.3	27.1	
INCOME TAX RATE	31.2%	34.2%	31.9%	37.9%	37.7%	37.0%	36.2%	36.9%	36.2%	
NET PROFIT MARGIN	3.4%	2.7%	2.7%	4.6%	5.2%	5.9%	5.8%	6.2%	7.1%	
WORKING CAP'L ($MILL)	d38.3	d22.9	d9.8	d23.2	7.2	d4.7	15.8	d18.7	d45.3	
LONG-TERM DEBT ($MILL)	250.0	249.8	289.0	288.5	287.7	284.8	336.4	319.1	325.1	
SHR. EQUITY ($MILL)	141.5	195.1	191.0	193.7	260.6	265.2	273.3	282.8	293.1	
RETURN ON TOTAL CAP'L	4.0%	4.3%	4.1%	5.5%	5.2%	5.8%	5.7%	6.2%	6.1%	
RETURN ON SHR. EQUITY	6.9%	5.1%	5.0%	8.5%	7.0%	8.1%	9.0%	9.3%	9.2%	
RETAINED TO COM EQ	1.1%	NMF	NMF	.6%	.4%	.9%	2.0%	2.4%	2.4%	
ALL DIV'DS TO NET PROF	84%	NMF	NMF	93%	95%	88%	78%	75%	74%	

[A] No. of analysts changing earn. est. in last 12 days: 0 up, 0 down, consensus 5-year earnings growth not available. [B] Based upon one analyst's estimate. [C] Based upon one analyst's estimate.

ANNUAL RATES

of change (per share)	5 Yrs.	1 Yr.
Sales	-2.0%	-10.5%
"Cash Flow"	6.5%	2.0%
Earnings	10.5%	2.5%
Dividends	0.5%	1.5%
Book Value	3.0%	3.0%

QUARTERLY SALES ($mill.)

Fiscal Year	1Q	2Q	3Q	4Q	Full Year
12/31/14	156.1	73.3	76.6	119.8	425.8
12/31/15	170.6	77.1	74.7	104.4	426.8
12/31/16	125.8	74.5	78.8	104.3	383.4
12/31/17	126.0				

EARNINGS PER SHARE

Fiscal Year	1Q	2Q	3Q	4Q	Full Year
12/31/13	.79	d.01	.04	.75	1.57
12/31/14	.91	.08	.11	.69	1.79
12/31/15	.98	.12	.12	.67	1.89
12/31/16	.78	.18	.25	.73	1.94
12/31/17	.88	*.21*	*.21*	*.79*	

QUARTERLY DIVIDENDS PAID

Cal-endar	1Q	2Q	3Q	4Q	Full Year
2014	.345	.345	.345	.345	1.38
2015	.35	.35	.35	.35	1.40
2016	.355	.355	.355	.355	1.42
2017	.36	.36			

INSTITUTIONAL DECISIONS

	3Q'16	4Q'16	1Q'17
to Buy	61	54	65
to Sell	41	50	47
Hld's(000)	8447	8859	9778

ASSETS ($mill.)	2015	2016	3/31/17
Cash Assets	8.7	5.8	8.8
Receivables	49.8	52.9	57.6
Inventory	.8	.6	.3
Other	66.6	72.3	59.4
Current Assets	125.9	131.6	126.1
Property, Plant & Equip, at cost	1080.6	1173.4	- -
Accum Depreciation	271.7	290.0	- -
Net Property	808.9	883.4	890.9
Other	111.6	113.2	117.4
Total Assets	1046.4	1128.2	1134.4
LIABILITIES ($mill.)			
Accts Payable	33.3	32.4	28.1
Debt Due	62.5	101.7	109.6
Other	48.8	42.8	39.3
Current Liab	144.6	176.9	177.0

LONG-TERM DEBT AND EQUITY as of 3/31/17

Total Debt $420.6 mill. **Due in 5 Yrs.** NA
LT Debt $311.0 mill.
Including Cap. Leases NA
(51% of Cap'l)

Leases, Uncapitalized Annual rentals NA

Pension Liability $149.0 mill. in '16 vs. $124.4 mill. in '15

Pfd Stock None **Pfd Div'd Paid** None

Common Stock 14,108,000 shares
(49% of Cap'l)

INDUSTRY: Electric Utility (East)

BUSINESS: Unitil Corporation, a public utility holding company, engages in the distribution of electricity and natural gas in the United States. The company distributes electricity in the southeastern seacoast and state capital regions of New Hampshire, and the greater Fitchburg area of north central Massachusetts; and distributes natural gas in southeastern New Hampshire, portions of southern Maine to the Lewiston-Auburn area, and in the greater Fitchburg area of north central Massachusetts. The company also operates 86 miles of interstate underground natural gas transmission pipeline that provides interstate natural gas pipeline access and transportation services primarily in Maine and New Hampshire. In addition, it provides energy brokering and advisory services to commercial and industrial customers; and real estate management services. As of June 2017, Unitil's operating utilities serve approximately 104,300 electric customers and 79,900 natural gas customers. Has 498 employees. Chairman, C.E.O. & President: Robert G. Schoenberger. Inc.: NH. Address: 6 Liberty Lane West, Hampton, NH 03842. Tel.: (603) 772-0775. Internet: http://www.unitil.com. *N.A.*

June 23, 2017

TOTAL SHAREHOLDER RETURN
Dividends plus appreciation as of 5/31/2017

3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
7.51%	13.81%	24.08%	58.76%	116.93%

ALLIANT ENERGY NYSE-LNT

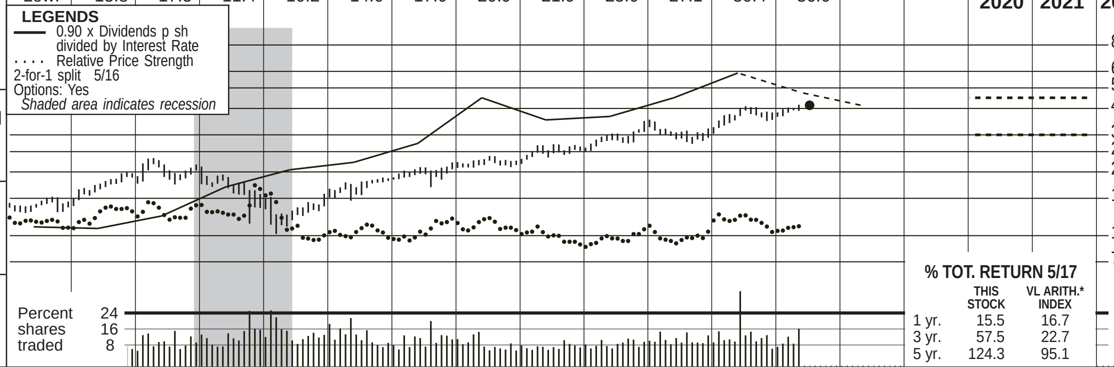
RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD
41.46	20.7	(Trailing: 25.0, Median: 15.0)	1.05	3.0%

VALUE LINE

TIMELINESS **3** Lowered 11/18/16
SAFETY **2** Raised 9/28/07
TECHNICAL **3** Raised 5/5/17
BETA .70 (1.00 = Market)

High:	20.0	23.3	21.2	15.8	18.8	22.2	23.8	27.1	34.9	35.4	41.0	41.9
Low:	13.8	17.5	11.4	10.2	14.6	17.0	20.9	21.9	25.0	27.1	30.4	36.6

Target Price Range
2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+10%)	6%
Low	30	(-30%)	-3%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	1	0	0	0	0	0
Options	0	0	0	0	0	0	6	0	0
to Sell	1	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	194	192	197
to Sell	198	196	179
Hld's(000)	150673	152516	176606

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	15.5	16.7
3 yr.	57.5	22.7
5 yr.	124.3	95.1

Alliant Energy, formerly called Interstate Energy Corporation, was formed on April 21, 1998 through the merger of WPL Holdings, IES Industries, and Interstate Power. WPL stockholders received one share of Interstate Energy stock for each WPL share, IES stockholders received 1.14 Interstate Energy shares for each IES share, and Interstate Power stockholders received 1.11 Interstate Energy shares for each Interstate Power share.

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
15.57	16.67	15.51	15.40	16.51	13.94	14.77	15.10	14.34	14.58	**15.20**	**15.50**	Revenues per sh	**17.15**
2.56	2.28	2.10	2.60	2.75	2.95	3.34	3.44	3.45	3.45	**4.00**	**4.15**	"Cash Flow" per sh	**5.00**
1.35	1.27	.95	1.38	1.38	1.53	1.65	1.74	1.69	1.65	**2.00**	**2.12**	Earnings per sh A	**2.50**
.64	.70	.75	.79	.85	.90	.94	1.02	1.10	1.18	**1.26**	**1.34**	Div'd Decl'd per sh B ■ †	**1.58**
2.46	3.98	5.43	3.91	3.03	5.22	3.32	3.78	4.25	5.26	**6.10**	**6.25**	Cap'l Spending per sh	**5.30**
12.15	12.78	12.54	13.05	13.57	14.12	14.79	15.54	16.41	16.96	**17.45**	**17.95**	Book Value per sh C	**19.05**
220.72	220.90	221.31	221.79	222.04	221.97	221.89	221.87	226.92	227.67	**230.00**	**232.00**	Common Shs Outst'g D	**236.00**
15.1	13.4	13.9	12.5	14.5	14.5	15.3	16.6	18.1	22.3	*Bold figures are*		Avg Ann'l P/E Ratio	**15.0**
.80	.81	.93	.80	.91	.92	.86	.87	.91	1.17	*Value Line*		Relative P/E Ratio	**.95**
3.1%	4.1%	5.7%	4.6%	4.3%	4.1%	3.7%	3.5%	3.6%	3.2%	*estimates*		Avg Ann'l Div'd Yield	**4.2%**
3437.6	3681.7	3432.8	3416.1	3665.3	3094.5	3276.8	3350.3	3253.6	3320.0	**3500**	**3600**	Revenues ($mill)	**4050**
320.8	280.0	208.6	303.9	304.4	337.8	382.1	385.5	380.7	373.8	**460**	**490**	Net Profit ($mill)	**590**
44.4%	33.4%	- -	30.1%	19.0%	21.5%	12.4%	10.1%	15.3%	13.4%	**15.0%**	**15.0%**	Income Tax Rate	**15.0%**
2.4%	- -	- -	- -	- -	- -	- -	- -	6.5%	7.0%	**7.0%**	**7.0%**	AFUDC % to Net Profit	**7.0%**
32.4%	36.3%	44.3%	46.3%	45.7%	48.4%	46.1%	49.7%	48.6%	52.8%	**50.0%**	**50.0%**	Long-Term Debt Ratio	**50.0%**
61.9%	58.6%	51.2%	49.5%	50.9%	48.4%	50.8%	47.5%	51.4%	47.2%	**48.0%**	**48.0%**	Common Equity Ratio	**48.0%**
4329.5	4815.6	5423.0	5840.8	5921.2	6476.6	6461.0	7257.2	7246.3	8177.6	**7800**	**7900**	Total Capital ($mill)	**8400**
4679.9	5353.5	6203.0	6730.6	7037.1	7838.0	7147.3	6442.0	8970.2	9809.9	**10000**	**10100**	Net Plant ($mill)	**11000**
8.6%	7.0%	5.1%	6.6%	6.4%	6.3%	7.0%	6.3%	6.3%	5.6%	**5.0%**	**5.5%**	Return on Total Cap'l	**7.0%**
11.0%	9.1%	6.9%	9.7%	9.5%	10.1%	11.0%	10.6%	10.2%	9.7%	**11.5%**	**12.0%**	Return on Shr. Equity	**13.0%**
11.3%	9.3%	6.8%	9.9%	9.5%	10.3%	11.3%	10.9%	10.2%	9.7%	**11.5%**	**12.0%**	Return on Com Equity E	**13.0%**
5.9%	3.8%	.9%	3.8%	3.3%	3.9%	4.9%	4.3%	3.6%	2.8%	**4.0%**	**4.5%**	Retained to Com Eq	**5.0%**
50%	62%	88%	64%	67%	64%	57%	59%	65%	72%	**63%**	**63%**	All Div'ds to Net Prof	**63%**

CAPITAL STRUCTURE as of 3/31/17
Total Debt $4320.7 mill. **Due in 5 Yrs** $1500.0 mill.
LT Debt $4316.1 mill. **LT Interest** $200.0 mill.
(LT interest earned: 3.2x)

Pension Assets-12/16 $895.7 mill. **Oblig.** $1244.3 mill.
Pfd Stock $400.0 mill. **Pfd Div'd** $10.2 mill.
16,000,000 shs.

Common Stock 227,823,278 shs.

MARKET CAP: $9.4 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+.1	-.1	+2.0
Avg. Indust. Use (MWH)	11821	11735	11987
Avg. Indust. Revs. per KWH (¢)	6.85	6.92	7.04
Capacity at Peak (Mw)	5426	5385	5615
Peak Load, Summer (Mw)	5426	5385	5615
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.4	+.3	+1.0
Fixed Charge Cov. (%)	320	325	342

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	0.5%	-1.5%	*4.0%*
"Cash Flow"	3.5%	6.5%	*6.0%*
Earnings	5.0%	6.5%	*6.0%*
Dividends	7.5%	6.5%	*4.5%*
Book Value	4.0%	4.5%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	952.8	750.3	843.1	804.1	3350.3
2015	897.4	717.2	898.9	740.1	3253.6
2016	843.8	754.2	925.0	797.0	3320.0
2017	853.9	***765***	***975***	***906.1***	***3500***
2018	***880***	***810***	***1005***	***905***	***3600***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.49	.28	.70	.27	1.74
2015	.44	.30	.80	.15	1.69
2016	.43	.37	.57	.28	1.65
2017	.44	***.36***	***.88***	***.32***	***2.00***
2018	***.47***	***.38***	***.92***	***.35***	***2.12***

Cal-endar	QUARTERLY DIVIDENDS PAID B ■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.235	.235	.235	.235	.94
2014	.255	.255	.255	.255	1.02
2015	.275	.275	.275	.275	1.10
2016	.295	.295	.295	.295	1.18
2017	.315	.315			

BUSINESS: Alliant Energy Corp., formerly named Interstate Energy, is a holding company formed through the merger of WPL Holdings, IES Industries, and Interstate Power. Supplies electricity, gas, and other services in Wisconsin, Iowa, and Minnesota. Elect. revs. by state: WI, 44%; IA, 55%; MN, 1%. Elect. rev.: residential, 35%; commercial, 25%; industrial, 29%; wholesale, 9%; other, 2%. Fuel sources, 2016: coal, 44%; gas, 21%; other, 35%. Fuel costs: 49% of revs. 2016 depreciation rate: 5.9%. Estimated plant age: 14 years. Has approximately 4,000 employees. Chairman & Chief Executive Officer: Patricia L. Kampling. Incorporated: Wisconsin. Address: 4902 N. Biltmore Lane, Madison, Wisconsin 53718. Telephone: 608-458-3311. Internet: www.alliantenergy.com.

Alliant Energy has filed a rate case with the Iowa Utilities Board. The company is seeking an increase of approximately $176 million (11.6%), based on a 10.3% return on a 49% common-equity ratio. Under Iowa law, Alliant was able to implement a temporary rate hike on April 13th for $102 million (58%) of the request. The temporary rates collected are subject to refund if the board rejects the application. A final decision is expected later this year or in early 2018 (the IUB has 10 months from the date of the filing to issue a ruling). Alliant said it would use the funds to upgrade power grids and improve facilities such as the Marshalltown natural gas generating station.

The rate case should help lift earnings this year and next. The aforementioned hike plus an earlier increase at Wisconsin Power and Light ought to help boost 2017 share net by $0.35, to $2.00. *Note that last year's tally included $0.23 per share in charges related to the revaluation of the Franklin County wind farm.* In addition, Alliant is set to benefit from improved electric and gas distribution systems (thanks to investments made in previous years), as well as renewed cost-efficiency efforts. Looking ahead, we have modeled EPS of $2.12 in 2018 (+6% year over year), which is in line with management's stated 5%-7% growth target.

The company is making good progress on renewable energy. At the end of the first quarter, LNT was generating 1,200 megawatts of clean energy across three different states. It plans to invest about $1.4 billion over the next four years on various wind and solar projects to further boost its renewable portfolio.

The balance sheet is in good shape. The fixed-charge coverage is above average for the utility industry, and the capitalization ratio is healthy. Alliant merits a Financial Strength rating of A, and its stock is ranked 2 (Above Average) for Safety.

This stock has a dividend yield that is slightly below the industry mean. In addition, the equity appears expensively priced. Its price-to-earnings ratio (20.7) is well above the 10-year average of about 15. Investors may want to wait for a better entry point before deploying funds here.

Daniel Henigson *June 16, 2017*

(A) Diluted EPS. Excl. nonrecur. gains (losses): '07, 55¢; '08, 4¢; '09, (44¢); '10, (8¢); '11, (1¢); '12, (8¢). Next earnings report due early August. **(B)** Dividends historically paid in mid-Feb., May, Aug., and Nov. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. **(C)** Incl. deferred chgs. In '16: $22.6 mill., $0.10/sh. **(D)** In millions, adjusted for split. **(E)** Rate base: Orig. cost. Rates all'd on com. eq. in IA in '16: 10.5%; in WI in '16 Regul. Clim.: WI, Above Avg.; IA, Avg.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	95
Earnings Predictability	85

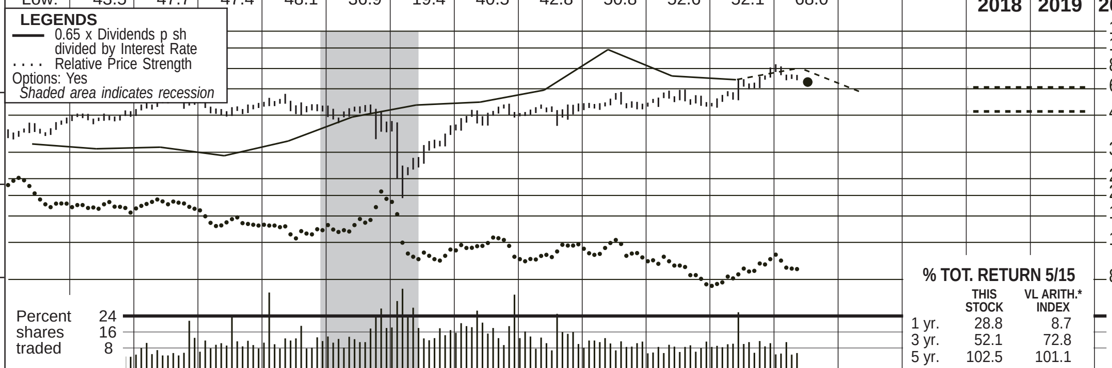
INTEGRYS ENERGY NYSE-TEG

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
68.88	24.2	(Trailing: 26.1) (Median: 15.0)	1.27	3.9%	VALUE LINE

TIMELINESS – Suspended 7/4/14
SAFETY 2 Raised 6/24/11
TECHNICAL – Suspended 7/4/14
BETA .80 (1.00 = Market)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
High:	50.5	60.0	57.8	60.6	53.9	45.1	54.4	54.6	61.9	63.6	80.9	83.7
Low:	43.5	47.7	47.4	48.1	36.9	19.4	40.5	42.8	50.8	52.6	52.1	68.0

Target Price Range 2018 | 2019 | 2020



2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(-5%)	3%
Low	50	(-25%)	-3%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	1	5	5	11	12	0	12	1
to Sell	0	2	5	5	11	10	0	0	4

Institutional Decisions

	3Q2014	4Q2014	1Q2015
to Buy	138	146	141
to Sell	148	160	158
Hld's(000)	44422	44744	44850

% TOT. RETURN 5/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	28.8	8.7
3 yr.	52.1	72.8
5 yr.	102.5	101.1

Integrys Energy Group was created as a holding company on February 21, 2007 to oversee the entire operations of the recently merged WPS Resources and Peoples Energy. WPS acquired Peoples in an agreement under which each common share of Peoples was converted into .825 share of WPS common. The combination took the new name of Integrys Energy Group. All data on this page prior to 2/21/07 are for WPS Resources only.

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
173.37	160.01	135.44	184.86	98.71	67.27	60.44	54.07	70.92	52.11	*45.30*	*47.80*	Revenues per sh	*53.50*
7.40	6.33	5.19	4.69	5.34	6.70	6.13	6.95	7.72	6.46	*6.60*	*7.30*	"Cash Flow" per sh	*8.25*
4.09	3.51	2.48	1.58	2.28	3.24	2.88	3.67	4.33	2.77	*2.85*	*3.05*	Earnings per sh A	*4.00*
2.24	2.28	2.56	2.68	2.72	2.72	2.72	2.72	2.72	2.72	*2.72*	*2.72*	Div'd Decl'd per sh B ■	*2.80*
10.31	7.94	5.17	7.01	5.85	3.35	4.00	7.63	8.42	10.88	*12.05*	*12.00*	Cap'l Spending per sh	*13.50*
32.47	35.61	42.58	40.79	37.62	37.57	38.01	38.84	41.05	41.49	*41.65*	*42.05*	Book Value per sh C	*44.75*
40.16	43.06	75.99	75.99	75.98	77.35	77.91	77.90	79.45	79.53	*79.50*	*79.50*	Common Shs Outst'g D	*79.50*
13.4	14.7	21.4	30.7	14.8	14.7	17.5	14.8	13.3	23.1	*Bold figures are*		Avg Ann'l P/E Ratio	*14.0*
.71	.79	1.14	1.85	.99	.94	1.10	.94	.75	1.22	*Value Line*		Relative P/E Ratio	*.90*
4.1%	4.4%	4.8%	5.5%	8.1%	5.7%	5.4%	5.0%	4.7%	4.2%	*estimates*		Avg Ann'l Div'd Yield	*5.0%*
6962.7	6890.7	10292	14048	7499.8	5203.2	4708.7	4212.4	5634.6	4144.2	*3600*	*3800*	Revenues ($mill)	*4250*
157.4	151.6	181.1	124.8	178.2	255.9	230.9	294.2	350.1	227.0	*230*	*250*	Net Profit ($mill)	*320*
22.9%	22.9%	32.2%	29.1%	41.5%	40.4%	36.7%	33.8%	37.6%	41.2%	*41.0%*	*41.0%*	Income Tax Rate	*41.0%*
1.0%	.5%	.7%	5.8%	4.5%	.7%	.4%	1.3%	4.3%	7.8%	*6.0%*	*6.0%*	AFUDC % to Net Profit	*5.0%*
39.0%	44.8%	40.8%	42.1%	45.1%	42.2%	38.3%	38.6%	47.2%	46.9%	*49.5%*	*50.0%*	Long-Term Debt Ratio	*49.5%*
58.7%	53.4%	58.3%	57.0%	53.9%	56.8%	60.6%	60.4%	52.0%	52.3%	*49.5%*	*49.5%*	Common Equity Ratio	*49.5%*
2222.4	2871.9	5552.0	5438.7	5304.4	5118.5	4884.5	5008.6	6268.6	6307.1	*6670*	*6775*	Total Capital ($mill)	*7150*
2049.4	2534.8	4463.8	4773.3	4945.1	5013.4	5199.1	5501.9	6410.5	6859.8	*7525*	*8140*	Net Plant ($mill)	*10275*
8.0%	6.4%	4.5%	3.5%	4.6%	6.2%	5.9%	6.9%	6.5%	4.8%	*4.5%*	*5.0%*	Return on Total Cap'l	*6.0%*
11.6%	9.6%	5.5%	4.0%	6.1%	8.7%	7.7%	9.6%	10.6%	6.8%	*7.0%*	*7.5%*	Return on Shr. Equity	*9.0%*
11.8%	9.7%	5.5%	3.9%	6.1%	8.7%	7.7%	9.6%	10.6%	6.8%	*7.0%*	*7.5%*	Return on Com Equity E	*9.0%*
5.3%	3.4%	.0%	NMF	NMF	2.3%	.7%	2.6%	4.4%	.2%	*.5%*	*1.0%*	Retained to Com Eq	*2.5%*
56%	65%	99%	NMF	118%	74%	91%	73%	59%	97%	*94%*	*88%*	All Div'ds to Net Prof	*70%*

CAPITAL STRUCTURE as of 3/31/15
Total Debt $3398.9 mill. **Due in 5 Yrs** $568.3 mill.
LT Debt $2956.3 mill. **LT Interest** $147.8 mill.
(LT interest earned: 3.3x)
Leases, Uncapitalized Annual rentals $4.7 mill.
Pension Assets-12/14 $1495.6 mill.
Oblig. $1705.7 mill.
Pfd Stock $51.1 mill. **Pfd Div'd** $3.1 mill.
510,626 shs. 5.00% to 6.88%, callable $101 to $107.50; sinking fund began 11/1/79. All cumulative, $100 par.
Common Stock 79,963,091 shs.
as of 5/4/15
MARKET CAP: $5.5 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2012	2013	2014
% Change Retail Sales (KWH)	+.2	-.4	+6.0
Avg. C & I Use (KWH)	NA	NA	NA
Avg. C & I Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	3173	3344	NA
Peak Load, Summer (Mw)	2347	2400	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.4	+.4	-9.5
Fixed Charge Cov. (%)	367	410	254

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Revenues	-6.0%	-16.0%	*NMF*
"Cash Flow"	1.0%	7.0%	*2.5%*
Earnings	1.0%	11.0%	*2.0%*
Dividends	2.5%	.5%	*.5%*
Book Value	4.0%	- -	*1.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	1247.9	839.6	927.7	1197.2	4212.4
2013	1678.2	1116.0	1129.7	1710.7	5634.6
2014	1638.0	836.8	657.1	1012.3	4144.2
2015	1163.2	*800*	*636.8*	*1000*	*3600*
2016	*1250*	*825*	*675*	*1050*	*3800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	1.24	.65	.93	.86	3.67
2013	2.29	d.06	.47	1.63	4.33
2014	1.73	.10	.27	.66	2.77
2015	1.61	*.10*	*.29*	*.85*	*2.85*
2016	*1.70*	*.10*	*.35*	*.90*	*3.05*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.68	.68	.68	.68	2.72
2012	.68	.68	.68	.68	2.72
2013	.68	.68	.68	.68	2.72
2014	.68	.68	.68	.68	2.72
2015	.68	.68			

BUSINESS: Integrys Energy Group, Inc. is a holding company for Wisconsin Public Service, Peoples Gas, and four other utility subsidiaries. Has 450,000 electric customers in WI, 1.7 million gas customers in WI, IL, MN, and MI. Sold Upper Peninsula Power and retail electric and gas marketing operations in '14. Elec. rev. breakdown: residential, 29%; small commercial & industrial, 29%; large commercial & industrial, 19%; other, 23%. Generating sources: coal, 49%; gas, 12%; other, 5%; purchased, 34%. Fuel costs: 51% of revs. '14 depr. rates (utility): 2.2%-3.2%. Has 4,600 employees. Chairman & CEO: Charles A. Schrock. President & COO: Lawrence T. Borgard. Inc.: WI. Address: 130 East Randolph St., Chicago, IL 60601-6207. Tel.: 312-228-5400. Internet: www.integrysgroup.com.

Integrys Energy is awaiting two more regulatory approvals before the acquisition of the company by Wisconsin Energy can be completed. Integrys stockholders would receive $18.58 a share in cash and 1.128 shares of Wisconsin Energy stock for each of their shares, valuing the deal at $69.57 a share at Wisconsin Energy's recent price. The regulatory commissions in Minnesota and Illinois still need to rule on the combination. The due date for a decision in Illinois is July 6th, and the companies hope to get a written order in Minnesota by then. If all goes well, the transaction will close shortly thereafter. Accordingly, this might well be our last full-page report on Integrys. The stock's Timeliness rank is suspended due to the pending takeover.

We think shareholders should sell their stock on the open market. The stock price of Integrys is now just 1% below the value of the buyout, leaving little upside potential for shareholders. Integrys holders also have some downside risk that the deal will fall through, or that the price of Wisconsin Energy stock (like that of most utility equities) continues to weaken. Like many electric utility issues, Wisconsin Energy's stock price has fallen more than 10% so far this year. In fact, the value of the deal for Integrys holders has dropped below the $71.47-a-share value when the acquisition was announced nearly a year ago.

Peoples Gas in Illinois has received some criticism for its management of its accelerated main-replacement program. The cost of the project is much more than expected when it was proposed several years ago. A consultant made 95 recommendations, many of which the utility is already implementing. How this will affect the proposed takeover is unknown. The Illinois commission might welcome a new parent company for Peoples Gas.

Rate relief should help earnings advance this year and next. Tariffs of Peoples Gas and North Shore Gas (also in Illinois) were raised in early 2015. Wisconsin Public Service has filed for electric and gas rate hikes of $96.9 million and $9.1 million, respectively, based on a return of 10.2% on a common-equity ratio of 50.52%. New rates should take effect in early 2016.

Paul E. Debbas, CFA *June 19, 2015*

(A) Dil. EPS. Excl. nonrecur. gain (losses): '09, ($3.24); '10, (41¢); '14, 64¢; gains (losses) from disc. ops.: '07, $1.02; '08, 6¢; '09, 4¢; '11, (1¢); '12, (12¢); '13, 6¢; '14, 2¢. '12 & '14 EPS don't add due to rounding. Next egs. due early Aug. (B) Div'ds histor. paid mid-Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. intang. In '14: $27.27/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate all'd on com. eq. in WI in '15: 10.2%; in IL in '15: 9.05%; in MN in '14: 9.35%; earn. on avg. com. eq, '14: 6.8%. Regul. Climate: WI, Above Avg.; IL, Below Avg.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	55
Earnings Predictability	45

AVISTA CORP. NYSE-AVA

RECENT PRICE **51.07** F | P/E RATIO **25.5** (Trailing: 23.2 Median: 16.0) | RELATIVE P/E RATIO **1.29** | DIV'D YLD **2.9%** | VALUE LINE

TIMELINESS – Suspended 7/28/17
SAFETY 2 Raised 5/7/10
TECHNICAL – Suspended 7/28/17
BETA .70 (1.00 = Market)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	27.5	25.8	23.6	22.4	22.8	26.5	28.0	29.3	37.4	38.3	45.2	44.4
Low:	17.6	18.2	15.5	12.7	18.5	21.1	22.8	24.1	27.7	29.8	34.3	37.8

2020-22 PROJECTIONS

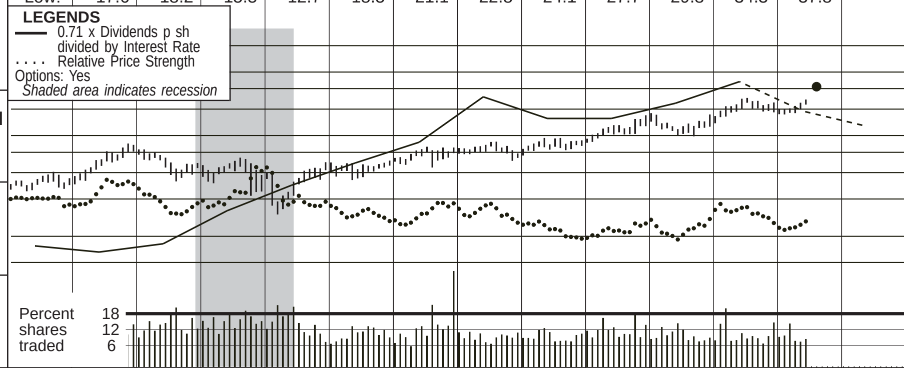
	Price	Gain	Ann'l Total Return
High	45	(-10%)	*Nil*
Low	35	(-30%)	*-5%*

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	9	0	0	0	11	12	0	0	9
to Sell	1	0	0	0	0	0	7	0	2

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	119	127	142
to Sell	101	107	106
Hld's(000)	44354	44869	57014



Target Price Range 2020 | 2021 | 2022

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-1.9	18.8
3 yr.	41.6	20.3
5 yr.	94.4	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
126.17	20.41	23.24	23.76	27.98	28.68	26.80	30.77	27.58	27.29	27.73	25.86	26.94	23.66	23.83	22.47	*22.20*	*22.20*	Revenues per sh	*23.00*
2.71	2.19	2.63	2.35	2.72	4.27	2.93	3.98	4.45	3.62	3.78	3.70	4.36	4.36	4.92	5.30	*5.25*	*5.40*	"Cash Flow" per sh	*6.00*
1.20	.67	1.02	.73	.92	1.47	.72	1.36	1.58	1.65	1.72	1.32	1.85	1.84	1.89	2.15	*2.00*	*2.05*	Earnings per sh A	*2.25*
.48	.48	.49	.52	.55	.57	.60	.69	.81	1.00	1.10	1.16	1.22	1.27	1.32	1.37	*1.43*	*1.49*	Div'd Decl'd per sh B ■	*1.67*
5.92	1.74	2.21	2.47	3.23	3.14	4.04	4.09	3.86	3.64	4.20	4.61	5.05	5.47	6.46	6.34	*6.25*	*6.10*	Cap'l Spending per sh	*6.25*
15.12	14.84	15.54	15.54	15.87	17.46	17.27	18.30	19.17	19.71	20.30	21.06	21.61	23.84	24.53	25.69	*26.60*	*27.30*	Book Value per sh C	*29.50*
47.63	48.04	48.34	48.47	48.59	52.51	52.91	54.49	54.84	57.12	58.42	59.81	60.08	62.24	62.31	64.19	*66.00*	*67.50*	Common Shs Outst'g D	*72.00*
13.7	19.3	13.8	24.4	19.4	15.4	30.9	15.0	11.4	12.7	14.1	19.3	14.6	17.3	17.6	18.8	*Bold figures are*		Avg Ann'l P/E Ratio	*17.5*
.70	1.05	.79	1.29	1.03	.83	1.64	.90	.76	.81	.88	1.23	.82	.91	.89	.99	*Value Line*		Relative P/E Ratio	*1.10*
2.9%	3.7%	3.5%	2.9%	3.0%	2.5%	2.7%	3.4%	4.5%	4.8%	4.5%	4.6%	4.5%	4.0%	4.0%	3.4%	*estimates*		Avg Ann'l Div'd Yield	*4.3%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $1838.0 mill. **Due in 5 Yrs** $548.7 mill.
LT Debt $1729.7 mill. **LT Interest** $80.0 mill.
Incl. $51.5 mill. debt to affiliated trusts; $62.2 mill. capitalized leases.
(LT interest earned: 3.5x)
Pension Assets-12/16 $540.9 mill. **Oblig** $666.5 mill.
Pfd Stock None

Common Stock 64,388,095 shs. **as of 4/30/17**

MARKET CAP: $3.3 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1417.8	1676.8	1512.6	1558.7	1619.8	1547.0	1618.5	1472.6	1484.8	1442.5	*1465*	*1500*	Revenues ($mill)	*1650*
38.5	73.6	87.1	92.4	100.2	78.2	111.1	114.2	118.1	137.2	*130*	*135*	Net Profit ($mill)	*160*
38.7%	38.3%	34.3%	35.0%	35.4%	34.4%	36.0%	37.6%	36.3%	36.3%	*36.5%*	*36.5%*	Income Tax Rate	*36.5%*
22.4%	14.0%	4.2%	4.0%	5.2%	8.3%	8.8%	11.1%	10.1%	8.1%	*9.0%*	*9.0%*	AFUDC % to Net Profit	*7.0%*
41.0%	48.1%	50.9%	51.6%	51.4%	50.8%	51.4%	51.0%	50.0%	51.2%	*47.0%*	*50.0%*	Long-Term Debt Ratio	*45.0%*
59.0%	51.9%	49.1%	48.4%	48.6%	49.2%	48.6%	49.0%	50.0%	48.8%	*53.0%*	*50.0%*	Common Equity Ratio	*55.0%*
1548.9	1919.5	2139.0	2325.3	2439.9	2561.2	2669.7	3027.3	3060.3	3379.0	*3325*	*3670*	Total Capital ($mill)	*3875*
2351.3	2492.2	2607.0	2714.2	2860.8	3023.7	3202.4	3620.0	3898.6	4147.5	*4345*	*4530*	Net Plant ($mill)	*5050*
5.2%	5.8%	5.5%	5.4%	5.5%	4.3%	5.4%	4.9%	5.1%	5.3%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
4.2%	7.4%	8.3%	8.2%	8.5%	6.2%	8.6%	7.7%	7.7%	8.3%	*7.5%*	*7.5%*	Return on Shr. Equity	*7.5%*
4.2%	7.4%	8.3%	8.2%	8.5%	6.2%	8.6%	7.7%	7.7%	8.3%	*7.5%*	*7.5%*	Return on Com Equity E	*7.5%*
.8%	3.7%	4.1%	3.3%	3.1%	.8%	2.9%	2.4%	2.3%	3.0%	*2.0%*	*2.0%*	Retained to Com Eq	*2.0%*
82%	50%	51%	60%	64%	88%	66%	69%	70%	64%	*71%*	*72%*	All Div'ds to Net Prof	*74%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+.8	-2.0	-1.2
Avg. Indust. Use (MWH)	1349	1339	1314
Avg. Indust. Revs. per KWH (¢)	5.93	6.17	6.09
Capacity at Peak (Mw)	2594	NA	NA
Peak Load, Winter (Mw)	2223	NA	NA
Annual Load Factor (%)	64.0	NA	NA
% Change Customers (yr-end)	+5.5	+1.3	+.6
Fixed Charge Cov. (%)	322	315	333

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-1.5%	-3.5%	*Nil*
"Cash Flow"	4.5%	4.0%	*3.5%*
Earnings	6.5%	3.5%	*2.5%*
Dividends	9.5%	6.5%	*4.0%*
Book Value	4.0%	4.5%	*3.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	446.6	312.6	301.6	411.8	1472.6
2015	446.5	337.3	313.7	387.3	1484.8
2016	418.2	318.8	303.4	402.1	1442.5
2017	436.5	*320*	*305*	*403.5*	*1465*
2018	*430*	*330*	*320*	*420*	*1500*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.79	.43	.16	.48	1.84
2015	.74	.40	.21	.54	1.89
2016	.92	.43	.19	.62	2.15
2017	.96	*.39*	*.15*	*.50*	*2.00*
2018	*.85*	*.45*	*.15*	*.60*	*2.05*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.305	.305	.305	.305	1.22
2014	.3175	.3175	.3175	.3175	1.27
2015	.33	.33	.33	.33	1.32
2016	.3425	.3425	.3425	.3425	1.37
2017	.3575	.3575			

BUSINESS: Avista Corporation (formerly The Washington Water Power Company) supplies electricity & gas in eastern Washington & northern Idaho. Supplies electricity to part of Alaska & gas to part of Oregon. Customers: 392,000 electric, 340,000 gas. Acq'd Alaska Electric Light and Power 7/14. Sold Ecova energy-management sub. 6/14. Electric rev. breakdown: residential, 35%; commercial, 31%; industrial, 11%; wholesale, 11%; other, 13%. Generating sources: hydro, 32%; gas & coal, 30%; purchased, 38%. Fuel costs: 38% of revs. '16 reported deprec. rate (Avista Utilities): 3.1%. Has 2,000 employees. Chairman, President & CEO: Scott L. Morris. Inc.: WA. Address: 1411 E. Mission Ave., Spokane, WA 99202-2600. Tel.: 509-489-0500. Internet: www.avistacorp.com.

Avista has accepted a takeover offer. Hydro One, a Canadian company, has agreed to pay US$53 in cash for each share of Avista. The transaction requires the approval of Avista's stockholders, the regulatory commissions in Washington, Idaho, Oregon, Alaska, and Montana, plus the Federal Energy Regulatory Commission. The companies expect the deal to be completed in the second half of 2018.

We advise stockholders to sell their shares on the open market. The offer is generous, at more than 26 times estimated 2017 earnings. However, with the need for regulatory approvals from five state commissions, there is a good deal of regulatory uncertainty. Accordingly, stockholders can avoid downside risk by selling now. The stock's Timeliness rank is suspended due to the takeover agreement.

Avista filed a multiyear rate case in Washington. First, the utility sought a $15.0 million adjustment to reflect increased power costs, effective on September 1st. Then, it requested electric increases of $61.4 million on May 1, 2018, $14.0 million on May 1, 2019, and $14.4 million on May 1, 2020, along with gas hikes of $8.3 million in year one, $4.2 million in year two, and $4.4 million in year three. This is based on a 9.9% return on a 50% common-equity ratio.

We expect a partial earnings recovery in 2018, after a decline this year. The lack of rate relief in Washington will hurt 2017 profits by an estimated $0.20-$0.30 a share. Assuming reasonable orders in the pending rate cases, we think Avista's earnings will exceed $2.00 a share in 2018.

Avista filed a multiyear rate case in Idaho. The utility sought electric hikes of $18.6 million and $9.9 million at the start of 2018 and 2019, respectively, and gas increases of $3.5 million next year and $2.1 million in 2019. This is based on a 9.9% return on a 50% common-equity ratio.

Other rate cases are pending. In Oregon, Avista reached a settlement calling for a $3.5 million gas rate increase, based on a 9.4% return on a 50% common-equity ratio. New rates would take effect on October 1st. In Alaska, the company is seeking an electric hike of $2.8 million, based on a 13.8% return on a 58% common-equity ratio. A ruling is due by February 8th.

Paul E. Debbas, CFA *July 28, 2017*

(A) Dil. EPS. Excl. nonrec. gain (losses): '02, (9¢); '03, (3¢); '14, 9¢; gains (losses) on disc. ops.: '01, ($1.00); '02, 2¢; '03, (10¢); '14, $1.17; '15, 8¢. Next earnings report due early Aug. (B) Div'ds paid in mid-Mar., June, Sept. & Dec. ■ Div'd reinv. avail. (C) Incl. def'd chgs. In '16: $11.33/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate all'd on com. eq. in WA in '16: 9.5%; in ID in '17: 9.5%; in OR in '15: 9.5%; earn. on avg. com. eq., '16: 8.6%. Regul. Clim.: WA, Avg.; ID, Above Avg. (F) Price as of 9:30 AM (EDT) on 7/20/17.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	60
Earnings Predictability	75

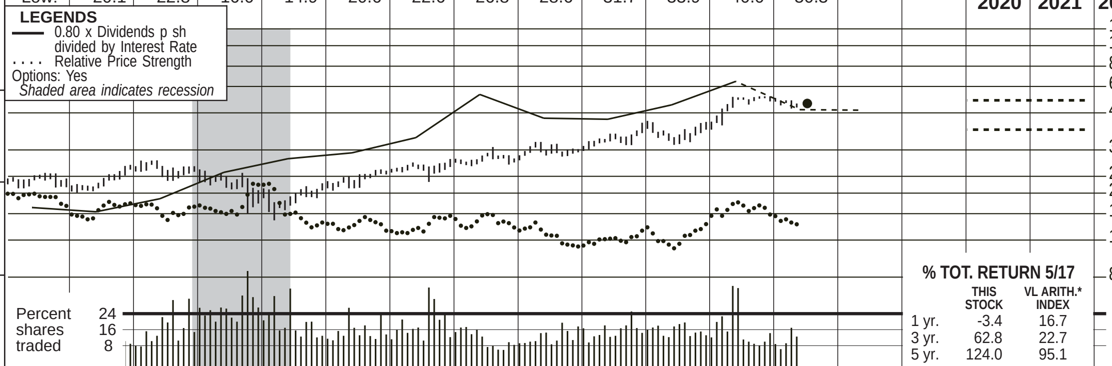
WESTAR ENERGY NYSE-WR

RECENT PRICE 53.18 | P/E RATIO 21.1 (Trailing: 22.3; Median: 15.0) | RELATIVE P/E RATIO 1.07 | DIV'D YLD 3.0% | VALUE LINE

TIMELINESS – Suspended 6/10/16
SAFETY 2 Raised 4/1/05
TECHNICAL – Suspended 6/10/16
BETA .70 (1.00 = Market)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	27.2	28.6	25.9	22.3	25.9	29.0	33.0	35.0	43.2	44.0	57.5	56.6
Low:	20.1	22.8	16.0	14.9	20.6	22.6	26.8	28.6	31.7	33.9	40.0	50.3

Target Price Range
2020 | 2021 | 2022



% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-3.4	16.7
3 yr.	62.8	22.7
5 yr.	124.0	95.1

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+5%)	*4%*
Low	40	(-25%)	*-3%*

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	16	8	0	0
to Sell	0	0	0	0	0	0	0	1	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	160	182	186
to Sell	185	173	152
Hld's(000)	100465	101542	119511

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
31.20	24.77	20.06	17.02	18.23	18.37	18.09	16.98	17.04	18.34	17.27	17.88	18.48	19.76	17.40	18.07	***17.90***	***17.90***	Revenues per sh	***18.15***
5.32	4.77	3.77	3.12	3.28	3.94	3.77	3.14	3.59	4.24	3.97	4.30	4.41	4.55	4.26	4.83	***4.90***	***5.05***	"Cash Flow" per sh	***5.60***
d.58	1.00	1.48	1.17	1.55	1.88	1.84	1.31	1.28	1.80	1.79	2.15	2.27	2.35	2.09	2.43	***2.52***	***2.60***	Earnings per sh A	***3.10***
1.20	1.20	.87	.80	.92	.98	1.08	1.16	1.20	1.24	1.28	1.32	1.36	1.40	1.44	1.52	***1.60***	***1.68***	Div'd Decl'd per sh B■†	***1.92***
3.37	1.89	2.06	2.19	2.45	3.95	7.84	8.65	5.26	4.82	5.55	6.40	6.08	6.47	4.95	7.67	***5.50***	***6.25***	Cap'l Spending per sh	***7.00***
25.97	13.68	14.23	16.13	16.31	17.62	19.14	20.18	20.59	21.25	22.03	22.89	23.88	25.02	25.87	26.84	***27.40***	***27.50***	Book Value per sh C	***28.75***
70.08	71.51	72.84	86.03	86.84	87.39	95.46	108.31	109.07	112.13	125.70	126.50	128.25	131.69	141.35	141.79	***146.00***	***149.00***	Common Shs Outst'g E	***160.00***
--	14.0	10.8	17.4	14.8	12.2	14.1	17.0	14.9	13.0	14.8	13.4	14.0	15.4	18.5	21.6	*Bold figures are*		Avg Ann'l P/E Ratio	***15.0***
--	.76	.62	.92	.79	.66	.75	1.02	.99	.83	.93	.85	.79	.81	.93	1.13	*Value Line*		Relative P/E Ratio	***.95***
5.8%	8.6%	5.5%	3.9%	4.0%	4.3%	4.2%	5.2%	6.3%	5.3%	4.8%	4.6%	4.3%	3.9%	3.7%	2.9%	*estimates*		Avg Ann'l Div'd Yield	***4.1%***

CAPITAL STRUCTURE as of 3/31/17
Total Debt $3912.1 mill. **Due in 5 Yrs** $800 mill.
LT Debt $3685.8 mill. **LT Interest** $160.0 mill.
(LT interest earned: 4.1x)

Pension Assets 12/16 $658 mill. **Oblig.** $1.0 bill.

Pfd Stock None

Common Stock 141,791,153 shs.
MARKET CAP: $7.5 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1726.8	1839.0	1858.2	2056.2	2171.0	2261.5	2370.7	2601.7	2459.2	2562.1	***2610***	***2670***	Revenues ($mill)	***2900***
168.4	136.8	141.3	203.9	214.0	275.1	292.5	313.3	291.9	346.6	***370***	***390***	Net Profit ($mill)	***500***
27.5%	24.8%	29.4%	29.0%	35.2%	30.9%	33.1%	31.9%	33.5%	33.8%	***34.0%***	***34.0%***	Income Tax Rate	***34.0%***
10.4%	--	--	--	--	--	--	--	10.4%	10.0%	***10.0%***	***10.0%***	AFUDC % to Net Profit	***10.0%***
50.6%	49.8%	53.4%	53.6%	49.5%	51.2%	50.0%	50.0%	47.5%	47.9%	***50.0%***	***50.0%***	Long-Term Debt Ratio	***50.0%***
48.9%	49.7%	46.1%	46.0%	50.1%	48.8%	50.0%	50.0%	52.5%	52.1%	***50.0%***	***50.0%***	Common Equity Ratio	***50.0%***
3738.3	4400.1	4866.8	5180.9	5531.0	5938.2	6131.1	6596.2	6958.8	7305.8	***7200***	***7300***	Total Capital ($mill)	***7700***
4803.7	5533.5	5771.7	6309.5	6745.4	7335.7	7848.5	8441.5	8793.1	9506.3	***9750***	***9900***	Net Plant ($mill)	***10500***
5.8%	4.2%	4.4%	5.5%	5.3%	6.0%	6.1%	6.0%	5.3%	5.7%	***6.0%***	***6.0%***	Return on Total Cap'l	***7.0%***
9.1%	6.2%	6.2%	8.5%	7.7%	9.5%	9.6%	9.5%	8.0%	9.1%	***9.5%***	***9.5%***	Return on Shr. Equity	***11.0%***
9.2%	6.2%	6.3%	8.5%	7.7%	9.4%	9.6%	9.5%	8.0%	9.1%	***9.5%***	***9.5%***	Return on Com Equity D	***11.0%***
4.3%	1.2%	.8%	3.1%	2.7%	4.0%	4.2%	4.3%	2.9%	3.7%	***3.5%***	***3.5%***	Retained to Com Eq	***4.5%***
53%	80%	87%	63%	65%	57%	56%	55%	69%	63%	***63%***	***65%***	All Div'ds to Net Prof	***62%***

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+1.5	-2.5	+3.5
Avg. Indust. Use (MWH)	5747	5654	5781
Avg. Indust. Revs. per KWH (¢)	6.72	6.68	6.77
Capacity at Peak (Mw)	6698	7187	7523
Peak Load, Summer (Mw)	5226	5167	5184
Annual Load Factor (%)	56.2	56.1	56.4
% Change Customers (yr-end)	+.2	+.2	+.3
Fixed Charge Cov. (%)	332	330	335

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	0.5%	1.0%	*2.5%*
"Cash Flow"	3.0%	3.0%	*4.5%*
Earnings	4.0%	7.0%	*6.0%*
Dividends	5.0%	3.0%	*5.0%*
Book Value	4.5%	4.0%	*4.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	628.6	612.7	764.0	596.4	2601.7
2015	590.8	589.6	732.8	546.0	2459.2
2016	569.5	621.4	764.7	606.5	2562.1
2017	572.6	***630***	***775***	***632.4***	***2610***
2018	***585***	***645***	***790***	***650***	***2670***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.52	.40	1.10	.33	2.35
2015	.38	.46	.97	.28	2.09
2016	.46	.51	1.08	.38	2.43
2017	.42	***.55***	***1.10***	***.45***	***2.52***
2018	***.50***	***.54***	***1.12***	***.44***	***2.60***

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.33	.34	.34	.34	1.35
2014	.34	.35	.35	.35	1.39
2015	.35	.36	.36	.36	1.43
2016	.38	.38	.38	.38	1.52
2017	.40	.40			

BUSINESS: Westar Energy, Inc., formerly Western Resources, is the parent of Kansas Gas & Electric Company. Westar supplies electricity to 700,000 customers mostly in Kansas. Electric revenue sources: residential and rural, 33%; commercial and business, 29%; industrial, 16%; other, 22%. The company sold its investment in ONEOK in 2003 and 85% ownership in Protection One in 2004. 2016 depreciation rate: 4.2%. Estimated plant age: 17 years. Fuels: coal, 43%; nuclear, 7%; gas, 32%; renewable, 18%. Has 2,254 employees. CEO and President: Mark A. Ruelle. Chairman: Charles Q. Chandler. Incorporated: Kansas. Address: 818 South Kansas Avenue, Topeka, Kansas 66612. Telephone: 785-575-6300. Internet: www.westarenergy.com.

Great Plains' acquisition of Westar Energy has stalled. The agreement, which calls for WR investors to receive $60 (85% in cash, 15% in stock) for each of their shares, hit a new roadblock after the Kansas Corporation Commission (KCC) rejected the merger and then denied an application for reconsideration of the terms. The agency claims that paying the agreed-upon price ($8.6 billion, or $12.2 billion when debt is included) would create a larger but financially weakened company with consumers on the hook for its problems. The KCC also said the combination threatens more than 600 full-time positions at Westar's corporate headquarters in Topeka, Kansas. Great Plains has countered that any potential job cuts would take place over a three- to five-year period, and that net losses would actually be much smaller. Great Plains now has to decide whether it makes more sense to cancel the agreement or try to restructure the deal. If new terms are reached, it would probably mean a delay of about a year before any regulatory approval could be received. Another option, walking away from the transaction, would cost Great Plains $380 million in termination fees.

Meantime, the company reported disappointing first-quarter results. The decline in net income was driven by mild weather in the early part of the year that resulted in weak residential and commercial business. Also contributing to the lower-than-expected results were higher depreciation expenses associated with the start of operations at the Western Plains Wind Farm. In all, share net for the March period came in at $0.42, or down $0.04 from the year-earlier quarter. We now expect Westar to post 2017 earnings of $2.52 a share, down from $2.55 previously.

This stock's Timeliness rank remains suspended due to the uncertainty surrounding the Great Plains-Westar acquisition agreement. A decision by Great Plains management on whether to restructure or abandon the deal will likely be made after this review reaches subscribers. However, with Westar shares trading approximately 12% below the value of Great Plains' offer, investors appear to be souring on the prospect of a revival of this merger.

Daniel Henigson *June 16, 2017*

(A) EPS diluted from 2010 onward. Excl. nonrecur. gains (losses): '01, 27¢; '02, ($12.06); '03, 77¢; '08, 39¢; '11, 14¢. Earnings may not sum due to rounding. Next earnings report due early August.
(B) Div'ds paid in early Jan., April, July, and Oct. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. (C) Incl. reg. assets. In 2016: $5.38/sh. (D) Rate base determined: fair value; Rate allowed on common equity in '16: 10.0%; earned on avg. com. eq., '16: 9.0%. Regul. Clim.: Avg. (E) In mill.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	75
Earnings Predictability	85

WEC ENERGY GROUP NYSE-WEC

RECENT PRICE	62.84	P/E RATIO	20.3 (Trailing: 21.1 / Median: 16.0)	RELATIVE P/E RATIO	1.03	DIV'D YLD	3.4%	VALUE LINE

TIMELINESS 3 Lowered 9/16/16

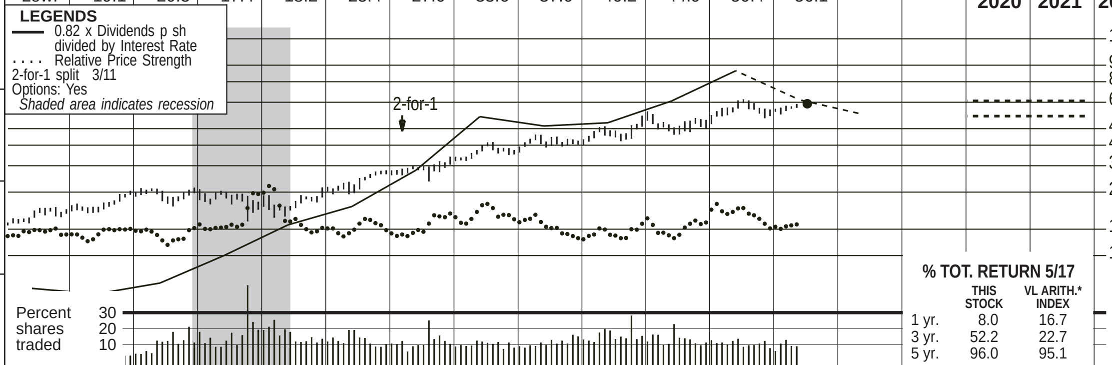
SAFETY 1 Raised 3/23/12

TECHNICAL 4 Lowered 6/16/17

BETA .60 (1.00 = Market)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	24.3	25.2	24.8	25.3	30.5	35.4	41.5	45.0	55.4	58.0	66.1	63.6
Low:	19.1	20.5	17.4	18.2	23.4	27.0	33.6	37.0	40.2	44.9	50.4	56.1

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+5%)	4%
Low	55	(-10%)	1%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	5	0	0	0	0	24	0	2	0
to Sell	6	0	0	0	0	1	0	3	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	278	325	292
to Sell	299	272	300
Hld's(000)	214898	223988	251225

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	8.0	16.7
3 yr.	52.2	22.7
5 yr.	96.0	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
17.02	16.10	17.12	14.66	16.31	17.08	18.12	18.95	17.65	17.98	19.46	18.54	20.00	22.16	18.77	23.68	***24.25***	***25.20***	Revenues per sh	***28.25***
2.72	2.84	2.86	2.58	2.89	2.90	2.98	2.95	3.11	3.30	3.68	4.01	4.33	4.47	3.87	5.39	***5.60***	***5.85***	"Cash Flow" per sh	***6.75***
.92	1.16	1.13	.93	1.28	1.32	1.42	1.52	1.60	1.92	2.18	2.35	2.51	2.59	2.34	2.96	***3.10***	***3.25***	Earnings per sh A	***3.75***
.40	.40	.40	.42	.44	.46	.50	.54	.68	.80	1.04	1.20	1.45	1.56	1.74	1.98	***2.08***	***2.18***	Div'd Decl'd per sh B ■	***2.50***
3.01	2.54	2.95	2.85	3.40	4.17	5.28	4.86	3.50	3.41	3.60	3.09	3.04	3.26	4.01	4.51	***7.00***	***6.30***	Cap'l Spending per sh	***5.75***
8.91	9.22	9.96	10.65	11.46	12.35	13.25	14.27	15.26	16.26	17.20	18.05	18.73	19.60	27.42	28.29	***29.30***	***30.30***	Book Value per sh C	***33.75***
230.84	232.06	236.85	233.97	233.96	233.94	233.89	233.84	233.82	233.77	230.49	229.04	225.96	225.52	315.68	315.62	***315.65***	***315.65***	Common Shs Outst'g D	***315.65***
12.1	10.5	12.4	17.5	14.5	16.0	16.5	14.8	13.3	14.0	14.2	15.8	16.5	17.7	21.3	19.9	*Bold figures are*		Avg Ann'l P/E Ratio	***16.0***
.62	.57	.71	.92	.77	.86	.88	.89	.89	.89	.89	1.01	.93	.93	1.07	1.06	*Value Line*		Relative P/E Ratio	***1.00***
3.6%	3.3%	2.8%	2.6%	2.4%	2.2%	2.1%	2.4%	3.2%	3.0%	3.3%	3.2%	3.5%	3.4%	3.5%	3.4%	*estimates*		Avg Ann'l Div'd Yield	***4.2%***

CAPITAL STRUCTURE as of 3/31/17
Total Debt $9972.0 mill. **Due in 5 Yrs** $3061.0 mill.
LT Debt $9143.6 mill. **LT Interest** $461.8 mill.
Incl. $29.6 mill. capitalized leases.
(LT interest earned: 4.7x)
Leases, Uncapitalized Annual rentals $9.9 mill.
Pension Assets-12/16 $2709.2 mill. **Oblig** $3058.8 mill.
Pfd Stock $30.4 mill. **Pfd Div'd** $1.2 mill.
260,000 shs. 3.60%, $100 par, callable. $101; 44,498 shs. 6%, $100 par.
Common Stock 315,579,222 shs.

MARKET CAP: $20 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
4237.8	4431.0	4127.9	4202.5	4486.4	4246.4	4519.0	4997.1	5926.1	7472.3	***7650***	***7950***	Revenues ($mill)	***8900***
337.7	359.8	378.4	455.6	514.0	547.5	578.6	589.5	640.3	940.2	***980***	***1025***	Net Profit ($mill)	***1180***
39.1%	37.6%	36.5%	35.4%	33.9%	35.9%	36.9%	38.0%	40.4%	37.6%	***37.5%***	***37.5%***	Income Tax Rate	***38.0%***
23.8%	27.2%	25.0%	18.6%	16.8%	9.4%	4.5%	1.3%	4.5%	3.8%	***4.0%***	***3.0%***	AFUDC % to Net Profit	***3.0%***
50.3%	54.8%	51.9%	50.6%	53.6%	51.7%	50.6%	48.5%	51.2%	50.5%	***49.5%***	***50.5%***	Long-Term Debt Ratio	***48.5%***
49.2%	44.8%	47.7%	49.0%	46.0%	48.0%	49.1%	51.2%	48.6%	49.3%	***50.0%***	***49.5%***	Common Equity Ratio	***51.0%***
6302.1	7442.0	7473.1	7764.5	8608.0	8619.3	8626.6	8636.5	17809	18118	***18425***	***19400***	Total Capital ($mill)	***20775***
7681.2	8517.0	9070.5	9601.5	10160	10572	10907	11258	19190	19916	***21350***	***22500***	Net Plant ($mill)	***25550***
7.0%	6.3%	6.4%	7.5%	7.5%	7.9%	8.1%	8.1%	4.5%	6.3%	***6.5%***	***6.5%***	Return on Total Cap'l	***7.0%***
10.8%	10.7%	10.5%	11.9%	12.9%	13.1%	13.6%	13.2%	7.4%	10.5%	***10.5%***	***10.5%***	Return on Shr. Equity	***11.0%***
10.9%	10.7%	10.6%	12.0%	12.9%	13.2%	13.6%	13.3%	7.4%	10.5%	***10.5%***	***10.5%***	Return on Com Equity E	***11.0%***
7.1%	7.0%	6.2%	7.0%	6.8%	6.5%	5.9%	5.3%	2.1%	3.5%	***3.5%***	***3.5%***	Retained to Com Eq	***3.5%***
35%	35%	42%	41%	47%	51%	57%	60%	71%	67%	***67%***	***67%***	All Div'ds to Net Prof	***67%***

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-5.9	+29.1	+18.5
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Lg. C&I Revs. per KWH (¢)	8.62	7.71	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.5	+40.2	NA
Fixed Charge Cov. (%)	454	364	404

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	3.0%	3.0%	*4.5%*
"Cash Flow"	5.0%	6.5%	*6.5%*
Earnings	8.5%	6.5%	*6.0%*
Dividends	15.0%	16.0%	*6.0%*
Book Value	8.0%	9.0%	*5.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1695	1044	1033	1225	4997.1
2015	1388	991	1699	1848	5926.1
2016	2195	1602	1712	1963	7472.3
2017	2304	***1650***	***1700***	***1996***	***7650***
2018	***2400***	***1700***	***1750***	***2100***	***7950***

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.91	.58	.56	.53	2.59
2015	.86	.35	.58	.57	2.34
2016	1.09	.57	.68	.61	2.96
2017	1.12	***.58***	***.75***	***.65***	***3.10***
2018	***1.15***	***.62***	***.80***	***.68***	***3.25***

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.34	.34	.382	.383	1.45
2014	.39	.39	.39	.39	1.56
2015	.422	.422	.44	.457	1.74
2016	.495	.495	.495	.495	1.98
2017	.52	.52			

BUSINESS: WEC Energy Group, Inc. (formerly Wisconsin Energy) is a holding company for utilities that provide electric, gas & steam service in WI & gas service in IL, MN, & MI. Customers: 1.6 mill. elec., 2.8 mill. gas. Acq'd Integrys Energy 6/15. Sold Point Beach nuclear plant in '07. Elec. rev. breakdown: residential, 35%; small commercial & industrial, 31%; large commercial & industrial, 21%; other, 13%. Generating sources: coal, 52%; gas, 16%; renewables, 3%; purchased, 29%. Fuel costs: 35% of revs. '16 reported deprec. rates (utility): 2.3%-3.3%. Has 8,200 employees. Chairman: Gale E. Klappa. President & CEO: Allen L. Leverett. Inc.: Wisconsin. Address: 231 W. Michigan St., P.O. Box 1331, Milwaukee, WI 53201. Tel.: 414-221-2345. Internet: www.wecenergygroup.com.

WEC Energy Group's utilities in Wisconsin are awaiting a ruling on a regulatory settlement. The agreement, if approved by the Wisconsin commission, would freeze electric and gas rates through 2019. Wisconsin Public Service would adopt an earnings-sharing mechanism that is already in place for WEC's other utilities in the state. Any earnings up to half a percentage point above the allowed return on equity would be shared evenly between the utility and its customers; anything above that would be passed through to customers. The benefit to the company is that its utilities in the state would be able to retain the benefits of cost reductions. This already happened in the first quarter of 2017, when effective expense management helped offset the effects of a milder-than-usual winter.

We estimate that earnings will rise 5% this year and next. This is the low end of WEC's annual target of 5%-7%. The utilities in Wisconsin should benefit from cost reductions, and Peoples Gas in Chicago has an accelerated main replacement program, in which the utility receives a current return on this spending (estimated at $300 million in 2017). Our 2017 profit estimate is within management's guidance of $3.06-$3.12 a share.

WEC's electric utility in the upper peninsula of Michigan is seeking a certificate of need to build a gas-fired power plant. This would cost an estimated $275 million and would be completed in 2019. Half of the 180-megawatt facility's costs would be recovered in rates, the other half from a large industrial customer via a 20-year contract. Once the plant is on line, the company would retire an old coal-fired plant. The Michigan commission's decision is expected in October.

The company is awaiting approval for a gas storage acquisition. WEC would pay $230 million for a facility in Michigan. This would provide a return on investment similar to that of a utility.

This high-quality stock has a yield that is about average for a utility. The equity is suitable for conservative utility investors. However, like most utility issues, the recent price is within our 2020-2022 Target Price Range. Accordingly, 3- to 5-year total return potential is low.

Paul E. Debbas, CFA *June 16, 2017*

(A) Diluted EPS. Excl. gains on disc. ops.: '04, 77¢; '05, 2¢; '06, 2¢; '09, 2¢; '10, 1¢; '11, 6¢. '14-'16 EPS don't sum due to rounding or chng. in shs. Next egs. report due early Aug. (B) Div'ds paid in early Mar., June, Sept. & Dec. ■ Div'd reinv. avail. (C) Incl. intang. In '16: $19.44/sh. (D) In mill., adj. for split. (E) Rate base: Net orig. cost. Rates all'd on com. eq. in WI in '15: 10.0%-10.3%; in IL in '15: 9.05%; in MN in '16: 9.11%; in MI in '16: 9.9%; earned on avg. com. eq., '16: 10.6%. Regul. Climate: WI, Above Avg.; IL, Below Avg.; MN & MI, Avg.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	85
Earnings Predictability	85

All of the major electric utilities located in the eastern region of the United States are reviewed in this Issue; western electrics, in Issue 11; and the remaining utilities, in Issue 5.

Two companies in Issue 1 have or had plans to build nuclear units. Due to extensive delays and cost overruns that led to the bankruptcy filing of the contract, one project has been canceled, and the other is uncertain.

Nonregulated nuclear facilities are facing difficult market conditions. Some companies have received or are seeking remedies from state governments.

Most electric utility equities have performed very well in 2017. We continue to believe this group is expensively priced.

Nuclear Construction Problems

For the past several years, Georgia Power and South Carolina Electric & Gas, electric utility subsidiaries of *Southern Company* and *SCANA*, respectively, have each been building two nuclear units at the site of an existing plant. Georgia Power is adding two units to the Vogtle station, and SCE&G was (note the past tense) building two units at the Summer plant. The utilities have been earning a return on their construction work in progress; were it not for regulatory provisions that enabled them to do so, they would not have proceeded with the projects. There is a lot of construction risk associated with building nuclear facilities, and these projects are no exception. Each has had extensive delays and cost overruns. In fact, the rising costs became so severe that the contractor building the units, Westinghouse, filed for bankruptcy protection in late March. Westinghouse's parent, Toshiba, is providing each utility with guarantees that are stipulated in the construction agreements, but these aren't nearly enough to cover the remaining construction expenditures.

In late July, SCE&G decided to abandon the project once it realized that the cost overruns and delays (based on information from Westinghouse) were even greater than the utility had estimated. A portion of the construction work in progress is still not reflected in rates, and SCE&G will seek recovery of them under South Carolina regulatory law. The abandonment decision is turning out to be politically unpopular, as construction was providing many jobs and economic benefits to the area. In addition, the new units would have been a source of emissions-free electricity. Georgia Power still has not decided whether to proceed with construction, but will likely announce its decision soon. The chief executive officer of the utility's parent, *Southern Company*, has stated that "there are a host of differences between our project and the Summer project," so we would not assume that this one will be canceled just because it has the same contractor as Summer. No matter what happens here, we will be surprised if any other investor-owned utilities decide to build nuclear units.

Nuclear Financial Problems

Nonregulated nuclear facilities are operating in a difficult environment. Low natural gas prices have led to low market power prices. Other problems facing merchant nuclear plants are subsidized renewable energy and weak demand for power in many parts of the United States. And current market structures do not provide any recognition of nuclear energy's nonemitting environmental benefits, as well as the benefits of fuel diversity. Two nuclear facilities (one owned by *Dominion Energy*) have already been shut for economic reasons, and some others are slated for closing in the next few years.

INDUSTRY TIMELINESS: 65 (of 97)

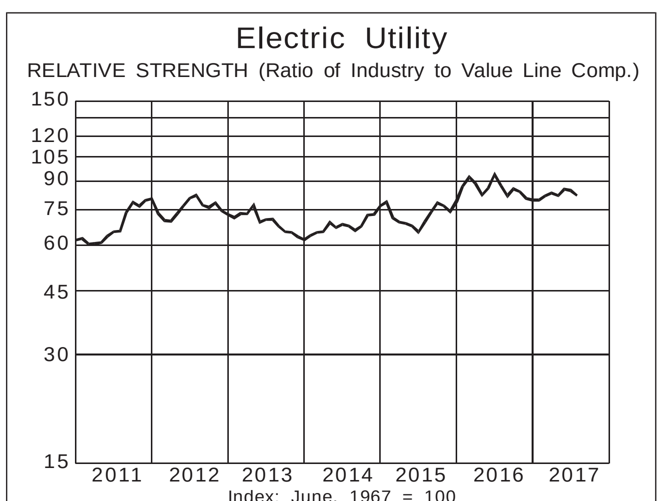
The owners of troubled nuclear plants are looking for ways to avoid shutting their assets. New York and Illinois have initiated "zero-emissions credits" to subsidize certain nuclear plants in the state for their environmental benefits. (So far, legal challenges to these credits have been unsuccessful.) *FirstEnergy* in Ohio and *Dominion Energy* in Connecticut are seeking similar help; whether they will get it is questionable. And *Exelon* has stated that it will close its unprofitable Three Mile Island unit in Pennsylvania in 2019 unless the state provides subsidies. Some plants owned by a *Public Service Enterprise Group* nonutility subsidiary are facing difficulties, as well.

Investors should note that *regulated* nuclear assets are not threatened with shutdowns for economic reasons. This includes the aforementioned Vogtle and Summer plants. Some companies, such as *NextEra Energy*, *Dominion Energy*, and Entergy (covered in Issue 5) have both regulated and nonregulated nuclear facilities.

Conclusion

This year has been good for most electric utility stocks, despite a rise in interest rates and an expectation of further increases. Rates remain very low, by historical standards. Returns on cash are negligible, so some investors are "reaching for yield" by buying stocks with good dividend yields, such as electric companies. This has made the valuations of many of these equities higher than normal. Today, it is not unusual to see a utility stock trading at a market price-earnings multiple. And it is not unusual to see a utility quotation that is within our 2020-2022 Target Price Range for that issue. In fact some stocks, including *AVANGRID* and *Consolidated Edison*, and trading above this range.

Paul E. Debbas, CFA



All of the major electric utilities located in the central region of the United States are reviewed in this Issue; eastern electrics, in Issue 1; and the remaining utilities, in Issue 11.

There has been a lot of merger and acquisition activity in the electric utility industry in recent years, but this has slowed lately.

Due to unfavorable market conditions for owners of merchant (i.e., noncontracted) generating assets, some companies are trying to reduce or eliminate their exposure to this business.

Most electric utility equities have performed well so far this year. We continue to believe that valuations are high.

INDUSTRY TIMELINESS: 33 (of 97)

Mergers And Acquisitions

In recent years, there have been several mergers and acquisitions in the Electric Utility Industry. Eversource Energy (formerly Northeast Utilities) purchased NStar in 2012. Exelon bought Constellation Energy in 2012 and Pepco Holdings in 2016. *WEC Energy Group* (formerly Wisconsin Energy) acquired Integrys Energy in 2015. *Fortis* purchased ITC Holdings last year. Three electric companies (Duke Energy, Southern Company, and Dominion Resources) bought gas utilities in 2016.

Historically, obtaining regulatory approval for electric utility mergers has been a challenge. Numerous proposed combinations did not get completed, either because at least one regulatory commission denied permission or because the conditions the surviving company would have had to agree to were deemed onerous by that company. This has not changed. In 2016, NextEra Energy's attempted buyout of Hawaiian Electric Industries was rejected by the regulators in the Aloha State. This year, NextEra saw its proposed acquisition of Oncor, a Texas distribution utility, turned down by the state commission. NextEra has not yet given up, but if the company attempt is ultimately unsuccessful this would be the *fourth* fruitless attempt by NextEra or its predecessor company, FPL Group. The proposed merger of *Great Plains Energy* and *Westar Energy* was rejected by the Kansas commission. *Great Plains* is deciding whether to restructure the agreement with *Westar* and make another attempt, or drop the idea. There is a precedent for a utility deal going through after the companies submitted a revised proposal to the regulators. This is what happened in the aforementioned Exelon purchase of Pepco, which was initially rejected by the commission in Washington, DC.

Exiting Nonregulated Businesses

For the past several years, conditions for owners of nonregulated "merchant" (i.e., noncontracted) generating assets have faced unfavorable market conditions. Low natural gas prices and subsidized renewable energy have reduced the prices that these assets can command on the open market. In some cases, the bids of plants' expected output failed to clear the market. And weakening demand for electricity, due to energy efficiency measures and the aftereffects of the 2007-2009 recession haven't helped. Efforts to obtain subsidies for threatened plants, or return to reregulation, have been unsuccessful or are just beginning.

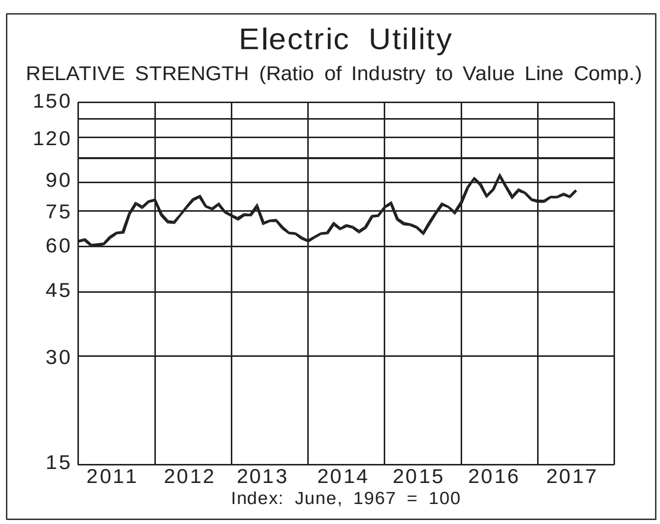
American Electric Power, *Entergy*, and FirstEnergy (covered in Issue 1) intend to exit their nonregulated activities (or at least the vast majority of these) and return to their roots as regulated electric utilities. However, the route to this goal isn't smooth, and these companies have already had to take substantial writedowns of their nonutility generating assets. Some asset sales have already closed—the buyers, in most instances, are private equity companies—but there is still a lot of work to be done before these companies can reach their target. In the case of *Entergy*, its last major nonregulated asset won't be shut until 2021.

Conclusion

Most electric utility stocks have fared well in the first half of 2017. The prices of most issues have risen at a high single-digit or low double-digit percentage. (The exceptions can be attributed to company-specific reasons.) Investors are still reaching for yield, and are not fearful of the expectation that the Federal Reserve will raise interest rates.

The high valuation of stocks in the Electric Utility Industry is evident by a few ways of measuring this. The group's average dividend yield, at 3.3%, is comfortably above the median of all stocks under our coverage. However, this yield is low, by historical standards. In addition, for many years electric utility equities had a price-earnings ratio well below that of the market. Thus, the relative price-earnings ratio shown on our pages was below 1.00. Last year, this figure was right around 1.00 for many electric utility stocks. Today, many issues have a price-earnings ratio above 20. We also note that the majority of electric utility equities are trading within their 3- to 5-year Target Price Range. A few, such as *ALLETE* and *CMS Energy*, have recent prices *above* their 2020-2022 Target Price Range. As a result, the long-term total return potential of this group is just 3%, despite the likelihood of annual dividend growth from most of these companies. Income-oriented investors should keep this in mind.

Paul E. Debbas, CFA



All of the major electric utilities located in the western region of the United States are reviewed in this Issue; eastern electrics, in Issue 1; and the remaining utilities, in Issue 5.

Occasionally, we show our regulatory climate rankings for most states, the District of Columbia, and the Federal Energy Regulatory Commission.

We provide a brief update on mergers and acquisitions in the Electric Utility Industry.

Most utility stocks have performed well in 2017. Valuations remain high.

Ranking The Regulators

From time to time, *The Value Line Investment Survey* presents its rankings of regulatory climates for most states, the District of Columbia, and the Federal Energy Regulatory Commission (FERC). This is important because all utilities have a significant proportion, if not all, of their business subject to regulatory oversight. Electric companies file rate cases to place new capital expenditures in the rate base, recover increased expenses, and adjust rate design (i.e., the rate structure among customer classes and the portion of customers' bills that is subject to fixed monthly charges).

Note that a ranking of a regulatory climate does not merely reflect the commission in that jurisdiction. We also consider the governor, legislature, and courts. All of these play a role in determining regulatory procedures or regulatory outcomes for electric companies.

We do not include every state in the table below. We do not rank Nebraska, Nevada, Rhode Island, Tennessee, Utah, and Vermont because we do not cover an electric utility serving that state or because investor-owned utilities have little or no presence in the state. For instance, Nebraska is served by electric cooperatives, and Tennessee by the Tennessee Valley Authority, a corporate agency of the federal government. Since we last ran this table, we have added Maine (served by AVANGRID, covered in Issue 1).

• *Above Average:* Alabama, Alaska, California, Colorado, Georgia, Idaho, Indiana, Massachusetts, Ohio, South Carolina, Wisconsin, FERC.

• *Average:* Arizona, Delaware, Florida, Iowa, Kansas, Kentucky, Louisiana, Maine, Michigan, Minnesota, Mississippi, Montana, New Hampshire, New Jersey, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, South Dakota, Texas, Virginia, Washington, Wyoming.

• *Below Average:* Arkansas, Connecticut, District of Columbia, Hawaii, Illinois, Maryland, Missouri, New Mexico, New York, West Virginia.

We are considering changing the climates of a few states. Within the past several months, *Avista* and *Black Hills* were hit with unfavorable rate orders in Washington and Colorado, respectively. One negative regulatory decision normally doesn't prompt us to lower a state's regulatory climate, but we are keeping an eye on *Avista's* newly filed rate case and *Black Hills'* court appeal of the commission's rate order. In addition, the utility subsidiary of OGE Energy (covered in Issue 5) received a disappointing decision in Oklahoma. On the other hand, a new regulatory mechanism in Illinois is working well, so far, so that state might eventually get an upgrade. We are also keeping an eye on Michigan, where a new regulatory law took effect in April. We want to see how this works out before raising the state's regulatory climate.

INDUSTRY TIMELINESS: 1 (of 97)

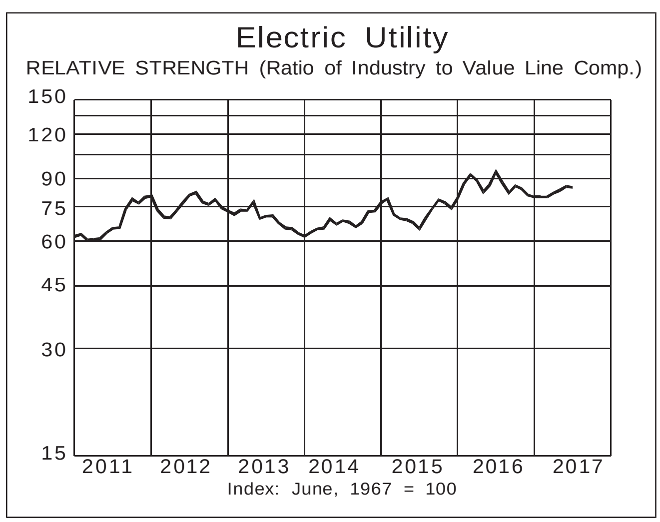
Merger And Acquisition Update

This has not been a good year for utility mergers and acquisitions. It got off to a good start when the takeover of Empire District Electric Company was approved in early January. Since then, two proposed combinations failed to win regulatory approval. The Texas commission rejected NextEra Energy's (covered in Issue 1) proposed takeover of Oncor (the former TXU), and the Kansas commission rejected the proposed acquisition of Westar Energy by Great Plains Energy (each covered in Issue 5). Great Plains and Westar are trying again, having restructured the deal as a merger of equals, with neither company paying a premium for its midwestern counterpart. Meanwhile, Berkshire Hathaway, which already owns some electric utilities, and hedge fund Elliott Management have made bids for Oncor. Last week, *Avista* accepted a takeover offer from Hydro One, a Canadian company.

Conclusion

Most equities in the Electric Utility Industry have performed well so far in 2017. Almost every issue has risen in price, and a few (including *Black Hills* and *Sempra Energy*) have advanced more than 10%. (*Hawaiian Electric Industries* is one of the few companies to see a decline in the price of its stock.) This has occurred despite the raising of interest rates by the Federal Reserve, and the expectation of further increases. Even after the Fed's moves, interest rates are still low by historical standards, and investors are "reaching for yield" because banks and money-market funds are paying little. Today, many electric utility stocks are trading at or above the market's price-earnings ratio. In addition, the recent prices of several stocks in this industry are trading near or above the upper end of their 3- to 5-year Target Price Range. Among these equities are *IDACORP*, *Pinnacle West*, and *Portland General Electric*.

Paul E. Debbas, CFA



EL PASO ELECTRIC NYSE-EE

RECENT PRICE	P/E RATIO	(Trailing: Median:)	RELATIVE P/E RATIO	DIV'D YLD	
51.30	20.9	Trailing: 21.1 Median: 15.0	1.06	2.7%	VALUE LINE

TIMELINESS 3 Lowered 7/14/17

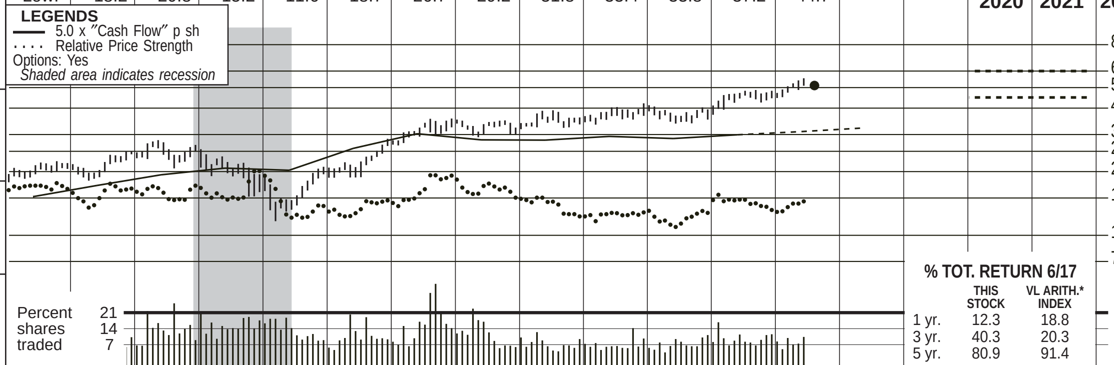
SAFETY 2 Raised 5/11/07

TECHNICAL 1 Raised 7/14/17

BETA .75 (1.00 = Market)

High:	25.0	28.2	25.5	21.1	28.7	35.7	35.3	39.1	42.2	41.3	48.8	55.4	
Low:	18.2	20.8	15.2	11.6	18.7	26.7	29.2	31.8	33.4	33.8	37.2	44.7	

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+15%)	7%
Low	45	(-10%)	Nil

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	4	0	0	3	0	0	3	9
to Sell	0	0	0	1	0	0	1	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	72	104	107
to Sell	90	75	72
Hld's(000)	39276	39292	44613

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	12.3	18.8
3 yr.	40.3	20.3
5 yr.	80.9	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
15.40	13.91	13.97	14.95	16.70	17.75	19.43	23.15	18.85	20.61	22.97	21.26	22.11	22.74	21.01	21.89	*22.15*	*22.75*	Revenues per sh	*24.50*
3.43	2.99	3.00	3.27	3.05	3.44	3.86	4.16	4.07	5.15	6.05	5.66	5.65	5.87	5.75	5.98	*6.20*	*6.45*	"Cash Flow" per sh	*7.25*
1.27	.57	.64	.69	.76	1.27	1.63	1.73	1.50	2.07	2.48	2.26	2.20	2.27	2.03	2.39	*2.45*	*2.60*	Earnings per sh A	*3.00*
--	--	--	--	--	--	--	--	--	--	.66	.97	1.05	1.11	1.17	1.23	*1.32*	*1.42*	Div'd Decl'd per sh B	*1.75*
1.85	1.75	2.03	1.94	2.28	2.73	4.63	5.36	5.95	5.27	5.90	6.70	7.18	8.50	8.55	7.03	*6.35*	*5.65*	Cap'l Spending per sh	*7.00*
9.01	9.20	10.51	11.23	11.56	12.60	14.76	15.47	16.45	19.04	19.03	20.57	23.44	24.39	25.13	26.52	*27.65*	*28.80*	Book Value per sh C	*32.25*
49.99	49.61	47.56	47.40	48.14	46.00	45.15	44.88	43.92	42.57	39.96	40.11	40.27	40.36	40.44	40.52	*40.60*	*40.70*	Common Shs Outst'g D	*41.00*
11.0	23.0	18.3	22.0	26.7	16.9	15.3	11.9	10.8	10.7	12.6	14.5	15.9	16.4	18.3	18.7	*Bold figures are*		Avg Ann'l P/E Ratio	*16.5*
.56	1.26	1.04	1.16	1.42	.91	.81	.72	.72	.68	.79	.92	.89	.86	.92	.98	*Value Line*		Relative P/E Ratio	*1.05*
--	--	--	--	--	--	--	--	--	--	2.1%	3.0%	3.0%	3.0%	3.1%	2.7%	*estimates*		Avg Ann'l Div'd Yield	*3.5%*

CAPITAL STRUCTURE as of 3/31/17

Total Debt $1413.0 mill. **Due in 5 Yrs** $262.3 mill.
LT Debt $1195.6 mill. **LT Interest** $72.3 mill.
(LT interest earned: 2.9x)

Pension Assets-12/16 $269.8 mill. **Oblig** $337.8 mill.

Pfd Stock None

Common Stock 40,557,782 shs. **as of 4/30/17**

MARKET CAP: $2.1 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
877.4	1038.9	828.0	877.3	918.0	852.9	890.4	917.5	849.9	886.9	*900*	*925*	Revenues ($mill)	*1000*
74.8	77.6	66.9	90.3	103.5	90.8	88.6	91.4	81.9	96.8	*100*	*105*	Net Profit ($mill)	*125*
31.6%	32.8%	33.1%	36.1%	34.2%	34.1%	33.0%	31.0%	29.9%	35.8%	*36.0%*	*36.0%*	Income Tax Rate	*36.0%*
15.9%	20.4%	24.3%	22.1%	17.6%	22.4%	24.1%	30.8%	27.5%	17.6%	*10.0%*	*11.0%*	AFUDC % to Net Profit	*15.0%*
49.6%	53.8%	52.7%	51.2%	51.8%	54.8%	51.4%	53.5%	52.7%	52.7%	*51.5%*	*52.5%*	Long-Term Debt Ratio	*51.5%*
50.4%	46.2%	47.3%	48.8%	48.2%	45.2%	48.6%	46.5%	47.3%	47.3%	*48.5%*	*47.5%*	Common Equity Ratio	*48.5%*
1321.6	1503.9	1527.7	1660.1	1576.7	1824.5	1943.5	2118.4	2150.8	2269.9	*2315*	*2465*	Total Capital ($mill)	*2725*
1450.6	1595.6	1756.0	1865.8	1947.1	2102.3	2257.5	2488.4	2695.5	2821.2	*2930*	*3005*	Net Plant ($mill)	*3325*
7.1%	6.7%	6.0%	7.0%	8.3%	6.5%	6.1%	5.7%	5.3%	5.8%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.0%*
11.2%	11.2%	9.3%	11.1%	13.6%	11.0%	9.4%	9.3%	8.1%	9.0%	*9.0%*	*9.0%*	Return on Shr. Equity	*9.5%*
11.2%	11.2%	9.3%	11.1%	13.6%	11.0%	9.4%	9.3%	8.1%	9.0%	*9.0%*	*9.0%*	Return on Com Equity E	*9.5%*
11.2%	11.2%	9.3%	11.1%	10.0%	6.3%	4.9%	4.8%	3.4%	4.4%	*4.0%*	*4.0%*	Retained to Com Eq	*4.0%*
--	--	--	--	26%	43%	47%	49%	57%	51%	*53%*	*53%*	All Div'ds to Net Prof	*58%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-1.6	+2.3	+.1
Avg. Indust. Use (MWH)	21505	21687	21036
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	1879	2055	2080
Peak Load, Summer (Mw)	1766	1794	1892
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.3	+1.4	+1.6
Fixed Charge Cov. (%)	251	218	267

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	3.0%	1.0%	*2.0%*
"Cash Flow"	6.0%	3.0%	*3.5%*
Earnings	9.5%	2.0%	*5.0%*
Dividends	--	--	*7.0%*
Book Value	8.0%	7.0%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	185.5	251.8	283.6	196.6	917.5
2015	163.8	219.5	289.7	176.9	849.9
2016	157.8	217.9	323.2	188.0	886.9
2017	171.3	*228.7*	*295*	*205*	*900*
2018	*175*	*235*	*315*	*200*	*925*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.11	.75	1.30	.11	2.27
2015	.09	.52	1.40	.02	2.03
2016	d.14	.55	1.84	.14	2.39
2017	d.10	*.65*	*1.60*	*.30*	*2.45*
2018	*d.10*	*.70*	*1.80*	*.20*	*2.60*

Cal-endar	QUARTERLY DIVIDENDS PAID B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.25	.265	.265	.265	1.05
2014	.265	.28	.28	.28	1.11
2015	.28	.295	.295	.295	1.17
2016	.295	.31	.31	.31	1.23
2017	.31	.335			

BUSINESS: El Paso Electric Company (EPE) provides electric service to 411,000 customers in an area of approximately 10,000 square miles in the Rio Grande valley in western Texas (68% of revenues) and southern New Mexico (19% of revenues), including El Paso, Texas and Las Cruces, New Mexico. Wholesale is 13% of revenues. Electric revenue breakdown by customer class not available. Generating sources: nuclear, 49%; gas, 34%; coal, 2%; purchased & other, 15%. Fuel costs: 26% of revenues. '16 reported depreciation rate: 2.3%. Has about 1,100 employees. Chairman: Charles A. Yamarone. President & CEO: Mary E. Kipp. Incorporated: Texas. Address: Stanton Tower, 100 North Stanton, El Paso, TX 79901. Tel.: 915-543-5711. Internet: www.epelectric.com.

El Paso Electric Company has a rate case pending in Texas. The utility requested an increase of $42.5 million, based on a 10.5% return on a 48.35% common-equity ratio. EPE wants to place units 3 and 4 of a gas-fired generating station in the rate base, as well as other capital expenditures it has made since its last rate case, in 2012. The company also wants changes in rate design so that tariffs for each customer class reflect (or come close to) the cost of service for that customer class. EPE also wants to address the subsidization of solar customers by nonsolar users. The staff of the Texas commission is recommending a hike of $11.0 million, based on a 9.3% return on a 48.35% common-equity ratio. The commission's order is due in the fourth quarter (most likely in November or December), but will be retroactive to July 18, 2017. Because fourth-period results will include the portion of revenues that is retroactive to the third, December-quarter profits will be higher than usual, in what is normally a seasonally weak period.

We look for modest earnings growth in 2017, followed by a greater increase in 2018. Because units 3 and 4 of the aforementioned gas-fired plant are not in the rate base, regulatory lag is hurting EPE's income. Our estimates are based on the assumption that the rate order in Texas is reasonable. Note that the utility will still feel some effects of regulatory lag until it receives a rate order in New Mexico. (This filing might not occur until 2019.) Note, too, that management isn't providing earnings guidance due to the uncertainty surrounding the rate case.

Dividend growth has accelerated. In the second quarter, the board of directors raised the annual dividend by $0.10 a share (8.1%), greater than the $0.06-a-share increases in recent years. EPE has set a goal of achieving a payout ratio in a range of 55%-65% by 2020. We think the company will attain this target.

This stock has a low dividend yield for a utility. This is almost a percentage point below the industry average. Like most utility equities, the recent price is within our 2020-2022 Target Price Range. Accordingly, total return potential is subpar.

Paul E. Debbas, CFA *July 28, 2017*

(A) Diluted earnings. Excl. nonrecurring gains (losses): '01, (4¢); '03, 81¢; '04, 4¢; '05, (2¢); '06, 13¢; '10, 24¢. '14 earnings don't sum to full-year total due to rounding. Next earnings report due early Aug. (B) Initial dividend declared 4/11; payment dates in late March, June, Sept., and Dec. (C) Incl. deferred charges. In '16: $118.9 mill., $2.93/sh. (D) In millions. (E) Rate allowed on common equity in TX in '12: none specified; in NM in '16: 9.48%; earned on avg. com. eq., '16: 9.3%. Regulatory Climate: TX, Average; NM, Below Average.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	70
Earnings Predictability	80

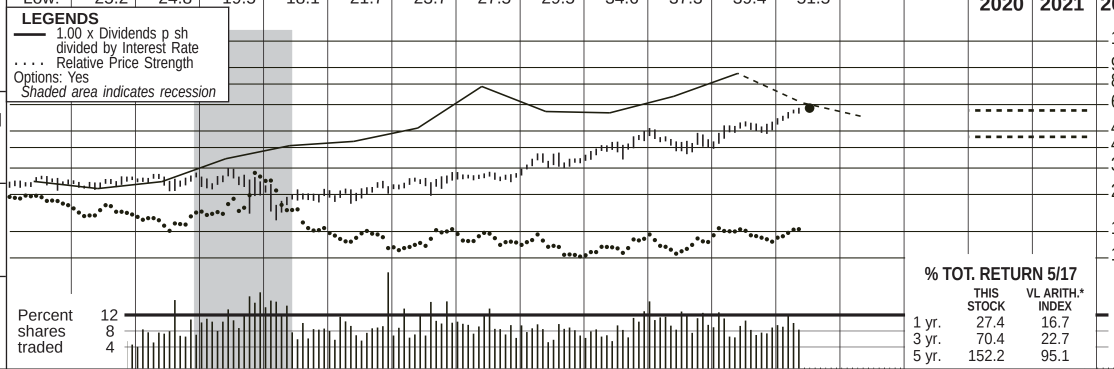
VECTREN CORP. NYSE-VVC

RECENT PRICE	61.64	P/E RATIO	23.3 (Trailing: 23.3 Median: 16.0)	RELATIVE P/E RATIO	1.18	DIV'D YLD	2.8%	VALUE LINE

TIMELINESS	3	Raised 6/9/17
SAFETY	2	Lowered 1/5/01
TECHNICAL	3	Raised 5/12/17
BETA .70 (1.00 = Market)		

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
High:	29.3	30.5	32.2	26.9	27.8	30.7	30.8	37.9	48.3	49.5	53.3	62.8
Low:	25.2	24.8	19.5	18.1	21.7	23.7	27.5	29.5	34.6	37.3	39.4	51.5

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(-5%)	2%
Low	45	(-25%)	-4%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	10	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	129	138	152
to Sell	136	132	130
Hld's(000)	51679	52408	60445

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	27.4	16.7
3 yr.	70.4	22.7
5 yr.	152.2	95.1

Vectren was formed on March 31, 2000 through the merger of Indiana Energy and SIGCORP. The merger was consummated with a tax-free exchange of shares and has been accounted for as a pooling of interests. Indiana Energy common stockholders received one Vectren common share for each share held. SIGCORP stockholders exchanged each common share for 1.333 common shares of Vectren.

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
29.88	30.67	25.76	26.06	28.39	27.16	30.23	31.62	29.40	29.53	**30.20**	**31.25**	Revenues per sh	**38.35**
4.29	3.97	4.40	4.44	4.71	5.03	5.03	5.33	5.48	5.69	**5.85**	**6.20**	"Cash Flow" per sh	**7.75**
1.83	1.63	1.79	1.65	1.73	1.94	1.66	2.02	2.39	2.55	**2.65**	**2.80**	Earnings per sh A	**3.35**
1.27	1.31	1.35	1.37	1.39	1.41	1.43	1.46	1.54	1.62	**1.70**	**1.78**	Div'd Decl'd per sh B■†	**2.00**
4.38	4.83	5.33	3.39	3.92	4.45	4.77	5.43	5.76	6.54	**6.70**	**7.15**	Cap'l Spending per sh	**8.70**
16.16	16.68	17.23	17.61	17.89	18.57	18.86	19.45	20.34	21.33	**22.50**	**23.80**	Book Value per sh C	**28.50**
76.36	81.03	81.10	81.70	81.90	82.20	82.40	82.60	82.80	82.90	**83.50**	**84.00**	Common Shs Outst'g D	**86.00**
15.3	16.8	12.9	15.0	15.8	15.0	20.7	20.0	17.9	19.2	*Bold figures are*		Avg Ann'l P/E Ratio	**16.0**
.81	1.01	.86	.95	.99	.95	1.16	1.05	.90	1.01	*Value Line*		Relative P/E Ratio	**1.00**
4.5%	4.8%	5.9%	5.5%	5.1%	4.8%	4.2%	3.6%	3.6%	3.3%	*estimates*		Avg Ann'l Div'd Yield	**3.7%**
2281.9	2484.7	2088.9	2129.5	2325.2	2232.8	2491.2	2611.7	2434.7	2448.3	**2520**	**2625**	Revenues ($mill)	**3300**
143.1	129.0	145.0	133.7	141.6	159.0	136.6	166.9	197.3	211.6	**220**	**235**	Net Profit ($mill)	**290**
34.7%	37.1%	26.5%	35.8%	37.9%	34.2%	32.9%	32.7%	33.6%	34.8%	**35.0%**	**35.0%**	Income Tax Rate	**35.0%**
2.8%	2.9%	4.1%	--	--	--	--	--	4.1%	4.0%	**4.0%**	**4.0%**	AFUDC % to Net Profit	**4.0%**
50.2%	48.0%	52.4%	49.9%	51.6%	50.4%	53.3%	46.7%	50.6%	47.3%	**47.5%**	**47.5%**	Long-Term Debt Ratio	**46.0%**
49.8%	52.0%	47.6%	50.1%	48.4%	49.6%	46.7%	53.3%	49.4%	52.7%	**52.5%**	**52.5%**	Common Equity Ratio	**54.0%**
2479.1	2599.5	2937.7	2874.1	3025.1	3079.5	3331.4	3013.9	3406.6	3358.0	**3580**	**3800**	Total Capital ($mill)	**4550**
2539.7	2720.3	2878.8	2955.4	3032.6	3119.6	3224.3	3439.0	4089.5	4406.8	**4600**	**4850**	Net Plant ($mill)	**5600**
7.2%	6.5%	6.3%	6.1%	6.2%	6.4%	5.4%	6.8%	7.0%	7.4%	**7.0%**	**7.5%**	Return on Total Cap'l	**7.5%**
11.6%	9.5%	10.4%	9.3%	9.7%	10.4%	8.8%	10.4%	11.7%	12.0%	**11.5%**	**12.0%**	Return on Shr. Equity	**12.0%**
11.6%	9.5%	10.4%	9.3%	9.7%	10.4%	8.8%	10.4%	11.7%	12.0%	**11.5%**	**12.0%**	Return on Com Equity E	**12.0%**
3.8%	2.0%	2.6%	1.6%	1.9%	2.9%	1.2%	2.9%	4.2%	4.4%	**4.0%**	**4.5%**	Retained to Com Eq	**5.0%**
67%	80%	75%	83%	80%	73%	86%	72%	65%	63%	**65%**	**64%**	All Div'ds to Net Prof	**59%**

CAPITAL STRUCTURE as of 3/31/17
Total Debt $1815.7 mill. **Due in 5 Yrs** $633.5 mill.
LT Debt $1590.2 mill. **LT Interest** $80.0 mill.
(LT interest earned: 5.0x)

Pension Assets-12/16 $304.5 mill.
Oblig. $350.4 mill.
Pfd Stock None

Common Stock 82,953,572 shs.
as of 4/28/17

MARKET CAP: $5.1 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+2.0	-2.4	+.3
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	1407	1357	1360
Peak Load, Summer (Mw)	1095	1088	1096
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.6	+.7	+.8
Fixed Charge Cov. (%)	363	428	446

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	2.0%	2.5%	4.0%
"Cash Flow"	4.5%	4.0%	6.0%
Earnings	4.0%	6.0%	6.5%
Dividends	2.5%	2.5%	4.5%
Book Value	3.0%	3.0%	6.0%

Cal-endar	QUARTERLY REVENUES ($ mill.)F Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2014	796.8	542.5	595.6	676.8	2611.7
2015	706.2	551.0	573.5	604.0	2434.7
2016	584.8	533.7	631.0	699.0	2448.3
2017	624.5	**550**	**645**	**700.5**	**2520**
2018	**650**	**575**	**675**	**725**	**2625**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2014	.62	.14	.57	.69	2.02
2015	.69	.43	.48	.79	2.39
2016	.58	.39	.74	.84	2.55
2017	.67	**.41**	**.74**	**.83**	**2.65**
2018	**.70**	**.45**	**.77**	**.88**	**2.80**

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.355	.355	.355	.360	1.43
2014	.360	.360	.360	.380	1.46
2015	.380	.380	.380	.400	1.54
2016	.400	.400	.400	.420	1.62
2017	.420	.420			

BUSINESS: Vectren is a holding company formed through the merger of Indiana Energy and SIGCORP. Supplies electricity and gas to an area nearly two-thirds of the state of Indiana. Owns gas distribution assets in Ohio. Has a customer base exceeding 1.1 million. 2016 Electricity revenues: residential, 37%; commercial, 27%; industrial, 34%; other, 2%. 2016 Gas revenues: residential, 67%; commercial, 23%; other, 10%. Nonutility operations include Infrastructure Services and Energy Services. Est'd plant age: electric, 10 years. '16 depreciation rate: 4.0%. Has about 5,800 employees. Chairman, President, & CEO: Carl Chapman. Incorporated: Indiana. Address: One Vectren Square, Evansville, Indiana 47708. Telephone: 812-491-4000. Internet: www.vectren.com.

Shares of Vectren have continued to move higher over the past three months. The company reported good results for the March quarter. The top line increased roughly 7%, year to year. Share net advanced about 16%, to $0.67. Results at the Utility Group benefited from ongoing investment in gas infrastructure programs in both Indiana and Ohio, though very warm weather during the period was a partial offset. Elsewhere, the Infrastructure Services' Distribution business performed well. This operation gained from strong demand for utility distribution infrastructure replacement and an extended construction period owing to relatively mild weather. Looking forward, earnings growth may well prove more difficult to come by for the remainder of the year.

We anticipate solid performance from 2018 onward. The Gas Utility Services business ought to further benefit from infrastructure investment programs. Thanks to rate design, customer margin is largely unaffected by weather. Gains may be more modest at the Electric Utility Services segment. Results here are not protected by weather-normalizing mechanisms. Overall, though, we expect good performance on the utility side. Meanwhile, the Infrastructure Services Distribution business should continue to prosper as gas utilities make significant investments in their systems. The Infrastructure Services Transmission operation has been impacted by greater competition, though we expect this line will experience healthy demand down the road due to the need to replace aging infrastructure.

Subscribers may prefer to remain on the sidelines, for now. This equity does not stand out for year-ahead performance. Looking further out, this issue lacks long-term appreciation potential, as the shares presently trade slightly above our projected range, following a run-up in the stock price that began early in 2016. Prospects for moderate growth appear to be reflected in the recent quotation.

A selloff some time in the future may offer conservative accounts a better entry point. Vectren earns good marks for Safety, Financial Strength, Price Stability, and Earnings Predictability. Volatility is below average, too.

Michael Napoli, CFA *June 16, 2017*

(A) Diluted EPS. Excl. nonrecur. gain (loss): '09, 15¢. Next egs report due early August. **(B)** Div'ds historically paid in early March, June, September, and December. ■Div'd reinvest. plan avail. † Shareholder invest. plan avail. **(C)** Incl. intang. In '16, $7.27/sh. **(D)** In millions. **(E)** Electric rate base determination: fair value. Rates allowed on elect. common equity range from 10.15% to 10.4%. Regulatory Climate: Above Average. **(F)** Totals may not sum due to rounding.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	70
Earnings Predictability	75

CENTERPOINT EN'RGY NYSE-CNP

RECENT PRICE	28.50	P/E RATIO	21.1 (Trailing: 26.6; Median: 15.0)	RELATIVE P/E RATIO	1.07	DIV'D YLD	3.8%	VALUE LINE

TIMELINESS **3** Lowered 3/17/17

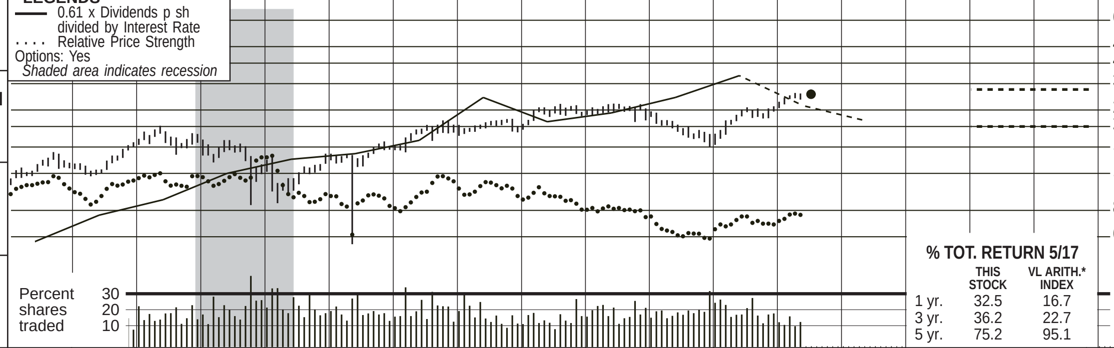
SAFETY **3** Lowered 12/18/15

TECHNICAL **2** Lowered 6/9/17

BETA .85 (1.00 = Market)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	16.9	20.2	17.3	14.9	17.0	21.5	21.8	25.7	25.8	23.7	25.0	29.1
Low:	11.6	14.7	8.5	8.7	5.5	15.1	18.1	19.3	21.1	16.0	16.4	24.5

LEGENDS
— 0.61 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



Target Price Range

2020	2021	2022

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(+5%)	5%
Low	20	(-30%)	-4%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	7	7	0
to Sell	0	0	0	1	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	246	265	263
to Sell	183	212	226
Hld's(000)	318487	323268	372952

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	32.5	16.7
3 yr.	36.2	22.7
5 yr.	75.2	95.1

2001A	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
35.18	26.40	31.87	27.63	31.33	29.71	29.82	32.71	21.14	20.69	19.83	17.43	18.90	21.51	17.18	17.48	*22.05*	*23.20*	Revenues per sh	*26.50*
3.69	3.34	3.98	2.56	2.72	3.47	3.39	3.42	2.94	3.14	3.43	3.89	3.54	3.85	3.40	3.68	*3.90*	*4.05*	"Cash Flow" per sh	*4.50*
1.54	1.29	1.37	.61	.67	1.33	1.17	1.30	1.01	1.07	1.27	1.35	1.24	1.42	1.08	1.00	*1.35*	*1.40*	Earnings per sh B	*1.65*
1.50	1.07	.40	.40	.40	.60	.68	.73	.76	.78	.79	.81	.83	.95	.99	1.03	*1.07*	*1.11*	Div'd Decl'd per sh C ■	*1.23*
6.78	2.85	2.11	1.72	2.23	3.21	3.45	2.95	2.96	3.55	3.06	2.84	3.00	3.20	3.68	3.28	*3.50*	*3.30*	Cap'l Spending per sh	*3.00*
22.24	4.74	5.75	3.59	4.18	4.96	5.61	5.89	6.74	7.53	9.91	10.06	10.09	10.60	8.05	8.03	*8.30*	*8.60*	Book Value per sh D	*10.00*
302.94	300.10	306.30	308.05	310.33	313.65	322.72	346.09	391.75	424.70	426.03	427.44	429.00	429.00	430.00	430.68	*431.00*	*431.00*	Common Shs Outst'g E	*435.00*
--	5.6	6.0	17.8	19.1	10.3	15.0	11.3	11.8	13.8	14.6	14.8	18.7	17.0	18.1	21.9	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
--	.31	.34	.94	1.02	.56	.80	.68	.79	.88	.92	.94	1.05	.89	.91	1.16	*Value Line*		Relative P/E Ratio	*1.00*
--	14.8%	4.8%	3.7%	3.1%	4.4%	3.9%	5.0%	6.4%	5.3%	4.3%	4.0%	3.6%	3.9%	5.1%	4.7%	*estimates*		Avg Ann'l Div'd Yield	*4.7%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $8679 mill. **Due in 5 Yrs** $4996 mill.
LT Debt $7892 mill. **LT Interest** $385 mill.
Incl. $1702 mill. securitized transition & system restoration bonds.
(LT interest earned: 2.8x)
Leases, Uncapitalized Annual rentals $5 mill.
Pension Assets-12/16 $1656 mill.
Oblig $2197 mill.

Pfd Stock None
Common Stock 430,964,722 shs.
as of 4/21/17
MARKET CAP: $12 billion (Large Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
9623.0	11322	8281.0	8785.0	8450.0	7452.0	8106.0	9226.0	7386.0	7528.0	*9500*	*10000*	Revenues ($mill)	*11500*
399.0	447.0	372.0	442.0	546.0	581.0	536.0	611.0	465.0	432.0	*585*	*605*	Net Profit ($mill)	*710*
32.8%	38.3%	32.1%	37.3%	33.6%	33.4%	31.4%	31.0%	35.1%	37.0%	*36.0%*	*36.0%*	Income Tax Rate	*36.0%*
5.5%	2.7%	1.3%	2.7%	1.6%	2.6%	3.5%	4.1%	4.7%	3.5%	*4.0%*	*4.0%*	AFUDC % to Net Profit	*4.0%*
82.2%	83.3%	77.6%	73.8%	67.2%	66.0%	64.4%	63.8%	69.5%	68.5%	*67.5%*	*67.0%*	Long-Term Debt Ratio	*65.5%*
17.8%	16.7%	22.4%	26.2%	32.8%	34.0%	35.6%	36.2%	30.5%	31.5%	*32.5%*	*33.0%*	Common Equity Ratio	*34.5%*
10174	12218	11758	12199	12863	12658	12146	12557	11362	10992	*11025*	*11250*	Total Capital ($mill)	*12500*
9740.0	10296	10788	11732	12402	13597	9593.0	10502	11537	12307	*12975*	*13525*	Net Plant ($mill)	*14600*
6.9%	6.0%	5.8%	6.1%	6.4%	6.8%	6.3%	6.7%	6.1%	5.8%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.5%*
22.0%	21.9%	14.1%	13.8%	12.9%	13.5%	12.4%	13.4%	13.4%	12.5%	*16.5%*	*16.5%*	Return on Shr. Equity	*16.5%*
22.0%	21.9%	14.1%	13.8%	12.9%	13.5%	12.4%	13.4%	13.4%	12.5%	*16.5%*	*16.5%*	Return on Com Equity F	*16.5%*
10.0%	9.9%	3.6%	3.8%	5.0%	5.5%	4.2%	4.5%	1.1%	NMF	*3.5%*	*3.5%*	Retained to Com Eq	*4.0%*
55%	55%	74%	72%	62%	60%	66%	67%	92%	103%	*79%*	*79%*	All Div'ds to Net Prof	*75%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+2.3	+2.9	+3.1
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	+2.4	+2.1	+2.3
Fixed Charge Cov. (%)	194	200	219

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-4.5%	-2.0%	*6.0%*
"Cash Flow"	2.5%	3.0%	*3.5%*
Earnings	3.0%	1.0%	*6.0%*
Dividends	8.0%	5.0%	*3.5%*
Book Value	7.5%	2.0%	*2.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2014	3163	1884	1807	2372	9226.0
2015	2433	1532	1630	1791	7386.0
2016	1984	1574	1889	2081	7528.0
2017	2735	*2050*	*2065*	*2650*	*9500*
2018	*2900*	*2150*	*2150*	*2800*	*10000*

Cal-endar	EARNINGS PER SHARE B Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2014	.43	.25	.33	.41	1.42
2015	.30	.18	.34	.26	1.08
2016	.36	d.01	.41	.23	1.00
2017	.44	*.21*	*.39*	*.31*	*1.35*
2018	*.39*	*.23*	*.43*	*.35*	*1.40*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.2075	.2075	.2075	.2075	.83
2014	.2375	.2375	.2375	.2375	.95
2015	.2475	.2475	.2475	.2475	.99
2016	.2575	.2575	.2575	.2575	1.03
2017	.2675	.2675			

BUSINESS: CenterPoint Energy, Inc. is a holding company for Houston Electric, which serves 2.4 million customers in Houston and environs, and gas utilities with 3.4 million customers in Texas, Minnesota, Arkansas, Louisiana, and Oklahoma. Owns 54.1% of Enable Midstream Partners. Discontinued Texas Genco Holdings in '04. Electric revenue breakdown: residential, 52%; commercial, 31%; industrial, 15%; other, 2%. Does not own generating assets. Gas costs: 39% of revenues. '16 depreciation rate: 6.5%. Has 7,700 employees. Chairman: Milton Carroll. President & CEO: Scott M. Prochazka. Incorporated: Texas. Address: 1111 Louisiana, P.O. Box 4567, Houston, Texas 77210-4567. Telephone: 713-207-1111. Internet: www.centerpointenergy.com.

CenterPoint Energy expects to disclose its plans for its stake in Enable Midstream Partners by the time it reports second-quarter results in early August. Enable, a midstream natural gas master limited partnership, is faring reasonably well in an operating environment made difficult by low gas and oil prices. CenterPoint likes the stability of its regulated utilities and its retail energy-services business. By contrast, the value of its stake in Enable can fluctuate depending on commodity prices, because Enable's customers produce less when prices are unfavorable. Among its options are selling its stake in Enable, which would create a sizable tax liability; spinning it off; or retaining it, while working with Enable's management to reduce the MLP's exposure to commodity prices.

We estimate a material earnings increase in 2017. Mark-to-market accounting items hurt profits by $0.16 a share in 2016, but provided a $0.07-a-share benefit in the first quarter this year. (We include these even though CenterPoint excludes them from its guidance of $1.25-$1.33 a share.) In addition, the company's utilities are benefiting from rate relief (see below) and good customer growth. Finally, the retail energy services unit has grown via acquisitions made in 2016 and 2017.

CenterPoint's utilities have received rate relief this year. Most of this is from regulatory mechanisms rather than general rate cases. Houston Electric received a $7.8 million transmission increase in February and is seeking a $44.6 million distribution hike, which is expected to take effect in September. In May, the Texas regulators approved a settlement calling for a gas increase of $16.5 million, based on a 9.6% return on equity. All of this will help lift earnings next year, even though the March-quarter comparison will be difficult. Finally, the company is seeking increases of $9.3 million and $7.6 million in Arkansas and Texas, respectively, through regulatory mechanisms in each state.

CenterPoint stock has a dividend yield that is about half a percentage point above the utility average. With the recent price near the upper end of our 2020-2022 Target Price Range, total return potential is low.

Paul E. Debbas, CFA *June 16, 2017*

(A) Pro forma data. (B) Diluted EPS. Excl. extraordinary gains (losses): '04, ($2.72); '05, 9¢; '11, $1.89; '12, (38¢) net; '13, (52¢); '15, ($2.69); losses on disc. ops.: '04, 37¢; '05, 1¢. '16 EPS don't sum due to rounding. Next earnings report due early Aug. (C) Div'ds historically paid in early Mar., June, Sept. & Dec. ■ Div'd reinvestment plan avail. (D) Incl. intang. In '16: $8.22/sh. (E) In mill. (F) Rate base: Net original cost. Rate allowed on com. eq. (elec.) in '11: 10%; (gas): 9.45%-11.25%; earned on avg. com. eq., '16: 12.4%%. Regulat. Climate: Avg.

Company's Financial Strength	B+
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	85

AVANGRID, INC. NYSE-AGR

RECENT PRICE	P/E RATIO	(Trailing: / Median:)	RELATIVE P/E RATIO	DIV'D YLD
46.93	21.0	(Trailing: 21.5 Median: NMF)	1.10	3.7%

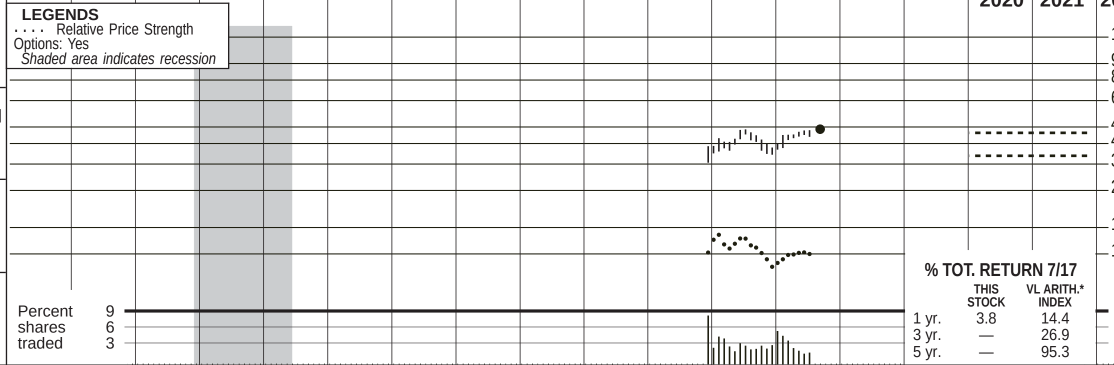
VALUE LINE

TIMELINESS **1** New 8/18/17
SAFETY **2** Raised 2/17/17
TECHNICAL **5** New 8/18/17
BETA NMF (1.00 = Market)

		2015	2016	2017
High:		38.9	46.7	47.0
Low:		32.4	35.4	37.4

Target Price Range 2020 | 2021 | 2022

LEGENDS
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(-5%)	3%
Low	35	(-25%)	-2%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	1	3	1	0	2	0	0	0	1
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	110	106	121
to Sell	86	109	80
Hld's(000)	38903	39830	43670

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	3.8	14.4
3 yr.	—	26.9
5 yr.	—	95.3

AVANGRID, Inc. was formed through a merger between Iberdrola USA, Inc. and UIL Holdings Corporation in December of 2015. Iberdrola S.A., a worldwide leader in the energy industry, owns 81.5% of AVANGRID. The predecessor company was founded in 1852 and is headquartered in New Gloucester, Maine. It was incorportated in 1997 in New York under the name NGE Resources, Inc. AVANGRID began trading on the NYSE on December 17, 2015.

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
--	--	--	--	--	--	--	--	14.14	19.48	19.90	20.70	Revenues per sh	23.25
--	--	--	--	--	--	--	--	3.44	4.74	4.95	5.20	"Cash Flow" per sh	6.00
--	--	--	--	--	--	--	--	1.05	1.98	2.15	2.30	Earnings per sh A	2.75
--	--	--	--	--	--	--	--	--	1.73	1.73	1.76	Div'd Decl'd per sh B ■	1.90
--	--	--	--	--	--	--	--	3.50	5.52	6.80	6.45	Cap'l Spending per sh	5.75
--	--	--	--	--	--	--	--	48.74	48.90	49.35	49.90	Book Value per sh C	52.25
--	--	--	--	--	--	--	--	308.86	308.99	309.00	309.00	Common Shs Outst'g D	309.00
--	--	--	--	--	--	--	--	33.5	20.5	*Bold figures are*		Avg Ann'l P/E Ratio	14.5
--	--	--	--	--	--	--	--	1.69	1.08	*Value Line*		Relative P/E Ratio	.90
--	--	--	--	--	--	--	--	--	4.3%	*estimates*		Avg Ann'l Div'd Yield	4.7%
--	--	--	--	--	--	--	4594.0	4367.0	6018.0	6150	6400	Revenues ($mill)	7150
--	--	--	--	--	--	--	424.0	267.0	611.0	675	715	Net Profit ($mill)	845
--	--	--	--	--	--	--	39.9%	11.3%	37.4%	35.0%	35.0%	Income Tax Rate	35.0%
--	--	--	--	--	--	--	6.8%	12.7%	7.5%	7.0%	7.0%	AFUDC % to Net Profit	6.0%
--	--	--	--	--	--	--	16.8%	23.1%	23.0%	24.0%	24.5%	Long-Term Debt Ratio	24.0%
--	--	--	--	--	--	--	83.2%	76.9%	77.0%	76.0%	75.5%	Common Equity Ratio	76.0%
--	--	--	--	--	--	--	14956	19583	19619	20075	20400	Total Capital ($mill)	21200
--	--	--	--	--	--	--	17099	20711	21548	22800	23900	Net Plant ($mill)	26300
--	--	--	--	--	--	--	3.7%	2.1%	3.8%	4.0%	4.0%	Return on Total Cap'l	4.5%
--	--	--	--	--	--	--	3.4%	1.8%	4.0%	4.5%	4.5%	Return on Shr. Equity	5.0%
--	--	--	--	--	--	--	3.4%	1.8%	4.0%	4.5%	4.5%	Return on Com Equity E	5.0%
--	--	--	--	--	--	--	3.4%	1.8%	1.4%	1.0%	1.0%	Retained to Com Eq	1.5%
--	--	--	--	--	--	--	--	--	66%	79%	76%	All Div'ds to Net Prof	69%

CAPITAL STRUCTURE as of 6/30/17
Total Debt $5399 mill. **Due in 5 Yrs** $2237 mill.
LT Debt $4773 mill. **LT Interest** $233 mill.
Incl. $104 mill. capitalized leases.
(LT interest earned: 4.7x)
Leases, Uncapitalized Annual rentals $106 mill.

Pension Assets-12/16 $2672 mill.
Oblig $3448 mill.
Pfd Stock None

Common Stock 309,005,272 shs.
as of 7/31/17
MARKET CAP: $15 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	NA	NA	NA
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	+.5
Fixed Charge Cov. (%)	347	183	415

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	--	--	NMF
"Cash Flow"	--	--	NMF
Earnings	--	--	NMF
Dividends	--	--	NMF
Book Value	--	--	NMF

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1556	938	982	1118	4594.0
2015	1227	939	1048	1153	4367.0
2016	1670	1439	1418	1491	6018.0
2017	1758	1331	1461	1600	6150
2018	1850	1400	1500	1650	6400

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	--	--	--	--	--
2015	.42	.04	.22	.37	1.05
2016	.63	.33	.35	.67	1.98
2017	.77	.39	.34	.65	2.15
2018	.85	.40	.35	.70	2.30

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	--	--	--	--	--
2014	--	--	--	--	--
2015	--	--	--	--	--
2016	--	.432	.432	.432	1.30
2017	.432	.432	.432		

BUSINESS: AVANGRID, Inc., formerly Iberdrola USA, Inc., is a diversified energy and utility company that serves 2.2 million electric customers in New York, Connecticut, and Maine and 1 million gas customers in New York, Connecticut, Massachusetts and Maine. Has a nonregulated generating subsidiary focused on wind power, with 6.5 gigawatts of capacity. Revenue breakdown by customer class not available. Generating sources not available. Fuel costs: 21% of revenues. '16 depreciation rate: 3.0%. Iberdrola owns 81.5% of stock. Has 6,800 employees. Chairman: José Ignacio Sanchez Galan. CEO: James P. Torgerson. Incorporated: New York. Address: 157 Church Street, New Haven, Connecticut 06506. Telephone: 207-688-6363. Internet: www.avangrid.com.

We estimate that AVANGRID will post solid profit growth in 2017 and 2018. The company's regulated utility business is benefiting from rate relief and effective expense management. In Connecticut, United Illuminating received a tariff hike at the start of this year, and will get additional increases in 2018 and 2019. In New York, the company's two utilities received electric and gas increases on May 1st of 2016 and 2017, and additional rate boosts will occur on May 1, 2018. AVANGRID's renewables subsidiary is benefiting from the addition of wind and solar projects. In 2017, the company expects to add some 600 megawatts of renewable capacity.

Southern Connecticut Gas filed a rate case. It requested a total increase of $19 million over a three-year period, based on a return of 9.95% on a common-equity ratio of 52%. The utility is also asking for regulatory mechanisms to recover the cost of gas main replacement automatically (without filing a general rate case) and decouple revenues and volume. AVANGRID's other utility in the state, Connecticut Natural Gas, already has these mechanisms. New rates should take effect at the start of 2018.

It appears as if a dividend increase will occur sooner than we had expected. Due to AVANGRID's high payout ratio, we had forecast no hike in the disbursement before the end of the decade. However, management has stated a commitment to increase the dividend by 2018. We now look for a modest boost next year.

AVANGRID is still deciding what to do about its gas storage business. This operation is a drag on earnings. It lost $0.14 a share in 2016, and management estimates the deficit will be $0.08-$0.12 a share this year. The company is excluding this from its 2017 share-net guidance of $2.10-$2.35 because it is noncore, but we are *including* it in our earnings presentation. AVANGRID expects to make a decision by yearend.

This timely stock has a dividend yield that is about half a percentage point above the utility average. With the recent price above our 2020-2022 Target Price Range, total return potential is negligible. We think the quotation reflects some takeover speculation.

Paul E. Debbas, CFA *August 18, 2017*

(A) Diluted EPS. Excl. nonrecurring gain: '16, 6¢. Next earnings report due mid-Oct. (B) Div'ds paid in early Jan., April, July, and Oct. ■ Dividend reinvestment plan available. (C) Incl. intangibles. In '16: $6.8 bill., $21.86/sh. (D) In millions. (E) Rate base: net original cost. Rate allowed on com. eq. in NY in '16: 9.0%; in CT in '17: 9.1% elec.; in CT in '16: 9.36% gas; in ME in '14: 9.45%; earned on avg. common eq., '16: 4.1%. Regulatory Climate: Below Average.

Company's Financial Strength	B++
Stock's Price Stability	NMF
Price Growth Persistence	NMF
Earnings Predictability	NMF

ALLETE NYSE-ALE

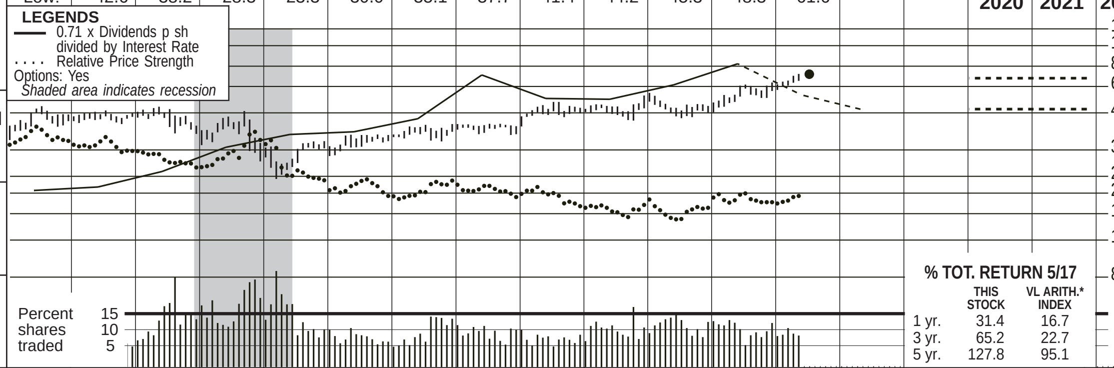
RECENT PRICE	P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	
73.16	22.2 (Trailing: 23.1) (Median: 16.0)	1.13	3.0%	VALUE LINE

TIMELINESS 3 Lowered 9/16/16
SAFETY 2 New 10/1/04
TECHNICAL 3 Lowered 6/16/17
BETA .80 (1.00 = Market)

High:	49.3	51.3	49.0	35.3	37.9	42.5	42.7	54.1	58.0	59.7	66.9	74.6
Low:	42.6	38.2	28.3	23.3	30.0	35.1	37.7	41.4	44.2	45.3	48.3	61.6

Target Price Range

2020	2021	2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(-5%)	2%
Low	50	(-30%)	-5%

Insider Decisions

	A	S	O	N	D	J	F	M	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	8	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	129	123	149
to Sell	104	111	87
Hld's(000)	36120	36294	43766

% TOT. RETURN 5/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	31.4	16.7
3 yr.	65.2	22.7
5 yr.	127.8	95.1

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
--	--	--	25.30	24.50	25.23	27.33	24.57	21.57	25.34	24.75	24.40	24.60	24.77	30.27	27.01	27.75	28.45	Revenues per sh	30.75
--	--	--	2.97	3.85	4.14	4.42	4.23	3.57	4.35	4.91	5.01	5.35	5.68	6.79	7.08	7.30	7.70	"Cash Flow" per sh	8.75
--	--	--	1.35	2.48	2.77	3.08	2.82	1.89	2.19	2.65	2.58	2.63	2.90	3.38	3.14	3.30	3.50	Earnings per sh A	4.00
--	--	--	.30	1.25	1.45	1.64	1.72	1.76	1.76	1.78	1.84	1.90	1.96	2.02	2.08	2.14	2.22	Div'd Decl'd per sh B ■ †	2.50
--	--	--	2.12	1.95	3.37	6.82	9.24	9.05	6.95	6.38	10.30	7.93	12.48	5.84	5.35	5.80	7.10	Cap'l Spending per sh	3.50
--	--	--	21.23	20.03	21.90	24.11	25.37	26.41	27.26	28.78	30.48	32.44	35.06	37.07	38.17	39.85	41.30	Book Value per sh C	46.00
--	--	--	29.70	30.10	30.40	30.80	32.60	35.20	35.80	37.50	39.40	41.40	45.90	49.10	49.60	51.00	51.30	Common Shs Outst'g D	52.50
--	--	--	25.2	17.9	16.5	14.8	13.9	16.1	16.0	14.7	15.9	18.6	17.2	15.1	18.6	Bold figures are		Avg Ann'l P/E Ratio	15.0
--	--	--	1.33	.95	.89	.79	.84	1.07	1.02	.92	1.01	1.05	.91	.76	.99	Value Line		Relative P/E Ratio	.95
--	--	--	.9%	2.8%	3.2%	3.6%	4.4%	5.8%	5.0%	4.6%	4.5%	3.9%	3.9%	4.0%	3.6%	estimates		Avg Ann'l Div'd Yield	4.2%

CAPITAL STRUCTURE as of 3/31/17
Total Debt $1534.1 mill. **Due in 5 Yrs** $504.9 mill.
LT Debt $1370.2 mill. **LT Interest** $58.9 mill.
(LT interest earned: 3.5x)

Leases, Uncapitalized Annual rentals $13.7 mill.

Pension Assets-12/16 $557.5 mill. **Oblig** $743.3 mill.

Pfd Stock None

Common Stock 50,883,123 shs.

MARKET CAP: $3.7 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
841.7	801.0	759.1	907.0	928.2	961.2	1018.4	1136.8	1486.4	1339.7	1415	1460	Revenues ($mill)	1610
87.6	82.5	61.0	75.3	93.8	97.1	104.7	124.8	163.4	155.3	165	180	Net Profit ($mill)	215
34.8%	34.3%	33.7%	37.2%	27.6%	28.1%	21.5%	22.6%	19.4%	11.3%	20.0%	20.0%	Income Tax Rate	20.0%
6.6%	5.8%	12.8%	8.9%	2.7%	5.3%	4.4%	6.3%	2.0%	1.4%	2.0%	2.0%	AFUDC % to Net Profit	1.0%
35.6%	41.6%	42.8%	44.2%	44.3%	43.7%	44.6%	44.2%	46.3%	42.0%	41.0%	41.0%	Long-Term Debt Ratio	39.5%
64.4%	58.4%	57.2%	55.8%	55.7%	56.3%	55.4%	55.8%	53.7%	58.0%	59.0%	59.0%	Common Equity Ratio	60.5%
1153.5	1415.4	1625.3	1747.6	1937.2	2134.6	2425.9	2882.2	3388.9	3263.4	3450	3595	Total Capital ($mill)	4000
1104.5	1387.3	1622.7	1805.6	1982.7	2347.6	2576.5	3286.4	3669.1	3741.2	3830	3890	Net Plant ($mill)	4025
8.6%	6.7%	4.8%	5.4%	6.0%	5.6%	5.3%	5.2%	5.8%	5.8%	5.5%	6.0%	Return on Total Cap'l	6.0%
11.8%	10.0%	6.6%	7.7%	8.7%	8.1%	7.8%	7.8%	9.0%	8.2%	8.0%	8.5%	Return on Shr. Equity	9.0%
11.8%	10.0%	6.6%	7.7%	8.7%	8.1%	7.8%	7.8%	9.0%	8.2%	8.0%	8.5%	Return on Com Equity E	9.0%
5.8%	3.9%	.5%	1.5%	2.9%	2.3%	2.2%	2.5%	3.6%	2.8%	3.0%	3.0%	Retained to Com Eq	3.5%
51%	61%	93%	81%	66%	71%	72%	67%	60%	66%	65%	63%	All Div'ds to Net Prof	61%

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+.5	-8.9	-2.3
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	6.09	6.40	NA
Capacity at Peak (Mw)	1985	1942	NA
Peak Load, Winter (Mw)	1637	1631	1520
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	NA	NA	NA
Fixed Charge Cov. (%)	345	381	318

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	1.0%	2.5%	2.5%
"Cash Flow"	6.0%	9.0%	6.5%
Earnings	3.5%	7.0%	5.0%
Dividends	7.5%	2.5%	4.0%
Book Value	5.5%	6.0%	4.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2014	296.5	260.7	288.9	290.7	1136.8
2015	320.0	323.3	462.5	380.6	1486.4
2016	333.8	314.8	349.6	341.5	1339.7
2017	365.6	335	359.4	355	1415
2018	370	345	375	370	1460

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2014	.80	.40	.97	.73	2.90
2015	.85	.46	1.23	.83	3.38
2016	.93	.50	.81	.89	3.14
2017	.97	.50	1.03	.80	3.30
2018	1.00	.55	1.10	.85	3.50

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.475	.475	.475	.475	1.90
2014	.49	.49	.49	.49	1.96
2015	.505	.505	.505	.505	2.02
2016	.52	.52	.52	.52	2.08
2017	.535	.535			

BUSINESS: ALLETE, Inc. is the parent of Minnesota Power, which supplies electricity to 146,000 customers in northeastern MN, & Superior Water, Light & Power in northwestern WI. Electric rev. breakdown: taconite mining/processing, 26%; paper/wood products, 9%; other industrial, 8%; residential, 12%; commercial, 13%; wholesale, 16% other, 16%. ALLETE Clean Energy owns renewable energy projects. Acq'd U.S. Water Services 2/15. Has real estate operation in FL. Generating sources: coal & lignite, 49%; wind, 12%; other, 6%; purchased, 33%. Fuel costs: 25% of revs. '16 deprec. rate: 3.7%. Has 2,000 employees. Chairman, President & CEO: Alan R. Hodnik. Inc.: MN. Address: 30 West Superior St., Duluth, MN 55802-2093. Tel.: 218-279-5000. Internet: www.allete.com.

ALLETE's primary utility subsidiary is awaiting an order on its general rate case. Minnesota Power is asking the state commission for an increase of $39 million (6.1%), based on a 10.25% return on a 53.8% common-equity ratio. The utility is currently collecting an interim hike of $32.2 million (5.1%). New tariffs are expected to go into effect in the first half of 2018.

A rate case is pending in Wisconsin. Superior Water, Light & Power filed for an increase of $2.7 million (3.1%), based on a 10.9% return on a 55% common-equity ratio. The company expects new rates to take effect in mid-2017.

Earnings will probably increase this year and next. Rate relief will help. Minnesota Power's mining customers are using more electricity. In fact, the increased volume enabled the utility to reduce its requested rate hike from $55 million initially. And Minnesota Power is building a $330 million transmission line that is expected to be in service in 2020. This will enable it to import power from Manitoba Hydro. The utility will earn a return on the construction work in progress. ALLETE's nonutility subsidiaries should increase their contribution to the bottom line. In particular, ALLETE Clean Energy is expanding a 100-megawatt windfarm, which it built for a utility in North Dakota in 2015, by 50 mw, and has secured turbines for additional projects. Our 2017 share-net estimate is at the midpoint of ALLETE's targeted range of $3.10-$3.50 a share. This would produce a 5% bottom-line increase, which is the company's goal for annual profit growth. We forecast a 6% earnings increase in 2018.

Finances are sound. The common-equity ratio is among the highest in the electric utility industry. The fixed-charge coverage is solid. ALLETE merits a Financial Strength rating of A.

ALLETE stock is expensively priced. The dividend yield is somewhat low for a utility. The recent price is *above* our 2020-2022 Target Price Range. Thus, 3- to 5-year total return potential is negative. Although the company is performing well, we think more-attractive selections are available elsewhere due to the equity's valuation.

Paul E. Debbas, CFA *June 16, 2017*

(A) Diluted EPS. Excl. nonrec. losses: '04, 25¢ net; '05, $1.84; '15, 46¢; gain (losses) on disc. ops.: '04, $2.57, '05, (16¢); '06, (2¢). '15 & '16 EPS don't sum due to rounding. Next earnings report due early Aug. (B) Div'ds historically paid in early Mar., June, Sept. and Dec. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail. (C) Incl. deferred charges. In '16: $11.55/sh. (D) In mill. (E) Rate base: Orig. cost deprec. Rate allowed on com. eq. in '10: 10.38%; earned on avg. com. eq., '16: 8.3%. Regulatory Climate: Average.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	40
Earnings Predictability	85

ITC HOLDINGS CORP. NYSE-ITC

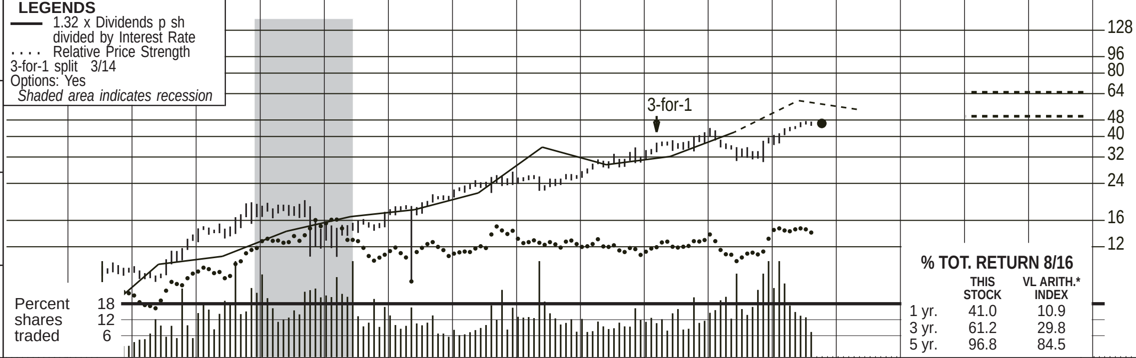
RECENT PRICE	46.22	P/E RATIO	23.9 (Trailing: 30.0 / Median: 22.0)	RELATIVE P/E RATIO	1.26	DIV'D YLD	1.9%	VALUE LINE

TIMELINESS – Suspended 2/19/16
SAFETY 2 Raised 6/24/11
TECHNICAL – Suspended 2/19/16
BETA .70 (1.00 = Market)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High:	10.1	13.7	19.5	20.0	17.6	21.3	27.3	26.6	35.6	42.0	44.0	47.5
Low:	8.7	8.2	12.6	10.8	10.8	8.2	20.6	22.1	25.5	31.2	30.3	36.5

Target Price Range
2019 | 2020 | 2021

LEGENDS
— 1.32 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
3-for-1 split 3/14
Options: Yes
Shaded area indicates recession



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+40%)	11%
Low	50	(+10%)	5%

Insider Decisions

	N	D	J	F	M	A	M	J	J
to Buy	0	0	0	0	1	0	1	0	0
Options	0	0	8	0	0	8	6	1	8
to Sell	0	0	0	0	0	0	3	1	0

Institutional Decisions

	4Q2015	1Q2016	2Q2016
to Buy	203	145	129
to Sell	163	230	190
Hld's(000)	134973	129567	129827

% TOT. RETURN 8/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	41.0	10.9
3 yr.	61.2	29.8
5 yr.	96.8	84.5

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
- -	- -	- -	- -	1.37	2.06	1.76	3.31	4.15	4.13	4.58	4.92	5.30	5.98	6.59	6.84	*7.80*	*8.85*	Revenues per sh	*11.75*
- -	- -	- -	- -	.35	.68	.58	1.10	1.37	1.44	1.53	1.73	1.88	2.24	2.40	2.54	*2.95*	*3.35*	"Cash Flow" per sh	*4.50*
- -	- -	- -	- -	.03	.35	.31	.56	.73	.86	.95	1.10	1.20	1.47	1.54	1.56	*1.85*	*2.15*	Earnings per sh A	*2.75*
- -	- -	- -	- -	- -	.18	.36	.38	.40	.42	.44	.46	.49	.54	.61	.70	*.81*	*.93*	Div'd Decl'd per sh B ■ †	*1.30*
- -	- -	- -	- -	.83	1.19	1.32	2.23	2.70	2.69	2.55	3.62	5.12	5.22	4.73	4.48	*6.50*	*6.70*	Cap'l Spending per sh	*6.75*
- -	- -	- -	- -	2.14	2.64	4.18	4.37	6.24	6.73	7.34	8.18	9.03	10.25	10.76	11.19	*12.25*	*13.55*	Book Value per sh C	*18.00*
- -	- -	- -	- -	92.04	99.69	127.19	128.75	148.96	150.25	152.15	153.97	156.75	157.50	155.14	152.70	*154.00*	*155.00*	Common Shs Outst'g D	*158.00*
- -	- -	- -	- -	- -	26.3	33.0	27.6	23.2	17.1	20.0	21.4	20.7	20.4	23.8	22.8	*Bold figures are*		Avg Ann'l P/E Ratio	*20.5*
- -	- -	- -	- -	- -	1.40	1.78	1.47	1.40	1.14	1.27	1.34	1.32	1.15	1.25	1.15	*Value Line*		Relative P/E Ratio	*1.30*
- -	- -	- -	- -	- -	1.9%	3.5%	2.4%	2.3%	2.8%	2.3%	1.9%	2.0%	1.8%	1.7%	2.0%	*estimates*		Avg Ann'l Div'd Yield	*2.3%*

CAPITAL STRUCTURE as of 6/30/16
Total Debt $4598.1 mill. **Due in 5 Yrs** $1725.2 mill.
LT Debt $4146.9 mill. **LT Interest** $185.0 mill.
(LT interest earned: 2.6x)

Pension Assets-12/15 $58.1 mill. **Oblig** $97.2 mill.

Pfd Stock None

Common Stock 153,372,055 shs. **as of 7/22/16**

MARKET CAP: $7.1 billion (Large Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
223.6	426.2	617.9	621.0	696.8	757.4	830.5	941.3	1023.0	1044.8	*1200*	*1370*	Revenues ($mill)	*1875*
33.2	73.3	109.2	130.9	145.7	171.7	187.9	233.5	244.1	242.4	*290*	*335*	Net Profit ($mill)	*460*
29.2%	33.3%	38.1%	37.2%	36.1%	35.6%	36.6%	33.7%	38.1%	36.9%	*38.0%*	*38.0%*	Income Tax Rate	*38.0%*
15.0%	14.7%	13.8%	13.1%	11.9%	12.5%	16.0%	16.3%	10.6%	14.4%	*14.0%*	*12.0%*	AFUDC % to Net Profit	*9.0%*
70.3%	72.4%	70.8%	70.6%	69.1%	67.8%	63.8%	67.9%	70.2%	70.4%	*69.5%*	*67.0%*	Long-Term Debt Ratio	*64.5%*
29.7%	27.6%	29.2%	29.4%	30.9%	32.2%	36.2%	32.1%	29.8%	29.6%	*30.5%*	*33.0%*	Common Equity Ratio	*35.5%*
1794.5	2041.5	3177.3	3445.9	3614.3	3903.9	3910.2	5025.8	5598.1	5770.0	*6200*	*6395*	Total Capital ($mill)	*8050*
1197.9	1960.4	2304.4	2542.1	2872.3	3415.8	4134.6	4846.5	5496.9	6109.6	*6945*	*7805*	Net Plant ($mill)	*10175*
3.0%	5.7%	5.4%	5.7%	6.1%	6.3%	6.7%	6.2%	6.0%	5.9%	*6.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
6.2%	13.0%	11.8%	12.9%	13.0%	13.6%	13.3%	14.5%	14.6%	14.2%	*15.5%*	*16.0%*	Return on Shr. Equity	*16.0%*
6.2%	13.0%	11.8%	12.9%	13.0%	13.6%	13.3%	14.5%	14.6%	14.2%	*15.5%*	*16.0%*	Return on Com Equity E	*16.0%*
NMF	4.5%	5.4%	6.8%	7.1%	8.0%	8.0%	9.3%	8.9%	7.8%	*9.0%*	*9.0%*	Retained to Com Eq	*9.0%*
115%	66%	54%	48%	45%	41%	40%	36%	39%	45%	*43%*	*43%*	All Div'ds to Net Prof	*45%*

CURRENT POSITION ($MILL.)

	2014	2015	6/30/16
Cash Assets	27.7	13.8	6.1
Receivables	101.0	104.3	147.9
Inventory (FIFO)	30.9	25.8	27.8
Other	27.2	25.3	179.3
Current Assets	186.8	169.2	361.1
Accts Payable	108.0	124.3	146.9
Debt Due	175.0	395.3	451.2
Other	180.0	199.6	186.8
Current Liab.	463.0	719.2	785.0
Fix Chg. Cov.	309%	266%	262%

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	14.0%	8.5%	*10.5%*
"Cash Flow"	16.5%	10.5%	*11.0%*
Earnings	23.0%	12.5%	*10.5%*
Dividends	21.5%	8.0%	*13.0%*
Book Value	16.0%	9.5%	*9.0%*

QUARTERLY REVENUES ($ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	217.3	229.8	238.8	255.4	941.3
2014	258.6	263.2	270.1	231.1	1023.0
2015	272.5	275.1	273.2	224.0	1044.8
2016	280.1	298.0	*306.9*	*315*	*1200*
2017	*335*	*340*	*345*	*350*	*1370*

EARNINGS PER SHARE A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.32	.30	.37	.48	1.47
2014	.43	.34	.47	.30	1.54
2015	.43	.46	.42	.24	1.56
2016	.42	.46	*.48*	*.49*	*1.85*
2017	*.50*	*.55*	*.55*	*.55*	*2.15*

QUARTERLY DIVIDENDS PAID B ■ †

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.1175	.1175	.126	.126	.49
2013	.126	.126	.1425	.1425	.54
2014	.1425	.1425	.1625	.1625	.61
2015	.1625	.1625	.1875	.1875	.70
2016	.1875	.1875	.2155		

BUSINESS: ITC Holdings Corp. engages in the transmission of electricity in the United States. The company operates primarily as a conduit, moving power from generators to local distribution systems either through its own system or in conjunction with neighboring transmission systems. Acquired Michigan Electric Transmission Company 10/06; Interstate Power & Light's transmission assets 12/07. Has assets in Michigan, Iowa, Minnesota, Illinois, Missouri, and Kansas. Operations are regulated by the Federal Energy Regulatory Commission (FERC). '15 reported depreciation rate: 2.1%. Has about 600 employees. Chairman, President & CEO: Joseph L. Welch. Inc.: Michigan. Address: 27175 Energy Way, Novi, Michigan 48377. Tel.: 248-946-3000. Internet: www.itctransco.com.

The acquisition of ITC Holdings is progressing. Fortis, a Canadian company with utilities in the U.S., would pay US$22.57 in cash plus .752 of a Fortis share for each ITC share. The Fortis shares trade on a Canadian exchange, so the value of the deal will fluctuate based not only on the price of Fortis stock, but on the exchange rate between the U.S. and Canadian dollars. The transaction is now valued at almost $47.00 a share. Each company's stockholders have approved the combination, as have the regulators in Oklahoma and Illinois. The Federal Energy Regulatory Commission (FERC) and the commissions in three other states must still rule on the deal. The companies expect it to be completed by yearend.

We advise ITC holders to sell their shares on the open market. The recent price is just 2% below the value of the buyout, so there isn't much upside potential for ITC holders. There is downside risk if the deal fails to win regulatory approval, however. The Timeliness rank of ITC stock is suspended due to the pending acquisition.

ITC is taking charges associated with the Fortis deal and for the possible refund of previously collected revenues. Merger-related costs reduced earnings by $0.14 a share in the first half of 2016. More significantly, over the past several quarters, the company has been taking reserves for the probable refund of previously collected revenues. This lowered profits by $0.11 a share in the first two quarters of 2016. Transmission users have filed two complaints with FERC against transmission owners in the Midwest, contending that allowed returns on equity are too high and should be reduced. An administrative law judge has recommended cuts in the allowed ROEs, but FERC has yet to rule on either complaint. Each percentage point reduction in ITC's allowed ROE would reduce the company's earning power by $30 million after taxes.

The board of directors has raised the dividend. The increase was $0.11 a share (14.9%) annually. However, unlike most utilities, ITC's dividend yield is still below the market median. Of course, ITC is not like other utilities, being the sole publicly traded transmission-only company.

Paul E. Debbas, CFA *September 16, 2016*

(A) Diluted earnings. '15 earnings don't add to full-year total due to rounding. Next earnings report due late Oct. (B) Dividends historically paid in early March, June, Sept., and Dec. ■ Dividend reinvestment plan available. † Shareholder investment plan available. (C) Incl. intangibles. In '15: $1.26 billion, $8.24/sh. (D) In millions, adjusted for stock split. (E) Rates allowed on common equity: 12.16%-13.88%. Earned on avg. com. eq., '15: 14.2%. Regulatory Climate: Above Average.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	90
Earnings Predictability	90

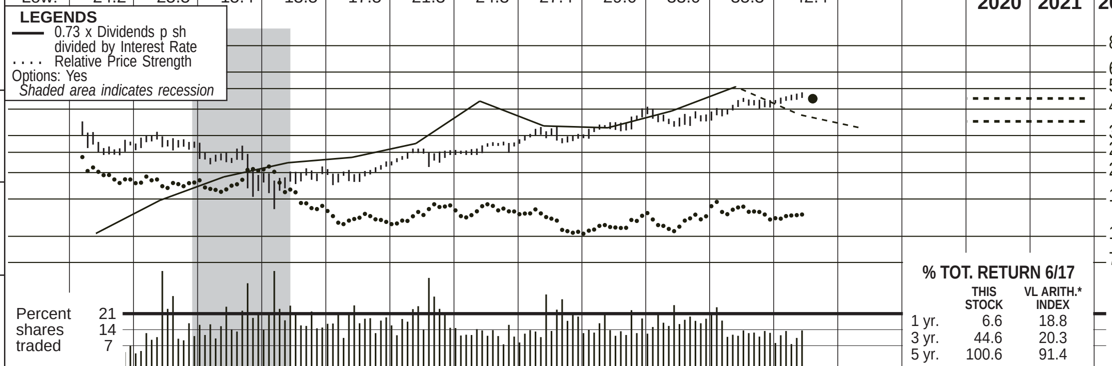
PORTLAND GENERAL NYSE-POR

RECENT PRICE	44.77	P/E RATIO	19.9 (Trailing: 19.5; Median: 15.0)	RELATIVE P/E RATIO	1.01	DIV'D YLD	3.1%	VALUE LINE

TIMELINESS 1 Raised 6/23/17
SAFETY 2 Raised 5/4/12
TECHNICAL 1 Raised 7/21/17
BETA .70 (1.00 = Market)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
High:	35.0	31.3	27.7	21.4	22.7	26.0	28.1	33.3	40.3	41.0	45.2	48.1
Low:	24.2	25.5	15.4	13.5	17.5	21.3	24.3	27.4	29.0	33.0	35.3	42.4

Target Price Range
2020 | 2021 | 2022



% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	6.6	18.8
3 yr.	44.6	20.3
5 yr.	100.6	91.4

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(Nil)	4%
Low	35	(-20%)	-2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	7	0	0	0
to Sell	0	0	0	0	0	0	1	0	2

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	96	136	140
to Sell	146	116	126
Hld's(000)	84749	84377	90689

2001	2002	2003	2004	2005[F]	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
--	--	--	--	23.14	24.32	27.87	27.89	23.99	23.67	24.06	23.89	23.18	24.29	21.38	21.62	**22.40**	**23.20**	Revenues per sh	**25.50**
--	--	--	--	4.75	4.64	5.21	4.71	4.07	4.82	4.96	5.15	4.93	6.08	5.37	5.78	**6.10**	**6.50**	"Cash Flow" per sh	**7.75**
--	--	--	--	1.02	1.14	2.33	1.39	1.31	1.66	1.95	1.87	1.77	2.18	2.04	2.16	**2.25**	**2.35**	Earnings per sh [A]	**3.00**
--	--	--	--	--	.68	.93	.97	1.01	1.04	1.06	1.08	1.10	1.12	1.18	1.26	**1.34**	**1.42**	Div'd Decl'd per sh [B] ■ †	**1.70**
--	--	--	--	4.08	5.94	7.28	6.12	9.25	5.97	3.98	4.01	8.40	12.87	6.73	6.57	**6.75**	**5.10**	Cap'l Spending per sh	**3.25**
--	--	--	--	19.15	19.58	21.05	21.64	20.50	21.14	22.07	22.87	23.30	24.43	25.43	26.35	**27.20**	**28.05**	Book Value per sh [C]	**31.25**
--	--	--	--	62.50	62.50	62.53	62.58	75.21	75.32	75.36	75.56	78.09	78.23	88.79	88.95	**89.20**	**89.40**	Common Shs Outst'g [D]	**90.00**
--	--	--	--	--	23.4	11.9	16.3	14.4	12.0	12.4	14.0	16.9	15.3	17.7	19.1	*Bold figures are*		Avg Ann'l P/E Ratio	**13.5**
--	--	--	--	--	1.26	.63	.98	.96	.76	.78	.89	.95	.81	.89	1.01	*Value Line*		Relative P/E Ratio	**.85**
--	--	--	--	--	2.5%	3.3%	4.3%	5.4%	5.2%	4.4%	4.1%	3.7%	3.3%	3.3%	3.1%	*estimates*		Avg Ann'l Div'd Yield	**4.2%**

CAPITAL STRUCTURE as of 3/31/17
Total Debt $2350 mill. **Due in 5 Yrs** $610 mill.
LT Debt $2200 mill. **LT Interest** $106 mill.
Incl. $51 mill. capitalized leases.
(LT interest earned: 2.8x)
Leases, Uncapitalized Annual rentals $10 mill.
Pension Assets-12/16 $559 mill. **Oblig** $797 mill.

Pfd Stock None

Common Stock 89,068,043 shs.
as of 4/20/17

MARKET CAP: $4.0 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1743.0	1745.0	1804.0	1783.0	1813.0	1805.0	1810.0	1900.0	1898.0	1923.0	**2000**	**2075**	Revenues ($mill)	**2300**
145.0	87.0	95.0	125.0	147.0	141.0	137.0	175.0	172.0	193.0	**200**	**210**	Net Profit ($mill)	**270**
33.8%	28.7%	28.8%	30.5%	28.3%	31.4%	23.2%	26.0%	20.7%	20.6%	**21.0%**	**21.0%**	Income Tax Rate	**21.0%**
17.9%	17.2%	31.6%	17.6%	5.4%	7.1%	14.6%	33.7%	19.8%	16.6%	**7.0%**	**5.0%**	AFUDC % to Net Profit	**2.0%**
49.9%	46.2%	50.3%	53.0%	49.6%	47.1%	51.3%	52.7%	47.8%	48.4%	**51.5%**	**49.0%**	Long-Term Debt Ratio	**50.5%**
50.1%	53.8%	49.7%	47.0%	50.4%	52.9%	48.7%	47.3%	52.2%	51.6%	**48.5%**	**51.0%**	Common Equity Ratio	**49.5%**
2629.0	2518.0	3100.0	3390.0	3298.0	3264.0	3735.0	4037.0	4329.0	4544.0	**5000**	**4935**	Total Capital ($mill)	**5675**
3066.0	3301.0	3858.0	4133.0	4285.0	4392.0	4880.0	5679.0	6012.0	6434.0	**6690**	**6775**	Net Plant ($mill)	**6450**
6.9%	5.0%	4.5%	5.4%	6.2%	5.9%	5.1%	5.8%	5.4%	5.6%	**5.0%**	**5.5%**	Return on Total Cap'l	**6.0%**
11.0%	6.4%	6.2%	7.9%	8.8%	8.2%	7.5%	9.2%	7.6%	8.2%	**8.5%**	**8.5%**	Return on Shr. Equity	**9.5%**
11.0%	6.4%	6.2%	7.9%	8.8%	8.2%	7.5%	9.2%	7.6%	8.2%	**8.5%**	**8.5%**	Return on Com Equity [E]	**9.5%**
6.6%	2.0%	1.5%	3.0%	4.1%	3.5%	2.9%	4.6%	3.3%	3.5%	**3.5%**	**3.5%**	Retained to Com Eq	**4.0%**
40%	69%	76%	62%	54%	57%	61%	50%	56%	57%	**59%**	**60%**	All Div'ds to Net Prof	**57%**

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	-.8	+.6	-2.1
Avg. Indust. Use (MWH)	16577	17485	16146
Avg. Indust. Revs. per KWH (¢)	5.13	5.01	4.99
Capacity at Peak (Mw)	4910	4609	4730
Peak Load, Winter (Mw) [G]	3866	3914	3726
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.7	+1.2	+1.2
Fixed Charge Cov. (%)	248	243	271

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-.5%	-1.5%	*2.0%*
"Cash Flow"	2.0%	4.5%	*5.0%*
Earnings	7.0%	5.5%	*6.0%*
Dividends	13.5%	3.0%	*6.0%*
Book Value	3.0%	3.5%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	493	423	484	500	1900
2015	473	450	476	499	1898
2016	487	428	484	524	1923
2017	530	***440***	***505***	***525***	***2000***
2018	***545***	***460***	***525***	***545***	***2075***

Cal-endar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.73	.43	.47	.55	2.18
2015	.62	.44	.40	.57	2.04
2016	.68	.42	.38	.68	2.16
2017	.82	***.40***	***.38***	***.65***	***2.25***
2018	***.83***	***.42***	***.42***	***.68***	***2.35***

Cal-endar	QUARTERLY DIVIDENDS PAID [B] ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.27	.27	.275	.275	1.09
2014	.275	.275	.28	.28	1.11
2015	.28	.28	.30	.30	1.16
2016	.30	.30	.32	.32	1.24
2017	.32	.32	.34		

BUSINESS: Portland General Electric Company (PGE) provides electricity to 865,000 customers in 52 cities in a 4,000-square-mile area of Oregon, including Portland and Salem. The company is in the process of decommissioning the Trojan nuclear plant, which it closed in 1993. Electric revenue breakdown: residential, 47%; commercial, 35%; industrial, 11%; other, 7%. Generating sources: gas, 27%; coal, 16%; wind, 9%; hydro, 8%; purchased, 40%. Fuel costs: 32% of revenues. '16 reported depreciation rate: 3.5%. Has 2,700 employees. Chairman: Jack E. Davis. President and Chief Executive Officer: James J. Piro. Incorporated: Oregon. Address: 121 S.W. Salmon Street, Portland, Oregon 97204. Telephone: 503-464-8000. Internet: www.portlandgeneral.com.

Portland General Electric has a general rate case pending. The utility is seeking an increase of $99.9 million, based on a 9.75% return on a 50% common-equity ratio. The staff of the Public Utility Commission of Oregon (PUC) is proposing a rate decrease of $3.2 million, based on a 9.2% return on a 49.5% common-equity ratio. The schedule calls for PGE to receive an order in late December, with new tariffs taking effect at the start of 2018. Note that the PUC has two new commissioners and some new staff members. This adds uncertainty to the regulatory process. Still, the possibility of a settlement exists.

We have raised our 2017 earnings estimate by $0.05 a share, to $2.25. First-quarter profits were better than we expected due to favorable weather conditions. Our revised estimate is within PGE's targeted range of $2.20-$2.35 a share. We forecast a modest earnings increase in 2018, assuming a reasonable order in the aforementioned rate case.

The company estimates that resolving a legal matter will take two to four years. PGE's Carty gas-fired plant began operating in July of 2016 after the utility had problems with the original contractor. In December of 2015, PGE declared that contractor in default of the construction agreement. The company is suing the contractor's insurers to collect a performance bond of $145.6 million, plus damages.

The Carty dispute is hurting earnings. The cost of the plant is $640 million, but just $514 million is reflected in the rate base. Costs associated with the unrecovered portion of the facility, along with legal expenses, reduced the bottom line by $0.06 a share in 2016. Management estimates that the drag on profits will be $0.09 a share this year.

The board of directors increased the dividend. The raise was two cents a share (6.25%) quarterly. PGE's goals are 5%-7% annual dividend growth and a payout ratio of 50%-70%.

Even after the dividend hike, the yield of this timely stock is below the utility average. The recent quotation is at the upper end of our 2020-2022 Target Price Range. Thus, total return potential over that time frame is minimal.

Paul E. Debbas, CFA *July 28, 2017*

(A) Diluted EPS. Excl. nonrecurring loss: '13, 42¢. '15 EPS don't sum due to rounding. Next earnings report due late Oct. **(B)** Div'ds paid mid-Jan., Apr., July, and Oct. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail. **(C)** Incl. deferred chgs. In '16: $5.60/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate allowed on com. eq. in '16: 9.6%; earned on avg. com. eq., '16: 8.3%. Regulatory Climate: Average. **(F)** '05 per-share data are pro forma, based on shs. outstanding when stock began trading in '06. **(G)** Summer peak in '15 & '16.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	70
Earnings Predictability	70

DUKE ENERGY NYSE-DUK

RECENT PRICE	86.60	P/E RATIO	18.7 (Trailing: 21.8, Median: 17.0)	RELATIVE P/E RATIO	0.98	DIV'D YLD	4.2%	VALUE LINE

TIMELINESS 4 Lowered 6/23/17

SAFETY 2 New 6/1/07

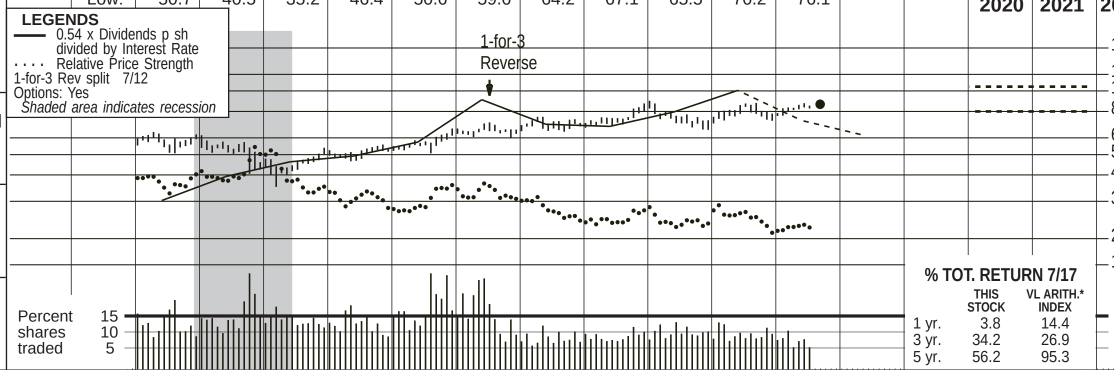
TECHNICAL 2 Lowered 8/18/17

BETA .60 (1.00 = Market)

High:	63.9	61.8	53.8	55.8	66.4	71.1	75.5	87.3	90.0	87.8	87.5
Low:	50.7	40.5	35.2	46.4	50.6	59.6	64.2	67.1	65.5	70.2	76.1

Target Price Range 2020 | 2021 | 2022

LEGENDS
— 0.54 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
1-for-3 Rev split 7/12
Options: Yes
Shaded area indicates recession



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+20%)	9%
Low	80	(-10%)	3%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	1	0	0	0	0	0	2	0
Options	2	0	0	0	9	1	0	6	0
to Sell	0	1	0	0	5	0	0	2	0

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	526	564	552
to Sell	465	483	500
Hld's(000)	388733	389130	437355

% TOT. RETURN 7/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	3.8	14.4
3 yr.	34.2	26.9
5 yr.	56.2	95.3

Duke Energy Corporation, in its current configuration, began trading on January 3, 2007, the day after it spun off its midstream gas operations into a new company, Spectra Energy (NYSE: SE). Duke Energy shareholders received half a share of Spectra Energy for each Duke share held. In July of 2012, Duke acquired Progress Energy and effected a 1-for-3 reverse split. Data for the "old" Duke are not shown because they are not comparable.

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
30.24	31.15	29.18	32.22	32.63	27.88	34.84	33.84	34.10	32.49	*33.90*	*34.85*	Revenues per sh	*37.75*
8.11	7.34	7.58	8.49	8.68	6.80	8.56	9.11	9.40	9.20	*10.45*	*10.95*	"Cash Flow" per sh	*12.50*
3.60	3.03	3.39	4.02	4.14	3.71	3.98	4.13	4.10	3.71	*4.60*	*4.80*	Earnings per sh A	*5.25*
2.58	2.70	2.82	2.91	2.97	3.03	3.09	3.15	3.24	3.36	*3.49*	*3.64*	Div'd Decl'd per sh B ■	*4.20*
7.43	10.35	9.85	10.84	9.80	7.81	7.83	7.62	9.83	11.29	*13.45*	*15.35*	Cap'l Spending per sh	*12.50*
50.40	49.51	49.85	50.84	51.14	58.04	58.54	57.81	57.74	58.62	*59.65*	*60.75*	Book Value per sh C	*64.00*
420.62	423.96	436.29	442.96	445.29	704.00	706.00	707.00	688.00	700.00	*701.00*	*702.00*	Common Shs Outst'g D	*705.00*
16.1	17.3	13.3	12.7	13.8	17.5	17.4	17.9	18.2	21.3	*Bold figures are*		Avg Ann'l P/E Ratio	*18.0*
.85	1.04	.89	.81	.87	1.11	.98	.94	.92	1.13	*Value Line*		Relative P/E Ratio	*1.15*
4.4%	5.2%	6.2%	5.7%	5.2%	4.7%	4.4%	4.3%	4.3%	4.3%	*estimates*		Avg Ann'l Div'd Yield	*4.5%*
12720	13207	12731	14272	14529	19624	24598	23925	23459	22743	*23750*	*24450*	Revenues ($mill)	*26650*
1522.0	1279.0	1461.0	1765.0	1839.0	2136.0	2813.0	2934.0	2854.0	2560.0	*3230*	*3365*	Net Profit ($mill)	*3765*
31.9%	32.5%	34.4%	32.6%	31.3%	30.2%	32.6%	30.6%	32.2%	31.0%	*32.5%*	*32.5%*	Income Tax Rate	*32.5%*
7.2%	16.0%	17.5%	22.7%	23.2%	22.3%	8.8%	7.2%	9.2%	11.7%	*12.0%*	*12.0%*	AFUDC % to Net Profit	*12.0%*
30.9%	38.7%	42.6%	44.3%	45.1%	47.0%	48.0%	47.7%	48.6%	52.6%	*53.5%*	*54.5%*	Long-Term Debt Ratio	*57.5%*
69.1%	61.3%	57.4%	55.7%	54.9%	52.9%	52.0%	52.3%	51.4%	47.4%	*46.5%*	*45.5%*	Common Equity Ratio	*42.5%*
30697	34238	37863	40457	41451	77307	79482	78088	77222	86609	*90425*	*94250*	Total Capital ($mill)	*105700*
31110	34036	37950	40344	42661	68558	69490	70046	75709	82520	*87850*	*94325*	Net Plant ($mill)	*109100*
6.0%	4.8%	4.9%	5.5%	5.6%	3.6%	4.6%	4.8%	4.8%	4.0%	*4.5%*	*4.5%*	Return on Total Cap'l	*4.5%*
7.2%	6.1%	6.7%	7.8%	8.1%	5.2%	6.8%	7.2%	7.2%	6.2%	*7.5%*	*8.0%*	Return on Shr. Equity	*8.5%*
7.2%	6.1%	6.7%	7.8%	8.1%	5.2%	6.8%	7.2%	7.2%	6.2%	*7.5%*	*8.0%*	Return on Com Equity E	*8.5%*
2.0%	.6%	1.1%	2.1%	2.2%	.9%	1.5%	1.7%	1.5%	.6%	*2.0%*	*2.0%*	Retained to Com Eq	*2.0%*
72%	89%	84%	73%	72%	82%	78%	76%	79%	91%	*76%*	*76%*	All Div'ds to Net Prof	*79%*

CAPITAL STRUCTURE as of 6/30/17
Total Debt $53003 mill. **Due in 5 Yrs** $19085 mill.
LT Debt $46043 mill. **LT Interest** $1704 mill.
Incl. $1100 mill. capitalized leases.
(LT interest earned: 3.1x)

Leases, Uncapitalized Annual rentals $218 mill.
Pension Assets-12/16 $8531 mill. **Oblig** $8006 mill.
Pfd Stock None

Common Stock 699,950,383 shs.

MARKET CAP: $61 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+2.2	+.6	-.3
Avg. Indust. Use (MWH)	2876	2883	3486
Avg. Indust. Revs. per KWH (¢)	6.15	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	+1.0	+1.2	+1.4
Fixed Charge Cov. (%)	315	317	264

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	3.0%	1.5%	*2.0%*
"Cash Flow"	1.5%	2.5%	*5.0%*
Earnings	3.5%	.5%	*4.5%*
Dividends	- -	2.5%	*4.5%*
Book Value	-.5%	3.0%	*1.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	6263	5708	6395	5559	23925
2015	6065	5589	6483	5322	23459
2016	5377	5213	6576	5577	22743
2017	5729	5555	*6750*	*5716*	*23750*
2018	*5900*	*5700*	*6950*	*5900*	*24450*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.05	1.02	1.25	.81	4.13
2015	1.09	.87	1.44	.70	4.10
2016	.83	.90	1.44	.53	3.71
2017	1.02	.98	*1.60*	*1.00*	*4.60*
2018	*1.05*	*1.05*	*1.65*	*1.05*	*4.80*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.765	.765	.78	.78	3.09
2014	.78	.78	.795	.795	3.15
2015	.795	.795	.825	.825	3.24
2016	.825	.825	.855	.855	3.36
2017	.855	.855	.89		

BUSINESS: Duke Energy Corporation is a holding company for utilities with 7.4 mill. elec. customers in NC, FL, IN, SC, Oh, & KY, and 1.5 mill. gas customers in OH, KY, NC, SC, and TN. Owns independent power plants & has 25% stake in National Methanol in Saudi Arabia. Acq'd Progress Energy 7/12; Piedmont Natural Gas 10/16; discontinued most int'l ops. in '16. Elec. rev. breakdown: residential, 43%; commercial, 29%; industrial, 14%; other, 14%. Generating sources: coal, 27%; nuclear, 27%; gas, 23%; other, 1%; purchased, 22%. Fuel costs: 30% of revs. '16 reported deprec. rate: 2.8%. Has 28,800 employees. Chairman, President & CEO: Lynn J. Good. Inc.: DE. Address: 550 South Tryon St., Charlotte, NC 28202-1803. Tel.: 704-382-3853. Internet: www.duke-energy.com.

Duke Energy's earnings are likely to wind up significantly higher in 2017. The company will have a full year's contribution from Piedmont Natural Gas, which it acquired last fall. Merger-related costs will be lower, too. These reduced share net by $0.48 last year, but just $0.05 in the first six months of 2017. Duke's utilities in South Carolina and Florida are benefiting from rate relief. These positive factors should far outweigh the effects of unfavorable weather conditions in the first quarter and the loss of income from the international operations that were sold because Duke wanted to avoid the volatility of these businesses. Our 2017 earnings estimate is at the midpoint of the company's targeted range of $4.50-$4.70 a share.

The company has filed a rate case in North Carolina, and additional applications are upcoming. The former Progress Energy is seeking an increase of $477 million (14.9%), based on a 10.75% return on a 53% common-equity ratio. The main drivers of the petition are capital investments the utility has made since its last rate order, in 2013, and the cost of closing coal ash ponds. New tariffs are expected to take effect at the start of February. Duke's legacy utility in the state is planning to file a rate case shortly. Another application in Kentucky is expected at the start of September.

Some significant projects are under construction. Duke's utilities are building gas-fired capacity in Florida, North Carolina, and South Carolina. These projects are on schedule and on budget. Its utilities in Indiana and Ohio are modernizing the electric grid, and earning a return on their investment through riders (surcharges) on customers' bills. Duke also has stakes in some natural gas pipeline projects, one of which entered service in early July.

The board of directors raised the dividend. Effective with the September payment, the annual payout was raised by $0.14 a share (4.1%). Duke's goal is yearly dividend growth of 4%-6%.

This untimely stock has an above-average dividend yield, even for a utility. Total return potential to 2020-2022 is a cut above the norm for this industry.

Paul E. Debbas, CFA *August 18, 2017*

(A) Dil. EPS. Excl. nonrec. losses: '12, 70¢; '13, 24¢; '14, 67¢; gains (losses) on disc. ops.: '12, 6¢; '13, 2¢; '14, (80¢); '15, 5¢; '16, (60¢). '16 EPS don't sum due to rounding. Next egs. report due early Nov. **(B)** Div'ds paid mid-Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. **(C)** Incl. intang. In '16: $46.17/sh. **(D)** In mill., adj. for rev. split. **(E)** Rate base: Net orig. cost. Rates all'd on com. eq. in '13 in NC: 10.2%; in '17 in SC: 10.1%; in '09 in OH: 10.63%; in '04 in IN: 10.3%; earn. on avg. com. eq., '16: 6.3%. Reg. Clim.: NC Avg.; SC, OH, IN Above Avg.

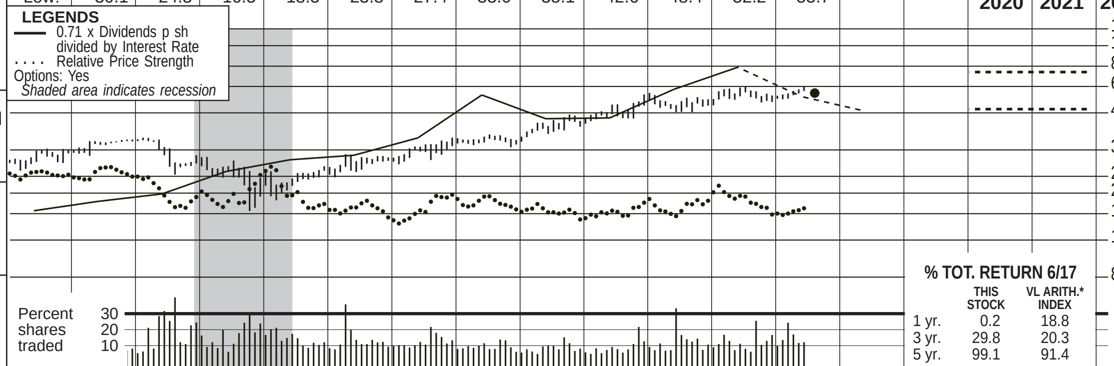
Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	85

NORTHWESTERN NYSE-NWE

RECENT PRICE	59.51	P/E RATIO	17.2 (Trailing: 15.9 / Median: 16.0)	RELATIVE P/E RATIO	0.87	DIV'D YLD	3.6%	VALUE LINE

TIMELINESS 2 Raised 5/5/17
SAFETY 3 New 5/4/12
TECHNICAL 1 Raised 7/21/17
BETA .65 (1.00 = Market)

High:	35.8	36.7	29.7	26.8	30.6	36.6	38.0	47.2	58.7	59.7	63.8	63.9
Low:	30.1	24.5	16.5	18.5	23.8	27.4	33.0	35.1	42.6	48.4	52.2	55.7



Target Price Range

2020	2021	2022

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+25%)	9%
Low	50	(-15%)	Nil

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	3	0	4	5	9	0	4
to Sell	1	0	1	0	0	0	4	0	2

Institutional Decisions

	3Q2016	4Q2016	1Q2017
to Buy	105	135	142
to Sell	109	94	96
Hld's(000)	47339	47832	55386

% TOT. RETURN 6/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	0.2	18.8
3 yr.	29.8	20.3
5 yr.	99.1	91.4

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
- -	- -	- -	29.18	32.57	31.49	30.79	35.09	31.72	30.66	30.80	28.76	29.80	25.68	25.21	26.01	*27.30*	*28.25*	Revenues per sh	*32.00*
- -	- -	- -	3.20	4.00	3.62	3.70	4.40	4.62	4.76	5.42	5.18	5.45	5.39	5.92	6.74	*6.95*	*7.20*	"Cash Flow" per sh	*8.25*
- -	- -	- -	d14.32	1.71	1.31	1.44	1.77	2.02	2.14	2.53	2.26	2.46	2.99	2.90	3.39	*3.45*	*3.55*	Earnings per sh A	*4.00*
- -	- -	- -	- -	1.00	1.24	1.28	1.32	1.34	1.36	1.44	1.48	1.52	1.60	1.92	2.00	*2.10*	*2.20*	Div'd Decl'd per sh B ■ †	*2.50*
- -	- -	- -	2.25	2.26	2.81	3.00	3.47	5.26	6.30	5.20	5.89	5.95	5.76	5.89	5.96	*6.15*	*6.60*	Cap'l Spending per sh	*6.75*
- -	- -	- -	19.92	20.60	20.65	21.12	21.25	21.86	22.64	23.68	25.09	26.60	31.50	33.22	34.68	*35.90*	*37.15*	Book Value per sh C	*41.00*
- -	- -	- -	35.60	35.79	35.97	38.97	35.93	36.00	36.23	36.28	37.22	38.75	46.91	48.17	48.33	*48.50*	*48.65*	Common Shs Outst'g D	*49.10*
- -	- -	- -	- -	17.1	26.0	21.7	13.9	11.5	12.9	12.6	15.7	16.9	16.2	18.4	17.2	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
- -	- -	- -	- -	.91	1.40	1.15	.84	.77	.82	.79	1.00	.95	.85	.93	.91	*Value Line*		Relative P/E Ratio	*.95*
- -	- -	- -	- -	3.4%	3.6%	4.1%	5.4%	5.7%	4.9%	4.5%	4.2%	3.7%	3.3%	3.6%	3.4%	*estimates*		Avg Ann'l Div'd Yield	*4.1%*

CAPITAL STRUCTURE as of 3/31/17
Total Debt $2048.4 mill. **Due in 5 Yrs** $490.5 mill.
LT Debt $1817.5 mill. **LT Interest** $83.6 mill.
Incl. $23.8 mill. capitalized leases.
(LT interest earned: 3.0x)

Pension Assets-12/16 $524.6 mill. **Oblig** $646.0 mill.
Pfd Stock None

Common Stock 48,445,078 shs.
as of 4/21/17
MARKET CAP: $2.9 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1200.1	1260.8	1141.9	1110.7	1117.3	1070.3	1154.5	1204.9	1214.3	1257.2	*1325*	*1375*	Revenues ($mill)	*1575*
53.2	67.6	73.4	77.4	92.6	83.7	94.0	120.7	138.4	164.2	*165*	*175*	Net Profit ($mill)	*195*
37.8%	37.3%	17.2%	25.0%	9.8%	9.6%	13.2%	- -	13.7%	13.7%	*10.5%*	*12.0%*	Income Tax Rate	*20.0%*
2.5%	2.3%	4.4%	14.2%	3.3%	9.4%	8.7%	8.9%	9.8%	4.3%	*6.0%*	*6.0%*	AFUDC % to Net Profit	*5.0%*
50.1%	46.8%	56.4%	57.2%	52.2%	53.8%	53.5%	53.4%	53.1%	52.0%	*50.5%*	*47.0%*	Long-Term Debt Ratio	*48.0%*
49.9%	53.2%	43.6%	42.8%	47.8%	46.2%	46.5%	46.6%	46.9%	48.0%	*49.5%*	*53.0%*	Common Equity Ratio	*52.0%*
1648.4	1434.3	1803.9	1916.4	1797.1	2020.7	2215.7	3168.0	3408.6	3493.9	*3535*	*3405*	Total Capital ($mill)	*3850*
1770.9	1839.7	1964.1	2118.0	2213.3	2435.6	2690.1	3758.0	4059.5	4214.9	*4345*	*4485*	Net Plant ($mill)	*4875*
5.0%	7.0%	6.0%	5.9%	7.0%	5.5%	5.5%	4.8%	5.2%	5.9%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.0%*
6.5%	8.9%	9.3%	9.4%	10.8%	9.0%	9.1%	8.2%	8.6%	9.8%	*9.5%*	*9.5%*	Return on Shr. Equity	*10.0%*
6.5%	8.9%	9.3%	9.4%	10.8%	9.0%	9.1%	8.2%	8.6%	9.8%	*9.5%*	*9.5%*	Return on Com Equity E	*10.0%*
.7%	2.3%	3.2%	3.5%	4.7%	3.2%	3.5%	3.8%	3.0%	4.1%	*4.0%*	*3.5%*	Retained to Com Eq	*3.5%*
89%	74%	66%	63%	56%	65%	61%	54%	65%	58%	*61%*	*62%*	All Div'ds to Net Prof	*62%*

ELECTRIC OPERATING STATISTICS

	2014	2015	2016
% Change Retail Sales (KWH)	+.7	-.1	-.7
Avg. Indust. Use (MWH)	28987	30133	29784
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Winter (Mw)	2044	2096	2138
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.0	+1.3	+1.2
Fixed Charge Cov. (%)	217	252	253

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-2.0%	-4.0%	*4.0%*
"Cash Flow"	5.5%	4.0%	*5.5%*
Earnings	- -	7.0%	*4.5%*
Dividends	9.5%	6.0%	*5.0%*
Book Value	5.0%	8.0%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	369.7	270.3	251.9	313.0	1204.9
2015	346.0	270.6	272.7	325.0	1214.3
2016	332.5	293.1	301.0	330.6	1257.2
2017	367.3	*310*	*310*	*337.7*	*1325*
2018	*375*	*325*	*325*	*350*	*1375*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.17	.20	.77	.85	2.99
2015	1.09	.38	.51	.93	2.90
2016	.82	.73	.92	.92	3.39
2017	1.17	*.50*	*.75*	*1.03*	*3.45*
2018	*1.15*	*.50*	*.80*	*1.10*	*3.55*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ † Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.38	.38	.38	.38	1.52
2014	.40	.40	.40	.40	1.60
2015	.48	.48	.48	.48	1.92
2016	.50	.50	.50	.50	2.00
2017	.525	.525			

BUSINESS: NorthWestern Corporation (doing business as NorthWestern Energy) supplies electricity & gas in the Upper Midwest and Northwest, serving 427,000 electric customers in Montana and South Dakota and 283,000 gas customers in Montana (87% of gross margin), South Dakota (12%), and Nebraska (1%). Electric revenue breakdown: residential, 40%; commercial, 51%; industrial, 5%; other, 4%. Generating sources: hydro, 34%; coal, 30%; other, 10%; purchased, 26%. Fuel costs: 32% of revenues. '16 reported deprec. rate: 3.0%. Has 1,600 employees. Chairman: Dr. E. Linn Draper Jr. President & CEO: Robert C. Rowe. Incorporated: Delaware. Address: 3010 West 69th Street, Sioux Falls, South Dakota 57108. Tel.: 605-978-2900. Internet: www.northwesternenergy.com.

NorthWestern has reached a settlement of its gas rate case in Montana. The utility initially requested an increase of $10.9 million, based on a 10.35% return on a 46.8% common-equity ratio. The agreement calls for a hike of $5.7 million, based on a 9.55% return on the same common-equity ratio. The Montana Public Service Commission (MPSC) must still rule on the settlement. Its decision is expected soon.

The utility might file an electric case in Montana this year. This would not be NorthWestern's choice, but might be required by the MPSC. The utility is underearning its allowed ROE.

We have raised our 2017 earnings estimate by a nickel a share, to $3.45. First-quarter profits, aided by favorable weather conditions, were better than we expected. Our revised estimate is still within NorthWestern's targeted range of $3.30-$3.50 a share. We are sticking with our 2018 earnings forecast of $3.55 a share.

NorthWestern continues to wait for the resolution of some legal matters. The company is seeking relief in the U.S. Circuit Court of Appeals following an unfavorable ruling from the Federal Energy Regulatory Commission, which ruled that only 4% of the cost of a new gas-fired generating plant could be allocated to wholesale customers. NorthWestern believes 20% of these costs should be allocated to wholesale customers, with the other 80% allocated to Montana power users. A ruling is unlikely until the fourth quarter of 2017, at the earliest. This order forced the utility to take a charge of $0.12 a share in 2012. Separately, the company has filed appeals in two Montana district courts concerning the MPSC's disallowance of certain costs, which hurt earnings by $0.13 a share in the first quarter of 2016. NorthWestern believes decisions are likely by the end of 2017 or in early 2018. The charges in each of these matters were *included* in our earnings presentation.

Timely NorthWestern stock has a dividend yield that is average for a utility. Like most utility issues, the recent price is within our 3- to 5-year Target Price Range. Accordingly, total return potential is unimpressive.

Paul E. Debbas, CFA *July 28, 2017*

(A) Diluted EPS. Excl. gain (loss) on disc. ops.: '05, (6¢); '06, 1¢; nonrec. gains: '12, 39¢ net; '15, 27¢. '15 EPS don't add due to rounding. Next earnings report due late Oct. **(B)** Div'ds historically paid in late Mar., June, Sept. & Dec. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. **(C)** Incl. def'd charges. In '16: $19.87/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate allowed on com. eq. in MT in '14 (elec.): 9.8%; in '13 (gas): 9.8%; in SD in '15: none specified; in NE in '07: 10.4%; earned on avg. com. eq., '16: 10.1%. Regul. Climate: Avg.

Company's Financial Strength	B+
Stock's Price Stability	95
Price Growth Persistence	85
Earnings Predictability	85