

GAS PROXY GROUP
DCF Growth Rate Analysis

<u>Company</u>	(1) Value Line <u>DPS</u>	(2) Value Line <u>EPS</u>	(3) <u>Zacks</u>	(4) Yahoo! <u>Finance</u>
1 Atmos Energy Corp.	7.50%	7.00%	7.40%	7.70%
2 New Jersey Resources	5.50%	2.00%	7.10%	6.00%
3 Northwest Natural Holding Co.	0.50%	5.50%	4.90%	5.50%
4 ONE Gas, Inc.	7.00%	6.50%	5.00%	5.00%
5 South Jersey Industries, Inc.	4.50%	11.50%	5.40%	4.80%
6 Southwest Gas Holdings, Inc.	4.50%	8.00%	5.50%	4.00%
7 Spire Inc.	4.50%	10.00%	5.50%	7.31%
Averages	4.86%	7.21%	5.83%	5.76%
Median	4.50%	7.00%	5.50%	5.50%

Sources: Value Line Investment Survey, August 27, 2021
Yahoo! Finance and Zacks growth rates retrieved August 26, 2021

**GAS PROXY GROUP
DCF RETURN ON EQUITY**

	(1) Value Line <u>Dividend Gr.</u>	(2) Value Line <u>Earnings Gr.</u>	(3) Zack's <u>Earning Gr.</u>	(4) Yahoo! <u>Earning Gr.</u>	(5) Average of <u>All Gr. Rates</u>
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Method 1:

Dividend Yield	3.48%	3.48%	3.48%	3.48%	3.48%
Average Growth Rate	4.86%	7.21%	5.83%	5.76%	5.91%
Expected Div. Yield	<u>3.56%</u>	<u>3.60%</u>	<u>3.58%</u>	<u>3.58%</u>	<u>3.58%</u>
<i>DCF Return on Equity</i>	8.42%	10.81%	9.41%	9.34%	9.49%

Method 2:

Dividend Yield	3.48%	3.48%	3.48%	3.48%	3.48%
Median Growth Rate	4.50%	7.00%	5.50%	5.50%	5.63%
Expected Div. Yield	<u>3.55%</u>	<u>3.60%</u>	<u>3.57%</u>	<u>3.57%</u>	<u>3.57%</u>
<i>DCF Return on Equity</i>	8.05%	10.60%	9.07%	9.07%	9.20%