Kentucky Power Company
KPSC Case No. 2025-00257
AG-KIUC's First Set of Data Requests
Dated September 29, 2025

DATA REQUEST

AG_KIUC 1_24 Provide a schedule of FTEs and payroll dollars separated between expense, capital, and other, for AEPSC by department and by month for 2022, 2023, 2024, budgeted in each month in 2025, and actual in each month in 2025 for which actual information is available. In addition, show the amounts of AEPSC payroll dollars in total that were assigned or allocated to KPCo separated between expense, capital, and other for each of the same time periods.

RESPONSE

The Company objects to this request to the extent it seeks information that is outside of the test year period and, therefore, is not reasonably calculated to lead to the discovery of relevant or admissible evidence. Subject to and without waiving this objection, please reference KPCO_R_AG_KIUC_1_24_Attachment1 for a schedule of AEPSC employee count by department for each month in 2022, 2023, 2024, and January through August 2025.

Please reference KPCO_R_AG_KIUC_1_24_Attachment2 for a schedule of AEPSC payroll dollars separated between expense, capital, and other by department for each month in 2022, 2023, 2024, and January through August 2025.

Please reference KPCO_R_AG_KIUC_1_24_Attachment3 for a schedule of AEPSC payroll dollars in total billed to Kentucky Power, separated between expense, capital, and other in 2022, 2023, 2024, and January through August 2025.

Please reference KPCO_R_AG_KIUC_1_24_Attachment4 for a schedule of AEPSC employee count by department budgeted in each month in 2025.

Please reference KPCO_R_AG_KIUC_1_24_Attachment5 for a schedule of AEPSC payroll dollars separated between expense, capital, and other by department budgeted in each month in 2025.

October 15, 2025 Supplemental Response

The Company objects to this request to the extent it seeks information that is outside of the test year period and, therefore, is not reasonably calculated to lead to the discovery of relevant or admissible evidence. Subject to and without waiving this objection, please reference KPCO_R_AG_KIUC_1_24_Attachment1 for a schedule of AEPSC employee count by department for each month in 2022, 2023, 2024, and January through August 2025.

Please reference KPCO_R_AG_KIUC_1_24_Attachment2 for a schedule of AEPSC payroll dollars separated between expense, capital, and other by department for each month in 2022, 2023, 2024, and January through August 2025.

Please reference KPCO_R_AG_KIUC_1_24_Attachment3 for a schedule of AEPSC payroll dollars in total billed to Kentucky Power, separated between expense, capital, and other in 2022, 2023, 2024, and January through August 2025.

Please reference KPCO_SR_AG_KIUC_1_24_SupplementalAttachment4 for a schedule of AEPSC employee count by department budgeted in each month in 2025.

Please reference KPCO_R_AG_KIUC_1_24_Attachment5 for a schedule of AEPSC payroll dollars separated between expense, capital, and other by department budgeted in each month in 2025.

Witness: Brian C. Ciborek

Kentucky Power Company
KPSC Case No. 2025-00257
AG-KIUC's First Set of Data Requests
Dated September 29, 2025

DATA REQUEST

AG_KIUC 1_88 Provide all work papers and supporting documentation used by Mr. McKenzie in the preparation of his Direct Testimony and exhibits. Provide all spreadsheets with cell formulas intact. Provide all tables and figures in native spreadsheet formula with cell formulas intact. Provide associated documentation for the data used in the tables and figures.

RESPONSE

Please see KPCO_R_KPSC_1_55_Attachment30_McKenzieWP1.

October 15, 2025 Supplemental Response

Please see KPCO_R_KPSC_1_55_Attachment30_McKenzieWP1. Please also see KPCO_SR_AG-KIUC_1_88_SupplementalAttachment1.

Witness: Adrien McKenzie

MOODY'S RATINGS

Infrastructure And Project Finance

RATING METHODOLOGY

6 August 2024

TABLE OF CONTENTS

Scope 1
Rating approach 2
Regulated electric and gas utilities scorecard 3
Sector overview 7
Discussion of the scorecard factors 8
Other considerations 16
Using the scorecard to arrive at a scorecard-indicated outcome 20
Assigning issuer-level and instrument-level ratings 21
Key rating assumptions 21
Limitations 22
Appendix A: Approach to ratings within a utility family 23
Appendix B: Regional and other considerations 25
Appendix C: Treatment of Power Purchase Agreements ("PPAs") 26
Moody's related publications 29

Contacts

Michael G. Haggarty +1.212.553.7172
Associate Managing Director
michael.haggarty@moodys.com

Neil Griffiths-Lambeth +44.20.7772.5543
Associate Managing Director
neil.griffiths-lambeth@moodys.com

Terry Fanous +61.2.9270.8164
MD-APAC Proj Infra Fin
terry.fanous@moodys.com

Douglas Segars, CFA +44.20.7772.1584
MD-EMEA Proj Infra Fin
douglas.segars@moodys.com

CLIENT SERVICES

Americas 1-212-553-1653
Asia Pacific 852-3551-3077
Japan 81-3-5408-4100

Rating Methodology

Regulated Electric and Gas Utilities

This rating methodology replaces the *Regulated Electric and Gas Utilities* methodology published on June 23, 2017. We have reordered and made editorial updates to various sections of the methodology. These updates do not change our methodological approach.

Scope

This methodology applies to rate-regulated electric and gas utilities globally whose predominant business is the sale of electricity and/or gas or related services under a rate-regulated framework, in most cases to retail customers. Companies in many industries are regulated. We use the term rate-regulated to distinguish companies whose rates (by which we also mean tariffs or revenues in general) are set by regulators. Rate-regulated utilities that own generating assets as any material part of their business, utilities whose charges or bills to customers include a meaningful component related to the electric or gas commodity, utilities whose rates are regulated at a sub-sovereign level (e.g., by provinces, states or municipalities), and companies providing an independent system operator function to an electric grid are also rated using this methodology. Companies rated using this methodology are primarily rate-regulated monopolies or, in certain circumstances, companies that may not be outright monopolies but where government regulation effectively sets prices and limits competition.

We generally consider a company to be predominantly a regulated electric and gas utility when a majority of its cash flows, prospectively and on a sustained basis, are derived from regulated electric and gas utility businesses. Since cash flows can be volatile (such that a company might have a majority of utility cash flows simply due to a cyclical downturn in its non-utility businesses), we may also consider the breakdown of assets and/or debt of a company to determine which business is predominant.

This methodology applies to a wide variety of companies, including vertically integrated utilities, transmission and distribution utilities with retail customers and/or sub-sovereign regulation, natural gas local distribution utility companies (LDCs), independent system operators, and regulated generation companies. These companies may be operating companies or holding companies.

This methodology does not apply to regulated electric and gas networks, which are rated using a separate methodology. Regulated electric and gas networks are companies whose predominant business is purely the transmission and/or distribution of electricity and/or natural gas without involvement in the procurement or sale of electricity and/or gas; whose charges to customers thus do not include a meaningful commodity cost component; which sell mainly (or in many cases exclusively) to non-retail customers; and which are rate-regulated under a national framework.

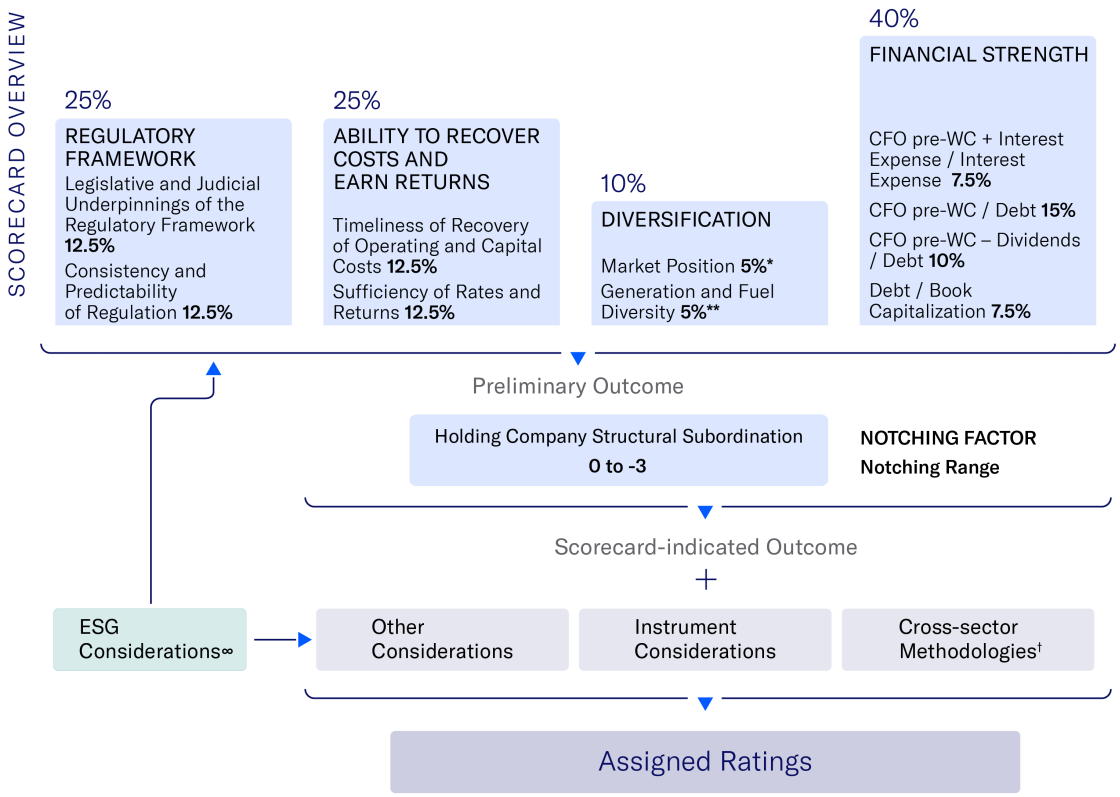
Unregulated utilities and power companies, public power utilities, municipal joint action agencies, electric cooperatives, regulated water companies, natural gas pipelines and midstream energy companies are also rated using separate methodologies.[1]

Rating approach

In this rating methodology, we explain our general approach to assessing credit risk of regulated electric and gas utilities globally, including the qualitative and quantitative factors that are likely to affect rating outcomes in this sector. We seek to incorporate all material credit considerations in ratings and to take the most forward-looking perspective that visibility into these risks and mitigants permits.

The following schematic illustrates our general framework for the analysis of regulated electric and gas utilities, which includes the use of a scorecard. The scorecard-indicated outcome is not expected to match the actual rating for each company. For more information, see the "Other considerations" and "Limitations" sections.

Exhibit 1
Illustration of the regulated electric and gas utilities methodology framework



* 10% weight for issuers that lack generation.
** 0% weight for issuers that lack generation.
∞ Environmental, social and governance (ESG) considerations, including, where available, our opinions of exposure to them as expressed in Issuer Profile Scores (IPSs), may affect scorecard factors and other considerations outside of the scorecard. For more information, see the "Other considerations" section.
† Some of the methodological considerations described in one or more cross-sector rating methodologies may be relevant to ratings in this sector. A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.
Source: Moody's Ratings

Regulated electric and gas utilities scorecard

For general information about how we use the scorecard and for a discussion of scorecard mechanics, please see the "Using the scorecard to arrive at a scorecard-indicated outcome" section. The scorecard does not include or address every factor that a rating committee may consider in assigning ratings in this sector. Please see the "Other considerations" and "Limitations" sections.

Exhibit 2

Regulated electric and gas utilities scorecard

	Weight	Aaa	Aa	A	Baa	Ba	B	Caa
Factor: Regulatory Framework (25%)								
Legislative and Judicial Underpinnings of the Regulatory Framework	12.5%	Utility regulation occurs under a fully developed framework that is national in scope based on legislation that provides the utility a nearly absolute monopoly [1] within its service territory, an unquestioned assurance that rates will be set in a manner that will permit the utility to make and recover all necessary investments, an extremely high degree of clarity as to the manner in which utilities will be regulated and prescriptive methods and procedures for setting rates. Existing utility law is comprehensive and supportive such that changes in legislation are not expected to be necessary; or any changes that have occurred have been strongly supportive of utilities credit quality in general and sufficiently forward-looking so as to address problems before they occurred. There is an independent judiciary that can arbitrate disagreements between the regulator and the utility should they occur, including access to national courts, very strong judicial precedent in the interpretation of utility laws, and a strong rule of law. We expect these conditions to continue.	Utility regulation occurs under a fully developed national, state or provincial framework based on legislation that provides the utility an extremely strong monopoly [1] within its service territory, a strong assurance, subject to limited review, that rates will be set in a manner that will permit the utility to make and recover all necessary investments, a very high degree of clarity as to the manner in which utilities will be regulated and reasonably prescriptive methods and procedures for setting rates. If there have been changes in utility legislation, they have been timely and clearly credit supportive of the issuer in a manner that shows the utility has had a strong voice in the process. There is an independent judiciary that can arbitrate disagreements between the regulator and the utility, should they occur including access to national courts, strong judicial precedent in the interpretation of utility laws, and a strong rule of law. We expect these conditions to continue.	Utility regulation occurs under a well-developed national, state or provincial framework based on legislation that provides the utility a very strong monopoly[1] within its service territory, an assurance, subject to reasonable prudency requirements, that rates will be set in a manner that will permit the utility to make and recover all necessary investments, a high degree of clarity as to the manner in which utilities will be regulated, and overall guidance for methods and procedures for setting rates. If there have been changes in utility legislation, they have been mostly timely and on the whole credit supportive for the issuer, and the utility has had a clear voice in the legislative process. There is an independent judiciary that can arbitrate disagreements between the regulator and the utility, should they occur, including access to national courts, clear judicial precedent in the interpretation of utility law, and a strong rule of law. We expect these conditions to continue.	Utility regulation occurs (i) under a national, state, provincial or municipal framework based on legislation that provides the utility a strong monopoly within its service territory that may have some exceptions such as greater self-generation,[1] a general assurance that, subject to prudency requirements that are mostly reasonable, rates will be set in a manner that will permit the utility to make and recover all necessary investments, reasonable clarity as to the manner in which utilities will be regulated and overall guidance for methods and procedures for setting rates; or (ii) under a new framework where independent and transparent regulation exists in other sectors. If there have been changes in utility legislation, they have been credit supportive or at least balanced for the issuer but potentially less timely, and the utility had a voice in the legislative process. There is either (i) an independent judiciary that can arbitrate disagreements between the regulator and the utility, including access to courts at least at the state or provincial level, reasonably clear judicial precedent in the interpretation of utility laws, and a generally strong rule of law; or (ii) regulation has been applied (under a well-developed framework) in a manner such that redress to an independent arbiter has not been required. We expect these conditions to continue.	Utility regulation occurs (i) under a national, state, provincial or municipal framework based on legislation or government decree that provides the utility a monopoly within its service territory that is generally strong but may have a greater level of exceptions,[1] and that, subject to prudency requirements which may be stringent, provides a general assurance (with somewhat less certainty) that rates will be set in a manner that will permit the utility to make and recover necessary investments; or (ii) under a new framework where the jurisdiction has a history of less independent and transparent regulation in other sectors. Either: (i) the judiciary that can arbitrate disagreements between the regulator and the utility may not have clear authority or may not be fully independent of the regulator or other political pressure, but there is a reasonably strong rule of law; or (ii) where there is no independent arbiter, the regulation has mostly been applied in a manner such redress has not been required. We expect these conditions to continue.	Utility regulation occurs (i) under a national, state, provincial or municipal framework based on legislation or government decree that provides the utility monopoly within its service territory that is reasonably strong but may have important exceptions, and that, subject to prudency requirements which may be stringent or at times arbitrary, provides more limited or less certain assurance that rates will be set in a manner that will permit the utility to make and recover necessary investments; or (ii) under a new framework where we would expect less independent and transparent regulation, based either on the regulator's history in other sectors or other factors. The judiciary that can arbitrate disagreements between the regulator and the utility may not have clear authority or may not be fully independent of the regulator or other political pressure, but there is a reasonably strong rule of law. Alternately, where there is no independent arbiter, the regulation has been applied in a manner that often requires some redress adding more uncertainty to the regulatory framework. There may be a periodic risk of creditor-unfriendly government intervention in utility markets or rate-setting.	Utility regulation occurs (i) under a national, state, provincial or municipal framework based on legislation or government decree that provides the utility a monopoly within its service territory, but with little assurance that rates will be set in a manner that will permit the utility to make and recover necessary investments; or (ii) under a new framework where we would expect unpredictable or adverse regulation, based either on the jurisdiction's history in other sectors or other factors. The judiciary that can arbitrate disagreements between the regulator and the utility may not have clear authority or is viewed as not being fully independent of the regulator or other political pressure. Alternately, there may be no redress to an effective independent arbiter. The ability of the utility to enforce its monopoly or prevent uncompensated usage of its system may be limited. There may be a risk of creditor-unfriendly nationalization or other significant intervention in utility markets or rate-setting.

	Weight	Aaa	Aa	A	Baa	Ba	B	Caa
Factor: Regulatory Framework (25%)								
Consistency and Predictability of Regulation	12.5%	The issuer's interaction with the regulator has led to a strong, lengthy track record of predictable, consistent and favorable decisions. The regulator is highly credit supportive of the issuer and utilities in general. We expect these conditions to continue.	The issuer's interaction with the regulator has a led to a considerable track record of predominantly predictable and consistent decisions. The regulator is mostly credit supportive of utilities in general and in almost all instances has been highly credit supportive of the issuer. We expect these conditions to continue.	The issuer's interaction with the regulator has led to a track record of largely predictable and consistent decisions. The regulator may be somewhat less credit supportive of utilities in general, but has been quite credit supportive of the issuer in most circumstances. We expect these conditions to continue.	The issuer's interaction with the regulator has led to an adequate track record. The regulator is generally consistent and predictable, but there may some evidence of inconsistency or unpredictability from time to time, or decisions may at times be politically charged. However, instances of less credit supportive decisions are based on reasonable application of existing rules and statutes and are not overly punitive. We expect these conditions to continue.	We expect that regulatory decisions will demonstrate considerable inconsistency or unpredictability or that decisions will be politically charged, based either on the issuer's track record of interaction with regulators or other governing bodies, or our view that decisions will move in this direction. The regulator may have a history of less credit supportive regulatory decisions with respect to the issuer, but we expect that the issuer will be able to obtain support when it encounters financial stress, with some potentially material delays. The regulator's authority may be eroded at times by legislative or political action. The regulator may not follow the framework for some material decisions.	We expect that regulatory decisions will be largely unpredictable or even somewhat arbitrary, based either on the issuer's track record of interaction with regulators or other governing bodies, or our view that decisions will move in this direction. However, we expect that the issuer will ultimately be able to obtain support when it encounters financial stress, albeit with material or more extended delays. Alternately, the regulator is untested, lacks a consistent track record, or is undergoing substantial change. The regulator's authority may be eroded on frequent occasions by legislative or political action. The regulator may more frequently ignore the framework in a manner detrimental to the issuer.	We expect that regulatory decisions will be highly unpredictable and frequently adverse, based either on the issuer's track record of interaction with regulators or other governing bodies, or our view that decisions will move in this direction. Alternately, decisions may have credit supportive aspects, but may often be unenforceable. The regulator's authority may have been seriously eroded by legislative or political action. The regulator may consistently ignore the framework to the detriment of the issuer.
Factor: Ability to Recover Costs and Earn Returns (25%)								
Timeliness of Recovery of Operating and Capital Costs	12.5%	Tariff formulas [2] and automatic cost recovery mechanisms provide full and highly timely recovery of all operating costs and essentially contemporaneous return on all incremental capital investments, with statutory provisions in place to preclude the possibility of challenges to rate increases or cost recovery mechanisms. By statute and by practice, general rate cases are efficient, focused on an impartial review, quick, and permit inclusion of fully forward-looking costs.	Tariff formulas [2] and automatic cost recovery mechanisms provide full and highly timely recovery of all operating costs and essentially contemporaneous or near-contemporaneous return on most incremental capital investments, with minimal challenges by regulators to companies' cost assumptions. By statute and by practice, general rate cases are efficient, focused on an impartial review, of a very reasonable duration before non-appealable interim rates can be collected, and primarily permit inclusion of forward-looking costs.	Automatic cost recovery mechanisms provide full and reasonably timely recovery of fuel, purchased power and all other highly variable operating expenses. Material capital investments may be made under tariff formulas [2] or other rate-making permitting reasonably contemporaneous returns, or may be submitted under other types of filings that provide recovery of cost of capital with minimal delays. Instances of regulatory challenges that delay rate increases or cost recovery are generally related to large, unexpected increases in sizeable construction projects. By statute or by practice, general rate cases are reasonably efficient, primarily focused on an impartial review, of a reasonable duration before rates (either permanent or non-refundable interim rates) can be collected, and permit inclusion of important forward-looking costs.	Fuel, purchased power and all other highly variable expenses are generally recovered through mechanisms incorporating delays of less than one year, although some rapid increases in costs may be delayed longer where such deferrals do not place financial stress on the utility. Incremental capital investments may be recovered primarily through general rate cases with moderate lag, with some through tariff formulas.[2] Alternately, there may be formula rates that are untested or unclear. Potentially greater tendency for delays due to regulatory intervention, although this will generally be limited to rates related to large capital projects or rapid increases in operating costs.	There is an expectation that fuel, purchased power or other highly variable expenses will eventually be recovered with delays that will not place material financial stress on the utility, but there may be some evidence of an unwillingness by regulators to make timely rate changes to address volatility in fuel, or purchased power, or other market-sensitive expenses. Recovery of costs related to capital investments may be subject to delays that are somewhat lengthy, but not so pervasive as to be expected to discourage important investments.	The expectation that fuel, purchased power or other highly variable expenses will be recovered may be subject to material delays due to second-guessing of spending decisions by regulators or due to political intervention. Recovery of costs related to capital investments may be subject to delays that are material to the issuer, or may be likely to discourage some important investment.	The expectation that fuel, purchased power or other highly variable expenses will be recovered may be subject to extensive delays due to second-guessing of spending decisions by regulators or due to political intervention. Recovery of costs related to capital investments may be uncertain, subject to delays that are extensive, or that may be likely to discourage even necessary investment.

	Weight	Aaa	Aa	A	Baa	Ba	B	Caa
Factor: Ability to Recover Costs and Earn Returns (25%)								
Sufficiency of Rates and Returns	12.5%	Sufficiency of rates to cover costs and attract capital is (and will continue to be) unquestioned.	Rates are (and we expect will continue to be) set at a level that permits full cost recovery and a fair return on all investments, with minimal challenges by regulators to companies' cost assumptions. This will translate to returns (measured in relation to equity, total assets, rate base or regulatory asset value, as applicable) that are strong relative to global peers.	Rates are (and we expect will continue to be) set at a level that generally provides full cost recovery and a fair return on investments, with limited instances of regulatory challenges and disallowances. In general, this will translate to returns (measured in relation to equity, total assets, rate base or regulatory asset value, as applicable) that are generally above average relative to global peers, but may at times be average.	Rates are (and we expect will continue to be) set at a level that generally provides full operating cost recovery and a mostly fair return on investments, but there may be somewhat more instances of regulatory challenges and disallowances, although ultimate rate outcomes are sufficient to attract capital without difficulty. In general, this will translate to returns (measured in relation to equity, total assets, rate base or regulatory asset value, as applicable) that are average relative to global peers, but may at times be somewhat below average.	Rates are (and we expect will continue to be) set at a level that generally provides recovery of most operating costs but return on investments may be less predictable, and there may be decidedly more instances of regulatory challenges and disallowances, but ultimate rate outcomes are generally sufficient to attract capital. In general, this will translate to returns (measured in relation to equity, total assets, rate base or regulatory asset value, as applicable) that are generally below average relative to global peers, or where allowed returns are average but difficult to earn. Alternately, the tariff formula may not take into account all cost components and/or remuneration of investments may be unclear or at times unfavorable.	We expect rates will be set at a level that at times fails to provide recovery of costs other than cash costs, and regulators may engage in somewhat arbitrary second-guessing of spending decisions or deny rate increases related to funding ongoing operations based much more on politics than on prudency reviews. Return on investments may be set at levels that discourage investment. We expect that rate outcomes may be difficult or uncertain, negatively affecting continued access to capital. Alternately, the tariff formula may fail to take into account significant cost components other than cash costs, and/or remuneration of investments may be generally unfavorable.	We expect rates will be set at a level that often fails to provide recovery of material costs, and recovery of cash costs may also be at risk. Regulators may engage in more arbitrary second-guessing of spending decisions or deny rate increases related to funding ongoing operations based primarily on politics. Return on investments may be set at levels that discourage necessary maintenance investment. We expect that rate outcomes may often be punitive or highly uncertain, with a markedly negative impact on access to capital. Alternately, the tariff formula may fail to take into account significant cash cost components, and/or remuneration of investments may be primarily unfavorable.
Factor: Diversification (10%)								
Market Position	5% [3]	A very high degree of multinational and regional diversity in terms of regulatory regimes and/or service territory economies.	Material operations in three or more nations or substantial geographic regions providing very good diversity of regulatory regimes and/or service territory economies.	Material operations in two to three nations, states, provinces or regions that provide good diversity of regulatory regimes and service territory economies. Alternately, operates within a single regulatory regime with low volatility, and the service territory economy is robust, has a very high degree of diversity and has demonstrated resilience in economic cycles.	May operate under a single regulatory regime viewed as having low volatility, or where multiple regulatory regimes are not viewed as providing much diversity. The service territory economy may have some concentration and cyclicality, but is sufficiently resilient that it can absorb reasonably foreseeable increases in utility rates.	Operates in a market area with somewhat greater concentration and cyclicality in the service territory economy and/or exposure to storms and other natural disasters, and thus less resilience to absorbing reasonably foreseeable increases in utility rates. May show somewhat greater volatility in the regulatory regime(s).	Operates in a limited market area with material concentration and more severe cyclicality in service territory economy such that cycles are of materially longer duration or reasonably foreseeable increases in utility rates could present a material challenge to the economy. Service territory may have geographic concentration that limits its resilience to storms and other natural disasters, or may be an emerging market. May show decided volatility in the regulatory regime(s).	Operates in a concentrated economic service territory with pronounced concentration, macroeconomic risk factors, and/or exposure to natural disasters.
Generation and Fuel Diversity	5% [4]	A high degree of diversity in terms of generation and/or fuel sources such that the utility and rate-payers are well insulated from commodity price changes, no generation concentration, and very low exposures to Challenged or Threatened Sources (see definitions below).[5]	Very good diversification in terms of generation and/or fuel sources such that the utility and rate-payers are affected only minimally by commodity price changes, little generation concentration, and low exposures to Challenged or Threatened Sources.	Good diversification in terms of generation and/or fuel sources such that the utility and rate-payers have only modest exposure to commodity price changes; however, may have some concentration in a source that is neither Challenged nor Threatened. Exposure to Threatened Sources is low. While there may be some exposure to Challenged Sources, it is not a cause for concern.	Adequate diversification in terms of generation and/or fuel sources such that the utility and rate-payers have moderate exposure to commodity price changes; however, may have some concentration in a source that is Challenged. Exposure to Threatened Sources is moderate, while exposure to Challenged Sources is manageable.	Modest diversification in generation and/or fuel sources such that the utility or rate-payers have greater exposure to commodity price changes. Exposure to Challenged and Threatened Sources may be more pronounced, but the utility will be able to access alternative sources without undue financial stress.	Operates with little diversification in generation and/or fuel sources such that the utility or rate-payers have high exposure to commodity price changes. Exposure to Challenged and Threatened Sources may be high, and accessing alternate sources may be challenging and cause more financial stress, but ultimately feasible.	Operates with high concentration in generation and/or fuel sources such that the utility or rate-payers have exposure to commodity price shocks. Exposure to Challenged and Threatened Sources may be very high, and accessing alternate sources may be highly uncertain.

	Weight		Aaa	Aa	A	Baa	Ba	B	Caa
Factor: Financial Strength (40%)									
CFO pre-WC + Interest Expense / Interest Expense	7.5%		≥ 8x	6x - 8x	4.5x - 6x	3x - 4.5x	2x - 3x	1x - 2x	< 1x
CFO pre-WC / Debt	15%	Standard Grid	≥ 40%	30% - 40%	22% - 30%	13% - 22%	5% - 13%	1% - 5%	< 1%
		Low Business Risk Grid	≥ 38%	27% - 38%	19% - 27%	11% - 19%	5% - 11%	1% - 5%	< 1%
CFO pre-WC - Dividends / Debt	10%	Standard Grid	≥ 35%	25% - 35%	17% - 25%	9% - 17%	0% - 9%	(5)% - 0%	< (5)%
		Low Business Risk Grid	≥ 34%	23% - 34%	15% - 23%	7% - 15%	0% - 7%	(5)% - 0%	< (5)%
Debt / Book Capitalization[6]	7.5%	Standard Grid	< 25%	25% - 35%	35% - 45%	45% - 55%	55% - 65%	65% - 75%	≥ 75%
		Low Business Risk Grid	< 29%	29% - 40%	40% - 50%	50% - 59%	59% - 67%	67% - 75%	≥ 75%
Preliminary outcome									
Notching factor									
Structural Subordination of Holding Companies									
0 to -3 notches									
Scorecard-indicated outcome									

[1] The strength of the monopoly refers to the legal, regulatory and practical obstacles for customers in the utility's territory to obtain service from another provider. Examples of a weakening of the monopoly would include the ability of a city or large user to leave the utility system to set up their own system, the extent to which self-generation is permitted (e.g., cogeneration) and/or encouraged (e.g., net metering, DSM generation). At the lower end of the ratings spectrum, the utility's monopoly may be challenged by pervasive theft and unauthorized use. Since utilities are generally presumed to be monopolies, a strong monopoly position in itself is not sufficient for a strong score in this sub-factor, but a weakening of the monopoly can lower the score.
[2] Tariff formulas include formula rate plans as well as trackers and riders related to capital investment.
[3] 10% weight for issuers that lack generation.
[4] 0% weight for issuers that lack generation.
[5] Challenged Sources are generation plants that face higher but not insurmountable economic hurdles resulting from penalties or taxes on their operation, or from environmental upgrades that are required or likely to be required. Some examples are carbon-emitting plants that incur carbon taxes, plants that must buy emissions credits to operate, and plants that must install environmental equipment to continue to operate, in each where the taxes/credits/upgrades are sufficient to have a material impact on those plants' competitiveness relative to other generation types or on the utility's rates, but where the impact is not so severe as to be likely require plant closure. Threatened Sources are generation plants that are not currently able to operate due to major unplanned outages or issues with licensing or other regulatory compliance, and plants that are highly likely to be required to de-activate, whether due to the effectiveness of currently existing or expected rules and regulations or due to economic challenges.
[6] When debt/book capitalization is negative, the score is Caa.
Source: Moody's Ratings

Sector overview

Regulated electric and gas utilities globally are engaged in the production, transmission, coordination, distribution and/or sale of electricity and/or natural gas, and they are either investor-owned companies, commercially oriented government-owned companies or, in the case of independent system operators, not-for-profit or similar entities.

An over-arching consideration for regulated utilities is the regulatory environment in which they operate. The nature of regulation can vary significantly from jurisdiction to jurisdiction and is dynamic and subject to political intervention. The direct relationship that a regulated utility has with the retail customer, including billing for electric or gas supply that has substantial price volatility, can lead to a more politically charged rate-setting environment. Similarly, regulation at the sub-sovereign level is often subject to intervention from disaffected customers and influenced by public officials . Our views of regulatory environments evolve over time in accordance with our observations of regulatory, political and judicial events that affect issuers in the sector.

The principal categories of companies rated using this methodology include the following:

Vertically integrated utility: Vertically integrated utilities are regulated electric or combination utilities (see below) that own generation, distribution and (in most cases) electric transmission assets. Vertically integrated utilities are generally engaged in all aspects of the electricity business. They build power plants, procure fuel, generate power, build and maintain the electric grid (including high and low voltage lines, transformers and substations) that delivers power from a group of power plants to end-users , and generally meet all of the electric needs of the customers in a specific geographic area (also called a service territory). The rates or tariffs for all of these monopolistic activities are set by the relevant regulatory authority.

Transmission and distribution utility: Transmission and distribution utilities (T&Ds) typically operate in deregulated markets where generation is provided under a competitive framework. T&Ds own and operate the electric grid that transmits and/or distributes electricity within a specific state or region.

T&Ds provide electrical transportation and distribution services to carry electricity from power plants and transmission lines to retail, commercial, and industrial customers. T&Ds are typically responsible for billing customers for electric delivery and/or supply, and most have an obligation to provide a standard supply or provider-of-last-resort (POLR) service to customers that have not switched to a competitive supplier. These factors distinguish T&Ds from networks, whose customers are retail electric suppliers and/or other electricity companies. In a smaller number of cases, T&Ds rated using this methodology may not have an obligation to provide POLR services, but are regulated in sub-sovereign jurisdictions. The rates or tariffs for these monopolistic T&D activities are set by the relevant regulatory authority.

Natural gas local distribution company: Distribution is the final step in delivering natural gas to customers. While some large industrial, commercial, and electric generation customers receive natural gas directly from high capacity pipelines that carry gas from gas producing basins to areas where gas is consumed, most other users receive natural gas from their local gas utility, also called a local distribution company (LDC). LDCs are regulated utilities involved in the delivery of natural gas to consumers within a specific geographic area. Specifically, LDCs typically transport natural gas from delivery points located on large-diameter pipelines (that usually operate at fairly high pressure) to households and businesses through thousands of miles of small-diameter distribution pipe (that usually operate at fairly low pressure). LDCs are typically responsible for billing customers for gas delivery and/or supply, and most also have the responsibility to procure gas for at least some of their customers, although in some markets gas supply to all customers is on a competitive basis. These factors distinguish LDCs from gas networks, whose customers are retail gas suppliers and/or other natural gas companies. The rates or tariffs for these monopolistic activities are set by the relevant regulatory authority.

Integrated gas utility : Integrated gas utilities are regulated utilities that deliver gas to all end users in a particular service territory by sourcing the commodity; operating transport infrastructure that often combines high pressure pipelines with low pressure distribution systems and, in some cases, gas storage, re-gasification or other related facilities; and performing other supply-related activities, such as customer billing and metering. The rates or tariffs for the totality of these activities are set by the relevant regulatory authority. Many integrated gas utilities are national in scope.

Combination utility: Combination utilities are those that combine an LDC or integrated gas utility with either a vertically integrated utility or a T&D utility. The rates or tariffs for these monopolistic activities are set by the relevant regulatory authority.

Regulated generation utility: Regulated generation utilities (regulated gencos) are utilities that almost exclusively have generation assets, but their activities are generally regulated like those of vertically integrated utilities. This typically means that the purchasers of their output (typically other investor-owned, municipal or cooperative utilities) pay a regulated rate based on the total allowed costs of the regulated genco, including a return on equity, based on a capital structure designated by the regulator. Companies that have been included in this group include certain generation companies that are not rate-regulated in the usual sense of recovering costs plus a regulated rate of return on either equity or asset value.

Independent system operator: An independent system operator (ISO) is an organization formed in certain regional electricity markets to act as the sole chief coordinator of an electric grid. In the areas where an ISO is established, it coordinates, controls and monitors the operation of the electrical power system to assure that electric supply and demand are balanced at all times, and, to the extent possible, that electric demand is met with the lowest-cost sources. ISOs seek to assure adequate transmission and generation resources, usually by identifying new transmission needs and planning for a generation reserve margin above expected peak demand. In regions where generation is competitive, they also seek to establish rules that foster a fair and open marketplace, and they may conduct price-setting auctions for energy and/or capacity. The generation resources that an ISO coordinates may belong to vertically integrated utilities or to independent power producers. ISOs may not be rate-regulated in the traditional sense but fall under governmental oversight. All participants in the regional grid are required to pay a fee or tariff (often volumetric) to the ISO that is designed to recover its costs, including costs of investment in systems and equipment needed to fulfill their function. ISOs may be for profit or not-for-profit entities.

Transmission-only utility: Transmission-only utilities are solely focused on owning and operating transmission assets. The transmission lines these utilities own are typically high-voltage and allow energy producers to transport electric power over long distances from where it is generated (or received) to the transmission or distribution system of a T&D or vertically integrated utility.

Utility holding company (utility holdco): As detailed in Appendix B, regulated electric and gas utilities are often part of corporate families under a parent holding company. The operating subsidiaries of utility holdcos are overwhelmingly regulated electric and gas utilities.

Hybrid holding company (hybrid holdco): Some utility families contain a mix of regulated electric and gas utilities and other types of companies, but the regulated electric and gas utilities represent the majority of the consolidated cash flows, assets and debt. The parent company is thus a hybrid holdco.

Discussion of the scorecard factors

In this section, we explain our general approach for scoring each scorecard factor or sub-factor, and we describe why they are meaningful as credit indicators.

Factor: Regulatory Framework (25%)

Why it matters

The regulatory framework is important because it provides the basis for decisions that affect utilities, including rate-setting as well as the consistency and predictability of regulatory decision-making. Core aspects of a regulatory framework are its legislative and judicial underpinnings, and the consistency and predictability of regulatory decisions and rule-making.

Utility rates are set in a political/regulatory process rather than a competitive or free-market process; thus, the regulatory framework is a key determinant of the credit quality of a utility. In jurisdictions where utility revenues include material government subsidy payments, we consider utility rates to be inclusive of these payments, and we thus evaluate sub-factors under the first two factors in light of both rates and material subsidy payments. For example, we would consider the legal and judicial underpinnings and consistency and predictability of subsidies as well as rates. The regulatory framework has many components: the governing body and the utility legislation or decrees it enacts, the manner in which regulators are appointed or elected, the rules and procedures promulgated by those regulators, the judiciary that interprets the laws and rules and that arbitrates disagreements, and the manner in which the utility manages the political and regulatory process. In many cases, utilities have experienced credit stress or default because of a breakdown or obstacle in the regulatory framework – for instance, laws that prohibited regulators from including , in rates, the recovery of investments in uncompleted power plants or plants not deemed "used and useful," or a disagreement about rate-making that could not be resolved until after the utility had defaulted on its debts.

How we assess it for the scorecard

Scoring for this factor is based on two sub-factors: Legislative and Judicial Underpinnings of the Regulatory Framework; and Consistency and Predictability of Regulation.

Legislative and Judicial Underpinnings of the Regulatory Framework

For this sub-factor, we consider the scope, clarity, transparency, supportiveness and granularity of utility legislation, decrees, and rules as they apply to the issuer. We also consider the strength of the regulator's authority over rate-making and other regulatory issues affecting the utility, the effectiveness of the judiciary or other independent body in arbitrating disputes in a disinterested manner, and whether the utility's monopoly has meaningful or growing carve-outs. In addition, we consider how well-developed the framework is – both how fully fleshed out the rules and regulations are and how well-tested it is – and the extent to which regulatory or judicial decisions have created a body of precedent that help determine future rate-making. We consider how effective the utility is in navigating the regulatory framework – both the utility's ability to shape the framework and adapt to it.

A utility operating in a regulatory framework that is characterized by legislation that is credit-supportive of utilities and eliminates doubt by prescribing many of the procedures that the regulators use in determining fair rates (which legislation may show evidence of being responsive to the needs of the utility in general or specific ways), a long history of transparent rate-setting, and a judiciary that has provided ample precedent by impartially adjudicating disagreements in a manner that addresses ambiguities in the laws and regulations typically receives higher scores for this sub-factor. A utility operating in a regulatory framework that, by statute or practice, allows the regulator to arbitrarily prevent the utility from recovering its costs or earning a reasonable return on prudently incurred investments, or where regulatory decisions may be reversed by politicians, typically receives a lower score.

In general, we view national utility regulation as being less susceptible to political intervention than regulation by state, provincial or municipal entities, so the highest scoring in this sub-factor is typically reserved for this category. However, we acknowledge that states and provinces in some countries may be larger than small nations, such that their regulators may be equally impartial. In such cases, issuers are likely to receive higher scores for this sub-factor.

The relevant judicial system can be a major factor in the regulatory framework, particularly in countries like the US, where disagreements between a utility and its state or municipal regulator may eventually be adjudicated in a federal district court or even by the US Supreme Court. In addition, bankruptcy proceedings in the US occur in federal courts, which have at times been able to impose rate settlement agreements on state or municipal regulators. As a result, the range of decisions available to state regulators may be effectively circumscribed by court precedent at the state or federal level, which we generally view as a favorable characteristic of the regulatory framework.

We consider regulated electric and gas utilities generally to have strong monopolies that are likely to continue, which allows these companies to have high leverage. Thus, the existence of a monopoly in itself is unlikely to be a driver of strong scoring in this sub-factor. On the other hand, a strong challenge to the monopoly could result in lower scores because of the potential loss of customers and revenue. A utility can only recover its costs and investments and service its debt if customers purchase its services. Examples of incursions into utilities' monopoly include the takeover of the utility by a municipality, self-generation such as rooftop solar panels, distributed generation with net metering, in which customers generate power and sell excess power to the utility, or unauthorized use beyond the level for which the utility receives compensation in rates. Incursions that are growing significantly or are having a meaningful impact on rates for customers that remain with the utility could have a negative impact on the scoring of this sub-factor and on the Ability to Recover Costs and Earn Returns factor.

The scoring of this sub-factor may not be the same for every utility in a particular jurisdiction. Some utilities appear to have greater sway over the relevant utility legislation and promulgation of rules than other utilities – even those in the same jurisdiction. The content and tone of publicly filed documents and regulatory decisions sometimes indicates that the management team at one utility has better responsiveness to and credibility with its regulators or legislators than the management at another utility.

While the underpinnings to the regulatory framework tend to change relatively slowly, they do evolve, and our scoring reflects that evolution. For instance, a new regulatory framework typically becomes tested over time as regulatory decisions are issued, or perhaps litigated, thereby setting a body of precedent. Utilities may seek changes to laws in order to permit them to securitize certain costs or collect interim rates, or a jurisdiction in which rates were previously recovered primarily in base rate proceedings may institute riders

and trackers. These changes would likely affect scoring of the Timeliness of Recovery of Operating and Capital Costs sub-factor, but they may also be sufficiently significant to indicate a change in the regulatory underpinnings.

The regulatory framework may also change as a result of a judiciary that had formerly been independent of the executive branch, but which may start to issue decisions that indicate it is conforming its decisions to the expectations of an executive branch that wants to mandate lower rates.

Consistency and Predictability of Regulation

In assessing this sub-factor, we consider the track record of regulatory decisions in terms of consistency, predictability and supportiveness. We evaluate the utility's interactions in the regulatory process as well as the overall stance of the regulator toward the utility.

In most jurisdictions, the laws and rules seek to make rate-setting a primarily technical process that examines costs the utility incurs and the returns on investments the utility needs to earn so it can make investments that are required to build and maintain the utility infrastructure, which includes power plants, electric transmission and distribution systems, and/or natural gas distribution systems. Where the process remains technical and transparent such that regulators can support the financial health of the utility while balancing their public duty to assure that reliable service is provided at a reasonable cost, and where the utility is able to align itself with the policy initiatives of the governing jurisdiction, the utility typically receives higher scores for this sub-factor. Where the process includes substantial political intervention, which could take the form of legislators or other government officials publicly second-guessing regulators, dismissing regulators who have approved unpopular rate increases, or preventing the implementation of rate increases, or where regulators ignore the laws/rules to deliver an outcome that appears more politically motivated, the utility typically receives a lower score for this sub-factor.

As with the prior sub-factor, we may score different utilities in the same jurisdiction differently, based on outcomes that are more or less supportive of credit quality over a period of time. Some utilities are better able to meet the expectations of their customers and regulators, whether through better service, greater reliability, more stable rates or simply more effective regulatory outreach and communication. These utilities typically receive more consistent and credit-supportive outcomes, so they typically score higher for this sub-factor. Conversely, if a utility has multiple, rapid rate increases, chooses to submit major rate increase requests during a sensitive election cycle or a severe economic downturn, has chronic customer service issues, is viewed as frequently providing incomplete information to regulators, or is tone-deaf to the priorities of regulators and politicians, it may receive less consistent and supportive outcomes and thus receive a lower score for this sub-factor.

In scoring this sub-factor, we primarily evaluate the actions of regulators, politicians and jurists rather than their words. Nonetheless, words matter when they are an indication of future action. We seek to differentiate between political rhetoric that is perhaps oriented toward gaining attention for the viewpoint of the speaker and rhetoric that is indicative of future actions and trends in decision-making.

Factor: Ability to Recover Costs and Earn Returns (25%)

Why it matters

The ability of a utility to recover its costs and earn a return, including during different market and economic conditions, directly affects its ability to generate cash flow and service its debt. Core aspects of this factor are the timeliness of recovery of operating and capital costs, and the sufficiency of rates and returns.

The ability to recover prudently incurred costs on a timely basis and to attract debt and equity capital are crucial credit considerations. The inability to recover costs, for instance if fuel or purchased power costs ballooned during a rate freeze period, has been one of the greatest drivers of financial stress in this sector, as well as the cause of some utility defaults. In a sector that is typically free cash flow negative (due to large capital expenditures and dividends) and that routinely needs to refinance very large maturities of long-term debt, investor concerns about a lack of timely cost recovery or the sufficiency of rates can, in an extreme scenario, strain access to capital markets and potentially lead to insolvency of the utility. While our scoring for this factor may primarily be influenced by our assessment of the regulatory relationship, it can also be highly affected by the management and business decisions of the utility.

The timeliness and sufficiency of rates are interrelated. Timeliness can have an impact on our view of what constitutes sufficient returns, because a strong assurance of timely cost recovery reduces risk. Conversely, utilities may have a strong assurance that they will earn a full return on certain deferred costs until they are able to collect them, or their generally strong returns may allow them to weather some rate lag on recovery of construction-related capital expenditures. The timeliness of cost recovery is particularly important in a period of rapidly rising costs. For example, fuel is a large component of total costs for vertically integrated utilities and for natural gas utilities, and fuel prices are highly volatile, so the timeliness of fuel and purchased power cost recovery is especially important.

The first two factors are closely interrelated, but utilities may receive different scores for each of these. For example, a utility could have a regulatory framework that causes considerable credit concerns, perhaps because it is untested or undergoing a transition to de-regulation, but where the track record of rate-case outcomes is positive. This could result in a higher score for the Ability to Recover Costs and Earn Returns factor than for the Regulatory Framework factor. Conversely, there may be instances of strong Legislative and Judicial Underpinnings of the regulatory framework where a commission ignores the framework, which affects the Consistency and Predictability of Regulation as well as the Ability to Recover Costs and Earn Returns. In some cases, a commission has used extraordinary measures to prevent or defer a rate increase that might have been justifiable from a cost perspective but would have caused rate shock.

Scoring for the Ability to Recover Costs and Earn Returns factor places more emphasis on our expectation of timeliness and sufficiency of rates over time; whereas financial metrics may be affected by one-time events, market conditions or construction cycles, which are trends that could normalize or even reverse.

How we assess it for the scorecard

Scoring for this factor is based on two sub-factors: Timeliness of Recovery of Operating and Capital Costs; and Sufficiency of Rates and Returns.

Timeliness of Recovery of Operating and Capital Costs

In assessing this sub-factor, we consider provisions and cost recovery mechanisms for operating costs, mechanisms that allow operating and/or capital expenditures to be trued up periodically in rates without having to file a rate case (this may include formula rates, rider and trackers, or the ability to periodically adjust rates for construction work in progress). We also consider the process and time frame of rate proceedings and the track record of recovery. For instance, having a formula rate plan is positive, but if the actual process has included reviews that are delayed for long periods, it may diminish the benefit to the utility. In addition, we consider the lag between the time that a utility incurs a major construction expenditure and the time that the utility will start to recover and/or earn a return on that expenditure.

Sufficiency of Rates and Returns

In assessing this sub-factor, we consider statutory protections that assure full cost recovery and a reasonable return for the utility on its investments, the regulatory mechanisms used to determine what a reasonable return should be, and the track record of the utility in actually recovering costs and earning allowed returns.

We examine outcomes of rate cases/tariff reviews and compare them to the request submitted by the utility, to prior rate cases/tariff reviews for the same utility and to recent rate/tariff decisions for a peer group of comparable utilities. In this context, comparable utilities are typically utilities in the same or similar jurisdiction. In cases where the utility is unique or nearly unique in its jurisdiction, we compare it to other peers with an adjustment for local differences, including prevailing rates of interest and returns on capital, as well as the timeliness of rate-setting . We consider regulatory disallowances of costs or investments, with a focus on their financial severity and also on the reasons provided by the regulator, in order to assess the likelihood that such disallowances will be repeated in the future.

Factor: Diversification (10%)

Why it matters

Diversification of overall business operations is important because it helps to mitigate the risk that economic cycles, material changes in a single regulatory regime, or commodity price movements have on the cash flow and credit quality of a utility. While utilities' sales

volumes have lower exposure to economic downturns than many non-financial corporate issuers, some sales components, including industrial sales, are directly affected by economic trends that result in lower production and/or plant closures. In addition, economic activity performs a role in the commercial sector or rate of customer growth in the service territory and, absent energy efficiency and conservation, can often affect usage per customer.

The economic strength or weakness of the service territory can affect the political and regulatory environment for rate increase requests by the utility. For utilities in areas prone to severe storms and other natural disasters, the utility's geographic diversity or concentration can be a key determinant for creditworthiness.

Diversity among regulatory regimes can mitigate the impact of a single unfavorable decision affecting one part of the utility's footprint.

For utilities with electric generation, fuel-source diversity can mitigate the impact to the utility and to its rate-payers of changes in commodity prices, hydrology and water flow, and environmental or other regulations affecting plant operations and economics; so fuel diversity typically leads to more stable rates over time.

Regulatory environments are most likely to become unfavorable during periods of rapid rate increases, which are more important than absolute rate levels. Fuel diversity can be important even if fuel and purchased power expenses are an automatic pass-through to the utility's rate-payers, because rapid price increases can cause regulators or utilities to seek recovery over a more prolonged period than the pass-through mechanism allows. Changes in environmental, safety and other regulations have caused vulnerabilities for certain technologies and fuel sources. These vulnerabilities have varied widely in different countries and have changed over time.

How we assess it for the scorecard

Scoring for this factor is based on two sub-factors: Market Position, and Generation and Fuel Diversity.

Market Position

In assessing market position, we consider the economic diversity of the utility's service territory and the diversity of its regulatory regimes, as well as the size and scale of a utility's operations. We also consider the diversity of utility operations (e.g., regulated electric, gas, water, steam) where there are material operations in more than one area.

Economic diversity is typically a function of the population, size and breadth of the territory and the businesses that drive its gross domestic product (GDP) and employment. For the size of the territory, we typically consider the number of customers and the volume of generation and/or throughput. For breadth, we consider the number of sizable metropolitan areas served, the economic diversity and vitality in those metropolitan areas, and any concentration in a particular area or industry. In our assessment, we may consider various information sources. We also consider the mix of the utility's sales volumes among customer types, as well as the track record of volume sales and any notable payment patterns during economic cycles. For diversity of regulatory regimes, we typically look at the number of regulators and the percentages of revenues and utility assets that are under the purview of each. Issuers regulated in multiple jurisdictions typically receive the highest scores in the Market Position sub-factor. Where there is only one regulator, we make a differentiation of regimes perceived as having lower or higher volatility. Size of the utility is also considered, since a larger utility can better absorb the impact of temporary, or one-time, adverse events.

Issuers with multiple supportive regulatory jurisdictions, a balanced sales mix among residential, commercial, industrial and governmental customers in a large service territory with a robust and diverse economy generally receive a higher score for this sub-factor than issuers that lack these characteristics. Issuers with a small service territory economy that has a high dependence on one or two sectors , especially highly cyclical industries, generally receive lower scores for this sub-factor, as do issuers with meaningful exposure to economic dislocations caused by natural disasters.

For issuers that are vertically integrated utilities having a meaningful amount of generation, this sub-factor has a weighting of 5%. For electric transmission and distribution utilities without meaningful generation and for natural gas local distribution companies, this sub-factor has a weighting of 10%.

Generation and Fuel Diversity

We consider the fuel type of the issuer's generation and important power purchase agreements, the ability of the issuer to shift its generation and power purchases when there are changes in fuel prices, the extent to which the utility and its rate-payers are exposed to or insulated from changes in commodity prices, and exposure to challenged sources and threatened sources (see the explanations for how we generally characterize these generation sources in the table below).

A regulated utility's capacity mix may not in itself be an indication of fuel diversity or the ability to shift fuels, because utilities may keep old and inefficient plants (e.g., natural gas boilers) to serve peak load. For this reason, we do not incorporate set percentages reflecting an "ideal" or "sub-par" mix for capacity or even generation. In addition to looking at a utility's generation mix to evaluate fuel diversity, we consider the efficiency of the utility's plants, their placement on the regional dispatch curve, and the demonstrated ability/inability of the utility to shift its generation mix in accordance with changing commodity prices.

Issuers having a balanced mix of fuel types as well as low exposure to challenged and threatened sources of generation typically receive higher scores for this sub-factor. Issuers that have concentration in one or two sources of generation, especially if they are threatened or challenged sources, typically receive lower scores.

In assessing an issuer's extent of exposure to challenged and threatened sources , we consider not only the existence of those plants in the utility's portfolio, but also the relevant factors that determine the impact on the utility and on its rate-payers. For instance, an issuer that has a fairly high percentage of its generation from challenged sources could be assessed very differently if its peers experience the same magnitude of those issues than if its peers have no exposure to challenged or threatened sources. In assessing threatened sources, we consider a utility's progress in its plan to replace those sources, its reserve margin, the availability of purchased power capacity in the region, and the overall impact of the replacement plan on the issuer's rates relative to its peer group. We also consider the extent to which the utility's generation resources plan is aligned with the relevant government's fuel/energy policy and the economic support of the underlying economy (e.g., if the fuel or plants are important sources of jobs and tax revenue).

Factor: Financial Strength (40%)

Why it matters

Financial strength is necessary for a regulated electric and gas utility to attract capital at a reasonable cost in order to invest in its generation, transmission and distribution assets, so the utility can fulfill its service obligations at a reasonable cost to rate-payers and service debt. The financial strength of utilities, which are characterized by large investments in long-lived property, plant and equipment, includes the ability to service debt and provide a return to shareholders.

The financial statements of regulated electric and gas utilities have certain aspects that affect financial analysis, including disparate treatment of certain elements under US Generally Accepted Accounting Principles (GAAP) compared with International Financial Reporting Standards (IFRS). Regulatory accounting may permit utilities to defer certain costs (thereby creating regulatory assets) that a non-utility corporate entity would have to expense. For instance, a regulated utility may be able to defer a substantial portion of costs related to recovery from a storm based on the general regulatory framework for those expenses, even if the utility does not have a specific order to collect the expenses from rate-payers over a set period. A regulated utility may be able to accrue and defer a return on equity (in addition to capitalizing interest) for construction work in progress for an approved project based on the assumption that it will be able to collect that deferred equity return once the asset comes into service. Because of the disparate treatment of certain elements under the different accounting standards , we focus more on a utility's cash flow than on its reported net income.

Conversely, utilities may collect certain costs in rates well ahead of the time they must be paid (for instance, pension costs), thereby creating regulatory liabilities. Many of our metrics focus on Cash Flow from Operations Before Changes in Working Capital (CFO Pre-WC) because, unlike Funds from Operations (FFO), it captures the changes in long-term regulatory assets and liabilities.

However, under IFRS the two metrics are essentially the same. In general, we view changes in working capital as being less useful in the financial analysis of a utility because such changes are often seasonal (for example, power demand is generally greatest in the summer) or caused by changes in fuel prices that are typically a relatively automatic pass-through to the customer. We nonetheless consider the impact of working capital changes in analyzing a utility's liquidity (see the "Liquidity" section in "Other rating considerations").

CFO Pre-Working Capital Plus Interest Expense / Interest Expense

This metric is an indicator of a utility's ability to cover the cost of its borrowed capital.

CFO Pre-Working Capital / Debt

This metric provides important indications of the cash-generating ability of a utility compared to its total debt.

CFO Pre-Working Capital Minus Dividends / Debt

This ratio is an indicator for financial leverage as well as an indicator of the strength of a utility's cash flow after dividend payments are made. Dividend obligations of utilities are often substantial, quasi-permanent outflows that can affect the ability of a utility to cover its debt obligations, and this ratio can also provide insight into the financial policies of a utility or utility holding company. The higher the level of retained cash flow relative to a utility's debt, the more cash the utility has to support its capital expenditure program.

Debt / Book Capitalization

This ratio is a traditional measure of balance sheet leverage. Total capitalization includes minority interest and deferred taxes in addition to total debt, preferred stock, other hybrid securities, and common equity. Since the presence or absence of deferred taxes is a function of national tax policy, comparing utilities using this ratio may be more meaningful among utilities in the same country or in countries with similar tax policies. High debt levels in comparison to capitalization can indicate higher interest obligations, can limit the ability of a utility to raise additional financing if needed, and can lead to leverage covenant violations in bank credit facilities or other financing agreements. We also examine debt/capitalization ratios as defined in applicable covenants (which typically exclude deferred taxes from capitalization) relative to the covenant threshold level. A high ratio may result from a regulatory framework that does not permit a robust cushion of equity in the capital structure, or from a material write-off of an asset, which may not have affected current period cash flows but could affect future period cash flows relative to debt.

How we assess it for the scorecard
Scoring for this factor is based on four quantitative sub-factors: CFO Pre-Working Capital Plus Interest Expense/Interest Expense ; CFO Pre-Working Capital/Debt; CFO Pre-Working Capital Minus Dividends/Debt; and Debt/Book Capitalization.

There are two sets of thresholds for three of these ratios based on the level of the issuer's business risk – the Standard Grid and the Lower Business Risk (LBR) Grid. In our view, the different types of utility entities rated using this methodology have different levels of business risk.

Generation utilities and vertically integrated utilities generally have a higher level of business risk because they are engaged in power generation, so we apply the Standard Grid. We view power generation as the highest-risk component of the electric utility business, as generation plants are typically the most expensive part of a utility's infrastructure (representing potential asse t concentration risk) and are subject to the greatest risks in both construction and operation, including the risk that incurred costs will either not be recovered in rates or recovered with material delays.

Other types of utilities may have lower business risk, such that we consider that they are more appropriately assessed using the LBR Grid, due to factors that could include a generally greater transfer of risk to customers, very strong insulation from exposure to commodity price movements, good protection from volumetric risks, fairly limited capex needs and/or low exposure to storms, major accidents and natural disasters. For instance, we consider many US natural gas LDCs and certain US electric T&Ds , which lack generation but generally retain some procurement responsibilities for customers, as typically having a lower business risk profile than their vertically integrated peers. In cases of T&Ds that we do not view as having materially lower risk than their vertically integrated peers, we apply the Standard grid. This could result from a regulatory framework that exposes them to energy supply risk, large capital expenditures for required maintenance or upgrades, a heightened exposure to catastrophic climate events , increased regulatory scrutiny due to poor reliability or other considerations. The Standard Grid also applies to LDCs that in our view do not have materially lower risk; for instance, due to their ownership of high pressure pipes or older systems requiring extensive gas main replacements, where gas commodity costs are not fully recovered in a reasonably contemporaneous manner, where the LDC is not well-insulated from declining volumes, or if the jurisdiction of operation has aggressive policies to limit or reduce its business.

CFO Pre-Working Capital Plus Interest Expense / Interest Expense

The numerator is the sum of CFO Pre-WC and interest expense, and the denominator is interest expense.

CFO Pre-Working Capital / Debt

The numerator is CFO Pre-WC, and the denominator is total debt.

CFO Pre-Working Capital Minus Dividends / Debt

The numerator is CFO Pre-WC minus dividends, and the denominator is total debt.

Debt / Book Capitalization

The numerator is total debt, and the denominator is book capitalization.

Notching factor: Structural Subordination of Holding Companies

Our assessment of the Structural Subordination of Holding Companies may result in a downward adjustment to the preliminary outcome that results from the four weighted factors. We apply this adjustment in whole-notch increments, with a maximum of three alphanumeric notches down from the preliminary scorecard-indicated outcome to arrive at the scorecard-indicated outcome.

In cases where we consider that the credit weakness or credit strength represented by the notching factor is greater than the scorecard range, we incorporate this view into the rating, which may be different from the scorecard-indicated outcome. For a discussion of scorecard mechanics, please see the "Using the scorecard to arrive at a scorecard-indicated outcome" section.

Why it matters

Notching for the structural subordination of holding companies is important because in the regulated utility sector, barriers to movement of cash among companies in the corporate family can vary, depending on the regulatory framework. These barriers can lead to significantly different probabilities of default for holding companies (HoldCos) and operating subsidiaries (OpCos).

A typical utility company structure consists of a HoldCo that owns one or more OpCos. OpCos may be regulated utilities or non-utility companies. A HoldCo typically has no operations – its assets are mostly limited to its equity interests in subsidiaries, and potentially other investments in subsidiaries that are structured as equity, debt or even hybrid instruments.

Most HoldCos present their financial statements on a consolidated basis that blurs legal considerations about priority of creditors based on the legal structure of the family, and scorecard scoring is thus based on consolidated ratios. However, HoldCo creditors typically have a secondary claim on the group's cash flows and assets after OpCo creditors. We refer to this as structural subordination because it is the corporate legal structure, rather than specific subordination provisions, that causes creditors at each of the utility and non-utility subsidiaries to have a more direct claim on the cash flows and assets of their respective OpCo obligors. By contrast, the debt of the HoldCo is typically serviced primarily by dividends that are up-streamed by the OpCos. The HoldCo and OpCo may also have intercompany agreements, including tax sharing agreements, that can be another source of cash to the HoldCo. Under normal circumstances, these dividends are made from net income, after payment of the OpCo's interest and preferred dividends.

Structural subordination also affects loss given default. Under most default scenarios, an OpCo's creditors will be satisfied from the value residing at that OpCo before any of the OpCo's assets can be used to satisfy claims of the HoldCo's creditors. Actual priority in a default scenario will be determined by many factors, including the corporate and bankruptcy laws of the jurisdiction, the asset value of each OpCo, specific financing terms, inter-relationships among members of the family, etc. The prevalence of debt issuance at the OpCo level is another reason that structural subordination is usually a more serious concern in the utility sector than for investment-grade issuers in other non-financial corporate sectors.

The first four factors are primarily oriented to OpCos (and to some extent for HoldCos with minimal structural subordination; for example, there is no current structural subordination to debt at the operating company if all of the utility family's debt and preferred stock is issued at the HoldCo level, although there is structural subordination to other liabilities at the OpCo level). The additional risk from structural subordination is addressed via a notching adjustment to bring scorecard-indicated outcomes (on average) closer to the actual ratings of HoldCos.

How we assess it for the scorecard

Scorecard-indicated outcomes of holding companies may be notched down based on structural subordination. The risk factors and mitigants that impact structural subordination are varied and can be present in different combinations, such that a formulaic approach is not practical and case-by-case analyst judgment of the interaction of all pertinent factors that may increase or decrease its importance to the credit risk of an issuer is essential.

Some of the potentially pertinent features that could increase the extent or impact of structural subordination include the following:

» Regulatory or other barriers to cash movement from OpCos to HoldCo

» Specific ring-fencing provisions

» Strict financial covenants at the OpCo level

» Higher leverage at the HoldCo level While higher leverage at the HoldCo does not increase structural subordination per se, it exacerbates the impact of any structural subordination that exists.

» Significant dividend limitations at an important OpCo

» HoldCo exposure to subsidiaries with high business risk or volatile cash flows

» Strained liquidity at the HoldCo level

» The group's investment program is primarily in businesses that are higher risk or new to the group

Some of the potentially mitigating features that could decrease the extent and/or impact of structural subordination include the following:

» Substantial diversity in cash flows from a variety of utility OpCos

» Meaningful dividends to HoldCo from unlevered utility OpCos

» Dependable, meaningful dividends to HoldCo from non-utility OpCos

» The group's investment program is primarily in strong utility businesses

» Inter-company guarantees - however, in many jurisdictions the value of an upstream guarantee may be limited by certain factors, including by the value that the OpCo received in exchange for granting the guarantee

Notching for structural subordination within the scorecard may range from 0 to three downward notches. Instances of extreme structural subordination are relatively rare, so the scorecard convention does not accommodate wider differences, although in the instances where we believe it is present, actual ratings do reflect the full impact of structural subordination.

A related issue is the relationship of ratings within a utility family with multiple operating companies, and sometimes intermediate holding companies. Some of the key issues are the same, such as the relative amounts of debt at the holding company level compared to the operating company level (or at one OpCo relative to another), and the extent to which operating companies have credit insulation due to regulation or other protective factors. Appendix A has additional insights on ratings within a utility family.

Other considerations

Ratings may reflect consideration of additional factors that are not in the scorecard, usually because the factor's credit importance varies widely among the issuers in the sector or because the factor may be important only under certain circumstances or for a subset of issuers. Such factors can include financial controls and the quality of financial reporting; corporate legal structure; the quality and experience of management; assessments of corporate governance, as well as environmental and social considerations; exposure to uncertain licensing regimes; and possible government interference in some countries. Regulatory, litigation, liquidity, technology and reputational risk, as well as changes to consumer and business spending patterns, competitor strategies and macroeconomic trends can also affect ratings.

The following are examples of additional considerations that may be reflected in our ratings and that may cause ratings to be different from scorecard-indicated outcomes.

Environmental, social and governance considerations

Where environmental, social and governance (ESG) issues are meaningful for credit profiles, we incorporate them into our ratings analysis in a variety of ways in the application of our sector-specific methodologies. As one part of our overall credit analysis, we consider how ESG risks could affect the qualitative and quantitative factors and sub-factors in the scorecard.

Even where ESG considerations do not affect the measures in the scorecard, or where they cannot be quantified, we incorporate them into our overall analysis of credit drivers that are meaningful to the rating. As a result, we may incorporate these ESG risks qualitatively outside of the scorecard. As part of our ratings analysis, we may establish Issuer Profile Scores (IPSs), which indicate our opinion of the extent to which a given issuer is exposed to E, S and G risks (incorporating ESG-specific mitigants) or benefits from its exposure to E, S or G. The IPSs are inputs to credit ratings. For more information, please see our methodology that describes our general principles for assessing ESG risks.[2]

Increasing requirements and efforts to reduce greenhouse gas emissions (known as carbon transition) may lead to higher costs for many regulated electric and gas utilities. In addition, the ownership or operation of assets that may become "stranded" (i.e., assets that become unprofitable due to carbon transition) may indicate higher risk.

We also consider the impact of decarbonization efforts on the electrification of heating, transportation and industry. In our assessment of the net impact of decarbonization on issuers in this sector, we consider the share of generation in the business mix, the location of generation assets and the technology employed and exposure to natural gas transportation and distribution. Pressure for issuers to decarbonize and implementation timelines may be affected by regulation, policies and the potential for renewable energy to displace carbon intensive generation in each market. In general, carbon-intensive generation assets such as coal-fired plants are most exposed to carbon transition risk, followed by gas-fired plants. Renewable energy projects and other low-carbon power generation assets are well-positioned to benefit from carbon transition. Our assessment of the net impact of decarbonization also takes into account the central role of electricity networks in decarbonization efforts. In contrast, decarbonization may reduce demand for gas networks in many markets, particularly for residential heating supply.

We also consider waste and pollution risks, including emissions of non-carbon air pollutants, which can also impose significant compliance costs on thermal generators, as well as long-term storage costs for nuclear generators, particularly in regions where the generators are fully or partially responsible for those costs. Issuers in this sector are also exposed to physical risks associated with climate change, including damage to electricity networks caused by storms or wildfires. For example, operators of hydro generators and water-cooled thermal plants may experience lower output during periods of low rainfall. Conversely, generators in hydro-dominated markets may be exposed to lower electricity prices during unusually wet periods. Issuers in this sector are also exposed to weather-related disasters and other catastrophic events, including nuclear accidents and natural gas pipeline explosions, as well as costs to enhance climate resilience or remediate environmental damage.

Social issues are often important considerations. Regulated electric and gas utilities are highly exposed to socially driven policy agendas resulting from public concern about affordable energy, energy security and the environment, often enabled by the direct involvement of governments and regulators in setting energy policy. In addition to health and safety risks associated with maintaining heavy equipment and machinery, the sector is also prone to event risks with social risk repercussions, such as nuclear and hydropower disasters and gas pipeline explosions.

Among the areas of focus in corporate governance are audit committee financial expertise, the incentives created by executive compensation packages, related-party transactions, interactions with outside auditors, and ownership structure.

Liquidity

Liquidity is an important rating consideration for all electric and gas utilities, and extremely weak liquidity can heavily affect ratings in many cases. However, the relative strength or weakness of liquidity may not have a substantial impact in discriminating between two issuers with an otherwise similar credit profile. Liquidity can be particularly important where issuers have large short-term demands on liquidity, for example in highly seasonal operating environments where working capital needs must be considered. We form an

opinion on likely near-term liquidity requirements from the perspective of both sources and uses of cash. For more information on our approach, please see our liquidity cross-sector methodology.[3]

Liquidity encompasses a company's ability to generate cash from internal sources as well as the availability of external sources of financing to supplement these internal sources. Liquidity and access to financing are of particular importance in this sector. Utility assets can often have a very long useful life- 30, 40 or even 60 years is not uncommon, as well as high costs. Partly as a result of construction cycles, the utility sector has experienced prolonged periods of negative free cash flow – essentially, the sum of its dividends and its capital expenditures for maintenance and growth of its infrastructure frequently exceeds cash from operations, such that a portion of capital expenditures must routinely be financed by debt or equity. Utilities are among the largest debt issuers in the corporate universe and typically require consistent access to the capital markets to assure adequate sources of funding and to maintain financial flexibility. Substantial portions of capital expenditures are non-discretionary (for example, maintenance, adding customers to the network, or meeting environmental mandates); however, utilities have been swift to cut or defer discretionary spending during economic downturns. Dividends represent a quasi-permanent outlay, because utilities typically only rarely cut their dividends. Liquidity is also important to meet maturing obligations, which can often be large,, and to meet collateral calls under any hedging agreements.

Due to the importance of liquidity, incorporating it as a factor with a fixed weighting in the scorecard would suggest an importance level that is often far different from the actual weight in the rating. In normal circumstances, most companies in the sector have good access to liquidity. The industry generally requires, and for the most part has, large, syndicated, multi-year committed credit facilities. In addition, utilities have demonstrated strong access to capital markets , even under difficult conditions. As a result, liquidity generally has not been an issue for most utilities, and a utility with very strong liquidity may not warrant a rating distinction compared to a utility with strong liquidity. However, when there is weakness in liquidity or liquidity management, it can be the dominant consideration for ratings.

Our assessment of liquidity for regulated utilities involves an analysis of total sources and uses of cash over the next 12 months or more, as is done for all corporates. Using our financial projections of the utility and our analysis of its available sources of liquidity (including an assessment of the quality and reliability of alternate liquidity such as committed credit facilities), we consider how its projected sources of cash (cash from operations, cash on hand and existing committed multi-year credit facilities) compare to its projected uses (including all or most capital expenditures, dividends, maturities of short and long-term debt, our projection of potential liquidity calls on financial hedges, and important issuer-specific items such as special tax payments). We assume no access to capital markets or additional liquidity sources, no renewal of existing credit facilities, and no cut to dividends. We assess a company's liquidity profile under this scenario, its ability to make adjustments to improve its liquidity position, and any dependence on liquidity sources with lower quality and reliability.

Management strategy

The quality of management is an important factor supporting the credit strength of a regulated utility or utility holding company. Assessing the execution of business plans over time can be helpful in assessing management's business strategies, policies, and philosophies and in evaluating management performance relative to performance of competitors and our projections. Management's track record of adhering to stated plans, commitments and guidelines provides insight into management's likely future performance, including in stressed situations.

We assess financial policy (including dividend policy and planned capital expenditures) and how management balances the potentially competing interests of shareholders, fixed income investors and other stakeholders. Dividends and discretionary capital expenditures are the two primary components over which management has the greatest control in the short term. For holding companies, we consider the extent to which management stretches its payout ratio (through aggressive increases or delays in needed decreases) in order to satisfy common shareholders. For a utility that is a subsidiary of a parent company with several utility subsidiaries, dividends to the parent may be more volatile depending on the cash generation and cash needs of that utility, because parents typically want to assure that each utility maintains the regulatory debt/equity ratio on which its rates have been set. The effect is that utility subsidiaries typically pay higher dividends when they have lower capital needs and lower dividends when they have higher capital expenditures or other cash needs. Any dividend policy that cuts into the regulatory debt/equity ratio is a material credit negative.

Size

Size can be a very important factor in our assessment of certain risks that affect ratings in this sector, including exposure to natural disasters, customer concentration, primarily to industrial customers in a single sector, and construction risks associated with large projects. While the scorecard incorporates the first two of these risks into the Diversification factor, for some issuers these considerations may be sufficiently important that the rating reflects a greater weight for these risks. Construction projects typically carry the risk of cost overruns and delays, but these risks are materially heightened for projects that are very large relative to the size of the utility.

While size brings certain economies of scale that can somewhat affect the utility's cost structure and competitiveness, rates are more heavily affected by costs related to fuel and fixed assets. Smaller utilities have sometimes been better able to focus their attention on meeting the expectations of a single regulator than their multi-state peers.

Interaction of utility ratings with government policies and sovereign ratings

Government actions can have a credit impact on regulated utilities directly through rate regulation, and indirectly through energy, environmental and tax policies. Government actions affect fuel prices, the mix of generating plants, the certainty and timing of revenues and costs, and the likelihood that regulated utilities will experience financial stress. While our evolving view of the impact of such policies and the general economic and financial climate is reflected in the ratings of each utility, some considerations do not lend themselves to incorporation in a simple scorecard.[4]

Non-utility operations

In some cases, regulated utilities have non-utility operations that are segments within the utility company, compared with the more common practice of housing such operations in one or more separate affiliates. In general, we evaluate the other businesses that are material in accordance with the appropriate methodology, and the rating on the regulated electric and gas utility reflects considerations from such methodologies. There may be analytical limitations in evaluating the utility and non-utility businesses where segment financial results are not fully available , and these may be addressed through estimation based on available information. Diversified non-utility operations generally increase the business risk profile of a regulated utility, which is a relatively low-risk business . To reflect this heightened risk, we may assign ratings that are lower than scorecard-indicated outcomes for companies with diversified operations.

Event risk

We also recognize the possibility that an unexpected event could cause a sudden and sharp decline in a utility's fundamental creditworthiness, which may cause actual ratings to be lower than the scorecard-indicated outcome. Event risks — which are varied and can range from leveraged recapitalizations to sudden regulatory changes or liabilities from an accident — can overwhelm even a stable, well-capitalized utility. Some other types of event risks include M&A, asset sales, spinoffs, shareholder distributions, litigation, pandemics, significant cybercrime events and geopolitical conflicts.

Financial controls

We rely on the accuracy of audited financial statements to assign and monitor ratings in this sector. The quality of financial statements may be influenced by internal controls, including the proper tone at the top, centralized operations, and consistency in accounting policies and procedures. Auditors' reports on the effectiveness of internal controls, auditors' comments in financial reports and unusual restatements of financial statements or delays in regulatory filings may indicate weaknesses in internal controls.

Parental support

Ownership can provide ratings lift for a particular company in the regulated electric and gas utilities sector if it is owned by a highly rated owner(s) and is viewed to be of strategic importance to those owners. In our analysis of parental support, we consider whether the parent has the financial capacity and strategic incentives to provide support to the issuer in times of stress or financial need (e.g., a major capital investment or advantaged operating agreement), or has already done so in the past. Conversely, if the parent puts a high dividend burden on the issuer, which in turn reduces its flexibility, the ratings would reflect this risk.

Government-related issuers may receive ratings uplift due to expected government support. However, for certain issuers, government ownership can have a negative impact on the underlying Baseline Credit Assessment.[5] For example, price controls, onerous taxation and high distributions can have a negative effect on an issuer's underlying credit profile.

Other institutional support

In some countries, large corporate issuers have received government or banking support in the event of financial difficulties because of their overall importance to the functioning of the economy. In Japan, our corporate ratings consider the support that has operated there for large and systemically important organizations. Over the years, this has resulted in lower levels of default than might otherwise have occurred. Our approach considers whether the presence of group and banking relationships may provide support when systemically important companies encounter significant financial stress.

Using the scorecard to arrive at a scorecard-indicated outcome

1. Measurement or estimation of factors in the scorecard

In the "Discussion of the scorecard factors" section, we explain our analytical approach for scoring each scorecard factor or sub-factor, and we describe why they are meaningful as credit indicators. When a factor comprises sub-factors, we score at the sub-factor level. Some factors do not have sub-factors, in which case we score at the factor level.

The information used in assessing the sub-factors is generally found in or calculated from information in the company's financial statements or regulatory filings, derived from other observations or estimated by Moody's analysts. We may also incorporate non-public information.

Our ratings are forward-looking and reflect our expectations for future financial and operating performance. However, historical results are helpful in understanding patterns and trends of a company's performance, as well as for peer comparisons. Financial metrics, unless otherwise indicated, are typically calculated based on an average of the most recent three years of reported results. However, the factors in the scorecard can be assessed using various time periods. For example, rating committees may find it analytically useful to examine both historical and expected future performance for periods of several years or more.

Given the long-term nature of utility assets and the often uneven nature of their capital expenditures, we consider a utility's historical financial performance as well as its prospective future performance. Multi-year periods are usually more representative of credit quality because utilities can experience swings in cash flows from one-time events, including such items as rate refunds, storm cost deferrals that create a regulatory asset, or securitization proceeds that reduce a regulatory asset. Nonetheless, we also look at trends in metrics for individual periods, which may influence our view of future performance and ratings.

All of the quantitative credit metrics incorporate our standard adjustments[6] to income statement, cash flow statement and balance sheet amounts for items such as restructuring, impairment, off-balance sheet accounts, receivable securitization programs, under-funded pension obligations, and recurring operating leases. We may also make other analytical adjustments that are specific to a particular issuer.

2. Mapping scorecard factors to a numeric score

After estimating or calculating each factor or sub-factor, each outcome is mapped to a broad Moody's rating category (Aaa, Aa, A, Baa, Ba, B, or Caa, also called alpha categories).

Qualitative factors are scored based on the description by broad rating category in the scorecard. The numeric value of each alpha score is based on the scale below.

Exhibit 3
Numeric equivalents for factor and sub-factor scores

Aaa	Aa	A	Baa	Ba	B	Caa	Ca
1	3	6	9	12	15	18	20

Source: Moody's Ratings

3. Determining the overall scorecard-indicated outcome

The numeric score for each weighted sub-factor (or each factor, when the factor has no sub-factors) is multiplied by the weight for that sub-factor (or factor), with the results then summed to produce an aggregate numeric score before notching factors (the preliminary outcome). We then consider whether the preliminary outcome that results from the four weighted factors should be notched downward in order to arrive at an aggregate numeric score after notching factors, based on Holding Company Structural

Subordination. Numerically, a downward notch adds 1 to the score, and an upward notch subtracts 1 from the score. In aggregate, the notching factor can result in a total of up to three downward notches from the preliminary outcome to arrive at the scorecard-indicated outcome.

The aggregate numeric score before and after notching factors is mapped to an alphanumeric]. For example, an issuer with an aggregate numeric score before notching factors of 11.7 would have a Ba2 preliminary outcome, based on the ranges in the table below. If the combined notching factors totaled two downward notches, the aggregate numeric score after notching factors would be 13.7, which would map to a B1 scorecard-indicated outcome.

Exhibit 4
Scorecard-indicated outcome

Aggregate numeric score	Scorecard-indicated outcome
x < 1.5	Aaa
1.5 ≤ x < 2.5	Aa1
2.5 ≤ x < 3.5	Aa2
3.5 ≤ x < 4.5	Aa3
4.5 ≤ x < 5.5	A1
5.5 ≤ x < 6.5	A2
6.5 ≤ x < 7.5	A3
7.5 ≤ x < 8.5	Baa1
8.5 ≤ x < 9.5	Baa2
9.5 ≤ x < 10.5	Baa3
10.5 ≤ x < 11.5	Ba1
11.5 ≤ x < 12.5	Ba2
12.5 ≤ x < 13.5	Ba3
13.5 ≤ x < 14.5	B1
14.5 ≤ x < 15.5	B2
15.5 ≤ x < 16.5	B3
16.5 ≤ x < 17.5	Caa1
17.5 ≤ x < 18.5	Caa2
18.5 ≤ x < 19.5	Caa3
x ≥ 19.5	Ca

Source: Moody's Ratings

In general, the scorecard-indicated outcome is oriented to the corporate family rating (CFR) for speculative-grade issuers and to the senior unsecured rating for investment-grade issuers. For issuers that benefit from rating uplift from parental support, government ownership or other institutional support, we consider the underlying credit strength or Baseline Credit Assessment for comparison to the scorecard-indicated outcome. For an explanation of the Baseline Credit Assessment, please refer to *Rating Symbols and Definitions* and to our cross-sector methodology for government-related issuers.[7]

Assigning issuer-level and instrument-level ratings

After considering the scorecard-indicated outcome, other considerations and relevant cross-sector methodologies, we typically assign a corporate family rating (CFR) to speculative-grade issuers or a senior unsecured rating for investment-grade issuers. For issuers that benefit from rating uplift from government ownership, we may assign a Baseline Credit Assessment.[8]

Individual debt instrument ratings may be notched up or down from the CFR or the senior unsecured rating to reflect our assessment of differences in expected loss related to an instrument's seniority level and collateral. The documents that provide broad guidance for such notching decisions are the rating methodology on loss given default for speculative-grade non-financial companies, the methodology for notching corporate instrument ratings based on differences in security and priority of claim, and the methodology for assigning short-term ratings.[9]

Key rating assumptions

For information about key rating assumptions that apply to methodologies generally, please see *Rating Symbols and Definitions*.[10]

Limitations

In the preceding sections, we have discussed the scorecard factors and many of the other considerations that may be important in assigning ratings. In this section, we discuss limitations that pertain to the scorecard and to the overall rating methodology.

Limitations of the scorecard

There are various reasons why scorecard-indicated outcomes may not map closely to actual ratings.

The scorecard in this rating methodology is a relatively simple tool that can be used in most cases to approximate credit profiles of issuers in this sector and to explain, in summary form, many of the factors that are generally most important in assigning ratings to these issuers. Credit loss and recovery considerations, which are typically more important as an issuer gets closer to default, may not be fully captured in the scorecard. The scorecard is also limited by its upper and lower bounds, causing scorecard-indicated outcomes to be less likely to align with ratings for issuers at the upper and lower ends of the rating scale.

The weights for each factor and sub-factor in the scorecard represent an approximation of their importance for rating decisions across the sector, but the actual importance of a particular factor may vary substantially based on an individual company's circumstances.

Factors that are outside the scorecard, including those discussed above in the "Other considerations" section, may be important for ratings, and their relative importance may also vary from company to company. In addition, certain broad methodological considerations described in one or more cross-sector rating methodologies may be relevant to ratings in this sector.[11] Examples of such considerations include the following: how sovereign credit quality affects non-sovereign issuers, the assessment of credit support from other entities, the relative ranking of different classes of debt and hybrid securities, and the assignment of short-term ratings.

We may use the scorecard over various historical or forward-looking time periods. Furthermore, in our ratings we often incorporate directional views of risks and mitigants in a qualitative way.

General limitations of the methodology

This methodology document does not include an exhaustive description of all factors that we may consider in assigning ratings in this sector. Companies in the sector may face new risks or new combinations of risks, and they may develop new strategies to mitigate risk. We seek to incorporate all material credit considerations in ratings and to take the most forward-looking perspective that visibility into these risks and mitigants permits.

Ratings reflect our expectations for an issuer's future performance; however, as the forward horizon lengthens, uncertainty increases and the utility of precise estimates, as scorecard inputs or in other considerations, typically diminishes. Our forward-looking opinions are based on assumptions that may prove, in hindsight, to have been incorrect. Reasons for this could include unanticipated changes in any of the following: the macroeconomic environment, general financial market conditions, industry competition, disruptive technology, or regulatory and legal actions. In any case, predicting the future is subject to substantial uncertainty.

Appendix A: Approach to ratings within a utility family

Typical composition of a utility family

A typical utility company structure consists of a HoldCo that owns one or more OpCos). OpCos may be regulated utilities or non-utility companies. Financing of these entities varies by region, in part due to the regulatory framework. A HoldCo typically has no operations – its assets are mostly limited to its equity interests in subsidiaries, and potentially other investments in subsidiaries or minority interests in other companies. However, in certain cases there may be material operations at the HoldCo level. Financing can occur primarily at the OpCo level, primarily at the HoldCo level, or at both HoldCo and OpCos in varying proportions. When a HoldCo has multiple utility OpCos, they will often be located in different regulatory jurisdictions. A HoldCo may have both levered and unlevered OpCos.

General approach to a utility family

In our analysis, we generally consider the stand-alone credit profile of an OpCo and the credit profile of its ultimate parent HoldCo (and any intermediate HoldCos), as well as the profile of the family as a whole, while acknowledging that these elements can have cross-family credit implications in varying degrees, principally based on the regulatory framework of the OpCos and the financing model (which has often developed in response to the regulatory framework).

In addition to considering individual OpCos under this (or another applicable) methodology, we typically[12] approach a HoldCo rating by assessing the qualitative and quantitative factors in this methodology for the consolidated entity and each of its utility subsidiaries. Ratings of individual entities in the issuer family may be pulled up or down based on the interrelationships among the companies in the family and their relative credit strength.

In considering how closely aligned or how differentiated ratings should be among members of a utility family, we assess a variety of factors, including:

- Regulatory or other barriers to cash movement among OpCos and from OpCos to HoldCo
- Differentiation of the regulatory frameworks of the various OpCos
- Specific ring-fencing provisions at particular OpCos
- Financing arrangements – for instance, each OpCo may have its own financing arrangements, or the sole liquidity facility may be at the parent; there may be a liquidity pool among certain but not all members of the family; certain members of the family may be better able to withstand a temporary hiatus of external liquidity or access to capital markets
- Financial covenants and the extent to which an Event of Default by one OpCo limits availability of liquidity to another member of the family
- The extent to which higher leverage at one entity increases default risk for other members of the family
- An entity's exposure to or insulation from an affiliate with high business risk
- Structural features or other limitations in financing agreements that restrict movements of funds, investments, provision of guarantees or collateral, etc.
- The relative size and financial significance of any particular OpCo to the HoldCo and the family

Our approach to a Hybrid HoldCo depends in part on the importance of its non-utility operations and the availability of information on individual businesses. If the businesses are material and their individual results are fully detailed in financial disclosures, we may be able to assess each material business individually by reference to the relevant Moody's methodologies to arrive at a composite assessment for the combined businesses.[13] If non-utility operations are material but are not available in financial disclosures, we may look at the consolidated entity under more than one methodology. When non-utility operations are less material but could still impact the overall credit profile, the difference in business risks and our estimation of their impact on financial performance will be qualitatively incorporated in the rating.

Higher barriers to cash movement with financing predominantly at the OpCos

Where higher barriers to cash movement exist at an OpCo or OpCos due to the regulatory framework or debt structural features, ratings among family members are likely to be more differentiated. The degree of separateness may be greater or smaller and is assessed on a case-by-case basis, because situational considerations are important.

One area we consider is financing arrangements. For instance, there will tend to be greater differentiation if each member of a family has its own bank credit facilities and difficulties experienced by one entity would not trigger events of default for other entities. While the existence of a money pool might appear to reduce separateness between the participants, there may be regulatory barriers within money pools that preserve separateness. For instance, non-utility entities may have access to the pool only as a borrower, only as a lender, and even the utility entities may have regulatory limits on their borrowings from the pool or their credit exposures to other pool members. If the only source of external liquidity for a money pool is borrowings by the HoldCo under its bank credit facilities, there would be less separateness, especially if the utilities were expected to depend on that liquidity source. However, the ability of an OpCo to finance itself by accessing capital markets must also be considered. Inter-company tax agreements can also have an impact on our view of how separate the risks of default are.

For a HoldCo, the greater the regulatory, economic, and geographic diversity of its OpCos, the greater its potential separation from the default probability of any individual subsidiary. Conversely, if a HoldCo's actions have made it clear that the HoldCo will provide support for an OpCo encountering some financial stress (for instance, due to delays and/or cost over-runs on a major construction project), we would be likely to perceive less separateness.

Even where high barriers to cash movement exist, onerous leverage at a parent company may not only give rise to greater notching for structural subordination at the parent, it may also pressure an OpCo's rating, especially when there is a clear dependence on an OpCo's cash flow to service parent debt.

While most of the regulatory barriers to cash movement are very real, they are not absolute. Furthermore, while it is not usually in the interest of an insolvent parent or its creditors to bring an operating utility into a bankruptcy proceeding, such an occurrence is not impossible.

The greatest separateness occurs where strong regulatory insulation is supplemented by effective ring- fencing provisions that fully separate the management and operations of the OpCo from the rest of the family and limit the parent's ability to cause the OpCo to commence bankruptcy proceedings as well as limiting dividends and cash transfers. Typically, most entities in US utility families (including HoldCos and OpCos) are rated within 3 notches of each other. However, it is possible for the HoldCo and OpCos in a family to have much wider notching due to the combination of regulatory imperatives and strong ring-fencing that includes a significant minority shareholder who must agree to important corporate decisions, including a voluntary bankruptcy filing.

Lower barriers to cash movement with financing predominantly at the OpCos

Our approach to rating issuers within a family where there are lower regulatory barriers to movement of cash from OpCos to HoldCos places greater emphasis on the credit profile of the consolidated group. Individual OpCos are considered based on their individual characteristics and their importance to the family, and their assigned ratings are typically banded closely around the consolidated credit profile of the group due to the expectation that cash will transit relatively freely among family entities.

Some utilities may have OpCos in jurisdictions where cash movement among certain family members is more restricted by the regulatory framework, while cash movement from and/or among OpCos in other jurisdictions is less restricted. In these situations, OpCos with more restrictions may vary more widely from the consolidated credit profile while those with fewer restrictions may be more tightly banded around the other entities in the corporate family group.

Appendix B: Regional and other considerations

Notching considerations for US first mortgage bonds

In most regions, our approach to notching between different debt classes of the same regulated utility issuer follows the guidance on notching corporate instrument ratings based on differences in security and priority of claim, including a one notch differential between senior secured and senior unsecured debt.[14] However, in most cases we have two notches between the first mortgage bonds and senior unsecured debt of regulated electric and gas utilities in the US. Wider notching differentials between debt classes may also be appropriate in speculative-grade issuers.[15]

First mortgage bond holders in the US generally benefit from a first lien on most of the fixed assets used to provide utility service, including such assets as generating stations, transmission lines, distribution lines, switching stations and substations, and gas distribution facilities, as well as a lien on franchise agreements. In our view, the critical nature of these assets to the issuers and to the communities they serve has been a major factor that has led to very high recovery rates for this class of debt in situations of default, thereby justifying a two-notch uplift. The combination of the breadth of assets pledged and the bankruptcy-tested recovery experience has been unique to the US.

In some cases, there is only a one-notch differential between US first mortgage bonds and the senior unsecured rating. For instance, this is likely when the pledged property is not considered critical infrastructure for the region, or if the mortgage is materially weakened by carve-outs, lien releases or similar creditor-unfriendly terms.

Securitization

The use of securitization, a financing technique utilizing a discrete revenue stream (typically related to recovery of specifically defined expenses) that is dedicated to servicing specific securitization debt, has primarily been used in the US, where it has been pervasive in the past. The first generation of securitization bonds were primarily related to recovery of the negative difference between the market value of utilities' generation assets and their book value when certain states switched to competitive electric supply markets and utilities sold their generation (so-called stranded costs). This technique was then used for significant storm costs (especially hurricanes) and was eventually broadened to include environmental related expenditures, deferred fuel costs, or even deferred miscellaneous expenses. In its simplest form, a securitization isolates and dedicates a stream of cash flow into a separate special purpose entity (SPE). The SPE uses that stream of revenue and cash flow to provide annual debt service for the securitized debt instrument. Securitization is typically underpinned by specific legislation to segregate the securitization revenues from the utility's revenues to assure their continued collection, and the details of the enabling legislation may vary from state to state. The utility benefits from the securitization because it receives an immediate source of cash (although it gives up the opportunity to earn a return on the corresponding asset), and ratepayers benefit because the cost of the securitized debt is lower than the utility's cost of debt and much lower than its all-in cost of capital, which reduces the revenue requirement associated with the cost recovery.

In the presentation of US securitization debt in published financial ratios, we make our own assessment of the appropriate credit representation but in most cases follow the accounting in audited statements under US Generally Accepted Accounting Principles (GAAP), which in turn considers the terms of enabling legislation. As a result, accounting treatment may vary. In most states, utilities have been required to consolidate securitization debt under GAAP, even though it is technically non-recourse.

In general, we view securitization debt of utilities as being on-credit debt, in part because the rates associated with it reduce the utility's headroom to increase rates for other purposes while keeping all-in rates affordable to customers. Thus, where accounting treatment is off balance sheet, we adjust the company's ratios by including the securitization debt and related revenues for our analysis. Where the securitized debt is on balance sheet, our credit analysis focuses on the ratios that exclude securitization debt and related revenues. Since securitization debt amortizes mortgage-style, including it makes ratios look worse in early years (when most of the revenue collected goes to pay interest) and better in later years (when most of the revenue collected goes to pay principal).

Appendix C: Treatment of Power Purchase Agreements ("PPAs")

Although many utilities own and operate power stations, some have entered into PPAs to source electricity from third parties to satisfy retail demand. The motivation for these PPAs may be one or more of the following: to outsource operating risks to parties more skilled in power station operation, to provide certainty of supply, to reduce balance sheet debt, to fix the cost of power, or to comply with regulatory mandates regarding power sourcing, including renewable portfolio standards. While we regard PPAs that reduce operating or financial risk as a credit positive, some aspects of PPAs may negatively affect the credit of utilities. The most conservative treatment would be to treat a PPA as a debt obligation of the utility as, by paying the capacity charge, the utility is effectively providing the funds to service the debt associated with the power station. At the other end of the continuum, the financial obligations of the utility could also be regarded as an ongoing operating cost, with no long-term capital component recognized.

Under most PPAs, a utility is obliged to pay a capacity charge to the power station owner (which may be another utility or an Independent Power Producer – IPP); this charge typically covers a portion of the IPP's fixed costs in relation to the power available to the utility. These fixed payments usually help to cover the IPP's debt service and are made irrespective of whether the utility calls on the IPP to generate and deliver power. When the utility requires generation, a further energy charge, to cover the variable costs of the IPP, will also typically be paid by the utility. Some other similar arrangements are characterized as tolling agreements, or long-term supply contracts, but most have similar features to PPAs and thus we analyze them as PPAs.

PPAs are recognized qualitatively to be a future use of cash whether or not they are treated as debt-like obligations in financial ratios

The starting point of our analysis is the issuer's audited financial statements – we consider whether the utility's accountants determine that the PPA should be treated as a debt equivalent, a capitalized lease, an operating lease, or in some other manner. PPAs have a wide variety of operational and financial terms, and it is our understanding that accountants are required to have a very granular view into the particular contractual arrangements in order to account for these PPAs in compliance with applicable accounting rules and standards. However, accounting treatment for PPAs may not be entirely consistent across US GAAP, IFRS or other accounting frameworks. In addition, we may consider that factors not incorporated into the accounting treatment may be relevant (which may include the scale of PPA payments, their regulatory treatment including cost recovery mechanisms, or other factors that create financial or operational risk for the utility that is greater, in our estimation, than the benefits received). When the accounting treatment of a PPA is a debt or lease equivalent (such that it is reported on the balance sheet, or disclosed as an operating lease and thus included in our adjusted debt calculation), we generally do not make adjustments to remove the PPA from the balance sheet.

However, in relevant circumstances we consider making adjustments that impute a debt equivalent to PPAs that are off-balance sheet for accounting purposes.

Regardless of whether we consider that a PPA warrants or does not warrant treatment as a debt obligation, we assess the totality of the impact of the PPA on the issuer's probability of default. Costs of a PPA that cannot be recovered in retail rates create material risk, especially if they also cannot be recovered through market sales of power.

Additional considerations for PPAs

PPAs have a wide variety of financial and regulatory characteristics, and we may treat each particular circumstance differently. Factors which determine where on the continuum we treat a particular PPA include the following:

» **Risk management:** An overarching principle is that PPAs have normally been used by utilities as a risk management tool and we recognize that this is the fundamental reason for their existence. Thus, we will not automatically penalize utilities for entering into contracts for the purpose of reducing risk associated with power price and availability. Rather, we will look at the aggregate commercial position, evaluating the risk to a utility's purchase and supply obligations. In addition, PPAs are similar to other long-term supply contracts used by other industries and their treatment should not therefore be fundamentally different from that of other contracts of a similar nature.

- **Pass-through capability:** Some utilities have the ability to pass through the cost of purchasing power under PPAs to their customers. As a result, the utility takes no risk that the cost of power is greater than the retail price it will receive. Accordingly we regard these PPA obligations as operating costs with no long-term debt-like attributes. PPAs with no pass-through ability have a greater risk profile for utilities. In some markets, the ability to pass through costs of a PPA is enshrined in the regulatory framework, and in others can be dictated by market dynamics. As a market becomes more competitive or if regulatory support for cost recovery deteriorates, the ability to pass through costs may decrease and, as circumstances change, our treatment of PPA obligations will alter accordingly.
- **Price considerations:** The price of power paid by a utility under a PPA can be substantially above or below the market price of electricity. A below-market price will motivate the utility to purchase power from the IPP in excess of its retail requirements, and to sell excess electricity in the spot market. This can be a significant source of cash flow for some utilities. On the other hand, utilities that are compelled to pay capacity payments to IPPs when they have no demand for the power or at an above-market price may suffer a financial burden if they do not get full recovery in retail rates. We will focus particularly on PPAs that have mark-to-market losses, which typically indicates that they have a material impact on the utility's cash flow.
- **Excess reserve capacity:** In some jurisdictions, there is substantial reserve capacity and thus a significant probability that the electricity available to a utility under PPAs will not be required by the market. This increases the risk to the utility that capacity payments will need to be made when there is no demand for the power. We may determine that all of a utility's PPAs represent excess capacity, or that a portion of PPAs are needed for the utility's supply obligations plus a normal reserve margin, while the remaining portion represents excess capacity. In the latter case, we may impute debt to specific PPAs that are excess or take a proportional approach to all of the utility's PPAs.
- **Risk-sharing:** Utilities that own power plants bear the associated operational, fuel procurement and other risks. These must be balanced against the financial and liquidity risk of contracting for the purchase of power under a PPA. We will examine on a case-by case basis the relative credit risk associated with PPAs in comparison to plant ownership.
- **Purchase requirements:** Some PPAs are structured with either options or requirements to purchase the asset at the end of the PPA term. If the utility has an economically meaningful requirement to purchase, we would most likely consider it to be a debt obligation. In most such cases, the obligation would already receive on-balance sheet treatment under relevant accounting standards.
- **Default provisions:** In most cases, the remedies for default under a PPA do not include acceleration of amounts due, and in many cases PPAs would not be considered as debt in a bankruptcy scenario and could potentially be cancelled. Thus, PPAs may not materially increase Loss Given Default for the utility. In addition, PPAs are not typically considered debt for cross-default provisions under a utility's debt and liquidity arrangements. However, the existence of non-standard default provisions that are debt-like would have a large impact on our treatment of a PPA. In addition, payments due under PPAs are senior unsecured obligations, and any inability of the utility to make them materially increases default risk.

Methods for estimating a liability amount for PPAs

According to the weighting and importance of the PPA to each utility and the level of disclosure, we may approximate a debt obligation equivalent for PPAs using one or more of the methods discussed below. In each case, we look holistically at the PPA's credit impact on the utility, including the ability to pass through costs and curtail payments, the materiality of the PPA obligation to the overall business risk and cash flows of the utility, operational constraints that the PPA imposes, the maturity of the PPA obligation, the impact of purchased power on market-based power sales (if any) that the utility will engage in, and our view of future market conditions and volatility.

- **Operating cost:** If a utility enters into a PPA for the purpose of providing an assured supply and there is reasonable assurance that regulators will allow the costs to be recovered in regulated rates, we may view the PPA as being most akin to an operating cost. Provided that the accounting treatment for the PPA is, in this circumstance, off-balance sheet, we will most likely make no adjustment to bring the obligation onto the utility's balance sheet.

- **Annual obligation x 6:** In some situations, the PPA obligation may be estimated by multiplying the annual payments by a factor of six (in most cases). This method is sometimes used in the capitalization of operating leases. This method may be used as an approximation where the analyst determines that the obligation is significant but cannot otherwise be quantified due to limited information.
- **Net present value:** Where the analyst has sufficient information, we may add the NPV of the stream of PPA payments to the debt obligations of the utility. The discount rate used will be our estimate of the cost of capital of the utility.
- **Debt look-through:** In some circumstances, where the debt incurred by the IPP is directly related to the off-taking utility, there may be reason to allocate the entire debt (or a proportional part related to share of power dedicated to the utility) of the IPP to that of the utility.
- **Mark-to-market:** In situations in which we believe that the PPA prices exceed the market price and thus will create an ongoing liability for the utility, we may use a net mark-to-market method, in which the NPV of the utility's future out-of-the-money net payments will be added to its total debt obligations.
- **Consolidation:** In some instances where the IPP is wholly dedicated to the utility, it may be appropriate to consolidate the debt and cash flows of the IPP with that of the utility. If the utility purchases only a portion of the power from the IPP, then that proportion of debt might be consolidated with the utility.

If we have determined to impute debt to a PPA for which the accounting treatment is not on-balance sheet, we will, in some circumstances, use more than one method to estimate the debt equivalent obligations imposed by the PPA, and compare results. If circumstances (including regulatory treatment or market conditions) change over time, the approach that is used may also vary.

Moody's related publications

Credit ratings are primarily determined through the application of sector credit rating methodologies. Certain broad methodological considerations (described in one or more cross-sector methodologies) may also be relevant to the determination of credit ratings of issuers and instruments. A list of sector and cross-sector methodologies can be found here.

For data summarizing the historical robustness and predictive power of credit ratings, please click here.

For further information, please refer to *Rating Symbols and Definitions*, which is available here.

Endnotes

1 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

2 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

3 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

4 For more information, see our cross-sector methodology that discusses general principles related to how sovereign credit quality can impact other ratings. A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

5 For an explanation of the Baseline Credit Assessment, please refer to *Rating Symbols and Definitions* and to our cross-sector methodology for government-related issuers. A link to a list of our sector and cross-sector methodologies and a link to *Rating Symbols and Definitions* can be found in the "Moody's related publications" section.

6 For an explanation of our standard adjustments, please see the cross-sector methodology that describes our financial statement adjustments in the analysis of non-financial corporations.

7 A link to a list of our sector and cross-sector methodologies and a link to *Rating Symbols and Definitions* can be found in the "Moody's related publications" section.

8 For an explanation of the Baseline Credit Assessment, please refer to *Rating Symbols and Definitions* and to our cross-sector methodology for government-related issuers. A link to a list of our sector and cross-sector methodologies and a link to *Rating Symbols and Definitions* can be found in the "Moody's related publications" section.

9 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

10 A link to *Rating Symbols and Definitions* can be found in the "Moody's related publications" section.

11 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

12 See paragraph at the end of this section for approaches to Hybrid HoldCos.

13 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

14 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

15 For more information, see our cross-sector methodology that describes general principles related to loss given default for speculative-grade companies. A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

© 2024 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.
CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.
ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Charter Documents - Director and Shareholder Affiliation Policy."
Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Calificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.
Additional terms with respect to Second Party Opinions (as defined in Moody's Investors Service Rating Symbols and Definitions): Please note that a Second Party Opinion ("SPO") is not a "credit rating". The issuance of SPOs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

REPORT NUMBER 1394267

Authors

Jeffrey F. Cassella
Laura Barrientos
Ryan Wobbrock

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

MOODY'S RATINGS

SECTOR IN-DEPTH
21 October 2024

Send Your Feedback

TABLE OF CONTENTS

Leverage is poised to rise through 2026 unless equity issuance increases 3
Appendix A – Cohort of US electric and gas utilities used in analysis 5
Appendix B – Forecast assumptions 6

Contacts

Nikita Nanwani +1.212.553.0300
Lead Ratings Associate
nikita.nanwani@moodys.com

Ryan Wobbrock +1.212.553.7104
VP-Sr Credit Officer
ryan.wobbrock@moodys.com

Michael G. Haggarty +1.212.553.7172
Associate Managing Director
michael.haggarty@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Electric and Gas Utilities – US

High capital spending will weigh on credit quality without supportive company actions

Regulated utility financial metrics are coming under pressure as many companies increase capital spending at a faster pace than cash flow, which has widened free cash flow deficits and spurred an uptick in debt financing. Capital spending continues to rise in response to growing power demand, the need to improve grid resilience and accelerating efforts to cut carbon emissions. These factors have prompted utilities to increase their capital expenditure plans since our previous analysis of capital spending in the sector last year. While that report analyzed spending at 28 of the largest US utility holding companies, this report examines the capital plans of a broader group of 61 rated US utility holding companies, privately owned utilities and independent utilities (see Appendix A).

According to our larger cohort's investment plans as of June, aggregate capital investments for the three-year period of 2024-26 will total about $630 billion, a 22% increase from the previous three-year period of 2021-23. Capital spending will continue to climb as demand increases from data center growth, the onshoring of industrial activity and electrification; companies prepare to meet approaching emissions-reduction targets; and grid resiliency efforts intensify as climate hazards worsen. Most of the companies in our cohort have moderate credit exposure to carbon transition and physical climate risks, as reflected in their median environmental issuer profile scores of 3 for these risk categories.

NextEra Energy Inc. (Baa1 stable), which has by far the largest capital spending plan in our cohort (see Exhibit 1) forecasts 2024-26 expenditures to rise 20% from the prior three-year period, mostly driven by the company's continued investments in renewable power and grid-hardening and reliability investments. Duke Energy Corporation (Baa2 stable), which has the next largest capital investment plan, expects its 2024-26 expenditures to climb 21%, largely due to investments in electric generation and grid modernization to support the company's clean energy transition plan.

Exhibit 1

NextEra and Duke have the largest capital spending plans in the sector
US electric and gas utilities with the highest capital spending projections for 2024-26

Company	Rating	Outlook	2024-26 Projected capital spending	Increase from 2021-23
NextEra Energy, Inc.	Baa1	Stable	$72,529	20%
Duke Energy Corporation	Baa2	Stable	$40,761	21%
PG&E Corporation	Ba1	Positive	$33,279	23%
Berkshire Hathaway Energy Company	A3	Stable	$32,000	38%
Sempra	Baa2	Stable	$29,700	13%
Dominion Energy, Inc.	Baa2	Stable	$29,700	23%
Southern Company (The)	Baa1	Stable	$29,230	11%
American Electric Power Company, Inc.	Baa2	Stable	$26,547	32%
Xcel Energy Inc.	Baa1	Stable	$24,567	67%
Exelon Corporation	Baa2	Stable	$24,547	10%

[a] Sempra's capital spending includes its 80.25% interest in Oncor Electric Delivery Company LLC
Sources: Company filings, FactSet and Moody's Ratings

The financial strength and credit quality of regulated operating subsidiaries are more vulnerable to rising capital spending than utility holding companies because regulated subsidiaries are required to maintain regulated capital structures, which limits their financial flexibility. By contrast, holding companies have control over their capitalization strategy and dividend policy and can more readily use financing alternatives, such as hybrid instruments, to offset the pace of rising utility debt.

Credit pressure is emerging most acutely for companies with large, complex or multiyear projects or for those that are experiencing a delay in the recovery of investment costs. Unlike exogenous events of recent years – such as severe storms, commodity price spikes and the COVID-19 pandemic, which we viewed as temporary events – capital spending and related financings are core long-term financial policy issues. As such, we are not regarding them as temporary and believe they will likely continue to lead to negative rating actions if not sufficiently mitigated.

Companies can take measures to offset the impact of higher capital spending on their financial metrics. For instance, Xcel Energy Inc. (Baa1 stable), which plans to increase capital spending 67% in 2024-26 from the prior three-year period (see Exhibit 2), has reduced the targeted range for its payout ratio to 50%-60% from 60%-70%, while also targeting the lower end of its 5%-7% dividend growth rate.

Exhibit 2

ALLETE plans to roughly double capital spending, exhibiting the highest growth rate of the group

US electric and gas utilities with the sharpest projected increases in capital spending for 2024-26

Company	Rating	Outlook	2024-26 Projected capital spending	Increase from 2021-23
ALLETE, Inc.	Baa1	Stable	$2,020	108%
IDACORP, Inc.	Baa2	Negative	$2,504	86%
WEC Energy Group, Inc.	Baa1	Stable	$13,101	86%
IPALCO Enterprises Inc	Baa3	Negative	$3,205	82%
Puget Energy, Inc.	Baa3	Stable	$5,924	75%
Xcel Energy Inc.	Baa1	Stable	$24,567	67%
American Transmission Company LLC	A2	Negative	$2,275	60%
PPL Corporation	Baa1	Stable	$9,941	53%
CMS Energy Corporation	Baa2	Stable	$10,368	51%
NiSource Inc.	Baa2	Stable	$10,106	51%

Sources: Company filings, FactSet and Moody's Ratings

Still, financial metrics have weakened for many utility companies and credit rating actions for companies in our cohort have been mostly negative to date this year. Our recent negative rating actions are listed in Exhibit 3. High capital spending levels were a key factor in our rating actions on Virginia Electric and Power Company (A2 negative), American Transmission Company LLC (A2 negative), IDACORP Inc. (Baa2 negative), AEP Texas Inc. (Baa2 negative), Pinnacle West Capital Corporation (Baa2 stable) Enbridge Inc. (Baa2 stable), Atmos Energy Corporation (A1 negative), Evergy Inc. (Baa2 stable), Sierra Pacific Power Company (Baa2 stable) and Portland General Electric Company (A3 negative).

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

Exhibit 3

High capital expenditures were a key driver of most of our negative rating actions this year

Year-to-date negative rating actions for US electric and gas utilities

Company	Action	Rating action date	Key drivers
Eversource Energy/NSTAR Electric	Outlooks to negative from stable	09-Jan-24	Offshore wind sale uncertainty, weak financial profile, potential higher reliance on utility
Pattern Operations	Outlook to stable from positive	10-Jan-24	Large solar project, sizeable debt, significant execution risk
Northern States Power Company (Wisconsin)	Outlook to negative from stable	11-Jan-24	Metrics decline, higher investments, unfavorable rate case outcome
Questar Gas	Downgraded to Baa1	23-Feb-24	More leveraged reguatory capital structure, reduced financial metrics
Virginia Electric and Power Company	Outlook to negative from stable	01-Mar-24	Offshore wind construction project, execution risk, financial pressure
American Transmission	Outlook to negative from stable	06-Mar-24	Weak metrics, incremental long-term debt, elevated capital spending
IDACORP/Idaho Power	Outlooks to negative from stable	07-Mar-24	Higher capital expenditures, slow cash flow growth, weak metrics
Southwestern Public Service	Outlook to stable from positive	08-Mar-24	Financial and legal risks associated with Smokehouse Creek wildfire
AEP Texas	Outlook to negative from stable	15-Mar-24	Large capital spending program, weak financial metrics
Pinnacle West/Arizona Public Service	Downgraded to Baa2/Baa1	20-Mar-24	Credit metric pressure, increasing leverage to support capital spending
Enbridge	Downgraded to Baa2	29-Mar-24	Weak financial profile, sizeable capital spending program, higher leverage
Atmos Energy Corporation	Outlook to negative from stable	01-Apr-24	Weaker credit metrics, sizeable capital spending program, regulatory lag
Evergy Missouri West	Outlook to negative from stable	03-May-24	Lower credit metrics, incremental debt, elevated capital spending
Sierra Pacific	Downgraded to Baa2	06-May-24	Large solar/battery project, higher debt leverage, declining financial metrics
Aquarion Connecticut	Downgraded to Baa1	23-May-24	Weakening financial profile, more challenging regulatory environment
Portland General Electric Company	Outlook to negative from stable	3-Jun-24	High leverage to fund capital expenditures and slow cash recovery
UGI Utilities, Inc.	Outlook to negative from stable	17-Jun-24	Contagion risk from higher risk unregulated affiliates
CenterPoint Energy, Inc.	Outlook to negative from stable	5-Aug-24	Increased regulatory, political, legal and reputational risks

Source: Moody's Ratings

Leverage is poised to rise through 2026 unless equity issuance increases

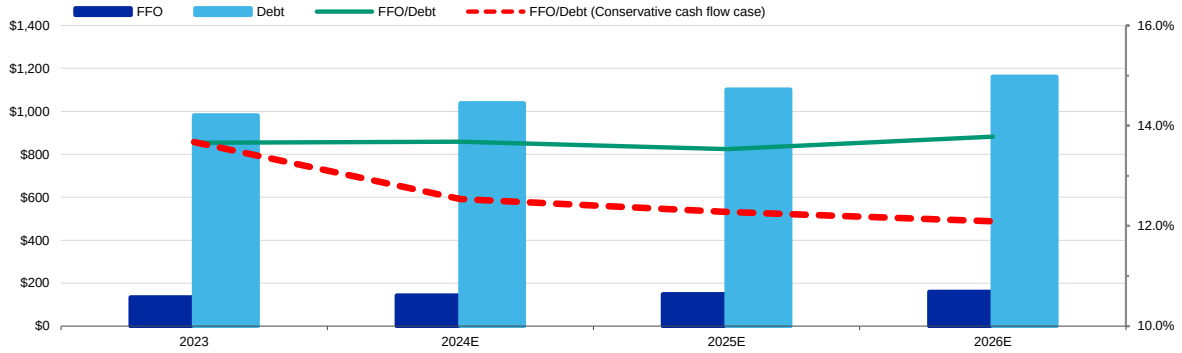
Given their elevated levels of capital spending, many companies in our cohort are likely to experience a steady rise in leverage through 2026, as measured by their aggregate funds from operations (FFO)-to-debt ratio, which we are using as a forecast proxy for our methodology ratio of cash flow from operations before changes in working capital-to-debt. By applying the companies' 2024-26 capital expenditure plans to a Moody's base case (see Appendix B for a list of our assumptions), our cohort would have to grow FFO at a compound annual growth rate (CAGR) of 6% and partially finance its remaining free cash flow deficit with equity issuance of about $40 billion annually in 2024-26 to keep aggregate FFO/debt at around 2023's level of 13.7%. The FFO growth would be consistent with the cohort's previous five-year CAGR in FFO.

However, the cohort's FFO five-year growth rate was skewed by PG&E Corporation (Ba1 positive), which had negative FFO of $6 billion in 2018 ahead of its January 2019 bankruptcy filing and positive FFO of $6 billion in 2023. Under a more conservative scenario that assumes aggregate FFO growth of 4% per annum (consistent with the cohort's five-year CAGR excluding PG&E), aggregate FFO/debt would slide to around 13% in 2025 and 2026, as shown in Exhibit 4. Even this estimate may be too optimistic, given that actual capital investments typically exceed company projections, which would further expand free cash flow deficits.

Exhibit 4

FFO/debt will decline if annual cash flow growth is lower than 6%

Projected change in aggregate funds from operations-to-debt ratio for companies in our cohort



Our projection applies the companies' capital spending plans to a base utility projection case with and without more conservative cash flow growth.

Sources: FactSet, Moody's Financial Metrics and Moody's Ratings

Appendix A – Cohort of US electric and gas utilities used in analysis

Exhibit 5

Rated US utility holding companies, privately owned utilities and independent utilities

Issuer	Rating	Outlook
ALLETE, Inc.	Baa1	Stable
Alliant Energy Corporation	Baa2	Stable
Ameren Corporation	Baa1	Stable
American Electric Power Company, Inc.	Baa2	Stable
American Transmission Company LLC	A2	Negative
Atmos Energy Corporation	A1	Negative
Avangrid, Inc.	Baa2	Stable
Avista Corp.	(P)Baa2	Stable
Berkshire Hathaway Energy Company	A3	Stable
Black Hills Corporation	Baa2	Stable
CenterPoint Energy, Inc.	Baa2	Negative
Cleco Corporate Holdings LLC	Baa3	Stable
CMS Energy Corporation	Baa2	Stable
Consolidated Edison, Inc.	Baa1	Stable
Dominion Energy, Inc.	Baa2	Stable
DPL Inc.	Ba2	Positive
DTE Energy Company	Baa2	Stable
Duke Energy Corporation	Baa2	Stable
Duquesne Light Holdings, Inc.	Baa3	Stable
Edison International	Baa2	Stable
El Paso Electric Company	Baa2	Stable
Electric Transmission Texas, LLC	Baa2	Stable
Entergy Corporation	Baa2	Stable
Evergy, Inc.	Baa2	Stable
Eversource Energy	Baa2	Negative
Exelon Corporation	Baa2	Stable
FirstEnergy Corp.	Baa3	Stable
Hawaiian Electric Industries, Inc.	Ba3	Stable
IDACORP, Inc.	(P)Baa2	Negative
ITC Holdings Corp.	(P)Baa2	Negative
Madison Gas and Electric Company	A1	Stable
New Jersey Natural Gas Company	A1	Stable
NextEra Energy, Inc.	Baa1	Stable
NiSource Inc.	Baa2	Stable
Northwest Natural Gas Company	(P)Baa1	Stable
NorthWestern Corporation	Baa2	Stable
OGE Energy Corp.	Baa1	Stable
ONE Gas, Inc	A3	Stable
Otter Tail Corporation	Baa2	Stable
PG&E Corp.	Ba1	Positive
Pinnacle West Capital Corporation	Baa2	Stable

Issuer	Rating	Outlook
PNM Resources, Inc.	Baa3	Stable
Portland General Electric Company	A3	Negative
PPL Corporation	Baa1	Stable
Public Service Enterprise Group Incorporated	Baa2	Stable
Puget Energy, Inc.	Baa3	Stable
SEMCO Energy, Inc.	A3	Stable
Sempra	Baa2	Stable
Southern Company (The)	Baa1	Stable
Southwest Gas Holdings, Inc.	Baa2	Stable
Spire Inc.	Baa2	Stable
TECO Energy, Inc.	WR	Ratings Withdrawn
UGI Utilities, Inc.	A3	Negative
Unitil Corporation	Baa2	Stable
WEC Energy Group, Inc.	Baa1	Stable
Xcel Energy Inc.	Baa1	Stable
Liberty Utilities Co.	Baa2	Stable
IPALCO Enterprises, Inc.	Baa3	Negative
National Grid North America Inc.	Baa2	Stable
PNG Companies LLC	Baa1	Negative
South Jersey Gas Company	A3	Stable

Sources: Moody's Ratings and Moody's Financial Metrics

Appendix B – Forecast assumptions

Exhibit 4 is an illustrative estimation of the peer group's financial trends, based upon the following key assumptions:

1. Annual rate base increases due to a combination of rate case and rider recovery.
2. Target capitalization is 60% debt and 40% equity.
3. Earned return on equity of 9.6%.
4. Thirty-year average useful life of assets.
5. Deferred taxes contribute cash flow of about $30 billion (0% cash tax rate) during 2024-26, based on a low level of cash tax payments.
6. Full and commensurate recovery of operating and fuel costs.
7. Dividend payout is 65% of annual net income.

© 2024 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.
CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.
ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Charter Documents - Director and Shareholder Affiliation Policy."
Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Calificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.
Additional terms with respect to Second Party Opinions (as defined in Moody's Investors Service Rating Symbols and Definitions): Please note that a Second Party Opinion ("SPO") is not a "credit rating". The issuance of SPOs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

REPORT NUMBER 1407906

S&P Global
Ratings

Standard & Poor's Credit Research

Assessing U.S. Investor-Owned Utility Regulatory Environments

Primary Credit Analyst:
Todd A Shipman, CFA, Boston (1) 617-530-8241; todd.shipman@spglobal.com

Table Of Contents

Regulatory Stability

Tariff-Setting Procedures

Financial Stability

Regulatory Independence And Insulation

Related Criteria And Research

Assessing U.S. Investor-Owned Utility Regulatory Environments

Regulatory advantage is the most heavily weighted factor when S&P Global Ratings analyzes a regulated utility's business risk profile. One significant aspect of regulatory risk that influences credit quality is the regulatory environment in the jurisdictions where a utility operates. A utility management team's skill in dealing with regulatory risk can sometimes overcome a difficult regulatory environment. Conversely, companies' regulatory risk can increase even with supportive regulatory regimes if management fails to devote the necessary time and resources to the important task of managing regulatory risk. We modify our assessment of regulatory advantage to account for this dynamic in our ratings methodology (for the criteria we use to rate utilities, see "Corporate Methodology," and "Key Credit Factors For The Regulated Utilities Industry," published Nov. 19, 2013, on RatingsDirect.)

There are specific factors we use in the U.S. to assess the credit implications of the numerous regulatory jurisdictions here that help us determine the "preliminary regulatory advantage" in our credit analysis of each investor-owned regulated utility. We organize the subfactors of regulatory advantage into four categories:

- Regulatory stability,
- Tariff-setting procedures and design,
- Financial stability, and
- Regulatory independence and insulation.

Regulatory Stability

The foundation of our opinion of a jurisdiction is the stability of its approach to regulating utilities, encompassing transparency, predictability, and consistency. Given the maturity of the U.S. investor-owned utility industry, the long history of utility regulation (going back to the early 20th century) and the well-established constitutional protections accorded to utility investments, we emphasize the principle of consistency when weighing regulatory stability. We also incorporate the degree to which the regulatory framework either explicitly or implicitly considers credit quality in its design.

Regulatory Change Can Bring Stability, Or Take It Away

While stability is one of the four pillars of our approach to evaluating regulatory risk, experience shows us that it's not an absolute positive or negative for creditors. Change can boost or lessen risk, and any improvement in a regulatory regime will overcome any negative connotations of instability. A good example is Michigan, which in about 2008 revamped its whole approach to utility regulation. As implemented in subsequent years by the Michigan Public Service Commission, the reforms have almost completely transformed the regulatory environment in that state.

However, during any period of change, we see the uncertainties surrounding the process and the outcome as possible major causes of risk. A more recent and still ongoing example is New York, where the Public Service Commission's (NYPSC) Reforming the Energy Vision (REV) proceeding is possibly revving up risk for utilities. While the NYPSC seemed at first to be focusing more on high-minded policy questions than on making a lot of changes to day-to-day operations, the current phase could eventually disrupt the way utilities make money and affect their ability to earn the authorized return. If the end result is greater operating risk with no opportunity to earn greater returns, our assessment of the regulatory environment could change.

Durability of regulatory system

An established, dependable approach to regulating utilities is a hallmark of a credit-supportive jurisdiction. Creditors lend capital to utilities over long periods to fund the development of long-lived assets. A firm understanding of the basic "rules" that will govern how the utility will recover its costs, including servicing its debt and the return on its capital over an extended period, is essential to accurately assess credit risk. Major or frequent changes to the regulatory model invariably raise risk due to the possibility of future changes. Steady application of transparent, comprehensible policies and practices lowers risk.

How long a regulatory framework has been in place is the most important factor in this area. We view jurisdictions as most supportive when there have been no major changes or where the approach has been consistent for a long time and is not prone to further changes. Jurisdictions that have undergone a major, fundamental change in the regulatory paradigm that seems to be working well are a little less supportive, and less so a jurisdiction that is transitioning to a new regulatory approach. Credit risk rises if the transition attracts political attention. The less-supportive jurisdictions are those that frequently alter the basic regulatory approach. We also view the framework's development less favorably if policy disputes or legal actions cause contention, indicating that the political consensus regarding utility regulation is fragile.

Some jurisdictions permit competitive markets to prevail for some important functions of the delivery of utility services, notably wholesale markets for electricity and retail markets for electric or gas service. In others, vertical integration is the norm. A jurisdiction's credit-supportiveness is more prone to suffer if market forces directly influence major cost items that utilities could otherwise control through cost-based regulation because of the potential volatility it creates. The risk inherent in a market-based model is straightforward: utility rates are more volatile when markets influence them rather than fully embedded costs, and regulators are apt to resist full and timely recovery when market price changes are abrupt and substantial (and perhaps misunderstood). We observe less support for credit quality in jurisdictions that are in the midst of deregulating important parts of the utility framework. The uncertainty of the timing

of reaching the outcome--and what the result will be--is a negative factor from a credit perspective. Utilities are also prone to financial stress when the transition to competition causes potential "rate shock" for customers that regulators could resist.

Transparency of regulatory framework and attitude toward credit quality

We believe regulation works best when it is rule-based. Creditor interests are better protected by the presence of and adherence to a pre-set code of rules and procedures that we can look to when assessing risk. Risk is lower when the rules are more transparent and when they take into account a utility's financial integrity. We regard jurisdictions that require regulators to protect utilities' financial soundness and have transparent policies and procedures as the most credit-supportive. We ascribe higher risk in jurisdictions where policies and procedures support financial integrity, but where inconsistency can selectively arise. We believe a jurisdiction provides even less support when transparency merely exists. We see less support when any of these credit factors are absent, or if the regulator's record on following precedent is poor.

Tariff-Setting Procedures

We review rate decisions as part of our surveillance on each U.S. utility. We focus on the jurisdiction's overall approach to setting rates and the process it uses to establish base rates (practices pertaining to separate tariff provisions for large expenses are in the "Financial Stability" part of our analysis). We focus on whether base rates, over time, fairly reflect a utility's cost structure and allow a fair opportunity to earn a compensatory return that provides creditors with a financial cushion that supports credit quality. If the process is geared toward an incentive-based system, our analysis centers on the risks related to the incentive mechanisms. If the jurisdiction has vertically integrated utilities, we review the resource procurement process and assess how it affects regulatory risk.

Rate Cases Can Affect Creditworthiness

Although not common, rate case outcomes can sometimes lead directly to a change in our opinion of creditworthiness. Often it's a case that takes on greater importance because of the issues being litigated. For example, in 2010, we downgraded Florida Power & Light and its affiliates following a Florida Public Service Commission rate ruling that attracted attention due to drastic changes to settled practices on rate case particulars like depreciation rates. More recently, in June 2016, we downgraded Central Hudson Electric & Gas due to our revised opinion of regulatory risk. While that reflected the company's own management of regulatory risk, it was prompted in part by other rate case decisions in New York that highlighted the overall risk in the state.

Sometimes change comes from outside the usual rate case process. The aforementioned improvement in Michigan (see the previous sidebar) came from legislative changes that reformed rate case procedures such as interim rate increases and time limits on rate decisions. In March 2016, we affirmed our ratings on Entergy Corp. and kept the outlook positive based on the prospect of lower regulatory risk as the company pursues strategic changes in its various jurisdictions. For instance, legislation in Arkansas allowing for formula rates could better enable Entergy to manage regulatory lag and earn its authorized return.

Ability to timely recover costs

We review authorized returns and capital structures in our analysis, but we focus mainly on actual earned returns. Examples abound of utilities with healthy authorized returns that have no meaningful expectation of earning those returns due to, for example, rate case lag (i.e., the relationship between approved rates and the age of the costs used to set those rates) or expense disallowances. Also, the stability of the returns is as important as the absolute level of financial returns, and we note the equity component in the capital structure used to generate the revenue requirement in rate proceedings. Higher authorized and earned returns and thicker equity ratios translate into better credit measures and a more comfortable equity cushion for creditors. We consider a regulatory approach that allows utilities the opportunity to consistently earn a reasonable return as a positive credit factor.

A very credit-supportive jurisdiction is one in which all of the utilities it regulates consistently earn above-average returns. We assess jurisdictions lower if only some of them do, and lower still if the earnings records are below average or highly variable from year to year. We deem jurisdictions as weaker when all utilities earn well-below-average returns, and we consider jurisdictions where all utilities consistently earn exceedingly poor returns, including years with negative returns, as weakest.

We consider "regulatory lag" along with the record of earned returns to assess timeliness. Credit-supportive jurisdiction typically have a track record of little regulatory lag, indicating that responsibility for a poor or uneven earnings history lies more with management than its regulators. In addition to the regulator's efficiency in completing rate cases, we consider the obsolescence of the costs on which the rates are based, the timing of interim rates, and other practices (such as allowing rates to automatically change in a future period based on inflation) that affect a utility's ability to earn its authorized return.

If a jurisdiction uses incentives as the primary ratemaking tool and institutes a comprehensive incentive program that allows revenues and costs to diverge, we evaluate the incentive mechanisms' effect on a utility's earnings capability and stability. A common approach features an extended period between base rate reviews, during which rates change according to a formula based on inflation, a predetermined productivity factor, and capital spending. An incentive-based program can be close to credit-neutral compared with systems that permit more frequent and dynamic rate changes if the risk is symmetrical (i.e., an equal opportunity to earn over or under the authorized return and equivalent reward or penalty for doing so) and limited (a maximum or minimum earnings band). The effect on regulatory risk depends on whether we believe the efficiency targets are realistic and achievable, the regulator's treatment of disparities in actual versus authorized spending, and the framework's flexibility to adjust returns for capital market conditions. If there are operating standards, we determine whether they fairly reward or punish utilities if performance deviates from expectations.

There is a muted effect on regulatory risk in jurisdictions where incentives are not central, but are instead used only to augment cost-of-service regulation. A moderate amount of incentives that carry symmetrical risks can even modestly support better credit quality. For example, a fuel-adjustment and purchased-power clause with a sharing mechanism that affects less than 10% of the total fuel costs and cuts both ways when commodity markets change can modestly reduce risk by offering the utility a mild incentive for effective procurement and efficient operations, without unduly exposing it to commodity price risk.

We typically view jurisdictions as credit-supportive if regulators use symmetrical incentive mechanisms sparingly in the rate-setting process. When incentives play a larger role in the rate-setting approach, but are well-designed to evenly allocate risk, we see less support for credit quality. We regard still lower jurisdictions where incentives dominate and are poorly designed. Jurisdictions where incentives significantly degrade risk and are part of a comprehensive incentive regime harbor the most risk for creditors.

Financial Stability

When we evaluate U.S utility regulatory environments, we consider financial stability to be of substantial importance. Cash takes precedence in credit analysis. A regulatory jurisdiction that recognizes the significance of cash flow in its decision-making is one that will appeal to creditors.

Creative Ratemaking Can Help…If Used Correctly

The ability of financial stability factors to help a utility maintain and smooth its cash flow gives prominence to this area of our analysis. In addition to the near-ubiquitous fuel clauses, we see utilities give more attention to obtaining so-called "disc" mechanisms (DSIC, for distribution system investment charge, is a common acronym for this kind of rate adjustment) that accelerate and stabilize cash flow realization when a utility pursues a strategy of boosting rate base to fuel earnings growth.

For instance, Duquesne Light recently filed for a DSIC mechanism in Pennsylvania in conjunction with a long-term plan to improve its distribution system. Approval, requested for October, would enhance our view of Duquesne's ability to manage regulatory risk, because it would consequently be joining the other Pennsylvania utilities that already benefit from this mechanism. On the other end of the spectrum, Mississippi Power's ongoing travails in obtaining rate relief for its Kemper coal-fired plant, which has experienced significant cost and schedule problems, points to how regulatory risk can deteriorate under stress when well-established procedures for handling large and risky capital projects are absent or not followed.

Treatment of significant expenses

When utilities have major expenses such as fuel and purchased power/gas/water, the presence of separate tariff provisions to facilitate full and contemporaneous recovery is the most prominent factor in this part of our analysis. The timely adjustment of rates in response to changing commodity prices and other expenses that are largely out of management's control is a key feature of a credit-supportive regulatory jurisdiction. The analysis centers on the special tariff mechanisms to determine their effectiveness in producing the cash flow stability they are designed to achieve. The frequency of rate adjustments, the ability to quickly react to unusual market volatility, and the control of opportunities to engage in hindsight disallowances of costs could affect our analysis almost as much as whether the tariff provisions exist at all. The record of disallowances plays a part when we assess regulatory advantage.

We consider jurisdictions to be very credit-supportive if utilities can recover all high-expense items through an automatic tariff clause that is based on projected costs, adjusts frequently, and has no record of any significant disallowances. We see more risk if separate mechanisms exist, but lack some of the above features. We view jurisdictions that lack independent rate mechanisms for large expenses and have a record of significant disallowances

as weakest.

Treatment of capital spending

When applicable, a jurisdiction's willingness to support large capital projects with cash during construction is an important aspect of our analysis. This is especially true when the project represents a major addition to rate base and entails long lead times and technological risks that make it susceptible to construction delays. Broad support for all capital spending is the most credit-sustaining. Support for only specific types of capital spending, such as specific environmental projects or system integrity plans, is less so, but still favorable for creditors. Allowance of a cash return on construction work-in-progress or similar ratemaking methods historically were extraordinary measures for use in unusual circumstances, but when construction costs are rising, cash flow support could be crucial to maintain credit quality through the spending program. Even more favorable are those jurisdictions that present an opportunity for a higher return on capital projects as an incentive to investors.

Very supportive jurisdictions offer a separate recovery mechanism for all capital spending, a mandated current cash return during construction, and a bonus return for some or all capital projects. We deem a jurisdiction weaker if there is a separate mechanism for only certain kinds of spending and the cash return and higher return are subject to the regulator's discretion. We view jurisdictions that don't allow separate recovery or a current return as being lower on the scale. We assess a jurisdiction as weaker still when it doesn't have independent rate mechanisms for capital projects, and we view it as most risky when full recovery occurs only after a utility's assets become operational.

Cash-smoothing mechanisms

We have a more positive view of jurisdictions that use innovative regulatory provisions that help to smooth cash flow from period to period. For a jurisdiction that focuses on incentives in its basic approach to ratemaking, through multiyear rate plans or a formula rate plan, we view the availability of "reopeners" (to adjust rates for unexpected events out of the utility's control) as key to this part of our analysis. The utility's ability to petition for a rate increase when unexpected or uncontrollable costs arise in the midst of a long-term rate plan is a critical risk mitigant.

Other examples of risk-dampening regulatory policies include hedging program approvals, and decoupling (the separation of a utility's profits from sales) or weather-related mechanisms. If a utility seeks approval of a hedging program to manage exposure to commodity prices, it can reduce risk if there's a clearly stated hedging policy that its regulator has endorsed, and a track record of activity that conforms to the policy that has not been subject to regulatory second-guessing. A well-designed decoupling or weather-normalization mechanism that efficiently adjusts rates to offset the sales effect of economic conditions, customer usage trends, or weather will soften earnings and cash flow volatility to the benefit of creditors. If applicable, we view a record of regulatory responsiveness to extreme events for utilities that are prone to violent or disruptive weather (like hurricanes) as favorable for credit quality.

A jurisdiction is more credit-supportive if it makes extensive use of extraordinary and credit-supportive rate mechanisms. Also favorable are jurisdictions that use innovative mechanisms selectively, or have regulators that are receptive to reopeners where incentives are the main ratemaking method.

Regulatory Independence And Insulation

The role of politics in U.S. utility regulation is often misunderstood. In most jurisdictions, the regulator's function is to set and regulate rates and service standards with due regard not only for the interests of those who advance the capital needed to provide safe and reliable utility service, but for other constituents as well. Creditors should recognize that utility regulation harbors political as well as economic risks. Therefore, how politics could influence regulation helps us evaluate a regulatory environment.

Political Influence On Utility Regulation Can Yield Unexpected Results

This is often the most variable area of our analysis and the most difficult to assess. The most dramatic, fairly recent reminder of how political forces can influence regulatory risk was last year's unexpected reversal by the popularly elected Mississippi Supreme Court of a significant rate increase granted for Mississippi Power to help pay for a major power plant under construction. Regulators, who were ordered to roll back rates and issue refunds, struggled to make decisions amid the strained political atmosphere and extra scrutiny that the Court's action had created. The episode also highlighted the greater regulatory risk that attends jurisdictions that expose regulators (and in this case the appellate court) to direct political accountability.

Another more recent example of political influence on regulation underscores the complexity of this area of analysis, because it featured many participants at both the federal and state level. Electric utilities in Ohio had a credible strategy for dealing with rising competitive risks in their merchant generation portfolios by offering the output to retail customers at pre-set prices on a long-term basis, which the state regulator approved. The federal regulator (Federal Energy Regulatory Commission, or FERC), responding to complaints by other generators that the plan would inhibit the operation of the competitive electricity market, essentially overruled the Ohio regulators and blocked the utilities from pursing the strategy that would have reduced its risk profile. It essentially decided that its political interest in and ideological commitment to efficient electricity markets overrode the state's political interest in stable electric rates. The saga is still continuing with attempts to bypass the FERC's ruling through other means, but no matter what the ultimate result, we see how political considerations can increase risk.

Political independence of regulator

The primary factor in this part of our analysis is the regulators' (and, when relevant, the judicial body that reviews the regulators' decisions) political independence. We think it's more credit-supportive when the regulator is substantially independent of the political process. Jurisdictions are somewhat less favorable when insulation is strong, such as when the executive branch of government appoints regulators subject to legislative approval. We consider jurisdictions to be further down the scale when the same voters who pay utility bills directly elect the regulators, but institutional efforts have been made to erect some shield for regulators from transient political concerns. We view jurisdictions that arrange for direct political accountability of regulators that persistently influences regulatory decisions as less supportive.

Record of direct political intervention

The overall atmosphere that a regulator operates in can affect its ability to deliver sound, fair, and timely rate decisions and set prudent regulatory policies that assist utilities in managing business and financial risk. In this part of our

evaluation, we may consider the tone that politicians set, the history of political insulation given to the regulatory body and the courts that review its actions, and the behavior of important constituencies that intervene in utility proceedings. We also track the public visibility of utility issues, because we believe that the likelihood of constructive regulatory behavior increases with the comparative obscurity of utility issues.

We view a jurisdiction as having a lower risk if the regulatory environment is marked by cooperative attitudes and constructive interventions in important matters before the regulator. We assess a jurisdiction lower when the atmosphere is more combative and restricts the regulator's ability to act in the long-term best interests of all parties. We consider jurisdictions as weaker if the regulatory environment is so infused with short-term political influence over regulatory decisions that the regulator can't effectively consider investor interests in its decisions.

Related Criteria And Research

Related Criteria

- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013

Only a rating committee may determine a rating action and this report does not constitute a rating action.

Copyright © 2016 by S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription) and www.spcapitaliq.com (subscription) and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

Stocks in the Water Utility Industry have traditionally been purchased by income-oriented investors for their yield and dividend growth prospects. Accounts interested in these equities typically are willing to sacrifice capital appreciation in return for a well-defined income stream and a reduced amount of risk. This may be changing, however, as the yields of many water utility stocks are now lower than the *Value Line* median.

Five of the eight regulated utility stocks we follow outperformed the market averages since we last reviewed the group three months ago. Of these, the best performers were the small capitalization equities.

From an operational standpoint, the group continued to post decent earnings. Much of this is the result of positive regulatory climates in many states around the country.

Capital spending in the industry is significant as the water infrastructure in the United States had long been neglected. Utilities are now investing heavily to replace aging pipelines and valves, and to modernize wastewater facilities.

Consolidation remains an ongoing trend in the industry. Smaller municipally run water districts do not have sufficient funds to bring their plant and equipment up to EPA-mandated standards. As a result, they are being merged with larger utilities that have better access to capital. In addition, because this industry is plagued with redundancies, mergers are leading to economies of scale.

Are Water Utility Stocks Still Yield Plays?

The average dividend yield on the eight regulated water utilities we follow is currently 2.1%, or exactly the same as the median for all stocks in the *Value Line* universe. Historically, the yield on these stocks has been much higher. As an example, the typical yield on an electric utility equity is about 3.6%, or 150 basis points higher than the water utility industry. Why is this? One reason is that when taken as a whole, the market capitalization of the group is very modest. Thus, it doesn't take a large shift into the sector by institutional investors to drive the price of these stocks higher and their yields lower. Indeed, the three stocks with the best returns over the past three months were all small cap stocks. *York Water* and *SJW* each surged 30% while *Middlesex Water* rose about 25%. Before these moves, the market capitalization of each individual stock was $375 million, $850 million, and $550 million, respectively. The spike in prices has also left the equities with respective yields of 1.7%, 1.5%, and 2.1%. Taking a look at the three biggest members of the group, only *American Water Works* performed well, while *Aqua America* and *American States Water* both only rose a meager 1%.

Operations And Earnings Are Solid

For the most part, water companies have been experiencing reasonable earnings growth. This comes despite a nationwide trend aimed at getting households to reduce their consumption of water. How can the bottom line do well when state authorities and the utilities themselves are discouraging water usage? The answer is that many states have implemented strategies that not only don't penalize utilities for selling less water, but provides incentives for households to conserve more.

INDUSTRY TIMELINESS: 89 (of 97)

State regulatory authorities are actively working with the industry in a way that is benefited both parties. In drought-stricken California, regulators have changed the compensation methodology for water utilities. Now they earn income on a fee basis, regardless of the amount of water sold. This has proven to be successful in cutting consumption without hurting the utilities bottom line.

As we often point out, the most important factor in a any utility's success, whether it provides electricity, gas, or water, is the regulatory climate in which it operates. Harsh regulatory conditions can make it nearly impossible for the best run utilities to earn a reasonable return on their investment.

Looking forward, the outlook for continued successful cooperation between states and utilities seems likely. Both parties realize that for decades much-needed capital improvements were deferred. Industry experts are now in agreement that large sums have to be made to bring the nation's water infrastructure up to par. Because water bills have been less than homeowners have been paying for other utility services, there appears to be less resistant in increasing them.

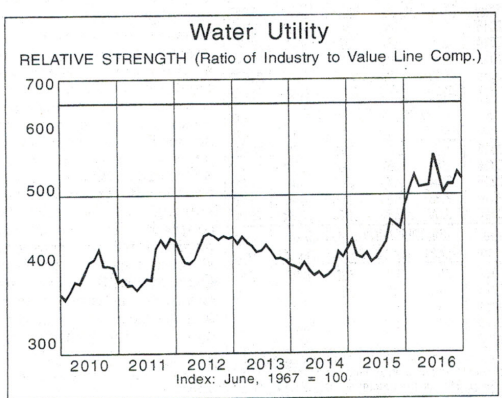
Consolidation

There are over 50,000 mostly small water authorities in the U. S. Many of these districts find themselves without the sums needed to modernize their facilities. As a result, many are merging with larger entities that have the financial wherewithal to make the required investment. *American Water Works*, *American States Water*, and *Aqua America* are three of the most active acquirers. Another benefit from these mergers is that there are a large amounts of redundancies in the industry and substantial cost savings can be achieved.

Conclusion

Our ranking system suggests that stock prices in this group are fully valued. None of the eight stocks are timely with *American Water Works*, *Connecticut Water Service*, *Middlesex Water*, *SJW Corp*, and *York Water* all ranked to underperform the market averages in the year ahead.

James A. Flood



© 2017 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

Regulatory Focus Topical Special Report

Topical Report

July 18, 2022

Adjustment clauses: A state by state overview

Russell Ernst, Principal Analyst, Brian Collins, Senior Research Analyst, and Monica Hlinka, Research Analyst

Contributors: Jim Davis, Lillian Federico, Lisa Fontanella, Jason Lehmann and Dan Lowrey

This report covers the key adjustment clauses used by the largest electric and gas utilities in the 53 jurisdictions covered by Regulatory Research Associates, a group within S&P Global Commodity Insights.

Sales & subscriptions Sales_NorthAm@spglobal.com

Enquiries support.mi@spglobal.com

To learn more or to request a demo, visit spglobal.com/marketintelligence.

S&P Global
Market Intelligence

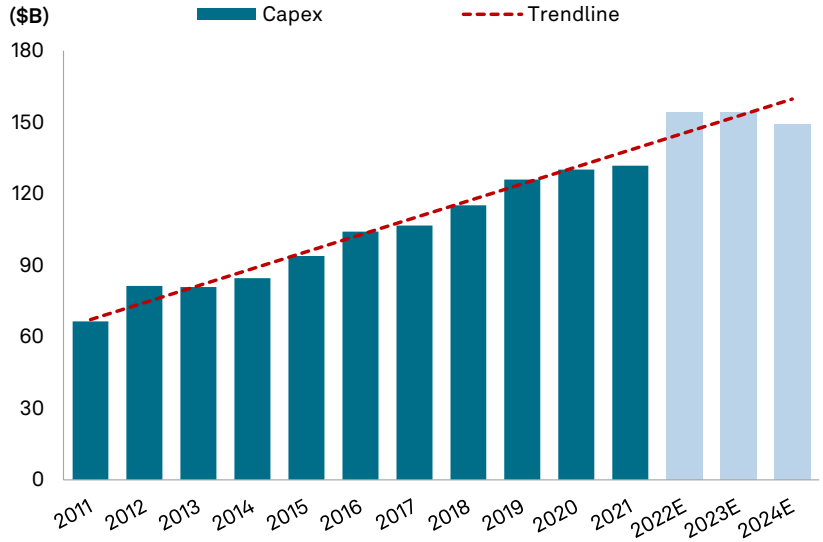
Table of Contents

Introduction	3
About this report	5
The Take	5
State by state data tables	6
Related footnotes for data table — by state	16
Further Reading	30
About Regulatory Research Associates	30

Introduction

In the face of the robust expansion of utility capital expenditures in recent years, increases in expenses attributable in part to increased levels of inflation and sluggish demand growth in some parts of the U.S., industry stakeholders have developed innovative strategies that support timely rate recognition of these costs. As shown in the image below, capex for 47 energy utilities covered by Regulatory Research Associates, a group within S&P Global Commodity Insights, is estimated to exceed $154 billion in 2022, well above the $131.8 billion of actual investment in 2021 by the same companies.

Energy utility actual and estimated capital expenditures



Data compiled March 30, 2022.
E = estimates
Source: S&P Global Market Intelligence

The electric and gas utilities' use of adjustment clauses to recover variations in costs outside of the traditional rate case process has its origins in the 1973 Arab oil embargo, when fuel costs skyrocketed, leaving the utilities with no way to recover the increased costs in a timely manner. At that time, the only remedy for the utilities was to file a rate case; however, rate proceedings frequently took more than a year to litigate, and fuel prices climbed more rapidly than the utilities could obtain rate recognition of the increased costs. Some jurisdictions permitted the utilities to have more than one rate case pending simultaneously, but most did not.

In the years following the embargo, utility earnings were under considerable pressure, prompting some jurisdictions to establish a more constructive framework to allow more timely recovery of cost increases that were beyond the utilities' control.

The result was the creation of the fuel adjustment clause, or FAC — a single-issue ratemaking process whereby a utility is permitted to implement periodic rate adjustments to reflect changes in its cost of fuel. The utility is generally authorized to defer incremental variations in its fuel costs to offset any effect on earnings from the variation. The deferred amount is then recovered from, or refunded to, ratepayers in the next FAC rate adjustment. In some circumstances, the FAC includes a forward-looking component that is subject to true-up provisions. In addition to fuel costs, most jurisdictions allow to include the utilities' purchased power expense in the FAC.

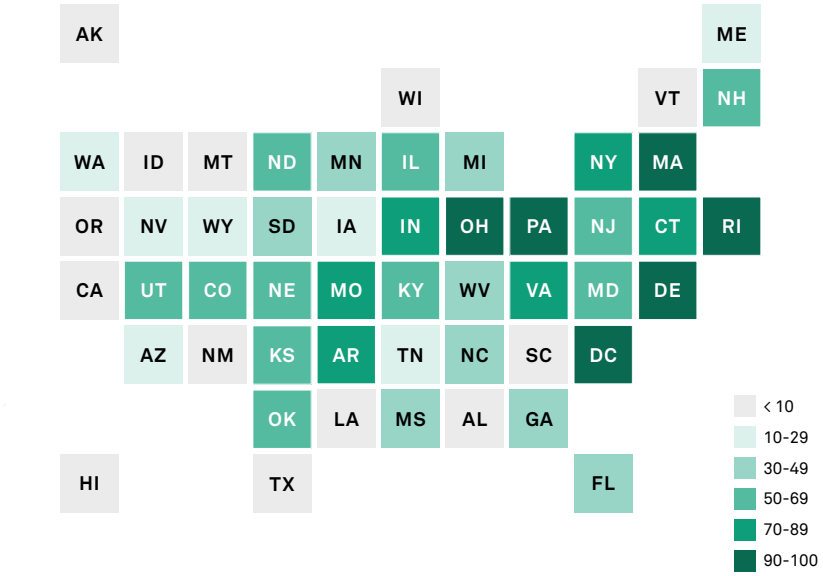
State utility commissions have approved adjustment clauses for recovery of environmental compliance, energy efficiency and conservation program expenses, transmission charges allocated to the utility by the Federal Energy Regulatory Commission and investments associated with meeting renewable resource requirements. Such mechanisms have also been approved to pass through to customers all or a portion of the margins that the company receives from selling excess power or pipeline capacity in the open market through off-system sales.

Another type of adjustment clause — a decoupling mechanism — enables utilities to offset the effect on revenues of fluctuations in sales caused by customer participation in energy efficiency programs, deviations from "normal" temperature patterns or economic conditions. RRA considers a decoupling mechanism that adjusts for these factors to be a "full" decoupling mechanism and designates those that address only one or two of these factors as "partial" decoupling mechanisms. RRA also assigns a partial decoupling tag to those mechanisms that include rate caps or other limitations.

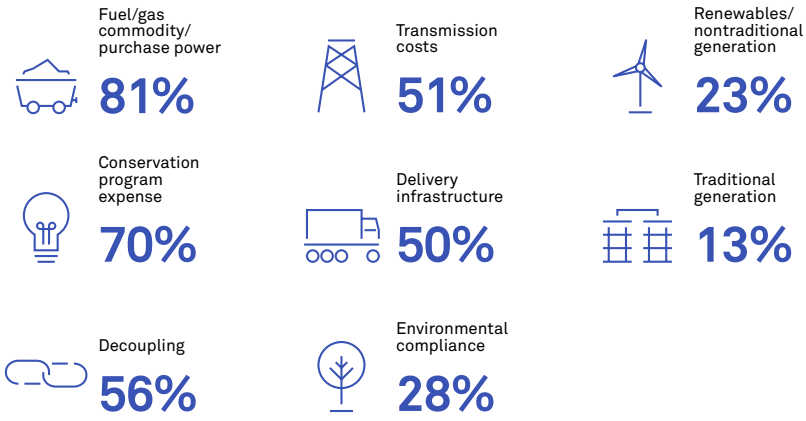
More recently and with greater frequency, commissions have approved mechanisms that permit the costs associated with the construction of new generation or delivery infrastructure to be used, effectively including these items in rate base without the need for a full rate case. In some instances, these mechanisms may even provide the utilities a cash return on construction work in progress.

As shown in the following infographic, certain types of adjustment clauses are more prevalent than others. For example, those that address electric fuel and gas commodity charges are in place in all jurisdictions. Also, about two-thirds of all utilities have riders in place to recover costs related to energy efficiency programs, and roughly half of the utilities have some type of decoupling mechanism in place.

Utilities with adjustment clauses for delivery infrastructure (%)



Adjustment clauses in use (%)



Data as of June 2022.
Source: Regulatory Research Associates, a group within S&P Global Commodity Insights

About this report

This report covers the key adjustment clauses used by the largest electric and gas utilities in the 53 jurisdictions covered by RRA. This report does not address surcharges that have been approved to enable a utility to recover specific one-time items, e.g.,such as excess storm-restoration costs incurred in a given year, where the utility is recovering a fixed amount over a defined period.

This report also does not include expense trackers, which provide for the deferral of variations in costs for potential recovery at a future time when the commission will consider the accumulated balance for inclusion in rates. Although an expense tracker is designed to keep the utility's earnings whole, rates and cash flows do not change on a current basis. Expense trackers are sometimes authorized to account for variations in pension-related costs. While there are similarities between each of these types of ratemaking provisions, only adjustment clauses allow rates to change on an expedited basis in accordance with cost changes.

The accompanying table includes footnotes (denoted by "✓*" or "--*"), where clarification regarding the specific adjustment clause is necessary. Further details concerning the adjustment clauses included in this report can be found in each of RRA's Commission Profiles.

Regulatory agency abbreviations

ACC	Arizona Corporation Commission
BPU	Board of Public Utilities (New Jersey)
DPU	Department of Public Utilities (Massachusetts)
ICC	Illinois Commerce Commission
IUB	Iowa Utilities Board
KCC	Kansas Corporation Commission
NCUC	North Carolina Utilities Commission
NOCC	New Orleans City Council
OCC	Oklahoma Corporation Commission
PRC	Public Regulation Commission (New Mexico)
PSC	Public Service Commission
PUC	Public Utility(ies) Commission
PURA	Public Utilities Regulatory Authority (Connecticut)
RCA	Regulatory Commission of Alaska
RRC	Railroad Commission (Texas)
SCC	State Corporation Commission (Virginia)
URC	Utility Regulatory Commission (Indiana)
WUTC	Washington Utilities and Transportation Commission

The Take

A key component of innovative strategies supporting timely rate recognition has been the use of adjustment clauses to address recovery of utility investments, as well as issues related to rising/volatile costs. A defining characteristic of an adjustment clause is that it effectively shifts the risk associated with recovery of an expense from shareholders to customers. If the clause operates as designed, the company is able to change its rates to recover its costs on a current basis, without any negative effect on the bottom line and without the expense and delay that accompany a rate case filing.

The use of adjustment clauses has expanded significantly. These clauses are generally reserved for expenses that are outside the utility's control or are required by law or rule. Some jurisdictions have approved the use of adjustment clauses for recovery of environmental compliance, energy efficiency and conservation program expenses, transmission charges allocated to the utility by the Federal Energy Regulatory Commission and investments associated with meeting renewable resource requirements.

Regulatory Focus Topical Special Report

Use of adjustment clauses, as of June 2022

			Type of adjustment clause																	
						Decoupling				New capital										
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power		Conserv. program expense	Full	Partial		Traditional generation		Renewables/ Non-traditional generation		Delivery infrastructure		Environmental compliance		Transmission costs	
ALABAMA																				
Alabama Power Co.	SO	Elec.	✓	*	--	--	--		✓	*	✓		--		✓	*	--			
Spire Alabama Inc.	SR	Gas	✓	*	--	--	✓	*	--		--		--		--		--			
Spire Gulf Inc.	SR	Gas	✓	*	--	--	✓	*	--		--		--		--		--			
ALASKA																				
Alaska Electric Light & Power Co.	AVA	Elec.	✓		--	--	--		--		--		--		--		--			
Enstar Natural Gas Co.	ALA	Gas	✓		--	--	--		--		--		--		--		--			
ARIZONA																				
Arizona Public Service Co.	PNW	Elec.	✓		✓	--	✓	*	--		✓		--		✓		✓			
Southwest Gas Corp.	SWX	Gas	✓		✓	✓	--	*	--		--		✓	*	--		--			
Tucson Electric Power Co.	FTS	Elec.	✓		✓	--	✓	*	--		✓		--		✓		✓			
UNS Electric Inc.	FTS	Elec.	✓		✓	--	✓	*	--		✓		--		--		✓			
UNS Gas Inc.	FTS	Gas	✓		✓	--	✓	*	--		--		--		--		--			
ARKANSAS																				
Arkansas Oklahoma Gas Corp.	--	Gas	✓		✓	✓	--	*	--		--		✓	*	--		--			
Summit Utilities Arkansas Inc.	--	Gas	✓		✓	✓	--	*	--		--		✓	*	--		--			
Entergy Arkansas LLC	ETR	Elec.	✓		✓	--	✓	*	✓	*	✓	*	✓	*	--		✓			
Oklahoma Gas & Electric Co.	OGE	Elec.	✓		✓	--	✓	*	✓		✓		✓		✓		✓			
Black Hills Energy Arkansas Inc.	BKH	Gas	✓		✓	✓	--	*	--		--		✓	*	--		--			
Southwestern Electric Power Co.	AEP	Elec.	✓		✓	--	✓	*	✓		--		--		✓		✓			
CALIFORNIA																				
Pacific Gas & Electric Co.	PCG	Elec.	✓		--	✓	--		--		--		--		--		--			
Pacific Gas & Electric Co.	PCG	Gas	✓		--	✓	--		--		--		--		--		--			
San Diego Gas & Electric Co.	SRE	Elec.	✓		--	✓	--		--		--		--		--		--			
San Diego Gas & Electric Co.	SRE	Gas	✓		--	✓	--		--		--		--		--		--			
Southern California Edison Co.	EIX	Elec.	✓		--	✓	--		--		--		--		--		--			
Southern California Gas Co.	SRE	Gas	✓		--	✓	--		--		--		--		--		--			
Southwest Gas Corp.	SWX	Gas	✓		--	✓	--		--		--		--		--		--			
COLORADO																				
Black Hills Colorado Electric Inc.	BKH	Elec.	✓		✓	--	--		✓	*	✓		--		--		✓			
Public Service Co. of Colorado	XEL	Elec.	✓		✓	--	✓	*	--		✓		--		--		✓			
Public Service Co. of Colorado	XEL	Gas	✓		✓	--	✓	*	--		--		✓	*	--		--			
Black Hills Gas Distribution LLC	BKH	Gas	✓		✓	--	--		--		--		✓	*	--		--			
CONNECTICUT																				
Connecticut Light and Power Co.	ES	Elec.	--	*	✓	✓	--	*	--		--	*	✓	*	--		✓			
Connecticut Natural Gas Co.	IBE	Gas	✓		✓	✓	--	*	--		--		✓	*	--		--			
Southern Connecticut Gas Co.	IBE	Gas	✓		✓	✓	--	*	--		--		✓	*	--		--			
United Illuminating Co.	IBE	Elec.	--	*	✓	✓	--	*	--		--	*	--		--		✓			
Yankee Gas Services Co.	ES	Gas	✓		✓	✓	--	*	--		--		✓	*	--		--			

Regulatory Focus Topical Special Report

Use of adjustment clauses, as of June 2022

			Type of adjustment clause															
							Decoupling				New capital							
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power		Conserv. program expense		Full	Partial			Traditional generation		Renewables/ Non-traditional generation		Delivery infrastructure		Environmental compliance		Transmission costs
DELAWARE																			
Chesapeake Utilities Corp.	CPK	Gas	✓		--		--	--			--		--		✓	*	✓	*	--
Delmarva Power & Light Co.	EXC	Elec.	--	*	✓		--	--			--		--		✓	*	--		✓
Delmarva Power & Light Co.	EXC	Gas	✓		--		--	--			--		--		✓	*	✓	*	--
DISTRICT OF COLUMBIA																			
Potomac Electric Power Co.	EXC	Elec.	--	*	--		--	✓	*		--		✓	*	✓	*	--		--
Washington Gas Light Co.	ALA	Gas	✓		--		--	--			--		✓	*	✓	*	--		--
FLORIDA																			
Florida Power & Light Co.	NEE	Elec.	✓		✓		--	--			✓	*	✓	*	--	*	✓		--
Duke Energy Florida LLC	DUK	Elec.	✓		✓		--	--			✓	*	✓	*	--	*	✓		--
Florida Public Utilities Co.	CPK	Elec.	✓		✓		--	--			✓	*	--		--	*	✓		--
Florida Public Utilities Co.	CPK	Gas	✓		✓		--	--			--		--		✓	*	✓		--
Peoples Gas System Inc.	EMA	Gas	✓		✓		--	--			--		--		✓	*	✓		--
Pivotal Utility Holdings Inc.	NEE	Gas	✓		✓		--	--			--		--		✓	*	✓		--
Tampa Electric Co.	EMA	Elec.	✓		✓		--	--			✓	*	✓	*	--	*	✓		--
GEORGIA																			
Atlanta Gas Light Co.	SO	Gas	--	*	--		--	*	--		--		--		✓	*	✓	*	--
Georgia Power Co.	SO	Elec.	✓		--		--		--		✓	*	--		--		✓	*	--
Liberty Utilities (Peach State Nat. Gas) Corp.	AQN	Gas	✓	*	--		✓	*	--		--		--		--		--		--
HAWAII																			
Hawaiian Electric Co.	HE	Elec.	✓		✓		--	--			--		✓	*	--		--		--
Hawaii Electric Light Co.	HE	Elec.	✓		✓		--	--			--		--		--		--		--
Maui Electric Co.	HE	Elec.	✓		✓		--	--			--		✓	*	--		--		--
IDAHO																			
Avista Corp.	AVA	Elec.	✓	*	✓		✓	*	--		--		--		--		--		--
Avista Corp.	AVA	Gas	✓		✓		✓	*	--		--		--		--		--		--
Idaho Power Co.	IDA	Elec.	✓	*	✓		✓	*	--		--		--		--		--		--
PacifiCorp	BRK.A	Elec.	✓	*	✓		--		--		--		--		--		--		--
ILLINOIS																			
Ameren Illinois Co.	AEE	Elec.	--	*	✓		--	✓	*		--		✓		--		✓	*	✓
Ameren Illinois Co.	AEE	Gas	✓		✓		--	✓	*		--		--		✓	*	✓	*	--
Commonwealth Edison Co.	EXC	Elec.	--	*	✓		--	--			--		✓		✓	*	✓	*	✓
Liberty Utilities (Midstates Natural Gas) Corp.	AQN	Gas	✓		✓		--	✓	*		--		--		--		--		--
MidAmerican Energy Co.	BRK.A	Elec.	✓	*	✓		--	--			--		✓		--		--		✓
MidAmerican Energy Co.	BRK.A	Gas	✓		✓		--	--			--		--		--	*	--		--
North Shore Gas Co.	WEC	Gas	✓		✓		--	✓	*		--		--		✓	*	✓	*	--
Northern Illinois Gas Co.	SO	Gas	✓		✓		--	✓	*		--		--		✓	*	✓	*	--
Peoples Gas Light & Coke Co.	WEC	Gas	✓		✓		--	✓	*		--		--		✓	*	✓	*	--

Use of adjustment clauses, as of June 2022

			Type of adjustment clause										
					Decoupling		New capital						
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power	Conserv. program expense	Full	Partial	Traditional generation	Renewables/ Non-traditional generation	Delivery infrastructure	Environmental compliance	Transmission costs
INDIANA											
Duke Energy Indiana LLC	DUK	Elec.	✓	✓	--	✓ *	--	✓	✓ *	✓ *	✓
Indiana Gas Co.	CNP	Gas	✓	✓	✓	--	--	--	✓ *	--	--
Indiana Michigan Power Co.	AEP	Elec.	✓	✓	--	✓ *	--	✓	✓ *	✓ *	✓
Indianapolis Power & Light Co.	AES	Elec.	✓	✓	--	✓ *	--	✓	-- *	✓ *	✓
Northern Indiana Public Service Co.	NI	Elec.	✓	✓	--	✓ *	--	✓	✓ *	✓ *	✓
Northern Indiana Public Service Co.	NI	Gas	✓	✓	--	--	--	--	✓ *	--	--
Southern Indiana Gas & Electric Co.	CNP	Elec.	✓	✓	--	✓ *	--	--	✓ *	✓ *	✓
Southern Indiana Gas & Electric Co.	CNP	Gas	✓	✓	✓	--	--	--	✓ *	--	--
IOWA											
Black Hills Iowa Gas Utility Co.	BKH	Gas	✓	✓	--	--	--	--	✓	--	--
Interstate Power & Light Co.	LNT	Elec.	✓	✓	--	--	--	✓	--	✓	✓
Interstate Power & Light Co.	LNT	Gas	✓	✓	--	--	--	--	--	--	--
MidAmerican Energy Co.	BRK.A	Elec.	✓	✓	--	--	--	✓	--	✓	✓
MidAmerican Energy Co.	BRK.A	Gas	✓	✓	--	--	--	--	--	--	--
KANSAS											
Atmos Energy Corp.	ATO	Gas	✓	-- *	--	✓ *	--	--	✓ *	--	--
Black Hills/Kansas Gas Utility Co.	BKH	Gas	✓	-- *	--	✓ *	--	--	✓ *	--	--
Empire District Electric Co.	AQN	Elec.	✓	✓ *	--	--	--	--	--	✓	✓
Evergy Kansas Central Inc.	EVRG	Elec.	✓	✓ *	--	✓ *	--	✓	--	✓	✓
Evergy Kansas South Inc.	EVRG	Elec.	✓	✓ *	--	✓ *	--	✓	--	✓	✓
Evergy Metro Inc.	EVRG	Elec.	✓	✓ *	--	--	--	--	✓ *	--	✓
Kansas Gas Service Co.	OGS	Gas	✓	-- *	--	✓ *	--	--	✓ *	--	--
KENTUCKY											
Atmos Energy Corp.	ATO	Gas	✓	✓	--	✓ *	--	--	✓	--	--
Columbia Gas of Kentucky Inc.	NI	Gas	✓	✓	--	✓ *	--	--	✓	--	--
Delta Natural Gas Co.	WTRG	Gas	✓	✓	--	✓ *	--	--	✓	--	--
Duke Energy Kentucky Inc.	DUK	Elec.	✓	✓	--	✓ *	--	--	--	✓	--
Duke Energy Kentucky Inc.	DUK	Gas	✓	✓	--	✓ *	--	--	✓	--	--
Kentucky Power Co.	AEP	Elec.	✓	✓	--	✓ *	--	--	--	✓	--
Kentucky Utilities Co.	PPL	Elec.	✓	✓	--	✓ *	--	--	--	✓	--
Louisville Gas & Electric Co.	PPL	Elec.	✓	✓	--	✓ *	--	--	--	✓	--
Louisville Gas & Electric Co.	PPL	Gas	✓	✓	--	✓ *	--	--	✓	--	--
LOUISIANA-NOCC											
Entergy New Orleans LLC	ETR	Elec.	✓	✓	--	--	--	✓	--	✓ *	✓ *
Entergy New Orleans LLC	ETR	Gas	✓	--	--	--	--	--	--	--	--

Regulatory Focus Topical Special Report

Use of adjustment clauses, as of June 2022

			Type of adjustment clause															
					Decoupling				New capital									
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power	Conserv. program expense	Full	Partial	Traditional generation	Renewables/ Non-traditional generation	Delivery infrastructure	Environmental compliance	Transmission costs
LOUISIANA PSC											
Atmos Energy Corp.	ATO	Gas	✓	--	--	✓ *	--	--	--	--	--
CenterPoint Energy Arkla	CNP	Gas	✓	--	--	✓ *	--	--	--	--	--
Cleco Power LLC	--	Elec.	✓	✓ *	--	✓ *	✓ *	✓ *	✓ *	✓ *	✓ *
Entergy Louisiana LLC	ETR	Elec.	✓	✓ *	--	✓ *	--	--	--	✓	--
Entergy Louisiana LLC	ETR	Gas	✓	--	--	--	--	--	✓ *	--	--
Southwestern Electric Power Co.	AEP	Elec.	✓	✓ *	--	✓ *	--	--	--	--	--
MAINE											
Central Maine Power Co.	IBE	Elec.	-- *	--	✓ *	--	--	--	--	--	✓
Maine Natural Gas	IBE	Gas	✓	--	--	--	--	--	--	--	--
Northern Utilities Inc.	UTL	Gas	✓	--	--	--	--	--	✓	✓	--
Versant Power	--	Elec.	-- *	--	✓ *	--	--	--	--	--	✓
MARYLAND											
Baltimore Gas & Electric Co.	EXC	Elec.	-- *	✓	✓	--	--	--	--	--	--
Baltimore Gas & Electric Co.	EXC	Gas	✓	✓	✓	--	--	--	✓	--	--
Columbia Gas of Maryland Inc.	NI	Gas	✓	✓	--	✓ *	--	--	✓	--	--
Delmarva Power & Light Co.	EXC	Elec.	-- *	✓	✓	--	--	--	--	--	--
Potomac Edison Co.	FE	Elec.	-- *	✓	--	--	--	--	--	--	--
Potomac Electric Power Co.	EXC	Elec.	-- *	✓	✓	--	--	--	✓ *	--	--
Washington Gas Light Co.	ALA	Gas	✓	✓	--	✓ *	--	--	✓	--	--
MASSACHUSETTS											
Eversource Gas Co. of Massachusetts	ES	Gas	✓	✓ *	✓	--	--	--	✓ *	✓ *	--
Berkshire Gas Co.	IBE	Gas	✓	✓ *	✓	--	--	--	✓ *	✓ *	--
Boston Gas Co.	NGG	Gas	✓	✓ *	✓	--	--	--	✓ *	✓ *	--
Fitchburg Gas & Electric Light Co.	UTL	Elec.	-- *	✓ *	✓	--	--	✓ *	✓ *	--	✓
Fitchburg Gas & Electric Light Co.	UTL	Gas	✓	✓ *	✓	--	--	--	✓ *	✓ *	--
Liberty Utilities (New England Natural Gas Co.) Corp.	AQN	Gas	✓	✓ *	✓	--	--	--	✓ *	✓ *	--
Massachusetts Electric Co.	NGG	Elec.	-- *	✓ *	✓	--	--	✓ *	✓ *	--	✓
NSTAR Electric Co.	ES	Elec.	-- *	✓ *	✓	--	--	✓ *	✓ *	--	✓
NSTAR Gas Co.	ES	Gas	✓	✓ *	✓	--	--	--	✓ *	✓ *	--
MICHIGAN											
Consumers Energy Co.	CMS	Elec.	✓	✓	-- *	--	--	✓	--	--	✓ *
Consumers Energy Co.	CMS	Gas	✓	✓	--	✓ *	--	--	--	--	--
DTE Electric Co.	DTE	Elec.	✓	✓	-- *	--	--	✓	--	--	✓ *
DTE Gas Co.	DTE	Gas	✓	✓	--	✓ *	--	--	✓ *	--	--
Indiana Michigan Power Co.	AEP	Elec.	✓	✓	--	✓ *	--	✓	--	--	--
Michigan Gas Utilities Corp.	WEC	Gas	✓	✓	--	-- *	--	--	✓	--	--
SEMCO Energy Gas Co.	ALA	Gas	✓	✓	--	--	--	--	✓	--	--
Upper Michigan Energy Resources Corp.	WEC	Elec.	✓	✓	-- *	--	--	✓	--	--	--
Upper Peninsula Power Co.	--	Elec.	✓	✓	--	✓ *	--	--	--	--	✓ *

Regulatory Focus Topical Special Report

Use of adjustment clauses, as of June 2022

			Type of adjustment clause											
					Decoupling		New capital							
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power	Conserv. program expense	Full	Partial	Traditional generation	Renewables/ Non-traditional generation		Delivery infrastructure		Environmental compliance		Transmission costs	
MINNESOTA															
Minnesota Power Enterprises Inc.	ALE	Elec.	✓	✓	--	--	--	✓		--		--		✓	
CenterPoint Energy Resources Corp.	CNP	Gas	✓	✓	--	✓ *	--	--		--		--		--	
Minnesota Energy Resources Corp.	WEC	Gas	✓	✓	--	✓ *	--	--		✓		--		--	
Northern States Power Co. - Minnesota	XEL	Elec.	✓	✓	--	✓ *	--	✓		--		✓		✓	
Northern States Power Co. - Minnesota	XEL	Gas	✓	✓	--	--	--	--		✓		--		--	
Otter Tail Power Co.	OTTR	Elec.	✓	✓	--	--	--	✓		--		✓		✓	
MISSISSIPPI															
Atmos Energy Inc.	ATO	Gas	✓	--	--	✓ *	--	--		✓		--		--	
Entergy Mississippi LLC	ETR	Elec.	✓	--	--	✓ *	--	--		--		--		✓	
Mississippi Power Co.	SO	Elec.	✓	--	--	✓ *	--	--		--		✓	*	--	
MISSOURI															
Empire District Electric Co.	AQN	Elec.	✓	--	--	--	--	--	*	--		--	*	✓	*
Empire District Gas Co.	AQN	Gas	✓	--	--	--	--	--		--		--		--	
Evergy Metro Inc.	EVRG	Elec.	✓	✓ *	--	✓ *	--	--	*	✓	*	--	*	✓	*
Evergy Missouri West Inc.	EVRG	Elec.	✓	✓ *	--	✓ *	--	✓	*	✓	*	--	*	✓	*
Spire Missouri Inc.	SR	Gas	✓	--	--	✓ *	--	--		✓		--		--	
Liberty Utilities (Midstates Natural Gas) Corp.	AQN	Gas	✓	--	--	✓ *	--	--		✓		--		--	
Union Electric Co.	AEE	Elec.	✓	✓ *	--	✓ *	--	✓	*	✓	*	--	*	✓	*
Union Electric Co.	AEE	Gas	✓	--	--	✓ *	--	--		✓		--		--	
MONTANA															
MDU Resources Group Inc.	MDU	Elec.	✓	✓ *	--	--	--	--		--		--		--	
MDU Resources Group Inc.	MDU	Gas	✓	✓	--	✓ *	--	--		--		--		--	
NorthWestern Corp.	NWE	Elec.	✓ *	✓	--	--	--	--		--		--		--	
NorthWestern Corp.	NWE	Gas	✓	✓ *	--	--	--	--		--		--		--	
NEBRASKA															
Black Hills Nebraska Gas LLC	BKH	Gas	✓	--	--	--	--	--		✓		--		--	
Northwestern Corp.	NWE	Gas	✓	--	--	--	--	--		--		--		--	
NEVADA															
Nevada Power Co.	BRK.A	Elec.	✓	✓	--	✓ *	--	✓		--		--		--	
Sierra Pacific Power Co.	BRK.A	Elec.	✓	✓	--	✓ *	--	✓		--		--		--	
Sierra Pacific Power Co.	BRK.A	Gas	✓	--	--	--	--	--		--		--		--	
Southwest Gas Corp.	SWX	Gas	✓	✓	✓	--	--	✓		✓		--		--	
NEW HAMPSHIRE															
Liberty Utilities (EnergyNorth Natural Gas) Corp.	AQN	Gas	✓	✓	✓ *	--	--	--		--		✓		--	
Liberty Utilities (Granite State Electric) Corp.	AQN	Elec.	-- *	✓	--	✓ *	--	--		✓	*	--		✓	
Northern Utilities Inc.	UTL	Gas	✓	✓	--	✓ *	--	--		--		--		--	
Public Service Co. of New Hampshire	ES	Elec.	✓ *	--	--	✓ *	--	--		✓	*	--		✓	
Unitil Energy Systems Inc.	UTL	Elec.	-- *	✓	--	✓ *	--	--		✓	*	--		--	

Regulatory Focus Topical Special Report

Use of adjustment clauses, as of June 2022

			Type of adjustment clause																	
							Decoupling				New capital									
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power		Conserv. program expense		Full		Partial		Traditional generation		Renewables/ Non-traditional generation		Delivery infrastructure		Environmental compliance		Transmission costs	
NEW JERSEY																				
Atlantic City Electric Co.	EXC	Elec.	--	*	✓	*	--		✓	*	--		--		✓	*	✓	*	--	
Jersey Central Power & Light Co.	FE	Elec.	--	*	✓	*	--		✓	*	--		--		--	*	✓	*	--	
New Jersey Natural Gas Co.	NJR	Gas	--	*	✓	*	✓	*	--		--		--		✓	*	✓	*	--	
Elizabethtown Gas Co.	SJI	Gas	--	*	✓	*	--		✓	*	--		--		✓	*	✓	*	--	
Public Service Electric & Gas Co.	PEG	Elec.	--	*	✓	*	--		✓	*	--		--		✓	*	✓	*	--	
Public Service Electric & Gas Co.	PEG	Gas	--	*	✓	*	--		✓	*	--		--		✓	*	✓	*	--	
Rockland Electric Co.	ED	Elec.	--	*	✓	*	--		✓	*	--		--		--	*	✓	*	--	
South Jersey Gas Co.	SJI	Gas	--	*	✓	*	✓	*	--		--		--		--	*	✓	*	--	
NEW MEXICO																				
El Paso Electric Co.	--	Elec.	✓		✓		--		--		--		✓		--		--		--	
New Mexico Gas Co.	EMA	Gas	✓		✓		--		✓	*	--		--		--		--		--	
Public Service Co. of New Mexico	PNM	Elec.	✓		✓		--		--		--		✓		--		--		--	
Southwestern Public Service Co.	XEL	Elec.	✓		✓		--		--		--		✓		--		--		--	
NEW YORK																				
Brooklyn Union Gas Co.	NGG	Gas	✓		✓		✓		--		--		--		✓		✓	*	--	
Central Hudson Gas & Electric Corp.	FTS	Elec.	--	*	✓		✓		--		--		✓	*	✓	*	✓	*	--	
Central Hudson Gas & Electric Corp.	FTS	Gas	✓		✓		✓		--		--		--		✓	*	✓	*	--	
Consolidated Edison Co. of New York Inc.	ED	Elec.	--	*	✓		✓		--		--		✓	*	✓	*	--		--	
Consolidated Edison Co. of New York Inc.	ED	Gas	✓		✓		✓		--		--		--		✓		--		--	
KeySpan Gas East Corp.	NGG	Gas	✓		✓		✓		--		--		--		✓		--		--	
National Fuel Gas Distribution Corp.	NFG	Gas	✓		✓		✓		--		--		--		✓		--		--	
New York State Electric & Gas Corp.	IBE	Elec.	--	*	✓		✓		--		--		✓	*	✓	*	--		--	
New York State Electric & Gas Corp.	IBE	Gas	✓		✓		✓		--		--		--		✓	*	--		--	
Niagara Mohawk Power Corp.	NGG	Elec.	--	*	✓		✓		--		--		✓	*	--		--		--	
Niagara Mohawk Power Corp.	NGG	Gas	✓		✓		✓		--		--		--		✓		--		--	
Orange & Rockland Utilities Inc.	ED	Elec.	--	*	✓		✓		--		--		✓	*	--		--		--	
Orange & Rockland Utilities Inc.	ED	Gas	✓		✓		✓		--		--		--		--		--		--	
Rochester Gas and Electric Corp.	IBE	Elec.	--	*	✓		✓		--		--		✓	*	--		--		--	
Rochester Gas and Electric Corp.	IBE	Gas	✓		✓		✓		--		--		--		✓	*	--		--	
NORTH CAROLINA																				
Duke Energy Carolinas LLC	DUK	Elec.	✓		✓	*	--		--	*	--		✓	*	--		✓		--	
Duke Energy Progress LLC	DUK	Elec.	✓		✓	*	--		--	*	--		✓	*	--		✓		--	
Piedmont Natural Gas Co.	DUK	Gas	✓		✓	*	✓	*	--		--		--		✓	*	--		--	
Public Service Co. of North Carolina	D	Gas	✓		✓	*	✓	*	--		--		--		✓	*	--		--	
Virginia Electric & Power Co.	D	Elec.	✓		✓	*	--		--	*	--		✓	*	--		✓		--	
NORTH DAKOTA																				
MDU Resources Group Inc.	MDU	Elec.	✓		--		--		--		✓		✓		✓	*	✓	*	✓	*
MDU Resources Group Inc.	MDU	Gas	✓		--		--		✓	*	--		--		--		--		--	
Northern States Power Co. - Minnesota	XEL	Elec.	✓		--		--		--		--		✓	*	✓	*	--	*	✓	*
Northern States Power Co. - Minnesota	XEL	Gas	✓		--		--	*	--		--		--		--		--		--	
Otter Tail Power Co.	OTTR	Elec.	✓		--		--		--		✓	*	✓	*	✓	*	✓	*	✓	*

Use of adjustment clauses, as of June 2022

			Type of adjustment clause																			
							Decoupling				New capital											
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power		Conserv. program expense		Full		Partial		Traditional generation		Renewables/ Non-traditional generation		Delivery infrastructure		Environmental compliance		Transmission costs	
OHIO																				
Cleveland Elec. Illum./Ohio Edison/Toledo Edison	FE	Elec.	--	*	✓	*	--		✓	*	--		✓		✓	*	--		✓	
Columbia Gas of Ohio Inc.	NI	Gas	--	*	✓		--	*	--		--		--		✓	*	--		--	
Dayton Power & Light Co.	AES	Elec.	--	*	✓	*	--		✓	*	--		✓		✓	*	--		✓	
Duke Energy Ohio Inc.	DUK	Elec.	--	*	✓	*	--		✓	*	--		✓		✓	*	--		✓	
Duke Energy Ohio Inc.	DUK	Gas	✓	*	--		--	*	--		--		--		✓	*	✓	*	--	
East Ohio Gas Co.	D	Gas	--	*	✓		--	*	--		--		--		✓	*	--		--	
Ohio Power Co.	AEP	Elec.	--	*	✓	*	--		✓	*	--		✓		✓	*	--		✓	
Vectren Energy Delivery of Ohio Inc.	CNP	Gas	--	*	✓		--	*	--		--		--		✓	*	--		--	
OKLAHOMA																				
Summit Utilities Oklahoma Inc.	--	Gas	✓		✓	*	--		✓	*	--		--		--		--		--	
Oklahoma Gas & Electric Co.	OGE	Elec.	✓		✓	*	--		✓	*	--		--		✓	*	✓	*	✓	*
Oklahoma Natural Gas Co.	OGS	Gas	✓		✓	*	--		✓	*	--		--		--		--		--	
Public Service Co. of Oklahoma	AEP	Elec.	✓		✓	*	--		✓	*	--		✓	*	✓		--	*	✓	
OREGON																				
Avista Corp.	AVA	Gas	✓		✓				✓	*	--		--		--		--		--	
Cascade Natural Gas Corp.	MDU	Gas	✓		✓		--		✓	*	--		--		--		✓	*	--	
Idaho Power Co.	IDA	Elec.	✓		✓		--		--		--				--		--		--	
Northwest Natural Gas Co.	NWN	Gas	✓		✓	*	--		✓	*	--		--		--		✓	*	--	
PacifiCorp	BRK.A	Elec.	✓		✓		--		--		✓	*	✓	*	--		✓	*	--	
Portland General Electric Co.	POR	Elec.	✓		✓		--		--		✓	*	✓	*	--		✓	*	✓	
PENNSYLVANIA																				
Columbia Gas of Pennsylvania Inc.	NI	Gas	✓		--		--		✓	*	--		--		✓	*	--		--	
Duquesne Light Co.	--	Elec.	--	*	✓		--		--		--		--		✓	*	--		✓	
Equitable Gas Co.	--	Gas	✓		--		--		--		--		--		✓	*	--		--	
Metropolitan Edison Co.	FE	Elec.	--	*	✓		--		--		--		--		✓	*	--		✓	
National Fuel Gas Distribution Corp.	NFG	Gas	✓		--		--		--		--		--		--	*	--		--	
PECO Energy Co.	EXC	Elec.	--	*	✓		--		--		--		--		✓	*	--		✓	
PECO Energy Co.	EXC	Gas	✓		✓		--		--		--		--		✓	*	--		--	
Pennsylvania Electric Co.	FE	Elec.	--	*	✓		--		--		--		--		✓	*	--		✓	
Pennsylvania Power Co.	FE	Elec.	--	*	✓		--		--		--		--		✓	*	--		✓	
Peoples Natural Gas Co.	--	Gas	✓		--		--		--		--		--		✓	*	--		--	
PPL Electric Utilities Corp.	PPL	Elec.	--	*	✓		--		--		--		--		✓	*	--		✓	
UGI Central Penn Gas Inc.	UGI	Gas	✓		--		--		--		--		--		✓	*	--		--	
UGI Penn Natural Gas Inc.	UGI	Gas	✓		--		--		--		--		--		✓	*	--		--	
UGI Utilities Inc.	UGI	Elec.	--	*	✓		--		--		--		--		✓	*	--		--	
UGI Utilities Inc.	UGI	Gas	✓		--		--		--		--		--		✓	*	--		--	
West Penn Power Co.	FE	Elec.	--	*	✓		--		--		--		--		✓	*	--		--	

Use of adjustment clauses, as of June 2022

			Type of adjustment clause															
					Decoupling		New capital											
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power		Conserv. program expense		Full	Partial	Traditional generation		Renewables/ Non-traditional generation		Delivery infrastructure		Environmental compliance		Transmission costs	
RHODE ISLAND																		
Narragansett Electric Co.	PPL	Elec.	--	*	✓		✓	--	--		--		✓	*	--		✓	
Narragansett Electric Co.	PPL	Gas	✓		✓	*	✓	--	--		--		✓	*	✓	*	--	
SOUTH CAROLINA																		
Dominion Energy South Carolina	D	Elec.	✓		✓		--	--	✓	*	--		--		✓		--	
Dominion Energy South Carolina	D	Gas	✓		✓		--	✓	*	--		--		--		--		--
Duke Energy Progress LLC	DUK	Elec.	✓		✓		--	--		--	*	--		--		✓		--
Duke Energy Carolinas LLC	DUK	Elec.	✓		✓		--	--		--	*	--		--		✓		--
Piedmont Natural Gas Co.	DUK	Gas	✓		✓		--	✓	*	--		--		--		--		--
SOUTH DAKOTA																		
Black Hills Power Inc.	BKH	Elec.	✓		--		--	--		--		--		--		✓	*	✓ *
MDU Resources Group Inc.	MDU	Elec.	✓		--		--	--		--		--		✓		✓		✓
MDU Resources Group Inc.	MDU	Gas	✓		✓		--	✓	*	--		--		--		--		--
Northern States Power Co. - Minnesota	XEL	Elec.	✓		✓	*	--	✓	*	✓	*	--		✓	*	✓		✓
NorthWestern Corp.	NWE	Elec.	✓		✓		--	--		--		--		--		--		--
NorthWestern Corp.	NWE	Gas	✓		--		--	--		--		--		--		--		--
Otter Tail Power Corp.	OTTR	Elec.	✓		✓		--	--		✓	*	--		✓		✓		--
TENNESSEE																		
Atmos Energy Inc.	ATO	Gas	✓		--		--	✓	*	--		--		--		--		--
Chattanooga Gas Co.	SO	Gas	✓		--		✓	*	--		--		--		--		--	
Kingsport Power Co.	AEP	Elec.	✓		--		--	--		--		--		--		--		--
Piedmont Natural Gas Co.	DUK	Gas	✓		--		--	✓	*	--		--		✓		--		--
TEXAS PUC																		
AEP Texas Inc.	AEP	Elec.	--	*	✓		--	--		--		--		✓		--		✓
CenterPoint Energy Houston Electric LLC	CNP	Elec.	--	*	✓		--	--		--		--		✓		--		✓
Cross Texas Transmission LLC	--	Elec.	--	*	--		--	--		--		--		✓		--		✓
El Paso Electric Co.	--	Elec.	✓	*	✓		--	--		--	*	--		✓		--		✓
Electric Transmission of Texas LLC	BRK.A/AEP	Elec.	--	*	--		--	--		--		--		✓		--		✓
Entergy Texas Inc.	ETR	Elec.	✓	*	✓		--	--		✓	*	--		✓		--		✓
Lone Star Transmission LLC	NEE	Elec.	--	*	--		--	--		--		--		✓		--		✓
Oncor Electric Delivery Co.	SRE	Elec.	--	*	✓		--	--		--		--		✓		--		✓
Sharyland Utilities LLC	--	Elec.	--	*	--		--	--		--		--		✓		--		✓
Southwestern Electric Power Co.	AEP	Elec.	✓	*	✓		--	--		--	*	--		✓		--		✓
Southwestern Public Service Co.	XEL	Elec.	✓	*	✓		--	--		--	*	--		--		--		✓
Texas-New Mexico Power Co.	PNM	Elec.	--	*	✓		--	--		--		--		✓		--		✓
Wind Energy Transmission Texas LLC	--	Elec.	--	*	--		--	--		--		--		✓		--		✓

Use of adjustment clauses, as of June 2022

			Type of adjustment clause																	
						Decoupling				New capital										
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power		Conserv. program expense	Full		Partial		Traditional generation		Renewables/ Non-traditional generation		Delivery infrastructure		Environmental compliance		Transmission costs	
TEXAS RRC																				
Atmos Energy Inc.	ATO	Gas	✓	*	--	--		✓	*	--		--		✓		--		--	
CenterPoint Energy Resources Corp.	CNP	Gas	✓	*	--	--		--		--		--		✓		--		--	
Texas Gas Service Co.	OGS	Gas	✓	*	--	--		✓	*	--		--		✓		--		--	
UTAH																				
PacifiCorp	BRK.A	Elec.	✓		✓	--		--		--		✓	*	--		--		--	
Questar Gas Co.	D	Gas	✓		✓	✓	*	--		--		--		✓		--		--	
VERMONT																				
Green Mountain Power Corp.	--	Elec.	✓	*	--	--		--		--		--		--		--		--	
VIRGINIA																				
Appalachian Power Co.	AEP	Elec.	✓		✓	--		--		✓		--		--		✓		✓	
Columbia Gas of Virginia Inc.	NI	Gas	✓		✓	--		✓	*	--		--		✓		--		--	
Kentucky Utilities Co.	PPL	Elec.	✓		--	--		--		--		--		--		--		--	
Roanoke Gas Co.	RGCO	Gas	✓		--	--		✓	*	--		--		✓		--		--	
Virginia Electric & Power Co.	D	Elec.	✓		✓	--		--		✓		✓		✓		✓		✓	
Virginia Natural Gas Inc.	SO	Gas	✓		--	--		✓	*	--		--		✓		--		--	
Washington Gas Light Co.	ALA	Gas	✓		--	--		✓	*	--		--		✓		--		--	
WASHINGTON																				
Avista Corp.	AVA	Elec.	✓	*	✓	✓		--	*	--		--		--		--		--	
Avista Corp.	AVA	Gas	✓		✓	✓		--	*	--		--		--		--		--	
Cascade Natural Gas Corp.	MDU	Gas	✓		✓	--		✓	*	--		--		✓		--		--	
Northwest Natural Gas Co.	NWN	Gas	✓		✓	--		--		--		--		--		--		--	
PacifiCorp	BRK.A	Elec.	✓	*	✓	--		✓	*	--		✓		--		--		--	
Puget Sound Energy Inc.	--	Elec.	✓	*	✓	--		✓	*	--		✓		--		--		--	
Puget Sound Energy Inc.	--	Gas	✓		✓	--		✓	*	--		--		✓		--		--	
WEST VIRGINIA																				
Appalachian Power Co./Wheeling Power Co.	AEP	Elec.	✓		✓	--		--		--	*	--		--	*	✓		--	
Hope Gas Inc.	D	Gas	✓		--	--		--		--		--		✓	*	--		--	
Monongahela Power Co.	FE	Elec.	✓		✓	--		--		--		--		--	*	✓		--	
Mountaineer Gas Co.	--	Gas	✓		--	--		--		--		--		✓	*	--		--	
Potomac Edison Co.	FE	Elec.	✓		✓	--		--		--		--		--	*	--		--	

Use of adjustment clauses, as of June 2022

			Type of adjustment clause															
							Decoupling				New capital							
State/Company	Ultimate parent ticker	Type of service	Electric fuel/gas commodity/ purch. power		Conserv. program expense		Full	Partial			Traditional generation		Renewables/ Non-traditional generation		Delivery infrastructure		Environmental compliance	Transmission costs
WISCONSIN																		
Madison Gas & Electric Co.	MGEE	Elec.	✓	*	--	*	--	--			--	*	✓		--	*	--	--
Madison Gas & Electric Co.	MGEE	Gas	✓		--		--	--			--	*	--		--	*	--	--
Northern States Power Co. - Wisconsin	XEL	Elec.	✓	*	--	*	--	--			--	*	--		--	*	--	--
Northern States Power Co. - Wisconsin	XEL	Gas	✓		--		--	--			--	*	--		--	*	--	--
Wisconsin Electric Power Co.	WEC	Elec.	✓	*	--	*	--	--			--	*	✓		--	*	--	--
Wisconsin Electric Power Co.	WEC	Gas	✓		--		--	--			--	*	--		--	*	--	--
Wisconsin Gas LLC	WEC	Gas	✓		--		--	--			--	*	--		--	*	--	--
Wisconsin Power & Light Co.	LNT	Elec.	✓	*	--	*	--	--			--	*	--		--	*	--	--
Wisconsin Power & Light Co.	LNT	Gas	✓		--		--	--			--	*	--		--	*	--	--
Wisconsin Public Service Corp.	WEC	Elec.	✓	*	--	*	--	--			--	*	--		--	*	--	--
Wisconsin Public Service Corp.	WEC	Gas	✓		--		--	--			--	*	--		--	*	--	--
WYOMING																		
Black Hills Wyoming Gas LLC	BKH	Gas	✓		✓		--	✓	*		--		--		✓		--	--
Cheyenne Light Fuel & Power Co.	BKH	Elec.	✓		✓		--	✓	*		--		--		--		--	--
MDU Resources Group Inc.	MDU	Elec.	✓		--		--	--			--		--		--		--	--
MDU Resources Group Inc.	MDU	Gas	✓		--		--	✓	*		--		--		--		--	--
PacifiCorp	BRK.A	Elec.	✓		✓		--	--			--		--		--		✓	--
Questar Gas Co.	D	Gas	✓		--		--	✓	*		--		--		--		--	--

Key:
✓ Adjustment clause exists for the company/state/operation.
* See text for further information.
-- Not applicable

Data as of June 2022.
Sources: Regulatory Research Associates, a group within S&P Global Commodity Insights
© 2022 S&P Global Market Intelligence. All rights reserved.

Related footnotes for data table — by state

Alabama

Electric fuel/gas commodity/purchased power — The certificated new plant, or Rate CNP, adjustment clause for Alabama Power Co. provides for recovery of costs, excluding fuel, associated with certified purchased power agreements. Adjustments under the clause are subject to a staff and Alabama PSC review process that includes public hearings. Alabama Power also utilizes an energy cost recovery adjustment clause. Spire Alabama Inc. and Spire Gulf Inc. utilize a competitive fuel clause that allows the companies to immediately adjust prices to compete with any alternate fuel or gas supply source, with no loss of earnings margin.

Decoupling — Spire Alabama and Spire Gulf operate under weather normalization adjustment, or WNA, mechanisms.

Traditional generation/environmental compliance — The Rate CNP adjustment clause used by Alabama Power provides for recovery of costs related to the commercial operation of certified generating facilities, certified purchased power agreements and environmental mandates. Recoverable environmental costs include applicable operation and maintenance expenses, depreciation and a return on capital beginning with investments made in 2005. Such costs are generally subject to review but not to a full evidentiary hearing.

Arizona

Decoupling — Arizona Public Service Co. utilizes a lost fixed cost recovery, or LFCR, mechanism designed to make the company whole for contributions to fixed-cost recovery that would otherwise be foregone due to customer participation in energy efficiency and distributed energy programs. The LFCR is capped at 1% of annual revenues, with any excess being deferred for future recovery. Arizona Public Service' LFCR also now includes an earnings test.

A full decoupling mechanism, called the delivery charge adjustment, is in place for Southwest Gas Corp. The mechanism compares actual revenues with revenues authorized in the company's last general rate case.

Tucson Electric Power Co. operates under an LFCR mechanism designed to mitigate the revenue impact of lost sales associated with the ACC's energy efficiency standards and the distributed generation requirements under the commission's renewable energy standards. The annual adjustments are capped at 2% of retail revenues, with any excess to be deferred for future recovery.

UNS Electric Inc. utilizes an LFCR mechanism under which the company is permitted to implement annual rate adjustments related to any shortfall in recovery of fixed costs due to energy efficiency and distributed generation. The LFCR is not intended to recover fixed costs due to other factors, such as weather or general economic conditions, and, as such, is not considered a full decoupling mechanism. The annual adjustments are to be capped at 1%, with any excess amount to be deferred for future recovery.

UNS Gas Inc. is subject to an incentive-based LFCR plan that allows the company to attain greater amounts of fixed-cost recovery as it meets commission-defined energy efficiency goals. Residential customers are permitted to opt out of the LFCR provisions if they agree to a rate structure that incorporates a higher basic service fixed monthly charge. The LFCR is capped at 1% of annual revenues, with any excess being deferred for future recovery.

Delivery infrastructure — A surcharge is in place for Southwest Gas that pertains to a distribution pipeline replacement program associated with pre-1970 vintage steel pipes. Southwest Gas also has a mechanism in place that provides for the recovery of costs associated with programs through which the company replaces certain assets located on customers' properties with assets that are owned and operated by the utility.

Arkansas

Decoupling — A generic framework, effectively a partial decoupling mechanism, is in place that provides for the electric and gas utilities to recover the lost contribution to fixed costs associated with energy efficiency-related usage reductions and to retain a portion of the net benefits related to these programs. The gas utilities have been using full decoupling mechanisms for several years.

Generation — Entergy Arkansas LLC, or EA, utilizes a capacity acquisition rider to recover costs associated with its investment in certain generation facilities and a capacity cost recovery rider to flow through the net costs related to the company's purchases of capacity to serve retail customers.

Delivery infrastructure — EA uses a rider to recover costs associated with certain government-mandated investments. A gas main replacement program is in place for Summit Utilities Arkansas Inc., or SUA, Black Hills Energy Arkansas Inc., or BHEA, and Arkansas Oklahoma Gas Corp., or AOG, under which the companies are authorized to recover the cost of replacing cast iron and bare steel gas mains and associated services through a mechanism. BHEA and SUA also have an at-risk meter relocation program rider in place to permit timely recovery of the costs associated with moving meters from customers' property lines to the structures being served.

Colorado

Decoupling — An adjustment clause is in place for Public Service Company of Colorado's, or PSCO's, gas operations that provides for recovery of lost revenues associated with customer participation in demand-side management programs.

PSCO's electric operations are subject to a pilot partial decoupling mechanism that applies to the company's residential and small commercial customers. The mechanism is to terminate Dec. 31, 2023. Annual adjustments under the mechanism are to be capped at 3% of class revenues.

Generation — Black Hills Colorado Electric Utility Inc., or BHCE, has a rider in place that reflects the company's investment in a gas-fired plant at the Pueblo Generating Station. Costs recovered through the rider are accorded a lower ROE than that established for BHCE's other Colorado jurisdictional operations. The rider is to remain in place until BHCE's next rate case.

Delivery infrastructure — PSCO operates under a pipeline system integrity adjustment mechanism for its gas operations, through which the company recovers the costs associated with reliability improvements and compliance with certain federal safety regulations. A similar mechanism, known as the system safety and integrity rider, is in place for Black Hills Gas Distribution LLC.

Connecticut

Electric fuel/gas commodity/purchased power — Connecticut Light and Power Co., or CL&P, and United Illuminating Co. no longer own generation, and both are permitted to recover, on a current basis, their full costs of providing generation service to those customers who do not choose an alternative supplier. These costs are allocated to ratepayers outside of a rate case.

Decoupling — State law mandates the adoption of decoupling mechanisms for the electric and gas utilities.

Renewables/Non-traditional generation — State law permits the electric distribution companies to recover prudently incurred costs associated with the energy storage pilot programs, first through a fully reconciling mechanism, and then through base rate cases following the utility's next rate case.

Delivery infrastructure — A system expansion reconciliation mechanism is in place that permits the gas utilities to reconcile gas-expansion-related revenue annually between rate cases. Yankee Gas Services Co., Connecticut Natural Gas Co. and Southern Connecticut Gas Co. also utilize a distribution integrity management program mechanism that allows for recovery, between rate cases, of the costs associated with main replacement activity. A capital tracker, referred to as the electric system improvements charge, is in place for CL&P for capital additions for system resiliency and grid modernization.

Delaware

Electric fuel/gas commodity/purchased power — In conjunction with the implementation of retail competition, Delmarva Power and Light Co.'s electric fuel adjustment was largely eliminated. Power to meet the standard offer service, or SOS, needs is now procured competitively and reflected in rates on a current basis.

Delivery infrastructure — State law allows electric and gas utilities to implement a distribution system improvement charge. Delmarva is permitted to recover the cost of relocation of aerial and underground facilities required or necessitated by the Department of Transportation or other government agency projects.

Environmental compliance — Chesapeake Utilities Corp. has a rider in place to recover environmental costs associated with cleaning up former manufactured gas plants. Delmarva has a mechanism in place for its gas operations to recover costs associated with the cleanup of a manufactured gas plant.

District of Columbia

Electric fuel/gas commodity/purchased power — Fuel and purchased power adjustment clauses are permitted by law. However, with the onset of electric retail competition, Potomac Electric Power Co., or Pepco, divested most of its generation assets and those not divested have since been retired. Pepco purchases the power to meet its SOS requirements via a competitive bidding process, and prices paid by SOS customers reflect the weighted average of the winning bids. SOS prices are adjusted on a current basis.

Decoupling — A bill stabilization adjustment mechanism is in place for Pepco that is designed to mitigate the volatility of revenues and customer bills caused by abnormal weather and customer participation in energy efficiency programs.

Renewables/non-traditional generation — The utilities' rates include a charge to fund the Sustainable Energy Trust Fund; amounts collected are remitted to the third-party — Sustainable Energy Utility. Additionally, Pepco and Washington Gas Light Co., or WGL, have in place a charge to contribute to the Energy Assistance Trust Fund.

Delivery infrastructure — State law provides for the district to issue bonds, finance or securitize a portion of the costs associated with a plan, under which Pepco is to relocate certain above-ground distribution facilities below ground. In addition, the bill authorizes the PSC to approve a mechanism to achieve rate recognition of the unsecuritized portion of the project. Pepco has a mechanism in place to recover costs associated with work performed to underground certain electric power lines in the district. The PSC has approved a $1 billion, 40-year accelerated pipeline replacement program for WGL and a related mechanism.

Florida

Traditional generation — Electric utilities are permitted to recover all prudently incurred site-selection and preconstruction costs, including carrying charges, for nuclear and integrated gasification combined-cycle, or IGCC, power plants through the capacity cost recovery clause, or CCRC. A cash return on construction work in progress for nuclear plant construction and uprates and IGCC construction is also reflected in the CCRC.

Renewables/non-traditional generation — Duke Energy Florida LLC is allowed to petition the Florida PSC for cost recovery for installation of solar generation capacity through a solar base rate adjustment, or SoBRA, mechanism. Tampa Electric Co. also has a SoBRA mechanism. Florida Power & Light Co. is authorized to recover the costs of solar generation through SoBRA upon each unit's commercial operation date if it is determined to be cost-effective and the costs are reasonable.

Delivery infrastructure — Peoples Gas System Inc. utilizes a rider to recover the costs associated with accelerating the replacement of cast-iron and bare-steel distribution pipes on its system. The smaller gas utilities — Florida Public Utilities Co., the Florida division of Chesapeake Utilities and Pivotal Utility Holdings Inc. — use similar riders.

State law allows for establishment of a storm protection plan cost recovery clause for electric utilities in the state. The law allows utilities to seek more timely recovery of storm-hardening investments outside of a general rate case. The law requires utilities to submit to the PSC a 10-year plan explaining "the systematic approach the utility will follow to achieve the objectives of reducing restoration costs and outage times associated with extreme weather events and enhancing reliability." Such grid-hardening activities include burying transmission lines and vegetation management.

Georgia

Electric fuel/gas commodity/purchased power — As a result of the restructuring of the natural gas industry in Georgia, Atlanta Gas Light Co., or ATGL, no longer procures gas for its customers and, thus, is no longer subject to the purchased gas adjustment mechanism, or PGAM. The much smaller Liberty Utilities (Peach State Natural Gas) Corp., which is still regulated under a non-restructured framework, utilizes a non-automatic PGAM.

Decoupling — Liberty Utilities (Peach State Natural Gas) is subject to the Georgia rate adjustment mechanism, or GRAM — an alternative regulatory framework. The GRAM provides for a "revenue true-up," under which the company is to compare actual revenues to a previous revenue projection. ATGL operates under a straight fixed-variable rate design.

Traditional generation — A nuclear construction cost recovery tariff is in place for Georgia Power Co., or GP, that enables GP to earn a cash return on construction work in progress related to the Plant Vogtle Units 3 and 4 nuclear units.

Delivery infrastructure — Various infrastructure programs previously authorized by the PSC, including the Integrated Vintage Plastic Replacement Program to replace aging plastic pipes and the Integrated System Reinforcement Program to upgrade ATGL's distribution system and liquefied natural gas facilities continue under the GRAM, and the recovery of and return on the infrastructure program investments are included in annual rate adjustments.

Environmental compliance — ATGL is authorized to recover cleanup costs related to former manufactured gas plant sites through an environmental response cost recovery rider. Costs that are recoverable under this rider include investigation, testing, remediation and/or litigation costs or other liabilities. Georgia Power has in place a rider that allows for the recovery of environmental compliance costs.

Hawaii

Renewables/non-traditional generation — Riders are in place for Hawaiian Electric Co. Inc. and Maui Electric Co. Ltd. to address costs associated with the utilities' renewable energy infrastructure program projects.

Idaho

Electric fuel/gas commodity/purchased power — Avista Corp.'s power cost adjustment enables the company to defer, in a balancing account, for subsequent recovery/refund to customers, 90% of the difference between actual net power costs and the amount included in retail rates. Idaho Power Co., or IP, has a similar mechanism in place with a sharing provision under which annual rate adjustments reflect 95% of the cost variations associated with water supply for hydroelectric production, wholesale energy prices and retail load changes. An energy cost adjustment mechanism is in place for PacifiCorp that allows for the recovery of 90% of the difference between actual power costs and those included in rates.

Decoupling — IP operates under a decoupling mechanism referred to as a fixed cost adjustment, or FCA, which is designed to adjust the company's electric rates to recover fixed costs independent of the volume of energy sales. The FCA calculation reflects actual sales, and there is a 3% cap on annual rate increases that may be implemented under the mechanism. Unrecovered balances are to be carried forward to future years, with interest. Avista Corp. operates under an electric and gas decoupling mechanism, also referred to as an FCA. There is a 3% annual cap on rate increases that may be implemented under the mechanism. Unrecovered balances are to be carried forward to future years, with interest.

Illinois

Electric fuel/gas commodity/purchased power — Historically, the large electric utilities, namely Ameren Illinois Co., or AI, and Commonwealth Edison Co., or ComEd, were permitted to recover fuel costs and the energy component of purchased power costs through a fuel adjustment clause, or FAC. Their FACs were discontinued in conjunction with the implementation of electric industry restructuring. The power to meet the utilities' SOS obligations is now procured competitively. SOS costs and revenues are subject to an annual true-up mechanism. MidAmerican Energy Co. continues to use a FAC, as the company was not subject to all the provisions of the restructuring law and continues to own generation plants to serve its customers.

Decoupling — AI, Liberty Utilities (Midstates Natural Gas) Corp., Northern Illinois Gas Co., or NI-Gas, North Shore Gas Co. and Peoples Gas Light and Coke Co. have volume balancing adjustment riders in place that account for the impact on fixed cost recovery of energy efficiency efforts and weather.

Delivery infrastructure — AI, ComEd, North Shore and NI-Gas have riders in place to recover certain costs associated with maintaining infrastructure in accordance with requirements imposed by local governments. In accordance with state law, the ICC is permitted to approve adjustment clauses for the local gas distribution companies to recover the costs associated with their infrastructure replacement programs, and the ICC has done so for Peoples, NI-Gas and AI.

Environmental compliance — AI uses a hazardous materials adjustment clause rider, largely to address asbestos-related litigation and remediation costs. AI, ComEd, Peoples, North Shore and NI-Gas use riders to recover costs related to the investigation and cleanup of manufactured gas plants.

Indiana

Decoupling — Electric energy efficiency riders of Indianapolis Power and Light Co., or IP&L; Indiana Michigan Power Co., or IMP; Duke Energy Indiana Co., or DEI; Northern Indiana Public Service Company, or NIPSCO; and Southern

Indiana Gas and Electric, or SIGECO provide for the recovery of net lost revenues and shared savings, subject to commission approval.

Delivery infrastructure — State law allows the Indiana URC to authorize utilities to implement a transmission, distribution and storage system improvement charge rider to facilitate recovery of the costs associated with certain electric and gas infrastructure expansion projects, including those intended to improve safety or reliability, modernize the utility's system or improve an area's economic development prospects. The URC has approved such a rider for DEI, Indiana Gas Co., or IG, SIGECO's and NIPSCO's electric and gas operations and IP&L. IMP and NIPSCO use a rider to recover costs associated with certain government-mandated investments. SIGECO uses a rider to recover the costs associated with clean energy investments.

Environmental compliance — State law allows the URC to authorize electric utilities to recover, through a rate adjustment mechanism, 80% of the costs associated with certain federally-mandated emissions-control and transmission/distribution reliability projects. The remaining 20% of such costs are to be deferred for future recovery. Environmental cost recovery riders are in place for DEI, NIPSCO, IP&L, IMP and SIGECO. Through these riders, the utilities are permitted to recover the related operations and maintenance costs and depreciation expense after the environmental facilities become operational, as well as a return on the related investment.

Kansas

Conservation program expense/decoupling — State law allows electric and gas utilities to request KCC approval to implement energy efficiency-related cost-recovery mechanisms. Evergy Kansas Central Inc. and Evergy Kansas South Inc. participate in energy efficiency programs and recover program-related costs and related lost revenues through the companies' energy efficiency cost-recovery riders. WNA clauses are in place for Atmos Energy Corp., Black Hills/Kansas Gas Utility Co., or KGU, and Kansas Gas Service Co., or KGS.

Delivery infrastructure — Evergy Metro Inc. has a rider in place to recover the costs associated with projects to underground transmission and distribution infrastructure. State law permits local gas distribution companies to utilize a gas system reliability surcharge, or GSRS, mechanism to recover the costs associated with gas distribution system replacement projects between base rate proceedings. Atmos, KGS and KGU have a GSRS in place.

Kentucky

Decoupling — WNA mechanisms are in place for Atmos Energy Corp.; Columbia Gas of Kentucky Inc., or CGK; Delta Natural Gas Co.; and the gas operations of Duke Energy Kentucky Inc., or DEK, and Louisville Gas and Electric, or LG&E. DEK, LG&E, Atmos, CGK and Delta utilize energy efficiency riders to facilitate recovery of costs associated with gas energy efficiency programs; these riders include certain incentive provisions and permit recovery of lost revenues related to these programs. LG&E, DEK, Kentucky Utilities Co. and Kentucky Power Co. also utilize a similar mechanism for their electric businesses.

Louisiana - NOCC

Environmental compliance/transmission costs — An environmental adjustment clause and a rider associated with the Midcontinent Independent System Operator regional transmission organization are in place for Entergy New Orleans LLC's electric operations.

Louisiana PSC

Decoupling — An energy efficiency rider is in place for Cleco Power LLC, the electric operations of Entergy Louisiana LLC, or EL, and Southwestern Electric Power Co., or SWEPCO, through which the utilities recover costs associated with administering their programs and the lost contribution to fixed costs associated with customer participation in the programs. WNA mechanisms are in place for CenterPoint Energy Resources Corp. and Atmos Energy.

Renewables/non-traditional generation/delivery infrastructure/environmental compliance/transmission costs — Cleco Power has in place an infrastructure and incremental cost recovery rider through which the company may seek recovery of costs associated with, among other things, new generation capacity, renewables, environmental compliance, as well as transmission and delivery of assets/projects.

Delivery infrastructure — A gas infrastructure investment recovery rider is in place for EL's gas operations that addresses costs associated with the utility's pipeline replacement program.

Maine

Electric fuel/gas commodity/purchased power — Electric fuel adjustment clauses are no longer utilized due to the implementation of retail choice. For the most part, the state's electric utilities no longer own generation and, by law, are not allowed to provide SOS. SOS supply for the utilities is procured through a competitive process the Maine PUC conducts, and the cost of this supply is recovered from ratepayers.

Decoupling — Central Maine Power Co. and Versant Power are subject to a full decoupling mechanism, with any related annual adjustments capped at 2% of distribution revenues and any under-collections in excess of the capped to be deferred for future recovery. No cap is applied to the amount of over-collections to be returned to ratepayers.

Maryland

Electric fuel/gas commodity/purchased power — The electric fuel rate adjustment was eliminated coincident with the implementation of competition in the provision of electric supply. The power to meet default service requirements is obtained via competitive bids and the costs are recovered from ratepayers on a current basis.

Decoupling — Columbia Gas of Maryland Inc. and Washington Gas Light have revenue-normalization adjustment mechanisms in place for residential customers that address customer participation in energy efficiency/ conservation programs and WNA mechanisms in place that apply to all customer classes.

Delivery infrastructure — A grid resiliency program cost recovery mechanism is in place for Potomac Edison Co. that is to expire at the end of 2022.

Massachusetts

Electric fuel/gas commodity/purchased power — Electric fuel and purchased power adjustments were eliminated coincident with the start of retail competition. Rates for basic service, known as default service, are market-based and reflect the competitive contracts the distribution utility entered into for basic service supply. The utilities are not at risk for fluctuations in market prices.

Conservation program expense/environmental compliance — The Massachusetts DPU has adopted energy efficiency reconciliation factors, or EERF, for the state's electric utilities. The EERF is a fully reconciling funding mechanism designed to recover the costs associated with the state's electric energy efficiency investments that are in excess of the level collected from other funding sources, which include the systems benefits charge, proceeds from the forward capacity market and proceeds from the Regional Greenhouse Gas Initiative.

Local gas distribution adjustment clauses are in place to reflect the recovery of reconcilable distribution-related costs that are not included in base rates. Such expenses may include demand-side management costs, environmental response costs associated with manufactured gas plants, the revenue requirement on targeted infrastructure recovery factors and gas system enhancement plan, or GSEP, investment.

Renewables/non-traditional generation — The state's electric utilities utilize a solar cost adjustment mechanism to recover their investment and ongoing maintenance costs associated with their solar generation facilities. In addition, the electric utilities utilize a mechanism for long-term renewable energy contracts that allow for rates to be adjusted for the recovery of costs and contract remuneration arising in relation to long-term renewable energy contracts.

Delivery infrastructure — The state's electric utilities are subject to a grid modernization factor that provides for the recovery of incremental costs associated with their grid modernization plans.

A capital cost adjustment mechanism is in place for the electric division of Fitchburg Gas and Electric Co., or FG&E, that permits the company to recover costs associated with post-test-year capital additions. The mechanism contains an annual spending cap and a cap on annual rate increases under the mechanism of 1.5% of total revenues, with any amounts above the cap to be deferred for future recovery with carrying charges. To the extent that FG&E's capex exceed the amount it is allowed to recover through the mechanism, the company can seek to include such investments in rate base in its next base distribution rate proceeding.

Under state law, each of the local distribution companies files a GSEP with the DPU to address aging or leaking gas infrastructure and the related costs may be recovered through a GSEP provision.

Michigan

Decoupling — The Michigan PSC had approved implementation of electric revenue decoupling mechanisms, or RDMs, for Consumers Energy Co., or CE, Upper Peninsula Power Co., or UPP, and DTE Electric Co.; however, the Michigan Court of Appeals has ruled that the PSC does not have statutory authority to approve RDMs for electric utilities. State law now permits the PSC to adopt electric RDMs only for small electric utilities and Indiana Michigan Power and UPP have such a mechanism in place. State law permits a gas utility that spends at least 0.5% of its revenue on energy efficiency programs to institute an RDM. An RDM is currently in place for DTE Gas and CE.

Delivery infrastructure — DTE Gas utilizes an infrastructure recovery mechanism that enables it to earn a return of and on the costs associated with capital investment in the company's meter move-out, accelerated main replacement and pipeline integrity programs.

Transmission costs — CE, DTE Electric and UPP recover certain transmission costs through the power supply cost-recovery mechanism.

Minnesota

Decoupling — Minnesota Energy Resources Corp. is operating under a revenue decoupling mechanism, or RDM, that applies to the company's residential customers. There is a 10% symmetrical cap on revenue changes generated through the application of the RDM.

CenterPoint Energy Resources Corp. operates under an RDM that applies to all customer classes except market-rate customers and is subject to a cap on annual adjustments under the mechanism that is equal to 10% of non-gas margin revenue after removing conservation costs.

Northern States Power Co. - Minnesota has an electric RDM in place, such that decoupling is to be applied to residential and non-demand metered commercial customer classes subject to a 3% cap; an annual true-up with a 3% cap is to be utilized for the non-decoupled customer classes.

Mississippi

Decoupling — Atmos Energy utilizes a WNA rider. Entergy Mississippi LLC, Mississippi Power Co., or MP, and Atmos have energy efficiency riders in place that provide for recovery of the lost contributions to fixed costs associated with energy efficiency programs.

Environmental compliance — MP has in place a rider that establishes procedures to facilitate the PSC's review of the company's environmental compliance strategy and provides for recovery of the related costs, including the cost of capital, associated with PSC-approved environmental projects outside of a base rate case.

Missouri

Conservation program expense/decoupling — Evergy Metro Inc., Evergy Missouri West Inc. and Union Electric Co.'s, or UE, electric business have in place a mechanism that provides for recovery of demand-side management program-related costs and may provide for a performance incentive based upon measurable, verified energy efficiency savings. Spire Missouri Inc. and UE have a WNA rider in place, as does Liberty Utilities (Midstates Natural Gas) Corp.

Renewables/non-traditional generation — The PSC's rules specify that electric utilities may file for a renewable energy standards rate adjustment mechanism, or RESRAM, to reflect prudently incurred costs or a pass-through of benefits received as a result of compliance with the state's renewable energy standards. The RESRAM is to be capped at a 1% annual rate impact.

Delivery infrastructure — Evergy Metro, Evergy Missouri West and UE use a rider to recover costs associated with certain government-mandated investments.

Environmental compliance — The PSC's rules pertaining to environmental cost recovery mechanisms, or ECRMs, specify that a portion of the utility's environmental costs may be recovered through an ECRM, and a portion may be recovered through base rates. The annual recovery of these costs is to be capped at 2.5% of the utility's Missouri gross jurisdictional revenues, less certain taxes. None of the utilities currently have an ECRM in place.

Transmission costs — Empire's, Evergy Metro's, Evergy Missouri West's and UE's FACs reflect variations in certain transmission-related costs.

Montana

Electric fuel/gas commodity/purchased power — In accordance with the state's restructuring statutes, NorthWestern Corp. sold its generation assets and entered into purchased power contracts with competitive suppliers to serve provider-of-last-resort customers. NorthWestern recovers supply costs through a power costs and credits adjustment mechanism that allows the company to adjust for differences between the recovered and actual amounts of the utility's base power costs and credits, transitional costs and qualifying facility, or QF, costs. Regarding the base power costs and credits, 90% of the difference between the recorded and actual costs is rebated to customers, when costs are less than revenues, or recorded as a surcharge, when costs are greater than the revenues. For transitional and QF costs, 100% of the difference is rebated to customers when costs are less than the revenues or surcharged to ratepayers when costs are greater.

Conservation program expense — Universal system benefit charges are in place for the electric and gas customers of MDU Resources Group Inc. and NorthWestern, designed to recover costs associated with energy conservation efforts.

Decoupling — MDU Resources utilizes a mechanism to recoup revenues lost as a result of gas conservation programs.

Nevada

Decoupling — The lost revenues associated with energy efficiency and conservation programs for Sierra Pacific Power and Nevada Power are recovered using a periodically adjusted balancing account.

New Hampshire

Electric fuel/gas commodity/purchased power — Fuel and purchased power adjustment clauses had been utilized prior to the implementation of retail choice in the early 2000s. Public Service Co. of New Hampshire, or PSNH, now recovers its power costs through a periodically-adjusted default energy service charge, which recovers energy related costs incurred as a result of providing generation service supply to all customers that have not migrated to a competitive energy supplier. It also includes a reconciliation of the difference between the company's costs and revenues for the previous period. PSNH, Liberty Utilities (Granite State Electric) and Unitil Energy Systems have sold their generation and/or exited power supply contracts as part of their restructuring agreements. These distribution-only companies supply default energy service through a request-for-proposals process supervised by the PUC.

Decoupling — The PUC has established an energy efficiency resource standard, or EERS, for New Hampshire's electric and gas utilities and the utilities implemented lost revenue adjustment mechanisms, or LRAMs, to recover lost revenue due to the installation of energy efficiency measures. The PUC subsequently ordered the utilities to seek approval of a decoupling mechanism or other lost-revenue recovery mechanism as an alternative to the LRAM in their first distribution rate cases after the first EERS triennium, if not before.

Delivery infrastructure — Reliability enhancement and vegetation management programs and accompanying riders are in effect for Liberty Utilities (Granite State Electric), PSNH and Unitil Energy Systems. The programs provide for recovery of both the capital investment and increases to operation and maintenance expenses necessary for ongoing system reliability and vegetation management efforts.

New Jersey

Electric fuel/purchased power/gas commodity — Both electric and gas customers may purchase their respective commodity from competitive suppliers. The utilities provide default supply for customers that are not served by competitive suppliers. Costs associated with procurement of the supply are recovered on a current basis.

Conservation program expense — Costs associated with the NJ Clean Energy Program — a legislatively mandated initiative to encourage the initiation of energy efficiency and renewable energy programs — are included for recovery through a non-bypassable societal benefits charge on customer bills.

Decoupling — A version of a full revenue decoupling mechanism is in place for New Jersey Natural Gas Co., or NJNG, and South Jersey Gas Co., or SJG. The operation of the mechanisms is subject to an earnings test and a variable margin revenue adjustment and is contingent on the companies achieving certain capacity-reduction targets, as specified in their BPU-approved conservation incentive programs.

WNA clauses are in place for Elizabethtown Gas Co., or ETG, and the gas operations of Public Service Electric and Gas, or PSEG. Lost revenue adjustment mechanisms were approved for the electric utilities in the context of energy efficiency programs approved in 2020 and 2021.

Delivery infrastructure — The BPU directed utilities to develop mitigation and hardening infrastructure modernization plans and indicated that it would be open to innovative cost recovery mechanisms for such plans. The BPU subsequently approved modernization plans and related recovery mechanisms for several utilities. These have largely expired.

In 2017, the BPU adopted a rule outlining an infrastructure investment program, or IIP, framework that allows for expedited rate treatment of BPU-approved infrastructure improvement programs on an ongoing basis. IIPs have been approved for Atlantic City Electric Co., ETG, NJNG and PSE&G, for both electric and gas operations. IIP proposals filed by Rockland Electric Co. and SJG are pending.

Environmental compliance — Legislation enacted in 2018 required the BPU to establish a program to recognize the environmental and fuel diversity attributes of electricity generated by eligible nuclear power plants. Each investor-owned electric utility in the state must purchase zero emission credits on a monthly basis from each plant selected. Recovery of the related costs occurs via an irrevocable charge on the utility's customers. Certain other costs, including those associated with participating in the RGGI and the manufactured gas plant remediation, are recovered through the societal benefits charge.

New Mexico

Decoupling — New Mexico Gas Co. has a weather normalization adjustment mechanism in place.

New York

Electric fuel/gas commodity/purchased power — The state's electric distribution utilities are permitted to flow through the costs of power procured to serve customers who have not selected an alternative supplier. The electric utilities recover certain costs through the systems benefit charge for "clean energy activities" that include costs to comply with the state's renewable portfolio standards.

Renewables/non-traditional generation — The state's electric distribution companies are permitted to recover implementation costs, incremental costs and carrying charges associated with the procurement of qualified energy storage systems.

Delivery infrastructure/environmental compliance — New York State Electric and Gas Corp., or NYSEG, Rochester Gas and Electric Corp., or RG&E, and Central Hudson Gas and Electric Corp., or CHG&E, have rate adjustment mechanisms, or RAMs, in place that return to or collect from ratepayers eligible costs on a timely basis, subject to a cap. For NYSEG and RG&E, RAM-eligible deferrals include gas-leak-prone pipe-carrying costs.

For CHG&E's electric and gas operations, the RAM will return or collect the net balance of reconciliations for site investigation and remediation, or SIR, costs.

Brooklyn Union Gas Co. has a SIR mechanism in place. Consolidated Edison Co. of New York has a Safety and Reliability Surcharge Mechanism in place.

North Carolina

Conservation program expense — State law authorizes the NCUC to approve an annual rider outside of a general rate case for electric utilities to recover all reasonable and prudent costs incurred for the adoption and implementation of demand-side management, or DSM, and energy efficiency, or EE, programs. The NCUC has authorized the major electric utilities to retain a percentage of the net savings associated with their DSM/EE programs. In the most recent general rate cases involving Piedmont Natural Gas and Public Service Co. of North Carolina, or PSNC, the NCUC approved a three-year pilot program that includes several EE programs and an EE cost recovery rider.

Decoupling — Piedmont Natural Gas utilizes a margin decoupling mechanism that decouples the recovery of authorized margins from sales levels. PSNC also has such a mechanism in place.

Renewables/non-traditional generation — Costs incurred by electric utilities to procure renewable energy are recoverable through the FAC and the renewable energy portfolio standard, or REPS, rider, subject to certain caps. Incremental operations and maintenance costs are also recoverable through the REPS rider, as well as up to $1

million in annual research and development expenses. The cost of utility-owned renewable generating facilities is recovered through a combination of the FAC, the REPS rider and base rates.

Delivery infrastructure — Piedmont Natural Gas uses an integrity management rider, or IMR, that allows the company to track and recover capital expenditures incurred to comply with federal pipeline safety and integrity requirements outside of a general rate case. PSNC uses an IMR to recover capital expenditures related to the company's transmission and distribution pipeline integrity management programs.

North Dakota

Decoupling — MDU Resources' gas operations are subject to a WNA mechanism. Northern States Power - Minnesota, or NSP-M, operates under straight fixed-variable gas rates.

Traditional generation — Otter Tail Power established a generation cost recovery rider to reflect costs associated with the utility's Astoria Station and Merricourt Wind projects. Regarding the Hoot Lake plant, Otter Tail is to evaluate any retirement-related changes to costs of service and include them in the generation cost recovery rider until they can be transferred into base rates.

Environmental compliance/delivery infrastructure — Electric utilities are permitted to earn a cash return on construction work in progress through a separate rate adjustment mechanism for investments in transmission infrastructure and for federally-mandated environmental compliance projects. Once the facilities achieve commercial operation, the facilities are reflected in rate base as part of a general rate proceeding, and the surcharge terminates. NSP-M is operating under a transmission cost recovery rider. MDU and Otter Tail are operating under separate transmission and environmental cost recovery riders.

Ohio

Electric fuel/gas commodity/purchased power/delivery infrastructure — As a result of the electric industry restructuring, utilities operate under electric security plans, or ESPs, that provide for the pass-through of the utilities' cost of power to serve standard-service-offer customers.

The current ESPs for Cleveland Electric Illuminating Co., or CEI, Ohio Edison Co., or OE, and Toledo Edison Co., or TE, include delivery capital recovery riders that reflect a return of and on incremental distribution, sub-transmission and general plant-in-service investments not already included in the companies' base rates.

Under the current ESP with Duke Energy Ohio, or DEO, the company's generation requirements for non-switching customers are procured and priced through a competitive bid process, or CBP. The related riders are fully bypassable for switching customers.

Ohio Power Co.'s, or OP, ESP allows the company to utilize riders for costs related to distribution investment and enhanced service reliability.

East Ohio Gas Co., or EOG, Columbia Gas of Ohio Inc., or CGO, and Vectren Energy Delivery of Ohio, or VEDO, conduct auctions for competitive suppliers to bid to serve customers directly. The companies had previously obtained their gas supplies through negotiated bilateral contracts, but under the current plan, the companies conduct an auction that allows suppliers to compete to supply portions of the gas supply requirements. Customers who do not choose a specific competitive supplier are randomly assigned a supplier based on the auction results. DEO is the only major gas utility in the state to continue to use the gas cost recovery clause.

Conservation program expense/decoupling — The ESPs for each of the Ohio electric utilities include a rider that allows for the recovery of energy efficiency program costs and lost distribution margin associated with these programs. OP has a full decoupling mechanism in place for residential and small commercial customers. Ohio's gas distribution companies — namely EOG, CGO, VEDO and DEO —operate under straight fixed-variable prices.

Delivery infrastructure — The current ESPs in place for CEI/OE/TE, Dayton Power & Light and DEO include riders that reflect costs associated with incremental distribution-related investments not already included in base rates. OP's ESP allows the company to utilize riders for costs related to distribution investment. CGO has a rider in place for infrastructure replacement costs. VEDO has riders in place through which it recovers the costs associated with certain infrastructure replacement investments. EOG has riders in place to recover costs related to its pipeline infrastructure replacement program and its installation of automated meter-reading equipment. DEO uses a rider to recover the costs associated with its gas delivery infrastructure improvement program.

Environmental compliance — DEO recovers certain costs related to former manufactured gas plant sites through a rider.

Oklahoma

Conservation program expense/decoupling — Oklahoma Gas and Electric Co., or OG&E, and Public Service Co. of Oklahoma, or PSO, utilize riders to recover the costs associated with energy efficiency programs, related lost revenues and certain incentives.

Summit Utilities Oklahoma Inc. and Oklahoma Natural Gas Co., or ONG, utilize a WNA mechanism and also recover the costs associated with their energy efficiency programs and certain incentives through their performance-based ratemaking plan riders.

Renewables/non-traditional generation — PSO utilizes a wind facility asset rider designed to recover return on and of the wind facilities and operation and maintenance expenditures after the facilities commence commercial operation.

Delivery infrastructure/transmission costs — OG&E uses a rider for the Oklahoma jurisdictional costs associated with certain transmission projects that the Southwest Power Pool has approved and that have been completed. OG&E also utilizes a temporary grid enhancement mechanism that allows for interim recovery of the costs associated with its grid enhancement plan.

Environmental compliance — OCC rules permit the commission to approve requests to recover costs associated with environmental compliance through a rider.

Oregon

Conservation program expense/decoupling — Northwest Natural Gas, or NWNG, is authorized to recover costs associated with its energy efficiency program for industrial customers. NWNG uses a decoupling mechanism designed to counteract the impact on revenues of changes in the consumption patterns of average residential and commercial customers due to conservation efforts. The company has a separate weather-adjusted rate mechanism in place for these customers.

Cascade Natural Gas, or CNG, has a partial decoupling mechanism in place until Jan. 1, 2025, with a review to be completed by Sept. 30, 2024.

A decoupling mechanism is in place for Avista's residential and commercial rate groups.

Traditional generation — PacifiCorp is authorized to recover costs associated with its Lake Side 2 generation investment. Portland General Electric, or PGE, utilizes a mechanism to implement in rates its share of the revenue requirement for the Colstrip Power Plant units 3 and 4 and associated common facilities.

Renewables/Non-traditional Generation — PGE is authorized to recover through an adjustment clause the revenue requirement associated with qualifying company-owned or contracted new renewable energy resource and energy storage projects associated with renewable energy resources not otherwise included in rates. PacifiCorp utilizes a renewable adjustment clause to recover between rate cases the costs to construct or otherwise acquire facilities that generate electricity from renewable energy sources and for associated electricity transmission.

Environmental compliance — CNG employs an environmental remediation adjustment to recover costs for a former manufactured plant. NWNG utilizes a site remediation and recovery mechanism to provide for recovery of costs that have been incurred or will continue to be incurred for environmental remediation of legacy-manufactured gas plant operations. PGE has an environmental remediation cost recovery adjustment that recovers the costs and revenues associated with the Portland Harbor Superfund site and other environmental obligations. PacifiCorp utilizes an adjustment mechanism which recovers deferred amounts associated with the Deer Creek Mine closure.

Pennsylvania

Electric fuel/gas commodity/purchased power — In conjunction with electric industry restructuring, the electric energy cost rate was eliminated. The supply to meet provider-of-last-resort, or POLR, obligations for each company is competitively procured and prices for POLR service are adjusted on a current basis.

Decoupling — Columbia Gas of Pennsylvania has a WNA mechanism in place for residential customers.

Delivery infrastructure — State law allows the PUC to approve automatic adjustment clauses to recognize, between general rate cases, utility investments in certain infrastructure projects.

Rhode Island

Electric fuel/gas commodity/purchased power — Prior to the implementation of electric industry restructuring, automatic FACs were used by the utilities. In accordance with the restructuring law and PUC-approved restructuring plans, investor-owned utilities are to provide SOS to customers who do not select an alternative provider through 2020. The cost of providing this service is fully recoverable, with such rates reset on a periodic basis.

Conservation program expense/environmental compliance — Narragansett Electric Co., or NE, utilizes a distribution adjustment clause, or DAC, for its gas operations to recover costs associated with energy efficiency programs and environmental response.

Delivery infrastructure — State law permits NE to submit for PUC approval of annual infrastructure spending plans for its electric and gas operations and recovery of expenses associated with an inspection and maintenance program and a vegetation management program.

South Carolina

Decoupling — WNA mechanisms are in place for the gas operations of Dominion Energy South Carolina and Piedmont Natural Gas that apply only to residential and small commercial customers.

Traditional generation — The South Carolina Legislature in 2018, overrode the governor's veto of House Bill 4375, which among other things, repealed the state's Base Load Review Act, or BLRA; thus, no future projects could fall under its purview. Previously, under the BLRA, the PSC was permitted to issue a BLRA order, which constituted an upfront determination that a generating plant is "used and useful" and that associated capex are prudent and ultimately should be reflected in rates as long as the plant is constructed within the estimated construction schedule, including contingencies and capital budget.

South Dakota

Conservation program expense/decoupling — A DSM cost adjustment mechanism is in place for NSP-M through which the company recovers costs associated with DSM/efficiency programs. The mechanism includes a 30% bonus to account for lost margins related to DSM/efficiency measures. MDU Resources' gas business utilizes a WNA mechanism.

Environmental compliance — Black Hills Power Inc.'s, or BHP, environmental improvement adjustment was suspended for a six-year moratorium period effective July 1, 2017; however, in 2020, the South Dakota PUC extended the moratorium period by an additional three years, whereby the recovery mechanism will not be effective prior to July 1, 2026.

Traditional generation/delivery infrastructure — NSP-M utilizes an infrastructure rider to recover costs associated with certain generation, transmission and distribution capital additions once the related facilities have achieved commercial operation to reflect certain changes in property taxes. Otter Tail Power has a mechanism in place that allows the utility to recover costs associated with new generation facilities.

Transmission costs — BHP utilizes a transmission cost adjustment that reflects the flow-through of costs allocated to the utility by FERC. Additionally, BHP utilizes a transmission facility adjustment, or TFA. Similar to the utility's environmental improvement adjustment, the TFA was suspended for a six-year moratorium period effective July 1, 2017; however, in 2020, the PUC extended the moratorium period by an additional three years, whereby the recovery mechanism will not be effective prior to July 1, 2026.

Tennessee

Decoupling — WNA clauses are in place for Atmos Energy and Piedmont Natural Gas. A full revenue decoupling mechanism is in place for Chattanooga Gas' residential and small commercial customers, and a WNA rider is in place for the company's industrial, commercial and other customers that do not operate under the decoupling mechanism.

Texas PUC

Electric fuel/purchased power — For electric utilities operating in areas of the state where retail competition for generation service has not been implemented, fuel and purchased power costs are recovered through a separate

fuel factor. For companies that implemented retail competition, i.e., within the Electric Reliability Council of Texas, or ERCOT, the transmission and distribution utilities do not participate in generation procurement, and fuel/purchased power adjustment clauses were eliminated.

Traditional generation — Legislation enacted in 2019 and PUC rules promulgated in 2020 allow vertically integrated utilities — those outside of ERCOT — to seek the recovery of new generation investment through a rider. Such a rider is in place for Entergy Texas.

Texas RRC

Gas commodity — Purchased gas cost recovery factors are subject to the RRC's discretion.

Decoupling — WNA mechanisms are in place for Atmos Energy Inc. and Texas Gas Service Co.

Utah

Decoupling — A WNA mechanism is in place for Questar Gas; however, customers may choose not to participate in the WNA. Questar Gas also utilizes a conservation-enabling tariff, or CET, which decouples non-gas revenues from the volume of gas used by general service, or GS, customers. Incremental CET accruals that exceed the 5% cap do not earn interest. The amortization of CET accruals is limited to 2.5% of the total Utah-jurisdictional base distribution non-gas GS revenues. Together, the WNA and CET act as a full revenue decoupling mechanism.

Renewables/non-traditional generation — An adjustment mechanism is in place for PacifiCorp through which the company recovers costs associated with its solar program.

Vermont

Electric fuel/gas commodity/purchased power — Power cost adjustment mechanisms are permitted, provided that the mechanisms are part of an alternative regulation plan.

Virginia

Decoupling — WNA riders are in place for Virginia Natural Gas Inc., or VNG, WGL, Columbia Gas of Virginia, or CGV, and Roanoke Gas. A separate revenue normalization adjustment is also in place for WGL, VNG and CGV that is designed to mitigate the impact on revenues of customers' participation in energy conservation programs.

Washington

Electric fuel/gas commodity/purchased power — Avista Corp.'s energy recovery mechanism includes a graduated sharing of differences from a benchmark level. Power cost adjustment mechanisms are in place for PacifiCorp and Puget Sound Energy, or PSE, that allow for variations in power costs to be apportioned, on a graduated scale, between the company and customers.

Decoupling — Revenue decoupling mechanisms are in place for PSE's electric and gas operations. Full decoupling mechanisms for Avista's electric and gas operations are to be in place through March 2025, incorporate an earnings test and demand-reduction targets, and specify caps on the increases to be implemented under the mechanism. Cascade Natural Gas' decoupling mechanism incorporates an earnings test and a conservation target, as well as caps on annual increases. PacifiCorp's decoupling mechanism incorporates an earnings test and demand reduction targets, as well as cap increases that may be implemented under the mechanism.

West Virginia

Traditional generation/environmental compliance/delivery infrastructure — In the past, the PSC has approved temporary riders to provide recognition between rate cases of certain electric generation and infrastructure investments.

State law allows the PSC to approve expedited cost recovery mechanisms associated with commission-approved multiyear gas infrastructure improvement plans; such treatment has been approved for Mountaineer Gas and Hope Gas.

Wisconsin

Electric fuel/gas commodity/purchased power — Under the Wisconsin PSC's electric fuel rules, which apply to the state's five largest investor-owned utilities, each utility forecasts monthly and annual fuel and purchased power

costs on a prospective basis. If a company's actual fuel and purchased power costs are outside a monthly or cumulative monthly variance range around the forecasts and the utility can demonstrate that these costs will likely be outside the annual range, the PSC may conduct a hearing to establish new rates. Currently, the annual variance range is plus or minus 2%. An electric utility is permitted to defer any fuel costs that are outside of its annual symmetrical variance range for subsequent recovery or refund. However, the utility is prohibited from recovering deferrals if the company is found to be earning in excess of its authorized equity return.

Conservation program expense — Wisconsin has a statewide energy efficiency and renewable resources program that is funded through a non-bypassable charge on customer bills. Program cost recovery is handled via individual rate cases. A conservation escrow account is used for voluntary energy efficiency and programs. Program costs are recovered through rates, the money goes into an escrow account and the costs are then adjusted in the next rate case.

Traditional generation/delivery infrastructure — At times, the PSC has authorized the utilities to file a limited-issue reopener of a previously completed base rate case instead of a new rate case filing. The reopener provides for recognition of certain specified investments and/or expenses and does not involve the re-determination of rate of return.

Wyoming

Decoupling — Cheyenne Light Fuel and Power's, or CLF&P, demand-side management, or DSM, mechanism for its electric operations includes a provision for the recovery of lost margins associated with customer participation in DSM programs.

Black Hills Wyoming Gas has a partial decoupling mechanism in place for small and medium general service-class distribution customers. The mechanism does not address revenue variations due to weather. The utility, also formally part of CLF&P's gas operations, has a DSM mechanism similar to CLF&P's electric operations.

Questar Gas has a WNA mechanism in place, as does MDU Resources' gas business.

Further Reading

The rate case process: a conduit to enlightenment
Rate base: How would you rate your knowledge of this utility industry fundamental?
Postponing review of deferral mechanics hampers one's grasp of ratemaking tools
State Regulatory Evaluations – Energy
Major Rate Case Decisions January-March 2022
Utility Asset Securitization in the U.S.
The Commissions

About Regulatory Research Associates

Regulatory Research Associates, a group within S&P Global Commodity Insights, is the leading authority on utility securities and regulation. Understanding the financial and strategic impact of federal and state regulation is a key to success in the energy business. For nearly 40 years, Regulatory Research Associates has been the leading provider of independent research, expert analysis, proprietary data and consultation on utility securities and regulation. S&P Global Commodity Insights produces content for distribution on S&P Capital IQ Pro.

© 2022 S&P Global Market Intelligence. All rights reserved. Regulatory Research Associates is a group within S&P Global Commodity Insights, a division of S&P Global (NYSE:SPGI). Confidential Subject Matter. WARNING! This report contains copyrighted subject matter and confidential information owned solely by S&P Global Market Intelligence (SPGMI). Reproduction, distribution or use of this report in violation of this license constitutes copyright infringement in violation of federal and state law. SPGMI hereby provides consent to use the "email this story" feature to redistribute articles within the subscriber's company. Although the information in this report has been obtained from sources that SPGMI believes to be reliable, SPGMI does not guarantee its accuracy.

CONTACTS

The Americas
+1 877 863 1306
market.intelligence@spglobal.com

Europe, Middle East & Africa
+44 20 7176 1234
market.intelligence@spglobal.com

Asia-Pacific
+852 2533 3565
market.intelligence@spglobal.com

www.spglobal.com/marketintelligence

Copyright © 2022 by S&P Global Market Intelligence, a division of S&P Global Inc. All rights reserved.

These materials have been prepared solely for information purposes based upon information generally available to the public and from sources believed to be reliable. No content (including index data, ratings, credit-related analyses and data, research, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P Global Market Intelligence or its affiliates (collectively, S&P Global). The Content shall not be used for any unlawful or unauthorized purposes. S&P Global and any third-party providers, (collectively S&P Global Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Global Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON "AS IS" BASIS. S&P GLOBAL PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Global Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

S&P Global Market Intelligence's opinions, quotes and credit-related and other analyses are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P Global Market Intelligence may provide index data. Direct investment in an index is not possible. Exposure to an asset class represented by an index is available through investable instruments based on that index. S&P Global Market Intelligence assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P Global Market Intelligence does not endorse companies, technologies, products, services, or solutions.

S&P Global keeps certain activities of its divisions separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions of S&P Global may have information that is not available to other S&P Global divisions. S&P Global has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P Global may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P Global reserves the right to disseminate its opinions and analyses. S&P Global's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge) and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P Global publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

CRSP Deciles Size Study - Data as of 12/31/2024

Companies Ranke Market Value of Common Equity

Decile	Low End Breakpoint ($M)	High End Breakpoint ($M)	Size Premium
Mid Cap (3–5)	3,948.05	20,178.36	0.52%
Low Cap (6–8)	731.19	3,946.15	1.02%
Micro Cap (9–10)	1.11	729.92	2.66%
Breakdown of CRSP Deciles 1 - 10			
1	47,156.53	3,522,211.14	-0.01%
2	20,191.22	46,949.06	0.33%
3	9,937.94	20,178.36	0.49%
4	6,196.71	9,937.35	0.50%
5	3,948.05	6,181.27	0.74%
6	2,481.78	3,946.15	1.00%
7	1,422.89	2,464.50	1.19%
8	731.19	1,417.45	0.88%
9	304.62	729.92	1.73%
10	1.11	304.48	4.47%
Breakdown of CRSP 10th Decile			
10A	132.06	304.48	3.06%
10w	221.04	304.48	2.18%
10x	132.06	220.59	4.17%
10B	1.11	131.88	7.42%
10y	68.28	131.88	5.98%
10z	1.11	67.44	10.57%

KROLL

© 2025 Cost of Capital Navigator by Kroll, LLC. All rights reserved.

S&P Global
Ratings

RatingsDirect®

Issuer Ranking:

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest

January 10, 2023

The following list ranks North American regulated utility companies that S&P Global Ratings rates based on rating and outlook. Companies with the same rating and outlook are listed in alphabetic order. We've provided the stand-alone credit profile, business risk profile, and financial risk profile of each company for informational purposes only. We have also listed the primary analyst for each company.

PRIMARY CREDIT ANALYSTS

Gabe Grosberg
New York
+ 1 (212) 438 6043
gabe.grosberg
@spglobal.com

Joe Marino
New York
1 (212) 438 3068
joe.marino
@spglobal.com

SECONDARY CONTACTS

Gerrit W Jepsen, CFA
New York
+ 1 (212) 438 2529
gerrit.jepsen
@spglobal.com

Matthew L O'Neill
New York
+ 1 (212) 438 4295
matthew.oneill
@spglobal.com

Obioma Ugboaja
New York
+ 1 (212) 438 7406
obioma.ugboaja
@spglobal.com

Beverly R Gantt
New York
+ 1 (212) 438 1696
beverly.gantt
@spglobal.com

See complete contact list at end of article.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
Alberta Electric System Operator (AESO)	AA-	Stable	aa-	Excellent	Modest	De Juliis, David S
Madison Gas & Electric Co.	AA-	Stable	aa-	Excellent	Intermediate	Rony, Shiny A
Midcontinent Independent System Operator Inc.	AA-	Stable	aa-	Excellent	Modest	Babitsch, Daria
California Independent System Operator Corp.	A+	Positive	a+	Excellent	Intermediate	Babitsch, Daria
American Transmission Co.	A+	Stable	a+	Excellent	Intermediate	Gantt, Beverly R
California Water Service Co.	A+	Stable	a+	Excellent	Intermediate	Gantt, Beverly R
Northwest Natural Gas Co.	A+	Stable	a+	Excellent	Intermediate	Deval, Mayur
American States Water Co.	A+	Negative	a+	Excellent	Intermediate	De Juliis, David S
Golden State Water Co.	A+	Negative	aa-	Excellent	Intermediate	De Juliis, David S
Connecticut Light & Power Co.	A	Positive	a	Excellent	Intermediate	Millman, CFA, FRM, Sloan
NSTAR Electric Co.	A	Positive	a+	Excellent	Intermediate	Millman, CFA, FRM, Sloan
Toronto Hydro Corp.	A	Positive	a	Excellent	Intermediate	El Gamal, Omar

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
AltaLink Investments L.P.	A	Stable	bbb+	Excellent	Significant	Agrawal, Ruchi
AltaLink L.P.	A	Stable	a-	Excellent	Significant	Agrawal, Ruchi
American Water Works Co. Inc.	A	Stable	a	Excellent	Significant	Hernandez, William
Aqua Pennsylvania Inc.	A	Stable	a+	Excellent	Intermediate	Gantt, Beverly R
Baltimore Gas & Electric Co.	A	Stable	a	Excellent	Intermediate	Babitsch, Daria
Berkshire Hathaway Energy Co.	A	Stable	bbb	Excellent	Significant	Millman, CFA, FRM, Sloan
Central Maine Power Co.	A	Stable	a	Excellent	Significant	El Gamal, Omar
Energir Inc.	A	Stable	a	Excellent	Intermediate	El Gamal, Omar
Entegrus Powerlines Inc.	A	Stable	a	Excellent	Intermediate	Deval, Mayur
Essential Utilities Inc.	A	Stable	a	Excellent	Significant	Gantt, Beverly R
Florida Power & Light Co.	A	Stable	a+	Excellent	Intermediate	Babitsch, Daria
GrandBridge Energy Inc.	A	Stable	a	Excellent	Intermediate	Deval, Mayur
Green Mountain Power Corp.	A	Stable	bbb+	Excellent	Significant	El Gamal, Omar
London Hydro Inc.	A	Stable	a	Excellent	Intermediate	De Juliis, David S
MidAmerican Energy Co.	A	Stable	a-	Excellent	Significant	De Juliis, David S
Middlesex Water Co.	A	Stable	a	Excellent	Intermediate	Babitsch, Daria
Nevada Power Co.	A	Stable	bbb	Strong	Significant	De Juliis, David S
New Jersey-American Water Co.	A	Stable	a+	Excellent	Intermediate	Hernandez, William
Oncor Electric Delivery Co. LLC	A	Stable	a	Excellent	Intermediate	Babitsch, Daria
PacifiCorp	A	Stable	bbb+	Excellent	Significant	De Juliis, David S
Pennsylvania-American Water Co.	A	Stable	a+	Excellent	Intermediate	Hernandez, William
PNG Cos. LLC	A	Stable	a-	Excellent	Significant	Gantt, Beverly R

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
PPL Electric Utilities Corp.	A	Stable	a	Excellent	Significant	O'Neill, Matthew L
Public Service Co. of New Hampshire	A	Stable	a	Excellent	Intermediate	Millman, CFA, FRM, Sloan
San Jose Water Co.	A	Stable	a	Excellent	Intermediate	Gantt, Beverly R
Sierra Pacific Power Co.	A	Stable	bbb	Strong	Significant	Millman, CFA, FRM, Sloan
Veolia Utility Resources LLC	A	Stable	a	Excellent	Intermediate	De Juliis, David S
Windsor Canada Utilities Ltd.	A	Stable	a	Excellent	Intermediate	De Juliis, David S
Wisconsin Gas LLC	A	Stable	a	Excellent	Intermediate	Rony, Shiny A
Evergy Metro Inc.	A	Negative	a	Excellent	Significant	Rony, Shiny A
Southern California Gas Co.	A	Negative	a	Excellent	Significant	De Juliis, David S
Wisconsin Power & Light Co.	A	Negative	a	Excellent	Significant	Gantt, Beverly R
Aquarion Co.	A-	Positive	bbb	Excellent	Aggressive	De Juliis, David S
Eversource Energy	A-	Positive	a-	Excellent	Significant	Millman, CFA, FRM, Sloan
Eversource Gas Co. of Massachusetts	A-	Positive	bbb	Strong	Significant	De Juliis, David S
NSTAR Gas Co.	A-	Positive	a-	Excellent	Significant	De Juliis, David S
Yankee Gas Services Co.	A-	Positive	bbb+	Excellent	Significant	De Juliis, David S
AEP Texas Inc.	A-	Stable	a-	Excellent	Significant	Babitsch, Daria
AEP Transmission Co. LLC	A-	Stable	a+	Excellent	Intermediate	Babitsch, Daria
Alabama Power Co.	A-	Stable	a	Excellent	Intermediate	Rony, Shiny A
Alectra Inc.	A-	Stable	a-	Excellent	Significant	El Gamal, Omar
Alliant Energy Corp.	A-	Stable	a-	Excellent	Significant	Gantt, Beverly R
American Electric Power Co. Inc.	A-	Stable	a-	Excellent	Significant	Grosberg, Gabe
Appalachian Power Co.	A-	Stable	a-	Excellent	Significant	Babitsch, Daria

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
Atlantic City Electric Co.	A-	Stable	a-	Excellent	Significant	Babitsch, Daria
Atmos Energy Corp.	A-	Stable	a-	Excellent	Significant	Rony, Shiny A
Berkshire Gas Co.	A-	Stable	a-	Strong	Intermediate	El Gamal, Omar
Connecticut Natural Gas Corp.	A-	Stable	a-	Excellent	Significant	El Gamal, Omar
Connecticut Water Service Inc.	A-	Stable	a-	Excellent	Intermediate	Gantt, Beverly R
Consolidated Edison Co. of New York Inc.	A-	Stable	a-	Excellent	Significant	O'Neill, Matthew L
Consolidated Edison Inc.	A-	Stable	a-	Excellent	Significant	O'Neill, Matthew L
Consumers Energy Co.	A-	Stable	a-	Excellent	Significant	Agrawal, Ruchi
CU Inc.	A-	Stable	a	Excellent	Intermediate	Deval, Mayur
Delmarva Power & Light Co.	A-	Stable	a-	Excellent	Significant	Babitsch, Daria
DTE Electric Co.	A-	Stable	a-	Excellent	Significant	Ugboaja, Obioma
DTE Gas Co.	A-	Stable	a+	Excellent	Intermediate	Agrawal, Ruchi
Enbridge Gas Inc.	A-	Stable	a-	Excellent	Significant	De Juliis, David S
Entergy Arkansas, LLC	A-	Stable	a-	Excellent	Significant	El Gamal, Omar
Entergy Mississippi, LLC	A-	Stable	a	Excellent	Significant	El Gamal, Omar
EPCOR Utilities Inc.	A-	Stable	a-	Excellent	Significant	Agrawal, Ruchi
Fortis Inc.	A-	Stable	a-	Excellent	Significant	Deval, Mayur
FortisAlberta Inc.	A-	Stable	a-	Excellent	Significant	Deval, Mayur
Hydro One Inc.	A-	Stable	a-	Excellent	Significant	Deval, Mayur
Hydro One Ltd.	A-	Stable	a-	Excellent	Significant	Deval, Mayur
Indiana Michigan Power Co.	A-	Stable	a-	Excellent	Intermediate	Babitsch, Daria
Integrys Holding Inc.	A-	Stable	a-	Excellent	Significant	Rony, Shiny A
Interstate Power & Light Co.	A-	Stable	a-	Excellent	Significant	Gantt, Beverly R
ITC Holdings Corp.	A-	Stable	a-	Excellent	Significant	Deval, Mayur

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
Kentucky Utilities Co.	A-	Stable	a-	Excellent	Significant	Gantt, Beverly R
Louisville Gas & Electric Co.	A-	Stable	a-	Excellent	Significant	Gantt, Beverly R
Narragansett Electric Co.	A-	Stable	bbb+	Excellent	Significant	O'Neill, Matthew L
New York State Electric & Gas Corp.	A-	Stable	a-	Excellent	Significant	El Gamal, Omar
NextEra Energy Inc.	A-	Stable	a-	Excellent	Significant	Jepsen, CFA, Gerrit W
Nicor Gas Co.	A-	Stable	a	Excellent	Significant	Rony, Shiny A
Northern States Power Co.	A-	Stable	a	Excellent	Significant	Hernandez, William
Northern States Power Wisconsin	A-	Stable	a-	Excellent	Intermediate	Hernandez, William
Ohio Power Co.	A-	Stable	a-	Excellent	Significant	Babitsch, Daria
Oklahoma Gas & Electric Co.	A-	Stable	a-	Excellent	Significant	Millman, CFA, FRM, Sloan
ONE Gas Inc.	A-	Stable	a-	Excellent	Significant	De Juliis, David S
Orange and Rockland Utilities Inc.	A-	Stable	bbb+	Excellent	Significant	O'Neill, Matthew L
Peoples Gas Light & Coke Co. (The)	A-	Stable	a-	Excellent	Significant	Rony, Shiny A
Pepco Holdings LLC	A-	Stable	a-	Excellent	Significant	Babitsch, Daria
Potomac Electric Power Co.	A-	Stable	a-	Excellent	Significant	Babitsch, Daria
PPL Corp.	A-	Stable	a-	Excellent	Significant	O'Neill, Matthew L
Public Service Co. of Colorado	A-	Stable	a-	Excellent	Significant	Hernandez, William
Public Service Co. of Oklahoma	A-	Stable	bbb	Strong	Significant	Babitsch, Daria
Public Service Electric & Gas Co.	A-	Stable	a+	Excellent	Intermediate	Jepsen, CFA, Gerrit W
Rochester Gas & Electric Corp.	A-	Stable	a-	Excellent	Significant	El Gamal, Omar
SJW Group	A-	Stable	a-	Excellent	Significant	Gantt, Beverly R
Southern Connecticut Gas Co.	A-	Stable	a-	Excellent	Significant	El Gamal, Omar

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
Southwestern Electric Power Co.	A-	Stable	bbb+	Excellent	Significant	Babitsch, Daria
Southwestern Public Service Co.	A-	Stable	bbb+	Excellent	Significant	Hernandez, William
Spire Alabama Inc.	A-	Stable	a+	Excellent	Intermediate	Hernandez, William
Spire Inc.	A-	Stable	a-	Excellent	Significant	Hernandez, William
Spire Missouri Inc.	A-	Stable	a+	Excellent	Intermediate	Hernandez, William
Tucson Electric Power Co.	A-	Stable	bbb+	Excellent	Significant	Deval, Mayur
United Illuminating Co. (The)	A-	Stable	a-	Excellent	Significant	El Gamal, Omar
Washington Gas Light Co.	A-	Stable	a-	Excellent	Significant	Agrawal, Ruchi
WEC Energy Group Inc.	A-	Stable	a-	Excellent	Significant	Hernandez, William
Wisconsin Electric Power Co.	A-	Stable	a-	Excellent	Significant	Rony, Shiny A
Wisconsin Public Service Corp.	A-	Stable	a-	Excellent	Significant	Rony, Shiny A
Xcel Energy Inc.	A-	Stable	a-	Excellent	Significant	Hernandez, William
York Water Co. (The)	A-	Stable	a-	Excellent	Intermediate	Babitsch, Daria
Evergy Kansas Central Inc.	A-	Negative	a-	Excellent	Significant	Rony, Shiny A
Evergy Kansas South Inc.	A-	Negative	aa-	Excellent	Modest	Rony, Shiny A
Evergy Missouri West Inc.	A-	Negative	bbb	Strong	Significant	Rony, Shiny A
Evergy Inc.	A-	Negative	a-	Excellent	Significant	Rony, Shiny A
Commonwealth Edison Co.	BBB+	Positive	bbb+	Excellent	Significant	Babitsch, Daria
Exelon Corp.	BBB+	Positive	bbb+	Excellent	Significant	Jepsen, CFA, Gerrit W
PECO Energy Co.	BBB+	Positive	a	Excellent	Intermediate	Babitsch, Daria
Texas-New Mexico Power Co.	BBB+	Positive	a-	Excellent	Significant	El Gamal, Omar
Ameren Corp.	BBB+	Stable	bbb+	Excellent	Significant	Hernandez, William
Ameren Illinois Co.	BBB+	Stable	a-	Excellent	Significant	Hernandez, William

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
ATCO Ltd.	BBB+	Stable	bbb+	Excellent	Significant	Deval, Mayur
Atlanta Gas Light Co.	BBB+	Stable	aa-	Excellent	Intermediate	Rony, Shiny A
AVANGRID Inc.	BBB+	Stable	bbb+	Strong	Significant	El Gamal, Omar
Black Hills Corp.	BBB+	Stable	bbb+	Excellent	Significant	Rony, Shiny A
Black Hills Power Inc.	BBB+	Stable	a-	Excellent	Significant	Rony, Shiny A
Boston Gas Co.	BBB+	Stable	bbb+	Strong	Significant	Agrawal, Ruchi
Brooklyn Union Gas Co. (The)	BBB+	Stable	bbb	Strong	Significant	De Juliis, David S
Canadian Utilities Ltd.	BBB+	Stable	bbb+	Excellent	Aggressive	Deval, Mayur
Caribbean Utilities Co. Ltd.	BBB+	Stable	bbb+	Strong	Significant	Deval, Mayur
CenterPoint Energy Houston Electric LLC	BBB+	Stable	a	Excellent	Significant	Hernandez, William
CenterPoint Energy Inc.	BBB+	Stable	bbb+	Excellent	Significant	Hernandez, William
CenterPoint Energy Resources Corp.	BBB+	Stable	a-	Excellent	Significant	Hernandez, William
Central Hudson Gas & Electric Corp.	BBB+	Stable	bbb+	Excellent	Significant	Deval, Mayur
Cleco Power LLC	BBB+	Stable	a-	Excellent	Significant	Rony, Shiny A
CMS Energy Corp.	BBB+	Stable	bbb+	Excellent	Significant	Millman, CFA, FRM, Sloan
Dominion Energy South Carolina Inc.	BBB+	Stable	bbb	Strong	Significant	Millman, CFA, FRM, Sloan
Dominion Energy Inc.	BBB+	Stable	bbb+	Excellent	Significant	Ugboaja, Obioma
DTE Energy Co.	BBB+	Stable	bbb+	Excellent	Significant	Ugboaja, Obioma
Duke Energy Carolinas LLC	BBB+	Stable	a-	Excellent	Significant	Gantt, Beverly R
Duke Energy Corp.	BBB+	Stable	bbb+	Excellent	Significant	O'Neill, Matthew L
Duke Energy Florida LLC	BBB+	Stable	a-	Excellent	Significant	Gantt, Beverly R
Duke Energy Indiana Inc.	BBB+	Stable	a-	Excellent	Significant	Gantt, Beverly R
Duke Energy Kentucky Inc.	BBB+	Stable	bbb+	Excellent	Significant	Gantt, Beverly R
Duke Energy Ohio Inc.	BBB+	Stable	a-	Excellent	Significant	Gantt, Beverly R

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
Duke Energy Progress LLC	BBB+	Stable	a-	Excellent	Significant	Gantt, Beverly R
Duquesne Light Co.	BBB+	Stable	aa-	Excellent	Modest	De Juliis, David S
Entergy Corp.	BBB+	Stable	bbb+	Excellent	Significant	O'Neill, Matthew L
Entergy Louisiana LLC	BBB+	Stable	bbb+	Excellent	Significant	El Gamal, Omar
Entergy Texas Inc.	BBB+	Stable	bbb+	Excellent	Aggressive	El Gamal, Omar
Georgia Power Co.	BBB+	Stable	bbb+	Excellent	Significant	Rony, Shiny A
Indiana Gas Co. Inc.	BBB+	Stable	a+	Excellent	Intermediate	Rony, Shiny A
KeySpan Gas East Corp.	BBB+	Stable	bbb+	Excellent	Significant	Millman, CFA, FRM, Sloan
Maritime Electric Co. Ltd.	BBB+	Stable	bbb+	Strong	Significant	Deval, Mayur
Massachusetts Electric Co.	BBB+	Stable	a-	Excellent	Significant	Agrawal, Ruchi
Mississippi Power Co.	BBB+	Stable	bbb+	Strong	Significant	Rony, Shiny A
National Grid North America Inc.	BBB+	Stable	bbb+	Excellent	Aggressive	Millman, CFA, FRM, Sloan
New England Power Co.	BBB+	Stable	aa-	Excellent	Modest	Agrawal, Ruchi
Niagara Mohawk Power Corp.	BBB+	Stable	a-	Excellent	Significant	Millman, CFA, FRM, Sloan
NiSource Inc.	BBB+	Stable	bbb+	Excellent	Significant	Gantt, Beverly R
Northern Indiana Public Service Co. LLC	BBB+	Stable	a-	Excellent	Intermediate	Gantt, Beverly R
OGE Energy Corp.	BBB+	Stable	bbb+	Excellent	Significant	Millman, CFA, FRM, Sloan
Ontario Power Generation Inc.	BBB+	Stable	bb+	Strong	Significant	Deval, Mayur
Otter Tail Power Co.	BBB+	Stable	bbb+	Strong	Significant	Agrawal, Ruchi
Piedmont Natural Gas Co. Inc.	BBB+	Stable	a	Excellent	Intermediate	Gantt, Beverly R
Portland General Electric Co.	BBB+	Stable	bbb+	Excellent	Significant	Millman, CFA, FRM, Sloan
Progress Energy Inc.	BBB+	Stable	bbb+	Excellent	Significant	Gantt, Beverly R
Public Service Co. of North Carolina Inc.	BBB+	Stable	a	Excellent	Intermediate	De Juliis, David S

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
Public Service Enterprise Group Inc.	BBB+	Stable	bbb+	Excellent	Significant	Jepsen, CFA, Gerrit W
Questar Gas Co.	BBB+	Stable	a-	Excellent	Significant	De Juliis, David S
San Diego Gas & Electric Co.	BBB+	Stable	bbb+	Excellent	Significant	Ugboaja, Obioma
Southern Co.	BBB+	Stable	bbb+	Excellent	Significant	Grosberg, Gabe
Southern Co. Gas	BBB+	Stable	bbb+	Strong	Significant	Rony, Shiny A
Southern Indiana Gas & Electric Co.	BBB+	Stable	a	Excellent	Significant	Hernandez, William
System Energy Resources Inc.	BBB+	Stable	bbb	Strong	Intermediate	El Gamal, Omar
The East Ohio Gas Co. d/b/a Dominion Energy Ohio	BBB+	Stable	a-	Excellent	Significant	De Juliis, David S
Union Electric Co. d/b/a Ameren Missouri	BBB+	Stable	bbb+	Excellent	Significant	Hernandez, William
Unitil Corp.	BBB+	Stable	bbb+	Excellent	Significant	Rony, Shiny A
Vectren Utility Holdings LLC	BBB+	Stable	a-	Excellent	Significant	Hernandez, William
Virginia Electric & Power Co.	BBB+	Stable	a	Excellent	Significant	Ugboaja, Obioma
Cascade Natural Gas Corp.	BBB+	Developing	bbb	Strong	Significant	Hernandez, William
MDU Resources Group Inc.	BBB+	Developing	bbb+	Satisfactory	Significant	Hernandez, William
Montana-Dakota Utilities Co.	BBB+	Developing	bbb+	Excellent	Significant	Hernandez, William
Kentucky Power Co.	BBB+	WatchNeg	bbb	Strong	Significant	Babitsch, Daria
Arizona Public Service Co.	BBB+	Negative	bbb+	Excellent	Significant	Gantt, Beverly R
Pinnacle West Capital Corp.	BBB+	Negative	bbb+	Excellent	Significant	Gantt, Beverly R
Sempra Energy	BBB+	Negative	bbb+	Strong	Significant	Ugboaja, Obioma
Tampa Electric Co.	BBB+	Negative	a	Excellent	Significant	Deval, Mayur
Versant Power	BBB+	Negative	bbb+	Strong	Significant	Agrawal, Ruchi
Indianapolis Power & Light Co.	BBB	Positive	a-	Excellent	Significant	El Gamal, Omar

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
IPALCO Enterprises Inc.	BBB	Positive	bbb	Excellent	Aggressive	El Gamal, Omar
PNM Resources Inc.	BBB	Positive	bbb	Strong	Significant	El Gamal, Omar
Public Service Co. of New Mexico	BBB	Positive	bbb	Strong	Significant	El Gamal, Omar
Southwest Gas Corp.	BBB	Positive	a-	Excellent	Significant	O'Neill, Matthew L
ALLETE Inc.	BBB	Stable	bbb	Strong	Significant	Hernandez, William
American Transmission Systems Inc.	BBB	Stable	a	Excellent	Intermediate	Millman, CFA, FRM, Sloan
Cleveland Electric Illuminating Co.	BBB	Stable	bbb+	Excellent	Significant	Millman, CFA, FRM, Sloan
Duquesne Light Holdings Inc.	BBB	Stable	bbb	Excellent	Aggressive	De Juliis, David S
Edison International	BBB	Stable	bbb	Strong	Significant	Ugboaja, Obioma
Hawaiian Electric Co. Inc.	BBB	Stable	bbb	Strong	Significant	Agrawal, Ruchi
IDACORP Inc.	BBB	Stable	bbb	Strong	Significant	Gantt, Beverly R
Idaho Power Co.	BBB	Stable	bbb	Strong	Significant	Gantt, Beverly R
Jersey Central Power & Light Co.	BBB	Stable	bbb	Strong	Significant	De Juliis, David S
Metropolitan Edison Co.	BBB	Stable	bbb+	Excellent	Significant	Millman, CFA, FRM, Sloan
Mid-Atlantic Interstate Transmission LLC	BBB	Stable	a	Excellent	Intermediate	Millman, CFA, FRM, Sloan
Monongahela Power Co.	BBB	Stable	bbb	Strong	Significant	Millman, CFA, FRM, Sloan
National Grid Generation LLC	BBB	Stable	bbb-	Fair	Intermediate	Millman, CFA, FRM, Sloan
NorthWestern Corp.	BBB	Stable	bbb	Strong	Significant	Deval, Mayur
Ohio Edison Co.	BBB	Stable	a+	Excellent	Modest	Agrawal, Ruchi
Otter Tail Corp.	BBB	Stable	bbb	Satisfactory	Intermediate	Agrawal, Ruchi
Pennsylvania Electric Co.	BBB	Stable	bbb+	Excellent	Significant	Agrawal, Ruchi
Pennsylvania Power Co.	BBB	Stable	a	Excellent	Intermediate	Agrawal, Ruchi

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
Potomac Edison Co.	BBB	Stable	bbb	Strong	Significant	Millman, CFA, FRM, Sloan
Puget Sound Energy Inc.	BBB	Stable	bbb+	Excellent	Significant	Hernandez, William
SEMCO Energy Inc.	BBB	Stable	a-	Excellent	Significant	Agrawal, Ruchi
Southern California Edison Co.	BBB	Stable	bbb	Strong	Significant	Ugboaja, Obioma
Southern Power Co.	BBB	Stable	bb+	Satisfactory	Significant	Rony, Shiny A
Toledo Edison Co.	BBB	Stable	bbb+	Excellent	Significant	Millman, CFA, FRM, Sloan
Trans-Allegheny Interstate Line Co.	BBB	Stable	aa-	Excellent	Modest	Agrawal, Ruchi
West Penn Power Co.	BBB	Stable	a-	Excellent	Intermediate	De Juliis, David S
Elizabethtown Gas Co.	BBB	WatchNeg	a-	Excellent	Significant	Agrawal, Ruchi
South Jersey Gas Co.	BBB	WatchNeg	a-	Excellent	Significant	Ugboaja, Obioma
South Jersey Industries Inc.	BBB	WatchNeg	bbb	Excellent	Aggressive	Ugboaja, Obioma
Algonquin Power & Utilities Corp.	BBB	Negative	bbb	Strong	Significant	El Gamal, Omar
Avista Corp.	BBB	Negative	bbb	Strong	Significant	Agrawal, Ruchi
Emera Inc.	BBB	Negative	bbb	Excellent	Aggressive	Deval, Mayur
Empire District Electric Co.	BBB	Negative	bbb	Strong	Significant	El Gamal, Omar
Southwest Gas Holdings Inc.	BBB-	Positive	bbb-	Satisfactory	Significant	O'Neill, Matthew L
MountainWest Pipeline LLC	BBB-	WatchPos	bbb-	Satisfactory	Intermediate	O'Neill, Matthew L
AltaGas Ltd.	BBB-	Stable	bbb-	Strong	Aggressive	Agrawal, Ruchi
Cleco Corporate Holdings LLC	BBB-	Stable	bbb	Satisfactory	Significant	Rony, Shiny A
FirstEnergy Corp.	BBB-	Stable	bbb-	Excellent	Aggressive	Millman, CFA, FRM, Sloan
FirstEnergy Transmission LLC	BBB-	Stable	a-	Excellent	Intermediate	De Juliis, David S
Fortis TCI Ltd.	BBB-	Stable	bb+	Satisfactory	Significant	Deval, Mayur

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest (cont.)

North American regulated utility	Current rating	Current outlook or CreditWatch	Stand-alone credit profile	Business risk profile	Financial risk profile	Primary analyst
Hawaiian Electric Industries Inc.	BBB-	Stable	bbb-	Strong	Significant	Agrawal, Ruchi
Puget Energy Inc.	BBB-	Stable	bbb+	Excellent	Significant	Hernandez, William
WGL Holdings Inc.	BBB-	Stable	a-	Excellent	Significant	Agrawal, Ruchi
ENMAX Corp.	BBB-	Negative	bbb-	Strong	Aggressive	Agrawal, Ruchi
Nova Scotia Power Inc.	BBB-	Negative	bb+	Strong	Aggressive	Deval, Mayur
Entergy New Orleans LLC	BB	Developing	bb	Satisfactory	Significant	El Gamal, Omar
Dayton Power & Light Co.	BB	Negative	bbb-	Strong	Significant	Millman, CFA, FRM, Sloan
DPL Inc.	BB	Negative	bb-	Strong	Highly Leveraged	Millman, CFA, FRM, Sloan
Pacific Gas & Electric Co.	BB-	Stable	bb-	Satisfactory	Significant	Babitsch, Daria
PG&E Corp.	BB-	Stable	bb-	Satisfactory	Significant	Jepsen, CFA, Gerrit W
Centuri Group Inc.	B+	Developing	b+	Weak	Aggressive	O'Neill, Matthew L

Ratings as of Jan. 3, 2023.

This report does not constitute a rating action.

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

Contact List

PRIMARY CREDIT ANALYST

Gabe Grosberg
New York
+ 1 (212) 438 6043
gabe.grosberg@spglobal.com

PRIMARY CREDIT ANALYST

Joe Marino
New York
1 (212) 438 3068
joe.marino@spglobal.com

SECONDARY CONTACT

Gerrit W Jepsen, CFA
New York
+ 1 (212) 438 2529
gerrit.jepsen@spglobal.com

SECONDARY CONTACT

Matthew L O'Neill
New York
+ 1 (212) 438 4295
matthew.oneill@spglobal.com

SECONDARY CONTACT

Obioma Ugboaja
New York
+ 1 (212) 438 7406
obioma.ugboaja@spglobal.com

SECONDARY CONTACT

Beverly R Gantt
New York
+ 1 (212) 438 1696
beverly.gantt@spglobal.com

SECONDARY CONTACT

William Hernandez
Dallas
+ 1 (214) 765-5877
william.hernandez@spglobal.com

SECONDARY CONTACT

Sloan Millman, CFA, FRM
New York
+ 1 (212) 438 2146
sloan.millman@spglobal.com

SECONDARY CONTACT

Ruchi Agrawal
Toronto
+14372252983
ruchi.agrawal@spglobal.com

SECONDARY CONTACT

Daria Babitsch
New York
917-574-4573
daria.babitsch1@spglobal.com

SECONDARY CONTACT

David S De Juliis
Toronto
+1 (416) 276-2610
david.de.juliis@spglobal.com

SECONDARY CONTACT

Omar El Gamal
Toronto
+1 4165072523
omar.elgamal@spglobal.com

SECONDARY CONTACT

Shiny A Rony
Toronto
+1-437-247-7036
shiny.rony@spglobal.com

THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

Issuer Ranking: North American Electric, Gas, And Water Regulated Utilities--Strongest To Weakest

Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

**THIS WAS PREPARED EXCLUSIVELY FOR USER TROY IRVINE.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.**

NEW REGULATORY FINANCE

Roger A. Morin, PhD

2006
PUBLIC UTILITIES REPORTS, INC.
Vienna, Virginia

5. Standard & Poor's
6. Morningstar
7. BARRA

Value Line is the largest and most widely circulated independent investment advisory service, and influences the expectations of a large number of institutional and individual investors. The Value Line data are commercially available on a timely basis to investors in paper format or electronically. Value Line betas are derived from a least-squares regression analysis between weekly percent changes in the price of a stock and weekly percent changes in the New York Stock Exchange Average over a period of 5 years. In the case of shorter price histories, a smaller time period is used, but 2 years is the minimum. Value Line betas are computed on a theoretically sound basis using a broadly based market index, and they are adjusted for the regression tendency of betas to converge to 1.00. This necessary adjustment to beta is discussed below.

Practical and Conceptual Difficulties

Computational Issues. Absolute estimates of beta may vary over a wide range when different computational methods are used. The return data, the time period used, its duration, the choice of market index, and whether annual, monthly, or weekly return figures are used will influence the final result.

Ideally, the returns should be total returns, that is, dividends and capital gains. In practice, beta estimates are relatively unaffected if dividends are excluded. Theoretically, market returns should be expressed in terms of total returns on a portfolio of all risky assets. In practice, a broadly based value-weighted market index is used. For example, Merrill Lynch betas use the Standard & Poor's 500 market index, while Value Line betas use the New York Stock Exchange Composite market index. In theory, unless the market index used is the true market index, fully diversified to include all securities in their proportion outstanding, the beta estimate obtained is potentially distorted. Failure to include bonds, Treasury bills, real estate, etc., could lead to a biased beta estimate. But if beta is used as a relative risk ranking device, choice of the market index may not alter the relative rankings of security risk significantly.

To enhance statistical significance, beta should be calculated with return data going as far back as possible. But the company's risk may have changed if the historical period is too long. Weighting the data for this tendency is one possible remedy, but this procedure presupposes some knowledge of how risk changed over time. A frequent compromise is to use a 5-year period with either weekly or monthly returns. Value Line betas are computed based on weekly returns over a 5-year period, whereas Merrill Lynch betas are computed with monthly returns over a 5-year period. In an empirical study of utility

AMEREN NYSE-AEE

RECENT PRICE 98.84 | P/E RATIO 20.3 (Trailing: 21.5 Median: 20.0) | RELATIVE P/E RATIO 1.13 | DIV'D YLD 2.9% | VALUE LINE

TIMELINESS 4 Lowered 12/29/23
SAFETY 1 Raised 9/10/21
TECHNICAL 3 Lowered 2/21/25
BETA .90 (1.00 = Market)

18-Month Target Price Range
Low-High: $66-$113 | Midpoint (% to Mid): $90 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	145	(+45%)	12%
Low	115	(+15%)	7%

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	274	304	338
to Sell	321	278	269
Hld's(000)	218776	215842	239827

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	48.1	46.8	54.1	64.9	70.9	80.9	87.7	90.8	99.2	91.2	95.7	100.6								
Low:	35.2	37.3	41.5	51.4	51.9	63.1	58.7	69.8	73.3	69.7	67.0	86.8								
	29.87	31.77	31.04	28.14	24.06	24.95	25.13	25.04	25.46	25.73	24.00	22.87	24.81	30.37	28.10	128.56	*29.95*	*30.90*	Revenues per sh	*36.85*
	6.06	6.33	5.87	5.87	5.25	5.77	6.08	6.59	6.80	7.64	7.83	8.08	8.89	9.59	9.99	10.49	*11.20*	*11.65*	"Cash Flow" per sh	*12.80*
	2.78	2.77	2.47	2.41	2.10	2.40	2.38	2.68	2.77	3.32	3.35	3.50	3.84	4.14	4.37	4.59	*4.95*	*5.30*	Earnings per sh [A]	*6.50*
	1.54	1.54	1.56	1.60	1.60	1.61	1.66	1.72	1.78	1.85	1.92	2.00	2.20	2.36	2.52	2.68	*2.85*	*3.03*	Div'd Decl'd per sh [B] ■	*3.57*
	7.51	4.66	4.50	5.49	5.87	7.66	8.12	8.78	9.05	9.56	9.92	13.02	13.67	12.79	12.87	12.64	*12.80*	*12.85*	Cap'l Spending per sh	*13.00*
	33.08	32.15	32.64	27.27	26.97	27.67	28.63	29.27	29.61	31.21	32.73	35.29	37.64	40.11	40.26	42.78	*45.95*	*48.70*	Book Value per sh [C]	*52.65*
	237.40	240.40	242.60	242.63	242.63	242.63	242.63	242.63	242.63	244.50	246.20	253.30	257.70	262.00	267.00	266.93	*272.00*	*275.00*	Common Shs Outst'g [D]	*285.00*
	9.3	9.7	11.9	13.4	16.5	16.7	17.5	18.3	20.6	18.3	22.1	22.2	21.4	21.5	18.8	17.1	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*20.0*
	.62	.62	.75	.85	.93	.88	.88	.96	1.04	.99	1.18	1.14	1.16	1.24	1.07	.95			Relative P/E Ratio	*1.10*
	6.0%	5.8%	5.3%	5.0%	4.6%	4.0%	4.0%	3.5%	3.1%	3.0%	2.6%	2.6%	2.7%	2.7%	3.3%	2.7%			Avg Ann'l Div'd Yield	*3.0%*
	6098.0	6076.0	6177.0	6291.0	5910.0	5794.0	6394.0	7957.0	7500.0	7623.0	*8150*	*8500*	Revenues ($mill)	*10500*
	585.0	659.0	683.0	821.0	834.0	877.0	995.0	1074.0	1152.0	1182.0	*1345*	*1460*	Net Profit ($mill)	*1850*
	38.3%	36.7%	38.2%	22.4%	17.9%	15.0%	13.6%	14.0%	12.0%	12.0%	*12.0%*	*12.0%*	Income Tax Rate	*12.0%*
	5.1%	4.1%	5.6%	6.9%	5.8%	5.5%	6.0%	5.0%	6.0%	5.5%	*5.0%*	*5.0%*	AFUDC % to Net Profit	*4.0%*
	49.3%	47.7%	49.2%	50.3%	52.1%	55.0%	56.1%	56.6%	55.7%	53.9%	*52.5%*	*52.0%*	Long-Term Debt Ratio	*51.0%*
	49.7%	51.3%	49.8%	48.8%	47.1%	44.3%	43.3%	43.4%	43.8%	45.3%	*47.0%*	*47.5%*	Common Equity Ratio	*48.5%*
	13968	13840	14420	15632	17116	20158	22391	24193	24847	25432	*26450*	*27100*	Total Capital ($mill)	*29500*
	18799	20113	21466	22810	24376	26807	29261	31262	33776	36376	*36300*	*37500*	Net Plant ($mill)	*38400*
	5.3%	6.0%	6.0%	6.4%	6.0%	5.3%	5.3%	5.4%	5.5%	5.5%	*5.0%*	*5.0%*	Return on Total Cap'l	*6.0%*
	8.3%	9.1%	9.3%	10.6%	10.2%	9.7%	10.1%	10.2%	11.0%	11.0%	*11.0%*	*11.0%*	Return on Shr. Equity	*10.0%*
	8.3%	9.2%	9.4%	10.7%	10.3%	9.7%	10.2%	10.2%	11.0%	11.0%	*11.0%*	*11.0%*	Return on Com Equity [E]	*10.0%*
	2.5%	3.3%	3.4%	4.8%	4.4%	4.2%	4.4%	4.4%	5.0%	5.0%	*5.0%*	*5.0%*	Retained to Com Eq	*4.0%*
	70%	64%	64%	56%	57%	57%	57%	57%	57%	56%	*56%*	*56%*	All Div'ds to Net Prof	*60%*

% TOT. RETURN 1/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	42.7	20.7
3 yr.	18.4	25.6
5 yr.	34.1	83.9

CAPITAL STRUCTURE as of 12/31/24
Total Debt $17262 mill. **Due in 5 Yrs** $2789 mill.
LT Debt $16603 mill. **LT Interest** $450 mill.
(LT interest earned: 3.8x)
Pension Assets-12/23 $5745 mill.
Oblig $5457 mill.
Pfd Stock $129 mill. **Pfd Div'd** $5 mill.
807,595 sh. $3.50 to $5.50 cum. (no par), $100 stated val., redeem. $102.176-$110/sh.; 487,508 sh. 4.00% to 5.16%, $100 par, redeem. $100-$104.30/sh.
Common Stock 269,906,252 shs.
as of 1/31/25
MARKET CAP: $26.7 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2021	2022	2023
% Change Retail Sales (KWH)	-5.6	+2.1	+3.2
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	NA
Fixed Charge Cov. (%)	291	325	334

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-1.5%	.5%	*4.0%*
"Cash Flow"	4.0%	6.5%	*5.5%*
Earnings	4.0%	8.0%	*6.5%*
Dividends	3.5%	5.0%	*6.5%*
Book Value	2.0%	5.5%	*6.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1879	1726	2306	2046	7957
2023	2062	1760	2060	1618	7500
2024	1816	1693	2173	1941	7623
2025	*1900*	*1800*	*2350*	*2100*	*8150*
2026	*2050*	*1850*	*2400*	*2200*	*8500*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.97	.80	1.74	.63	4.14
2023	1.00	.90	1.87	.60	4.37
2024	.98	.97	1.87	.77	4.59
2025	*1.00*	*1.20*	*1.90*	*.85*	*4.95*
2026	*1.00*	*1.30*	*2.00*	*1.00*	*5.30*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.55	.55	.55	.55	2.20
2022	.59	.59	.59	.59	2.36
2023	.63	.63	.63	.63	2.52
2024	.67	.67	.67	.67	2.68
2025	.71				

BUSINESS: Ameren Corporation is a holding company formed through the merger of Union Electric and CIPSCO. Has 1.2 million electric and 127,000 gas customers in Missouri; 1.2 million electric and 813,000 gas customers in Illinois. Discontinued nonregulated power-generation operation in '13. Electric revenue breakdown: residential, 49%; commercial, 34%; industrial, 8%; other, 9%. Generating sources: coal, 73%; nuclear, 11%; hydro & other, 9%; purchased, 7%. Fuel costs: 25% of revenues. Has approximately 9,250 employees. Chairman: Warner L. Baxter. President & CEO: Martin J. Lyons, Jr. Inc.: Missouri. 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's earnings will likely advance at a nice pace in 2025. The utility continues to benefit from new service rates and the implementation of rate cases, as well as elevated power demand, infrastructure investments, and cost management. The implementation of new electric service rates at Ameren Missouri and new gas rates at Ameren Illinois should positively impact profits this year. Ameren is also poised to capitalize on elevated demand and infrastructure investments that contribute to improved performance and efficiency. The company's focus on efficient operations and cost control will likely support profit growth in 2025 and beyond. Our 2025 profit estimate has been raised by $0.05, to $4.95 a share, which is at the midpoint of management's updated target range of $4.85-$5.05 a share.

The utility appears well positioned for the second half of this decade. Ameren projects a compound annual earnings growth rate of 6% to 8% from 2025 through 2029. The company anticipates $63 billion in investment opportunities during this period, driven by robust rate base growth of 9.2% annually. We forecast earnings of $5.30 per share in 2026, implying a growth rate of 7%, within Ameren's long-term targets.

The board of directors approved a quarterly dividend increase of approximately 6%. Specifically, the $0.04 per share quarterly raise, bringing the dividend to $0.71 per share, marks the second consecutive year of 6% dividend growth. Ameren aims for annual dividend increases in the range of 6%-8%, aligning with its target for earnings growth, while maintaining a payout ratio of 55%-70%.

These shares may appeal to conservative, income-oriented accounts. This stock is ranked 1 (Highest) for Safety and holds a top Earnings Predictability score of 100. While the dividend yield is about average by utility industry standards, it remains one of the stock's most notable features. Indeed, its dividend yield of 2.9% sits just below the utility mean, which is one of the most reliable dividend-paying industries in the market. After rolling out another year to 2028-2030, we look for the stock to trade around $115-$145 and earn about $6.50 a share in that period.

Zachary J. Hodgkinson *March 7, 2025*

(A) Diluted EPS. Excl. nonrec. gain (losses): '10, ($2.19); '11, (32¢); '12, ($6.42); '17, (63¢); gain (loss) from discontinued ops.: '13, (92¢); '15, 21¢. Next earnings report due early May. **(B)** Div'ds paid late Mar., June, Sept., & Dec. ■ Div'd reinvest. plan avail. **(C)** Incl. intang. In '23: $6.60/sh. **(D)** In mill. **(E)** Rate base: Orig. cost depr. Rate allowed on com. eq. in MO in '23: elec. & gas, none specified; in IL: electric, varies; in '23: gas, 9.68%; earned on avg. com. eq., '23: 10.5%.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	65
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

AMERICAN ELEC. PWR. NDQ-AEP

RECENT PRICE 106.29 | P/E RATIO 18.4 (Trailing: 18.9 Median: 18.0) | RELATIVE P/E RATIO 1.02 | DIV'D YLD 3.6% | VALUE LINE

TIMELINESS 4 Lowered 6/14/24
SAFETY 1 Raised 3/17/17
TECHNICAL 4 Lowered 2/21/25
BETA .85 (1.00 = Market)

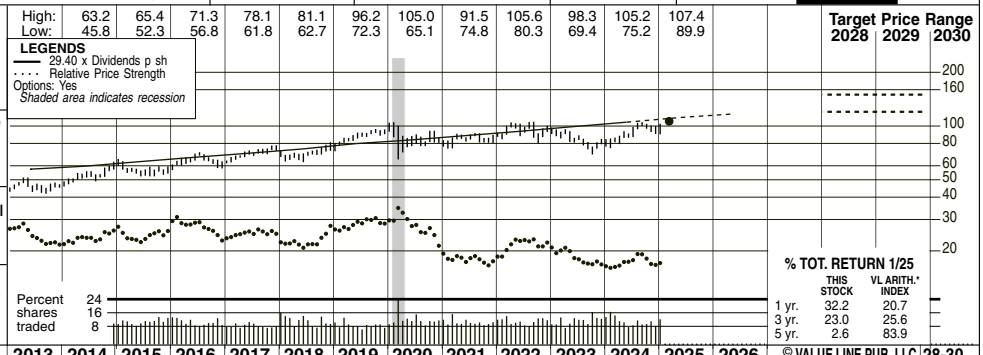
18-Month Target Price Range
Low-High: $73-$122 | Midpoint (% to Mid): $98 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	150	(+40%)	*12%*
Low	120	(+15%)	*7%*

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	661	695	712
to Sell	572	540	590
Hld's(000)	402930	404836	455335



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
28.22	30.01	31.27	30.77	31.48	34.78	33.51	33.31	31.35	32.84	31.49	30.04	33.30	38.20	36.08	37.01	*39.65*	*41.20*	Revenues per sh	*44.55*
6.32	6.29	6.83	6.92	7.02	7.57	7.98	8.47	7.95	8.77	9.35	10.28	10.98	10.72	10.92	11.71	*12.20*	*12.80*	"Cash Flow" per sh	*15.50*
2.97	2.60	3.13	2.98	3.18	3.34	3.59	4.23	3.62	3.90	4.08	4.42	4.96	5.09	5.24	5.61	*5.85*	*6.30*	Earnings per sh A	*7.50*
1.64	1.71	1.85	1.88	1.95	2.03	2.15	2.27	2.39	2.53	2.71	2.84	3.00	3.17	3.37	3.57	*3.80*	*3.98*	Div'd Decl'd per sh B ■ †	*4.31*
6.19	5.07	5.74	6.45	7.75	8.68	9.37	9.98	11.79	12.89	12.43	12.72	11.43	13.18	13.89	14.02	*14.10*	*14.10*	Cap'l Spending per sh	*14.00*
27.49	28.33	30.33	31.37	32.98	34.37	36.44	35.38	37.17	38.58	39.73	41.38	44.49	46.60	48.46	50.63	*52.35*	*55.55*	Book Value per sh C	*60.90*
478.05	480.81	483.42	485.67	487.78	489.40	491.05	491.71	492.01	493.25	494.17	496.60	504.21	513.87	526.18	532.9	*535.00*	*540.00*	Common Shs Outst'g D	*550.00*
10.0	13.4	11.9	13.8	14.5	15.9	15.8	15.2	19.3	18.0	21.4	19.6	17.1	21.1	16.2	16.2	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*18.0*
.67	.85	.75	.88	.81	.84	.80	.80	.97	.97	1.14	1.01	.92	1.23	.93	.90			Relative P/E Ratio	*1.00*
5.5%	4.9%	5.0%	4.6%	4.2%	3.8%	3.8%	3.5%	3.4%	3.6%	3.1%	3.3%	3.5%	3.3%	4.5%	3.6%			Avg Ann'l Div'd Yield	*3.3%*
16453	16380	15425	16196	15561	14919	16792	19640	18982	19721	*21200*	*22250*	Revenues ($mill)	*24500*
1763.4	2073.6	1783.2	1923.8	2019.0	2200.1	2448.1	2307.2	2208.1	2967.1	*3130*	*3400*	Net Profit ($mill)	*4125*
35.1%	26.8%	33.7%	5.8%	.7%	1.9%	4.6%	NMF	NMF	NMF	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
11.0%	8.0%	8.0%	10.7%	12.7%	9.7%	7.8%	7.0%	7.0%	7.0%	*6.5%*	*6.0%*	AFUDC % to Net Profit	*5.0%*
49.8%	50.0%	51.5%	53.2%	56.1%	58.5%	58.3%	58.5%	58.2%	58.1%	*58.0%*	*58.0%*	Long-Term Debt Ratio	*57.5%*
50.2%	50.0%	48.5%	46.8%	43.9%	41.5%	41.7%	42.0%	42.0%	42.4%	*42.0%*	*42.0%*	Common Equity Ratio	*42.5%*
35633	34775	37707	40677	44759	49537	53734	57520	62837	67528	*70730*	*72500*	Total Capital ($mill)	*75900*
46133	45639	50262	55099	60138	63902	66001	71283	76693	82416	*81250*	*84250*	Net Plant ($mill)	*87300*
6.1%	7.2%	5.9%	5.9%	5.6%	5.6%	5.6%	4.0%	3.6%	4.1%	*4.5%*	*4.5%*	Return on Total Cap'l	*5.0%*
9.9%	11.9%	9.8%	10.1%	10.3%	10.7%	11.1%	9.7%	8.7%	11.0%	*10.0%*	*10.0%*	Return on Shr. Equity	*11.0%*
9.9%	11.9%	9.8%	10.1%	10.3%	10.7%	11.1%	9.7%	8.7%	11.0%	*10.0%*	*10.0%*	Return on Com Equity	*11.0%*
3.9%	5.5%	3.2%	3.5%	3.4%	3.8%	4.3%	2.9%	2.4%	3.2%	*4.0%*	*4.0%*	Retained to Com Eq	*4.5%*
60%	54%	67%	65%	67%	65%	61%	70%	63%	63%	*63%*	*63%*	All Div'ds to Net Prof	*61%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $41832 mill. **Due in 5 Yrs** $12886 mill.
LT Debt $39308 mill. **LT Interest** $1400 mill.

Leases, Uncapitalized Annual rentals $119.6 mill.

Pfd Stock None

Common Stock 532,907,715 shs.

MARKET CAP: $56.6 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2020	2021	2022
% Change Retail Sales (KWH)	- -	+3.0	- -
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)	+1.0	NA	NA
Fixed Charge Cov. (%)	243	272	285

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	.5%	-.5%	*3.0%*
"Cash Flow"	5.0%	5.5%	*5.5%*
Earnings	5.0%	4.0%	*6.5%*
Dividends	5.0%	5.0%	*5.5%*
Book Value	3.5%	3.5%	*6.0%*

QUARTERLY REVENUES ($ mill.) E

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	4593	4640	5526	4881	19640
2023	4690	4373	5342	4577	18982
2024	5026	4579	5420	4696	19721
2025	*5000*	*4900*	*5800*	*5500*	*21200*
2026	*5300*	*5200*	*5900*	*5850*	*22250*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.22	1.20	1.62	1.05	5.09
2023	1.11	1.13	1.77	1.23	5.24
2024	1.27	1.25	1.85	1.24	5.61
2025	*1.40*	*1.30*	*1.85*	*1.30*	*5.85*
2026	*1.50*	*1.45*	*1.95*	*1.40*	*6.30*

QUARTERLY DIVIDENDS PAID B ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.74	.74	.74	.78	3.00
2022	.78	.78	.78	.83	3.17
2023	.83	.83	.83	.88	3.37
2024	.88	.88	.88	.93	3.57
2025	.93				

BUSINESS: American Electric Power Company Inc. (AEP), through 10 operating utilities, serves 5.5 million customers in Arkansas, Kentucky, Indiana, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia, & West Virginia. Has a transmission subsidiary. Electric revenue breakdown: residential, 43%; commercial, 23%; industrial, 18%; wholesale, 10%; other, 6%. Sold commercial barge operation in '15. Generating sources not available. Fuel costs: 33% of revenues. '23 reported depreciation rates (utility): 2.6%-12.5%. Has approximately 16,700 employees. Chief Executive Officer: William J. Fehrman. Incorporated: New York. Address: 1 Riverside Plaza, Columbus, Ohio 43215-2373. Telephone: 614-716-1000. Internet: www.aep.com.

We expect American Electric Power to post solid earnings in 2025. Rate relief will help, as the company has multiple rate cases pending. The utility should also benefit from increased investment in its transmission business and volume growth throughout this year and beyond. Indeed, AEP recently revealed its plans to potentially substantially raise its capital spending to meet the expected rise in power demand, which we will discuss further below. Our 2025 profit estimate, which remains at $5.85, is at the midpoint of AEP's targeted range of $5.75-$5.95, which management reaffirmed upon reporting fourth-quarter results in early February. The company also maintained its long-term growth target of 6%-8%.

We anticipate sharper earnings growth in 2026. We expect further improvement to $6.30 a share, which is at the high end of AEP's targeted bottom-line growth range. The utility is considering adding $10 billion to its record $54 billion capital expenditure plan through the end of the decade as data center demand continues to ramp up significantly. AEP has 20 GW of new power load through 2029 and projects retail demand growth of up to 9% annually over the next three years.

These shares have risen nearly 10% in value since our early December review. The stock is now up about 30% over the past year as the utility looks increasingly well positioned to benefit from its investments and power demand increases. American Electric Power recently raised its dividend, as is typical. The company continues to target a payout ratio of 60%-70%, which ought to ensure the dividend continues growing.

These untimely shares are best suited for conservative, income-oriented investors. Despite being a weak selection for the year ahead, the stock is ranked 1 (Highest) for Safety and has a dividend yield of 3.6%, which stands above the industry-wide average. The dividend likely remains AEP's most notable feature. Intermediate- and long-term capital appreciation potential is nothing exciting here. Indeed, after rolling out to 2028-2030, we expect the stock to trade around $120-$150 and earn about $7.50 a share over that interim.

Zachary J. Hodgkinson *March 7, 2025*

(A) Diluted EPS. Excl. nonrec. gains (losses): '10, (7¢); '11, 89¢; '12, (38¢); '13, (14¢); '16, ($2.99); '17, 26¢; '19, (20¢); gains (loss) from disc. ops.: '15, 58¢; '16, (1¢); '22, (58¢); '23, (34¢). Next earnings report due late May. **(B)** Div'ds paid early Mar., June, Sept., & Dec. ■ Div'd reinvestment plan avail. † Shareholder invest. plan avail. **(C)** Incl. intang. In '23: $52.5 million **(D)** In mill. **(E)** Rev. may not sum due to rounding.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	45
Earnings Predictability	90

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

ALLETE NYSE-ALE

RECENT PRICE 65.39 | P/E RATIO 18.8 (Trailing: 21.1 Median: 19.0) | RELATIVE P/E RATIO 1.04 | DIV'D YLD 4.5% | VALUE LINE

TIMELINESS — Suspended 9/6/24
SAFETY 1 Raised 9/6/24
TECHNICAL — Suspended 9/6/24
BETA .95 (1.00 = Market)

18-Month Target Price Range

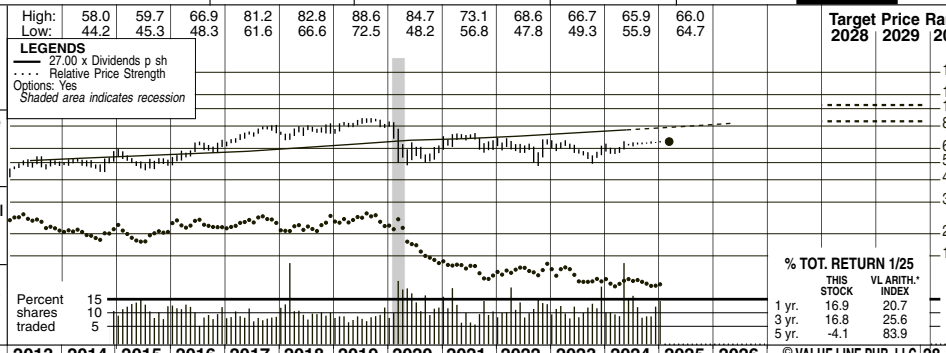
Low-High	Midpoint (% to Mid)
$50-$74	$62 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+60%)	*16%*
Low	85	(+30%)	*11%*

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	126	172	138
to Sell	158	141	161
Hld's(000)	44305	43145	49300



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
21.57	25.34	24.75	24.40	24.60	24.77	30.27	27.01	27.78	29.10	23.99	22.44	26.68	28.04	32.65	26.46	*29.50*	*30.65*	Revenues per sh	*34.45*
3.57	4.35	4.91	5.01	5.35	5.68	6.79	7.08	6.59	7.37	7.24	7.52	7.54	7.70	8.67	7.58	*8.45*	*9.00*	"Cash Flow" per sh	*10.10*
1.89	2.19	2.65	2.58	2.63	2.90	3.38	3.14	3.13	3.38	3.33	3.35	3.23	3.38	4.30	3.10	*3.70*	*4.35*	Earnings per sh A	*5.50*
1.76	1.76	1.78	1.84	1.90	1.96	2.02	2.08	2.14	2.24	2.35	2.47	2.52	2.60	2.71	2.82	*2.94*	*3.08*	Div'd Decl'd per sh B ■ †	*3.26*
9.05	6.95	6.38	10.30	7.93	12.48	5.84	5.35	4.08	6.07	11.55	13.78	8.90	3.64	4.92	5.84	*6.20*	*6.50*	Cap'l Spending per sh	*7.25*
26.41	27.26	28.78	30.48	32.44	35.06	37.07	38.17	40.47	41.86	43.17	44.04	45.36	47.06	48.78	51.18	*52.55*	*53.25*	Book Value per sh C	*54.00*
35.20	35.80	37.50	39.40	41.40	45.90	49.10	49.60	51.10	51.50	51.70	52.10	53.20	56.01	57.58	57.82	*59.00*	*60.00*	Common Shs Outst'g D	*61.00*
16.1	16.0	14.7	15.9	18.6	17.2	15.1	18.6	23.0	22.2	24.7	18.3	20.6	18.1	13.8	20.1	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*17.0*
1.07	1.02	.92	1.01	1.05	.91	.76	.98	1.16	1.20	1.32	.94	1.11	1.05	.79	1.12			Relative P/E Ratio	*.95*
5.8%	5.0%	4.6%	4.5%	3.9%	3.9%	4.0%	3.6%	3.0%	3.0%	2.9%	4.0%	3.8%	4.4%	4.9%	4.5%			Avg Ann'l Div'd Yield	*3.7%*
1486.4	1339.7	1419.3	1498.6	1240.5	1169.1	1419.2	1570.7	1879.8	1529.8	*1740*	*1840*	Revenues ($mill)	*2100*
163.4	155.3	159.2	174.1	172.4	174.2	169.2	189.3	247.1	179.3	*220*	*260*	Net Profit ($mill)	*335*
19.4%	11.3%	14.8%	- -	- -	- -	NMF	NMF	NMF	NMF	*NMF*	*NMF*	Income Tax Rate	*NMF*
2.0%	1.4%	.8%	.7%	1.3%	1.1%	1.5%	1.4%	1.3%	1.5%	*1.5%*	*1.5%*	AFUDC % to Net Profit	*1.0%*
46.3%	42.0%	41.0%	39.9%	38.6%	41.0%	42.2%	40.8%	40.3%	39.6%	*40.0%*	*40.0%*	Long-Term Debt Ratio	*40.5%*
53.7%	58.0%	59.0%	60.1%	61.4%	59.0%	57.8%	59.6%	53.8%	57.8%	*60.0%*	*60.0%*	Common Equity Ratio	*59.5%*
3388.9	3263.4	3507.4	3584.3	3632.8	3887.8	4176.3	4457.5	4682.8	4923.4	*5150*	*5300*	Total Capital ($mill)	*5550*
3669.1	3741.2	3822.4	3904.4	4377.0	4840.8	5100.2	5004.0	5026.2	5192.5	*5500*	*5575*	Net Plant ($mill)	*5675*
5.8%	5.8%	5.5%	5.8%	5.6%	5.3%	4.8%	5.6%	6.5%	5.8%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.0%*
9.0%	8.2%	7.7%	8.1%	7.7%	7.6%	7.0%	7.5%	8.8%	8.4%	*8.0%*	*8.0%*	Return on Shr. Equity	*9.0%*
9.0%	8.2%	7.7%	8.1%	7.7%	7.6%	7.0%	7.5%	8.8%	8.4%	*8.0%*	*8.0%*	Return on Com Equity E	*9.0%*
3.6%	2.8%	2.4%	2.7%	2.3%	2.0%	1.5%	2.5%	3.5%	2.8%	*2.5%*	*2.5%*	Retained to Com Eq	*3.5%*
60%	66%	68%	66%	70%	74%	78%	76%	70%	69%	*69%*	*69%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $1799.4 mill. **Due in 5 Yrs** $390.7 mill.
LT Debt $1704.7 mill. **LT Interest** $65.9 mill.
(LT interest earned: 2.7x)

Leases, Uncapitalized Annual rentals $5.1 mill.

Pension Assets-12/24 $745.7 mill.
Oblig $911.7 mill.

Pfd Stock None

Common Stock 57,901,153 shs.

MARKET CAP: $3.8 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2021	2022	2023
% Change Retail Sales (KWH)	+11.5	+4.7	+1.8
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) F	1557	1556	1551
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	NA	NA	NA
Fixed Charge Cov. (%)	219	220	222

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	- -	-3.0%	*3.0%*
"Cash Flow"	4.5%	2.0%	*4.5%*
Earnings	3.0%	.5%	*6.0%*
Dividends	3.5%	3.5%	*3.5%*
Book Value	4.5%	3.0%	*3.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	383.5	373.1	388.3	425.8	1570.7
2023	564.9	533.4	378.8	402.7	1879.8
2024	403.3	354.5	407.2	364.8	1529.8
2025	*460*	*430*	*430*	*420*	*1740*
2026	*480*	*460*	*460*	*440*	*1840*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	1.24	.67	.59	.90	3.38
2023	1.02	.90	1.49	.89	4.30
2024	.88	.57	.78	.87	3.10
2025	*1.00*	*.80*	*.90*	*1.00*	*3.70*
2026	*1.30*	*.90*	*1.00*	*1.15*	*4.35*

QUARTERLY DIVIDENDS PAID B ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.63	.63	.63	.63	2.52
2022	.65	.65	.65	.65	2.60
2023	.6775	.6775	.6775	.6775	2.71
2024	.7050	.7050	.7050	.7050	2.82
2025	.7300				

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%; wholesale, 14%; residential, 13%; commercial 13% paper/wood products, 9%; other industrial, 8%; other, 17%. ALLETE Clean Energy (ACE) owns renewable energy projects. Acq'd U.S. Water Services 2/15; sold it 3/19. Generating sources: coal, 28%; wind, 10%; other, 4%; purchased, 58%. Fuel costs: 40% of revs. '23 deprec. rate: 3.1%. Has 1,400 employees. Chairman, President & CEO: Bethany M. Owen. Inc.: Minnesota. Address: 30 West Superior St., Duluth, MN 55802-2093. Tel.: 218-279-5000. Internet: www.allete.com.

ALLETE looks set to complete its plan to go private in a $6.2 billion deal shortly. In late December, the utility had its proposed transaction with Canada Pension Plan Investment Board (CPP Investments) and Global Infrastructure Partners (GIP) approved by the Federal Energy Regulatory Commission (FERC). The deal is still subject to key state regulatory approvals in Minnesota and Wisconsin. We like the deal because it positions the company to take advantage of the biggest demand jump in history as it can raise money more easily. The stock has traded relatively flat since our review three months ago, right below the buyout price of $67 per share. The transaction appears to be on track for its anticipated mid-2025 closing, and the stability in the stock price suggests that the market is confident in the deal's completion.

Earnings are poised for significant improvement in 2025 and 2026. The primary drivers of this growth include interim rate hikes and implementations at Minnesota Power and Superior Water Light & Power. Additionally, the pending acquisition is expected to provide greater access to capital for infrastructure investments and operational improvements. ALLETE is well-positioned to benefit from its planned $4.3 billion capital expenditure over the next five years, focusing on clean energy initiatives and transmission projects. Our profit estimates for this year and next are $3.70 a share and $4.35 per share, representing robust growth of 17.7% and 17.6%, respectively. This is right near the company's updated target range of $3.60-$3.90 per share.

The board of directors raised the dividend in the March period. This increase amounted to $0.730 a share, representing a 3.5% quarterly boost. This marks the 75th consecutive year of payouts to shareholders.

ALLETE's Timeliness rank remains suspended pending the transaction. The stock is now trading at a slight discount to the buyout price, as the likelihood of the deal closing continues to increase. Income-oriented investors may want to take a closer look at this company, as it has a long track record of paying dividends well above the industry average.

Zachary J. Hodgkinson *March 7, 2025*

(A) Diluted EPS. Excl. nonrec. gains (loss): '15, (46¢); '17, 25¢; '19, 26¢; '19 EPS don't sum due to rounding. Next earnings report due mid May. **(B)** Div'ds historically paid in early Mar., June, Sept. and Dec. ■ Div'd reinvest. plan avail. † Shareholder invest. plan avail. **(C)** Incl. deferred charges. In '23: $9.60/sh. **(D)** In mill. **(E)** Rate base: Orig. cost depr. Rate all'd in MN on com. eq. in '18: 9.25%; earned on avg. com. eq., '21: 7.2%. Regul. Climate: Avg. **(F)** Summer peak in '21.

Company's Financial Strength	A+
Stock's Price Stability	90
Price Growth Persistence	25
Earnings Predictability	85

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

AVISTA CORP. NYSE-AVA

RECENT PRICE 39.56 | P/E RATIO 16.2 (Trailing: 17.4 Median: 19.0) | RELATIVE P/E RATIO 1.03 | DIV'D YLD 4.9% | VALUE LINE

TIMELINESS 3 Raised 3/14/25
SAFETY 3 Lowered 1/19/24
TECHNICAL 4 Lowered 3/14/25
BETA .75 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$29-$48	$39 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+65%)	*16%*
Low	40	(Nil)	*5%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	184	156	170
to Sell	102	140	143
Hld's(000)	67784	82402	84841

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	37.4	38.3	45.2	52.8	52.9	49.5	53.0	49.1	46.9	45.3	40.0	43.1								
Low:	27.7	29.8	34.3	37.8	41.9	39.8	32.1	36.7	35.7	30.5	31.9	34.8								
	27.58	27.29	27.73	25.86	26.94	23.66	23.83	22.47	22.08	21.27	20.03	19.09	20.13	22.82	22.43	24.21	*23.45*	*23.75*	Revenues per sh	*24.75*
	4.45	3.62	3.78	3.70	4.36	4.36	4.92	5.30	4.87	5.01	6.06	5.16	5.34	5.47	5.63	5.67	*6.30*	*6.50*	"Cash Flow" per sh	*6.75*
	1.58	1.65	1.72	1.32	1.85	1.84	1.89	2.15	1.95	2.07	2.97	1.90	2.10	2.12	2.24	2.29	*2.60*	*2.75*	Earnings per sh [A]	*2.95*
	.81	1.00	1.10	1.16	1.22	1.27	1.32	1.37	1.43	1.49	1.55	1.62	1.69	1.76	1.84	1.90	*2.00*	*2.10*	Div'd Decl'd per sh [B] ■	*2.20*
	3.86	3.64	4.20	4.61	5.05	5.47	6.46	6.34	6.30	6.46	6.59	5.84	6.15	6.03	6.39	6.66	*6.60*	*7.00*	Cap'l Spending per sh	*8.75*
	19.17	19.71	20.30	21.06	21.61	23.84	24.53	25.69	26.41	26.99	28.87	29.31	30.14	31.15	31.83	32.37	*34.40*	*35.25*	Book Value per sh [C]	*35.75*
	54.84	57.12	58.42	59.81	60.08	62.24	62.31	64.19	65.49	65.69	67.18	69.24	71.50	74.95	78.08	80.04	*81.00*	*83.00*	Common Shs Outst'g [D]	*85.00*
	11.4	12.7	14.1	19.3	14.6	17.3	17.6	18.8	23.4	24.5	15.0	21.2	20.2	20.0	17.1	15.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*18.0*
	.76	.81	.88	1.23	.82	.91	.89	.99	1.18	1.32	.80	1.09	1.09	1.16	.95	.84			Relative P/E Ratio	*1.00*
	4.5%	4.8%	4.5%	4.6%	4.5%	4.0%	4.0%	3.4%	3.1%	2.9%	3.5%	4.0%	4.0%	4.2%	4.8%	5.2%			Avg Ann'l Div'd Yield	*4.2%*
	1484.8	1442.5	1445.9	1396.9	1345.6	1321.9	1438.9	1710.2	1751.6	1938.0	*1900*	*1970*	Revenues ($mill)	*2100*
	118.1	137.2	126.1	136.4	197.0	129.5	147.3	155.2	171.2	180.0	*210*	*230*	Net Profit ($mill)	*250*
	36.3%	36.3%	36.5%	16.0%	13.8%	5.2%	7.5%	- -	7.5%	1.6%	*15.0%*	*15.0%*	Income Tax Rate	*15.0%*
	10.1%	8.1%	7.9%	7.7%	5.5%	8.5%	7.5%	2.4%	2.1%	2.8%	*4.0%*	*4.0%*	AFUDC % to Net Profit	*4.0%*
	50.0%	51.2%	47.2%	50.5%	49.4%	50.4%	47.5%	50.4%	51.2%	51.0%	*49.0%*	*48.0%*	Long-Term Debt Ratio	*46.5%*
	50.0%	48.8%	52.8%	49.5%	50.6%	49.6%	52.5%	49.6%	48.8%	49.0%	*51.0%*	*52.0%*	Common Equity Ratio	*53.5%*
	3060.3	3379.0	3273.2	3580.3	3834.6	4089.8	4104.7	4709.7	5091.3	5292.0	*5490*	*5625*	Total Capital ($mill)	*5700*
	3898.6	4147.5	4398.8	4648.9	4797.0	4991.6	5225.5	5444.7	5700.1	6020.0	*6255*	*6525*	Net Plant ($mill)	*7225*
	5.1%	5.3%	5.0%	4.8%	6.2%	4.2%	4.7%	4.6%	4.8%	4.8%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
	7.7%	8.3%	7.3%	7.7%	10.2%	6.4%	6.8%	6.6%	6.9%	6.9%	*7.5%*	*8.0%*	Return on Shr. Equity	*8.0%*
	7.7%	8.3%	7.3%	7.7%	10.2%	6.4%	6.8%	6.6%	6.9%	6.9%	*7.5%*	*8.0%*	Return on Com Equity [E]	*8.0%*
	2.3%	3.0%	1.9%	2.2%	4.9%	.9%	1.4%	1.1%	1.2%	1.2%	*2.0%*	*2.0%*	Retained to Com Eq	*2.0%*
	70%	64%	73%	72%	52%	85%	80%	83%	82%	83%	*77%*	*76%*	All Div'ds to Net Prof	*75%*

% TOT. RETURN 3/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	25.6	2.2
3 yr.	7.1	12.5
5 yr.	23.7	137.1

Target Price Range 2028 | 2029 | 2030

CAPITAL STRUCTURE as of 12/31/24
Total Debt $3055.0 mill. **Due in 5 Yrs** $40.0 mill.
LT Debt $2701.0 mill. **LT Interest** $150.0 mill.
Incl. $52 mill. debt to affiliated trusts; $35 mill. finance leases.
(LT interest earned: 2.1x)
Leases, Uncapitalized Annual rentals $10.4 mill.
Pension Assets-12/24 $608 mill.
Oblig $600 mill.
Pfd Stock None

Common Stock 80,126,259 shs.
as of 1/31/25
MARKET CAP: $3.1 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+3.1	-4.4	-1.3
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	9.99	10.58	11.78
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	1860	1809	1869
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	-1.0	+1.4	+1.2
Fixed Charge Cov. (%)	175	200	210

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-1.0%	2.0%	*2.0%*
"Cash Flow"	3.0%	1.0%	*3.5%*
Earnings	3.0%	-1.0%	*5.5%*
Dividends	4.0%	4.0%	*4.0%*
Book Value	3.5%	3.0%	*2.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	462.7	378.6	359.4	509.5	1710.2
2023	474.6	379.9	379.6	517.5	1751.6
2024	609.4	402.1	393.7	532.8	1938.0
2025	*635*	*410*	*400*	*455*	*1900*
2026	*655*	*425*	*410*	*480*	*1970*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.99	.16	d.08	1.05	2.12
2023	.73	.23	.19	1.08	2.24
2024	.91	.29	.23	.84	2.29
2025	*.95*	*.30*	*.35*	*1.00*	*2.60*
2026	*1.00*	*.35*	*.40*	*1.00*	*2.75*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.4225	.4225	.4225	.4225	1.69
2022	.44	.44	.44	.44	1.76
2023	.46	.46	.46	.46	1.84
2024	.475	.475	.475	.475	1.90
2025	.490				

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: 422,000 electric, 383,000 gas. Acq'd Alaska Electric Light and Power 7/14. Sold Ecova energy-management sub. 6/14. Electric revenue: residential, 36%; commercial, 29%; industrial, 9%; wholesale, 21%; other, 5%. Generating sources: gas & coal, 43%; hydro, 44%; purch., 42%. Fuel costs: 35% of rev. '24 depr. rate (Avista Utilities): 3.5%. Has 1,950 employees. Chairman: Scott L. Morris. Pres. & CEO: Heather L. Rosentrater. Inc.: WA. Address: 1411 E. Mission Ave., Spokane, WA 99202-2600. Telephone: 509-489-0500. Internet: www.avistacorp.com.

Avista Utilities, the primary operating division of Avista Corporation, has reached an all-party settlement in its Oregon rate case. The approved $4.2 million revenue increase is based on a 7.219% rate of return and a 9.5% return on equity, lower than the initial request of $7.8 million in November 2024, which had assumed a 7.67% rate of return and 10.4% return on equity. The company is now awaiting final approval. If granted, customers will see an average bill increase of 2%. This marks a key step toward implementing new rates in Oregon.

The company has also filed its 2025 Natural Gas Integrated Resource Plan (IRP). The filing was made with Washington, Idaho, and Oregon regulators and details how Avista plans to meet future natural gas demand and comply with emissions legislation over the next two decades. The IRP is filed every two years to show the utility's commitment to ensuring reliable natural gas service.

Avista continues to prioritize capital investments. The utility plans to spend $525 million in 2025, $575 million in 2026, and $600 million in 2027, totaling nearly $3 billion over five years ending in 2029. These investments support infrastructure modernization, grid expansion, and clean energy initiatives. A large portion of these funds will go toward electric and gas distribution upgrades, technology integration, and system reliability improvements. The company is also allocating capital toward transmission capacity enhancements and wildfire mitigation projects. Additionally, investments will support Avista's transition to cleaner energy resources, including the expansion of renewable natural gas and electrification infrastructure.

The near-term profit picture looks good. We estimate share earnings will grow in the low teens in 2025 before moderating to a mid-single-digit pace in 2026. All things considered, rate relief, customer growth, and a favorable return framework should help offset ongoing cost pressures.

Shares of Avista Corporation have below-average long-term capital appreciation potential. However, the dividend yield is above average for a utility company.

Emma Jalees *April 18, 2025*

(A) Diluted EPS. Excl. nonrec. gain (loss): '14, 9¢; '17, (16¢); gains on discont. ops.: '14, $1.17; '15, 8¢. EPS may not sum due to rounding. Next earnings report due mid-May. **(B)** Div'ds paid in mid-Mar., June, Sept. & Dec. ■ Div'd reinvest. plan avail. **(C)** Incl. deferred chgs. In '24: $961.0 mill., $11.95/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate allowed on com. eq. in WA in '21: 9.4%; in ID in '21: 9.4%; in OR in '21: 9.4%; earned on avg. com. eq., '22: 7.1%. Regulatory Climate: WA, Below Avg.; ID, Above Avg.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	15
Earnings Predictability	70

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

BLACK HILLS CORP. NYSE-BKH

RECENT PRICE 56.69 | P/E RATIO 13.9 (Trailing: 14.5 Median: 18.0) | RELATIVE P/E RATIO 0.88 | DIV'D YLD 4.8% | VALUE LINE

TIMELINESS 4 Lowered 4/11/25
SAFETY 2 Raised 10/18/24
TECHNICAL 3 Lowered 2/21/25
BETA .90 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$41-$71	$56 (0%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	90	(+60%)	*16%*
Low	65	(+15%)	*8%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	196	206	204
to Sell	160	155	161
Hld's(000)	59237	71247	71882

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	62.1	53.4	64.6	72.0	68.2	82.0	87.1	72.8	80.9	74.0	65.6	62.0								
Low:	47.1	36.8	44.7	57.0	50.5	60.8	48.1	58.2	59.1	46.4	49.3	55.0								
	32.58	33.29	28.96	26.55	28.67	31.20	25.48	29.47	31.38	29.24	28.22	27.02	30.11	38.60	34.18	30.47	*32.05*	*33.80*	Revenues per sh	*37.65*
	5.41	4.88	4.01	5.59	5.93	6.25	5.67	6.28	7.15	6.61	7.02	7.41	7.41	7.85	7.76	7.58	*7.75*	*7.95*	"Cash Flow" per sh	*8.75*
	2.32	1.66	1.01	1.97	2.61	2.89	2.83	2.63	3.38	3.47	3.53	3.73	3.74	3.97	3.91	3.91	*4.10*	*4.30*	Earnings per sh [A]	*5.00*
	1.42	1.44	1.46	1.48	1.52	1.56	1.62	1.68	1.81	1.93	2.05	2.17	2.29	2.41	2.50	2.60	*2.70*	*2.80*	Div'd Decl'd per sh [B] ■	*3.10*
	8.90	12.04	10.03	7.90	7.97	8.92	8.90	8.89	6.09	7.62	13.31	12.22	10.47	9.14	8.15	11.09	*11.50*	*11.50*	Cap'l Spending per sh	*12.00*
	27.84	28.02	27.53	27.88	29.39	30.80	28.63	30.25	31.92	36.36	38.42	40.79	43.05	45.31	47.15	50.12	*51.50*	*53.00*	Book Value per sh [C]	*56.00*
	38.97	39.27	43.92	44.21	44.50	44.67	51.19	53.38	53.54	60.00	61.48	62.79	64.74	66.10	68.20	69.84	*73.00*	*74.00*	Common Shs Outst'g [D]	*77.00*
	9.9	18.1	31.1	17.1	18.2	19.0	16.1	22.3	19.5	16.8	21.2	17.0	17.7	18.1	15.2	14.5	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*15.5*
	.66	1.15	1.95	1.09	1.02	1.00	.81	1.17	.98	.91	1.13	.87	.96	1.05	.85	.80			Relative P/E Ratio	*.85*
	6.2%	4.8%	4.6%	4.4%	3.2%	2.8%	3.5%	2.9%	2.7%	3.3%	2.7%	3.4%	3.5%	3.4%	4.2%	4.6%			Avg Ann'l Div'd Yield	*4.0%*
	1304.6	1573.0	1680.3	1754.3	1734.9	1696.9	1949.1	2551.8	2331.3	2127.7	*2340*	*2500*	Revenues ($mill)	*2900*
	128.3	140.3	186.5	192.5	214.5	232.9	236.7	258.4	262.2	273.1	*295*	*320*	Net Profit ($mill)	*385*
	35.8%	25.1%	28.7%	19.2%	13.0%	12.2%	2.8%	8.5%	8.5%	8.5%	*13.0%*	*13.0%*	Income Tax Rate	*13.0%*
	2.7%	5.3%	2.7%	1.4%	3.3%	2.5%	2.0%	2.4%	2.4%	2.5%	*2.5%*	*2.5%*	AFUDC % to Net Profit	*2.5%*
	56.0%	66.5%	64.5%	57.5%	57.1%	57.9%	59.7%	54.6%	54.2%	56.5%	*56.0%*	*56.0%*	Long-Term Debt Ratio	*55.5%*
	44.0%	33.5%	35.5%	42.5%	42.9%	42.1%	40.3%	45.4%	45.8%	43.5%	*44.0%*	*44.0%*	Common Equity Ratio	*44.5%*
	3332.7	4825.8	4818.4	5132.4	5502.2	6089.5	6914.0	6602.3	7016.5	7751.7	*8100*	*8600*	Total Capital ($mill)	*9900*
	3259.1	4469.0	4541.4	4854.9	5503.2	6019.7	6449.2	6797.9	7119.3	7629.9	*8150*	*8650*	Net Plant ($mill)	*10100*
	4.9%	4.0%	5.2%	5.0%	4.9%	5.0%	4.5%	5.1%	3.7%	3.5%	*3.5%*	*3.5%*	Return on Total Cap'l	*4.0%*
	8.8%	8.7%	10.9%	8.8%	9.1%	9.1%	8.5%	8.6%	8.2%	7.8%	*8.0%*	*8.0%*	Return on Shr. Equity	*8.5%*
	8.8%	8.7%	10.9%	8.8%	9.1%	9.1%	8.5%	8.6%	8.2%	7.8%	*8.0%*	*8.0%*	Return on Com Equity [E]	*8.5%*
	3.8%	3.3%	5.3%	3.9%	3.8%	3.8%	3.3%	3.4%	2.9%	2.6%	*3.0%*	*3.0%*	Retained to Com Eq	*3.0%*
	57%	62%	52%	55%	58%	58%	61%	61%	64%	66%	*66%*	*66%*	All Div'ds to Net Prof	*62%*

% TOT. RETURN 3/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	16.1	2.2
3 yr.	-10.8	12.5
5 yr.	15.1	137.1

CAPITAL STRUCTURE as of 12/31/24
Total Debt $4384.0 mill. **Due in 5 Yrs** $1660.0 mill.
LT Debt $4250.2 mill. **LT Interest** $195.0 mill.
(Total Interest Coverage: 2.5x)
Leases, Uncapitalized Annual rentals $2.2 mill.

Pension Assets-12/24 $308.6 mill.
Oblig. $348.1 mill.
Pfd Stock None

Common Stock 71,617,490 shs.
as of 1/31/25

MARKET CAP: $4.1 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+3.4	+1.5	+2.1
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Yearend (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	1107	1101	1103
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.0	+.9	+1.0
Fixed Charge Cov. (%)	281	254	261

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.5%	4.0%	*1.5%*
"Cash Flow"	3.0%	2.5%	*2.0%*
Earnings	4.5%	2.5%	*3.5%*
Dividends	5.0%	5.0%	*3.5%*
Book Value	4.5%	5.5%	*3.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	823.6	474.2	462.6	791.4	2551.8
2023	921.2	411.3	407.1	591.7	2331.3
2024	726.4	402.6	401.6	597.1	2127.7
2025	*750*	*420*	*420*	*750*	*2340*
2026	*800*	*450*	*450*	*800*	*2500*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.82	.52	.54	1.11	3.97
2023	1.73	.35	.67	1.17	3.91
2024	1.87	.33	.35	1.37	3.91
2025	*1.87*	*.40*	*.43*	*1.40*	*4.10*
2026	*1.92*	*.42*	*.46*	*1.50*	*4.30*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.565	.565	.565	.595	2.29
2022	.595	.595	.595	.625	2.41
2023	.625	.625	.625	.625	2.50
2024	.65	.65	.65	.65	2.60
2025	.676				

BUSINESS: Black Hills Corporation is a holding company for Black Hills Energy, which serves 222,340 electric customers in CO, SD, WY and MT, and 1.12 million gas customers in NE, IA, KS, CO, WY, and AR. Has coal mining sub. Acq'd utility ops. from Aquila 7/08; SourceGas 2/16. Discontinued gas marketing in '11; gas & oil E&P in '17. '24 Elec. rev. breakdown: residential, 34%; commercial, 38%; industrial, 23%; other, 5%. Generating sources: coal, 35%; gas, 26%; wind, 9%; purchased, 30%. Fuel costs: 34% of revs. '24 deprec. rate: 2.9%-3.5%. Has 2,874 employees. Chairman: Steven R. Mills. President & CEO: Linden R. Evans. Inc.: SD. Address: 7001 Mount Rushmore Rd., P.O. Box 1400, Rapid City, SD 57709-1400. Tele: 605-721-1700. Internet: www.blackhillscorp.com.

Black Hills should deliver modest earnings gains in 2025. Commensurate with fourth-quarter earnings that included a notable 21.4% increase in net income to $101.0 million compared with $83.2 million in the year-ago period, leadership provided an initial 2025 earnings guidance range of between $4.00 and $4.20 per share. At the midpoint, this represents an approximate 5% increase from last year's diluted earnings per share tally of $3.91 while remaining consistent with management's affirmed objective of achieving long-term earnings growth of 4% to 6% annually. Ongoing tight expense management, along with improving gross margins in Gas Utilities and more normalized weather patterns (unusually mild weather mitigated energy demand and impacted share earnings by approximately $0.20 in 2024) should boost earnings in 2025.

Leadership has increased its five-year capital investment forecast by 10% to $4.7 billion. The capital plan is designed to incorporate investments that support customer needs for safe, reliable, and cost-effective service, while driving long-term growth. One such example included within the forecast is the *Ready Wyoming* transmission project, which at approximately 260 miles in length, represents the largest electric transmission project in Black Hills' history. This project will interconnect the company's Wyoming electric system with its South Dakota electric system, enhancing resiliency and accessibility while meeting the burgeoning energy needs of customers, including those of data centers.

The company is pursuing increased earnings contribution from data centers over the balance of the decade. Management believes it already possesses a pipeline exceeding one gigawatt of data center demand from existing customers (such as Microsoft and Meta) and expects to serve approximately 500 megawatts of this demand by the end of 2029, with only minimal capital investment required. Accordingly, leadership targets earnings contribution from data centers to more than double to 10% or more of earnings by 2029.

Although ranked Below-Average (4) for Timeliness, Black Hills stock may appeal to income-oriented investors.

Steven Brachman *April 18, 2025*

(A) Diluted EPS. Excl. nonrec. gains/(losses): '15, ($3.54); '16, ($1.26); '17, 14¢; '18, $1.31; '19, (25¢); '20, (8¢); discont. ops.: '09, 7¢; '11, 23¢; '12, (16¢); '17, (31¢); '18, (12¢). Qtly. EPS may not sum to full year due to rounding. Next egs. report due early May. **(B)** Div'ds paid in early March, June, Sept., and Dec. ■ Div'd reinv. plan avail. **(C)** Incl. deferred chgs. and intangibles in '24: $22.62/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate allowed on com. eq. in SD in '15: none specified; in CO in '17: 9.37%. Regulatory Climate: Average.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	25
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

CMS ENERGY CORP. NYSE-CMS

RECENT PRICE 72.12 | P/E RATIO 20.5 (Trailing: 21.7 Median: 21.0) | RELATIVE P/E RATIO 1.14 | DIV'D YLD 3.0% | VALUE LINE

TIMELINESS 4 Lowered 5/10/24
SAFETY 2 Raised 3/8/24
TECHNICAL 3 Lowered 2/21/25
BETA .90 (1.00 = Market)

18-Month Target Price Range

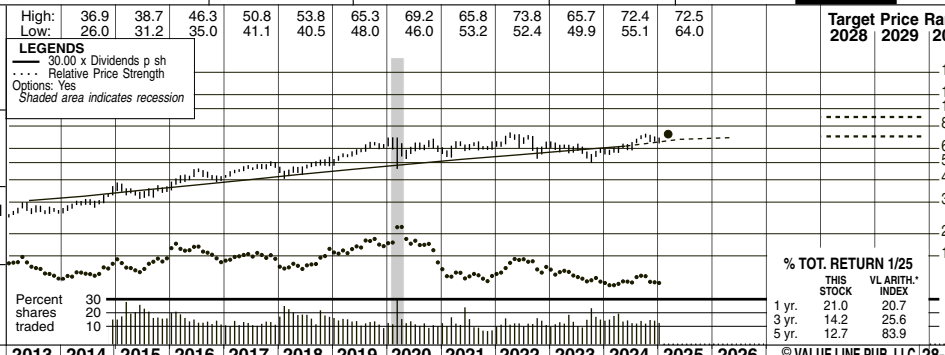
Low-High	Midpoint (% to Mid)
$63-$88	$76 (5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	95	(+30%)	*10%*
Low	70	(-5%)	*2%*

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	304	362	362
to Sell	271	252	284
Hld's(000)	282739	279512	313330



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
27.23	25.77	25.59	23.90	24.68	26.09	23.29	22.92	23.37	24.25	24.11	23.12	25.29	29.51	25.35	25.15	*27.15*	*27.90*	Revenues per sh	*31.45*
3.47	3.70	3.65	3.82	4.06	4.22	4.59	4.88	5.29	5.61	5.89	6.24	6.42	6.69	6.98	7.47	*7.75*	*8.00*	"Cash Flow" per sh	*9.50*
.93	1.33	1.45	1.53	1.66	1.74	1.89	1.98	2.17	2.32	2.39	2.64	2.58	2.84	3.01	3.33	*3.60*	*3.80*	Earnings per sh [A]	*4.20*
.50	.66	.84	.96	1.02	1.08	1.16	1.24	1.33	1.43	1.53	1.63	1.74	1.84	1.95	2.06	*2.20*	*2.30*	Div'd Decl'd per sh [B] ■	*2.50*
3.59	3.29	3.47	4.65	4.98	5.73	5.64	5.99	5.91	7.32	7.41	8.02	7.16	8.15	8.18	10.10	*12.75*	*10.00*	Cap'l Spending per sh	*10.00*
11.42	11.19	11.92	12.09	12.98	13.34	14.21	15.23	15.77	16.78	17.68	19.02	22.11	23.32	24.86	26.79	*27.55*	*28.75*	Book Value per sh [C]	*30.75*
227.89	249.60	254.10	264.10	266.10	275.20	277.16	279.21	281.65	283.37	283.86	288.94	289.76	291.27	294.40	298.80	*300.00*	*301.00*	Common Shs Outst'g [D]	*302.00*
13.6	12.5	13.6	15.1	16.3	17.3	18.3	20.9	21.3	20.3	24.3	23.3	23.6	22.9	19.6	19.0	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*20.0*
.91	.80	.85	.96	.92	.91	.92	1.10	1.07	1.10	1.29	1.20	1.28	1.32	1.09	1.00			Relative P/E Ratio	*1.10*
4.0%	4.0%	4.3%	4.2%	3.8%	3.6%	3.4%	3.0%	2.9%	3.0%	2.6%	2.6%	2.9%	2.8%	3.3%	3.3%			Avg Ann'l Div'd Yield	*3.0%*
6456.0	6399.0	6583.0	6873.0	6845.0	6680.0	7329.0	8596.0	7462.0	7515.0	*8150*	*8400*	Revenues ($mill)	*9500*
525.0	553.0	610.0	659.0	682.0	757.0	751.0	833.0	886.0	1003.0	*1090*	*1155*	Net Profit ($mill)	*1280*
34.0%	33.1%	31.2%	14.9%	17.7%	15.0%	11.5%	10.3%	15.4%	15.7%	*15.5%*	*15.5%*	Income Tax Rate	*15.5%*
2.7%	3.1%	1.1%	1.4%	2.1%	1.1%	1.5%	1.4%	1.4%	1.2%	*1.5%*	*1.5%*	AFUDC % to Net Profit	*1.0%*
68.3%	67.1%	67.3%	69.0%	70.4%	71.2%	64.5%	65.3%	65.9%	65.0%	*64.5%*	*63.5%*	Long-Term Debt Ratio	*61.5%*
31.4%	32.6%	32.4%	30.7%	29.4%	28.6%	34.2%	33.6%	33.1%	34.0%	*34.5%*	*35.5%*	Common Equity Ratio	*37.5%*
12534	13040	13692	15476	17082	19223	18760	20205	22114	23536	*23775*	*24100*	Total Capital ($mill)	*24700*
14705	15715	16761	18126	18926	21039	22352	22713	25072	27461	*30025*	*31700*	Net Plant ($mill)	*34600*
5.7%	5.8%	5.9%	5.6%	5.3%	5.2%	5.3%	5.4%	5.4%	5.7%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.5%*
13.2%	12.9%	13.6%	13.8%	13.5%	13.7%	11.3%	11.9%	11.7%	12.2%	*13.0%*	*13.0%*	Return on Shr. Equity	*13.5%*
13.3%	13.0%	13.7%	13.8%	13.6%	13.7%	11.6%	12.1%	12.0%	12.4%	*13.0%*	*13.0%*	Return on Com Equity [E]	*13.5%*
5.2%	4.8%	5.2%	5.3%	4.9%	5.3%	3.8%	4.3%	4.2%	4.7%	*5.0%*	*5.0%*	Retained to Com Eq	*5.5%*
61%	63%	62%	62%	64%	62%	68%	65%	65%	62%	*61%*	*61%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $16501 mill. **Due in 5 Yrs** $2771 mill.
LT Debt $15306 mill. **LT Interest** $708 mill.
Incl. $112 mill. finance leases.
Leases, Uncapitalized Annual rentals $5 mill.
Pension Assets-12/24 $2964 mill.
Oblig $2195 mill.
Pfd Stock $224 mill. **Pfd Div'd** $10 mill.
Incl. 373,148 shs. $4.50 $100 par, cum., callable at $110.00; 9,200,000 shs. 4.2%, $25 par, cum.
Common Stock 298,790,000 shs.

MARKET CAP: $21.5 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+3.0	-1.0	+1.0
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	8.78	8.90	10.14
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	8061	8067	8030
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.0	+1.0	+1.0
Fixed Charge Cov. (%)	226	244	250

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	.5%	2.0%	*3.0%*
"Cash Flow"	5.5%	4.5%	*5.5%*
Earnings	6.5%	6.0%	*6.0%*
Dividends	6.5%	6.5%	*5.0%*
Book Value	7.0%	8.5%	*5.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2374	1920	2024	2278	8596
2023	2284	1555	1673	1950	7462
2024	2176	1607	1743	1989	7515
2025	*2200*	*1750*	*1850*	*2350*	*8150*
2026	*2265*	*1800*	*1905*	*2430*	*8400*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.20	.50	.56	.58	2.84
2023	.69	.67	.60	1.05	3.01
2024	.96	.65	.84	.87	3.33
2025	*.95*	*.80*	*.90*	*.95*	*3.60*
2026	*.95*	*.90*	*.90*	*1.05*	*3.80*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec. 31	Full Year
2021	.435	.435	.435	.435	1.74
2022	.46	.46	.46	.46	1.84
2023	.4875	.4875	.4875	.4875	1.95
2024	.515	.515	.515	.515	2.06
2025	.5425				

BUSINESS: CMS Energy Corporation is a holding company for Consumers Energy, which supplies electricity and gas to lower Michigan (excluding Detroit). Has 1.9 million electric, 1.8 million gas customers. Has 2,016 megawatts of nonregulated generating capacity. Sold EnerBank in '21. Electric revenue breakdown: residential, 46%; commercial, 33%; industrial, 13%; other, 8%. Generating sources: coal, 22%; gas, 42%; renewables, 7%; purchased, 29%. Fuel costs: 37% of revenues. '24 depreciation rates: 3.8% electric, 2.8% gas, 7.8% other. Has 8,324 full-time employees. Chairman: John G. Russell. President & CEO: Garrick Rochow. Inc.: Michigan. Address: One Energy Plaza, Jackson, Michigan 49201. Telephone: 517-788-0550. Internet: www.cmsenergy.com.

CMS Energy reported mixed fourth-quarter results. Revenue increased 2% year over year, to $1.99 billion, while GAAP share earnings declined 17%, to $0.87. The results were influenced by constructive regulatory outcomes, strong performance at NorthStar, and cost management initiatives under the CE Way. These factors helped offset significant weather-related challenges, particularly mild winter temperatures in the first and fourth quarters. Based on heating degree days, management noted 2024 as the warmest winter in the past 25 years. On a full-year basis, revenue remained flat at $7.5 billion, but share earnings increased 11% over the year-ago period, to $3.33.

CMS Energy's utility subsidiary, Consumers Energy, is advancing its rate cases. A decision on its electric rate case is expected by the end of March 2025, while the gas rate case remains in its early stages. However, the gas rate is anticipated to gain support from essential infrastructure investments. Consumers Energy has requested a $248 million annual gas rate increase based on a 10.25% return on equity, with a decision anticipated by late 2025.

Share profits are expected to grow in the 6%-8% range in 2025 and 2026. Management's focus on cost reduction and regulatory rate relief should support earnings, assuming normal weather.

The company is also advancing its five-year Reliability Roadmap strategy. The $20 billion investment plan is expected to enhance customer service through improved electric distribution reliability and supply security. This initiative represents a $3 billion increase over the prior plan and supports an 8.5% rate base growth through 2029. A significant portion of the investment is expected to expand the renewable energy pipeline to meet growing demand.

The board of directors approved a dividend increase in the first quarter. The new quarterly dividend payment of $0.5425 per share, distributed in February, represents a 5.3% annual increase.

Shares of CMS are expected to lag the broader market averages in the year ahead. The stock offers a below-average dividend yield for a utility company.

Emma Jalees *March 7, 2025*

(A) Dil. GAAP EPS may not sum due to rdg. Excl. nonrec. gains (losses): '09, (7¢); '10, 3¢; '11, 12¢; '12, (14¢); '17, (53¢); gains (losses) on disc. ops.: '09, 8¢; '10, (8¢); '11, 1¢; '12, 3¢; '21, $2.08; '22, 1¢. Next earnings report due late April. **(B)** Div'ds paid late Feb., May, Aug., & Nov. ■ Div'd reinvestment plan avail. **(C)** Incl. intang. In '24: $8.52/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate all'd on com. eq. in '22: 9.9% elec.; in '19: 9.9% gas; earned on avg. com. eq., '21: 13.2%. Regulatory Climate: Above Average.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	55
Earnings Predictability	85

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

CENTERPOINT EN'RGY NYSE-CNP

RECENT PRICE **34.20** | P/E RATIO **19.8** (Trailing: 21.5 Median: 19.0) | RELATIVE P/E RATIO **1.10** | DIV'D YLD **2.3%** | **VALUE LINE**

TIMELINESS 4 Lowered 12/13/24
SAFETY 3 Lowered 12/18/15
TECHNICAL 3 Lowered 2/28/25
BETA 1.10 (1.00 = Market)

18-Month Target Price Range

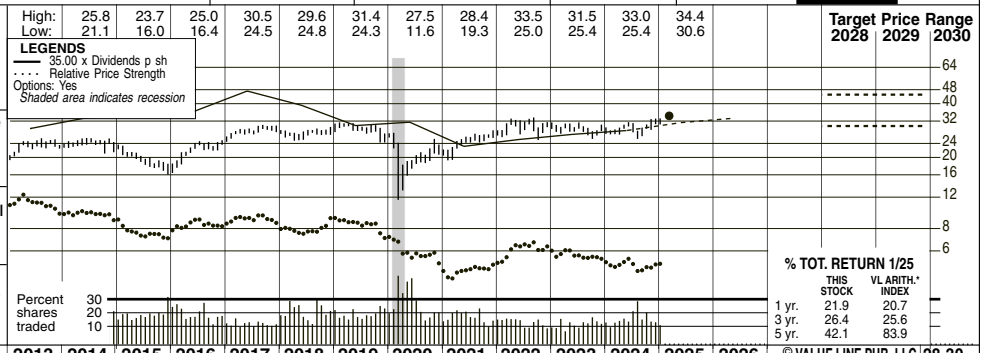
Low-High	Midpoint (% to Mid)
$29-$44	$37 (5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+30%)	*10%*
Low	30	(-10%)	*Nil*

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	298	316	267
to Sell	268	279	298
Hld's(000)	580609	604662	658628



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
21.14	20.69	19.83	17.43	18.90	21.51	17.18	17.48	22.30	21.13	24.49	13.45	13.28	14.81	13.78	13.26	*14.85*	*15.00*	Revenues per sh	*16.75*
2.94	3.14	3.43	3.89	3.54	3.85	3.40	3.68	4.03	3.24	4.12	3.46	3.00	3.65	3.67	3.75	*4.00*	*4.25*	"Cash Flow" per sh	*4.50*
1.01	1.07	1.27	1.35	1.24	1.42	1.08	1.00	1.57	.74	1.49	1.29	.94	1.59	1.37	1.58	*1.70*	*1.80*	Earnings per sh [A]	*2.00*
.76	.78	.79	.81	.83	.95	.99	1.03	1.35	1.12	.86	.90	.66	.72	.77	.81	*.89*	*.95*	Div'd Decl'd per sh [B] ■	*1.01*
2.96	3.55	3.06	2.84	3.00	3.20	3.68	3.28	3.31	3.29	4.99	4.71	5.03	7.02	6.97	*5.65*	*7.70*	*8.50*	Cap'l Spending per sh	*8.50*
6.74	7.53	9.91	10.06	10.09	10.60	8.05	8.03	10.88	12.53	13.10	10.78	13.70	14.68	15.31	16.36	*17.90*	*19.25*	Book Value per sh [C]	*21.50*
391.75	424.70	426.03	427.44	429.00	429.00	430.00	430.68	431.04	501.20	502.24	551.36	628.92	629.54	631.23	651.73	*652.50*	*653.00*	Common Shs Outst'g [D]	*653.00*
11.8	13.8	14.6	14.8	18.7	17.0	18.1	21.9	17.9	37.0	19.5	15.9	26.1	18.7	21.1	21.0	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*19.0*
.79	.88	.92	.94	1.05	.89	.91	1.15	.90	2.00	1.04	.82	1.41	1.08	1.17	1.15			Relative P/E Ratio	*1.05*
6.4%	5.3%	4.3%	4.0%	3.6%	3.9%	5.1%	4.7%	4.8%	4.1%	3.0%	4.4%	2.7%	2.4%	2.7%	2.5%			Avg Ann'l Div'd Yield	*2.7%*
7386.0	7528.0	9614.0	10589	12301	7418.0	8352.0	9321.0	8696.0	8643.0	*9700*	*9750*	Revenues ($mill)	*11000*
465.0	432.0	679.0	368.0	871.0	863.0	668.0	1057.0	917.0	1019.0	*1160*	*1225*	Net Profit ($mill)	*1355*
35.1%	37.0%	36.1%	28.4%	14.9%	13.4%	14.1%	25.4%	15.6%	16.1%	*16.0%*	*16.0%*	Income Tax Rate	*16.0%*
4.7%	3.5%	2.9%	5.4%	6.7%	6.0%	9.3%	- -	9.3%	*5.0%*	*5.0%*	*5.0%*	AFUDC % to Net Profit	*5.0%*
69.5%	68.5%	63.6%	51.9%	63.0%	58.0%	62.3%	59.6%	64.5%	65.5%	*64.0%*	*62.0%*	Long-Term Debt Ratio	*59.0%*
30.5%	31.5%	36.4%	37.5%	29.1%	29.9%	34.5%	37.1%	35.5%	34.5%	*36.0%*	*38.0%*	Common Equity Ratio	*41.0%*
11362	10992	12883	16740	22603	19869	24973	24878	27226	31063	*31975*	*32700*	Total Capital ($mill)	*34000*
11537	12307	13057	14044	20945	22362	23484	27143	29853	32089	*35600*	*39600*	Net Plant ($mill)	*47300*
6.1%	5.8%	6.8%	3.4%	5.1%	5.6%	3.8%	5.3%	4.7%	*5.0%*	*5.0%*	*5.0%*	Return on Total Cap'l	*5.0%*
13.4%	12.5%	14.5%	4.6%	10.4%	10.3%	7.1%	10.5%	9.5%	10.0%	*10.0%*	*10.0%*	Return on Shr. Equity	*10.0%*
13.4%	12.5%	14.5%	5.3%	11.5%	11.6%	6.7%	10.9%	9.5%	10.0%	*10.0%*	*10.0%*	Return on Com Equity [E]	*10.5%*
1.1%	NMF	4.7%	NMF	2.7%	5.0%	2.2%	6.1%	4.5%	4.5%	*5.0%*	*5.0%*	Retained to Com Eq	*4.5%*
92%	103%	68%	NMF	80%	66%	72%	46%	53%	49%	*49%*	*50%*	All Div'ds to Net Prof	*49%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $20461 mill. **Due in 5 Yrs** $7156 mill.
LT Debt $20397 mill. **LT Interest** $840 mill.
Incl. $308 mill. securitized transition & system restoration bonds.
(LT interest coverage: 2.5x)
Leases, Uncapitalized Annual rentals $4 mill.
Pension Assets-12/24 $1132 mill.
Oblig $1477 mill.
Pfd Stock None
Common Stock 651,729,244 shs.
as of 2/10/25

MARKET CAP: $22.3 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (GWH)	+2.0	+3.0	+2.0%
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.)	+2.0	+2.0%	+2.0%
Fixed Charge Cov. (%)	252	251	252

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	-3.0%	-7.0%	*3.0%*
"Cash Flow"	-.5%	-1.0%	*4.5%*
Earnings	- -	3.5%	*6.5%*
Dividends	-1.0%	-9.5%	*6.0%*
Book Value	4.0%	7.0%	*5.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	2763	1944	1903	2711	9321
2023	2779	1875	1860	2182	8696
2024	2620	1905	1856	2262	8643
2025	*2650*	*2700*	*2050*	*2300*	*9700*
2026	*2650*	*2700*	*2100*	*2300*	*9750*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2022	.82	.28	.30	.19	1.59
2023	.49	.17	.40	.30	1.37
2024	.55	.36	.30	.38	1.58
2025	*.50*	*.35*	*.50*	*.35*	*1.70*
2026	*.50*	*.40*	*.50*	*.40*	*1.80*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.16	.16	.16	.17	.65
2022	.17	.17	.18	.18	.70
2023	.18	.19	.19	.20	.76
2024	.20	.20	.20	.21	.81
2025	.22				

BUSINESS: CenterPoint Energy, Inc. is a holding company for Houston Electric, which serves over 2.81 million customers in Houston and environs. Indiana Electric, which serves approximately 153,000 customers, and gas utilities with 4.31 million customers in Texas, Minnesota, Louisiana, Mississippi, Indiana, and Ohio. Acquired Vectren 2/19. Sold nonutility operations in '20. Sold its stake in Energy Transfer LP in '22 and '23. Electric revenue breakdown not available. Fuel costs: 20% of total revenues. Has 8,872 employees. Chairman: Martin H. Nesbitt. President & Chief Executive Officer: Jason P. Wells. Incorporated: Texas. Address: 1111 Louisiana, P.O. Box 4567, Houston, Texas 77210-4567. Telephone: 713-207-1111. Internet: www.centerpointenergy.com.

CenterPoint Energy reported mixed full-year 2024 results. Revenue declined slightly to $8.64 billion, but earnings per share increased more than 15% year over year, to $1.58. While the performance was impacted by outages from Hurricane Beryl, operational efficiencies and rate recovery offset some of the weaknesses.

The company made significant regulatory progress across its service territories. A settlement was reached in Houston Electric's 2024 rate case, which, if approved, would lower the average residential electric delivery charge by approximately $1 per month. In Indiana, the company received a final order in its electric rate case, approving an $80 million annual revenue increase with a 9.8% return on equity.

CenterPoint's System Resiliency Plan should strengthen its transmission and distribution infrastructure. At Houston Electric, the company refiled its plan in January, proposing $5.75 billion in investments from 2026 to 2028 to enhance grid reliability. Since Hurricane Beryl, the company has doubled the number of automated circuits, with plans to triple them over the next three years. These measures are projected to reduce outages and storm-related costs by approximately $50 million annually starting in 2029. The company also increased its capital investment target to $47.5 billion through 2030, reflecting a $500 million adjustment.

The near-term bottom line will likely advance at a mid-to-high-single-digit pace. Despite costs related to the ongoing resiliency plan, we estimate 2025 and 2026 share earnings will advance to $1.70 and $1.80, respectively, supported by rate relief.

The planned divestiture of CenterPoint's Louisiana and Mississippi natural gas assets remains on track to close in the first quarter of this year. Bernhard Capital Partners will acquire these assets for net proceeds of $1 billion.

The board approved a 4.8% dividend increase, raising the quarterly payout to $0.22 per share. The new dividend will be paid in March.

Shares of CenterPoint are untimely, and the dividend yield is also low for a utility.

Emma Jalees *March 7, 2025*

(A) GAAP Dil. EPS 2022 & onwards. Excl. nonrecur. gains (losses): '11, $1.89; '12, (38¢); '13, (52¢); '15, ($2.69); '17, $2.56; '20, ($2.74); gain (loss) on disc. ops.: '20, (34¢); '21, $1.34. Next egs. report due late April. **(B)** Div'ds histor. paid in early Mar., June, Sept. & Dec. 5 declarations in '17 & '20, 3 in '19. ■ Div'd reinv. plan avail. **(C)** Incl. intang. In '23: $6.59/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate all'd on com. eq. (elec.) in '20: 9.4%; (gas): 9.45%-11.25%; earned on avg. com. eq., '22: 8.27%. Regulatory Climate: TX, Avg.; IN, Above Avg.

Company's Financial Strength	A
Stock's Price Stability	80
Price Growth Persistence	40
Earnings Predictability	60

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

DOMINION ENERGY NYSE-D

RECENT PRICE 53.74 | P/E RATIO 15.8 (Trailing: 19.5 Median: 20.0) | RELATIVE P/E RATIO 0.95 | DIV'D YLD 5.0% | VALUE LINE

TIMELINESS 4 Lowered 4/25/25
SAFETY 2 Raised 11/8/24
TECHNICAL 3 Lowered 1/17/25
BETA .75 (1.00 = Market)

18-Month Target Price Range
Low-High $39-$65 | Midpoint (% to Mid) $52 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	80	(+50%)	*14%*
Low	60	(+10%)	*7%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	569	657	633
to Sell	573	557	636
Hld's(000)	629952	697124	713000

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
High:	80.9	79.9	79.0	85.3	81.7	83.9	90.9	81.1	88.8	63.9	62.0	57.8						
Low:	63.1	64.5	66.3	70.9	61.5	67.4	57.8	67.9	57.2	39.2	43.5	48.1						

LEGENDS
25.6 x Dividends p sh
Relative Price Strength
Options: Yes
Shaded area indicates recession

Target Price Range 2028 | 2029 | 2030

% TOT. RETURN 4/28/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	11.7	2.2
3 yr.	-26.2	12.5
5 yr.	-15.9	137.1

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
	25.26	26.16	25.23	22.73	22.58	21.26	19.60	18.69	19.51	19.63	19.78	17.58	17.24	20.57	17.18	16.97	*18.70*	*19.50*	Revenues per sh	*21.60*
	4.82	5.10	5.04	5.24	5.47	5.71	5.99	6.32	6.89	7.24	7.65	7.17	7.27	7.81	5.58	5.81	*6.60*	*6.85*	"Cash Flow" per sh	*7.75*
	2.64	2.89	2.76	2.75	3.09	3.05	3.20	3.44	3.53	4.05	4.24	3.54	3.86	4.11	1.99	2.77	*3.40*	*3.60*	Earnings per sh [A]	*4.25*
	1.75	1.83	1.97	2.11	2.25	2.40	2.59	2.80	3.04	3.34	3.67	3.45	2.52	2.67	2.67	2.67	*2.67*	*2.67*	Div'd Decl'd per sh [B] ■	*2.67*
	6.41	5.89	6.41	7.20	7.06	9.14	9.35	9.69	8.53	6.25	5.94	7.47	7.36	9.09	12.19	14.32	*12.40*	*11.00*	Cap'l Spending per sh	*11.00*
	18.67	20.65	20.08	18.35	20.04	19.75	21.25	23.26	26.58	29.53	35.33	29.44	31.51	31.26	30.72	30.82	*31.65*	*32.70*	Book Value per sh [C]	*37.25*
	599.00	581.00	570.00	576.00	581.00	585.00	596.00	628.00	645.00	681.00	838.00	806.00	810.00	835.00	838.00	852.00	*855.00*	*858.00*	Common Shs Outst'g [D]	*880.00*
	12.7	14.3	17.3	18.9	19.2	23.0	22.1	21.3	22.2	17.5	18.2	22.6	19.5	18.7	26.1	18.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.0*
	.85	.91	1.09	1.20	1.08	1.21	1.11	1.12	1.12	.95	.97	1.16	1.05	1.08	1.45	1.00			Relative P/E Ratio	*.90*
	5.2%	4.4%	4.1%	4.1%	3.8%	3.4%	3.7%	3.8%	3.9%	4.7%	4.8%	4.3%	3.3%	3.5%	5.1%	5.1%			Avg Ann'l Div'd Yield	*3.9%*
	11683	11737	12586	13366	16572	14172	13964	17174	14393	14459	*16000*	*16750*	Revenues ($mill)	*19000*
	1899.0	2123.0	2244.0	2651.0	3447.0	3006.0	3191.0	3505.0	1743.0	2392.0	*3010*	*3190*	Net Profit ($mill)	*3840*
	32.0%	22.8%	27.2%	17.3%	20.3%	12.2%	13.7%	16.3%	18.9%	17.1%	*17.0%*	*17.0%*	Income Tax Rate	*17.0%*
	5.3%	7.5%	10.5%	5.1%	2.6%	3.4%	3.7%	3.2%	9.1%	10.9%	*9.5%*	*9.5%*	AFUDC % to Net Profit	*9.0%*
	65.1%	67.4%	64.4%	60.8%	51.4%	56.5%	56.4%	58.3%	54.7%	57.9%	*59.0%*	*59.0%*	Long-Term Debt Ratio	*60.0%*
	34.9%	32.6%	35.6%	39.2%	45.0%	39.5%	38.5%	39.1%	42.4%	40.5%	*39.5%*	*39.5%*	Common Equity Ratio	*39.0%*
	36280	44836	48090	51251	65818	60074	66344	66795	60777	64778	*68175*	*71300*	Total Capital ($mill)	*84600*
	41554	49964	53758	54560	69082	57848	59774	63460	58780	68862	*76750*	*83400*	Net Plant ($mill)	*103000*
	6.5%	6.0%	5.9%	6.5%	6.4%	6.2%	5.9%	6.0%	4.2%	5.1%	*5.5%*	*6.0%*	Return on Total Cap'l	*6.0%*
	15.0%	14.5%	13.1%	13.2%	10.8%	11.5%	11.0%	12.6%	6.3%	8.8%	*10.5%*	*11.0%*	Return on Shr. Equity	*11.5%*
	15.0%	14.5%	13.1%	13.2%	11.6%	12.4%	12.2%	13.1%	6.5%	8.8%	*11.0%*	*11.0%*	Return on Com Equity [E]	*11.5%*
	2.9%	2.7%	1.8%	2.3%	1.5%	.3%	4.3%	4.6%	NMF	.3%	*2.5%*	*3.0%*	Retained to Com Eq	*4.5%*
	81%	81%	86%	82%	87%	98%	66%	66%	NMF	97%	*79%*	*75%*	All Div'ds to Net Prof	*63%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $41750 mill. **Due in 5 Yrs** $8154 mill.
LT Debt $37525 mill. **LT Interest** $1887 mill.
(Total Interest coverage: 2.4x)
Leases, Uncapitalized Annual rentals $36 mill.

Pension Assets-12/24 $9478 mill.
Oblig. $7652 mill.
Pfd Stock $991 mill. **Pfd Divd** $78 mill.

Common Stock 852,050,458 shs.
as of 2/20/25

MARKET CAP: $45.8 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (MWH)	+5.0	-1.1	+4.2
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)	+1.1	+1.2	+1.3
Fixed Charge Cov. (%)	273	201	204

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-2.0%	-1.5%	*3.0%*
"Cash Flow"	1.5%	-2.5%	*3.5%*
Earnings	- -	-5.5%	*6.0%*
Dividends	1.5%	-4.5%	*Nil*
Book Value	5.0%	.5%	*3.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	4279	3596	4386	4913	17174
2023	3883	3166	3810	3534	14393
2024	3632	3486	3941	3400	14459
2025	*3825*	*3725*	*4550*	*3900*	*16000*
2026	*4000*	*3900*	*4775*	*4075*	*16750*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.18	.77	1.11	1.06	4.11
2023	.59	.35	.75	.29	1.99
2024	.55	.65	.98	.5 8	2.77
2025	*.75*	*.77*	*1.18*	*.70*	*3.40*
2026	*.78*	*.80*	*1.30*	*.72*	*3.60*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.63	.63	.63	.63	2.52
2022	.6675	.6675	.6675	.6675	2.67
2023	.6675	.6675	.6675	.6675	2.67
2024	.6675	.6675	.6675	.6675	2.67
2025	.6675				

BUSINESS: Dominion Energy, Inc. is a holding company for Virginia Power, North Carolina Electric, and South Carolina Electric & Gas. It provides regulated electricity service to 3.6 million homes and businesses in VA, NC, & SC, and regulated natural gas service to 500,000 customers in SC. Acquired SCANA 1/19. Sold East Ohio Gas, PSNC, and Questar in 2024 for $14 bill. Electric rev. breakdown: resid'l, 45%; commercial, 39%; ind'l, 7%; other, 9%. Generating sources: gas, 40%; nuclear, 26%; coal, 5%; renewable, 7%; purchased, 22%. Power/fuel costs: 27% of rev. Deprec. rates: 2.3%-4.0%. Employs 14,700. Chair, Pres. & CEO: Robert M. Blue. Inc.: VA. Address: 600 East Canal Street, Richmond, VA 23219. Telephone: 804-819-2000. Internet: www.dominionenergy.com.

Dominion Energy appears on track to deliver solid profit gains over the intermediate term. Leadership has narrowed its 2025 operating earnings target to $3.28-$3.52 per share (formerly $3.25-$3.54), leaving the midpoint of $3.40 a share unchanged. It has also reaffirmed a 5%-7% target range for annual profit growth over the 2025 to 2029 stretch, which we've used to derive our 2026 earnings estimate of $3.60 per share. We have reasonable confidence in leadership's figures based on an expanding rate base - projected to grow 8% per annum on average over the 2025 to 2029 period. (Subscribers may recall that the rate base is the dollar amount of approved cumulative depreciated assets that a regulated return on equity is applied to in order to set utility revenue levels.) About $50 billion in capital investments are planned over the next five years, supporting grid modernization, transmission and distribution growth, and power generation capacity. Dominion's service area is characterized by decent migration trends, solid economic activity, and exceptional demand growth from electrification and data center buildouts in the Virginia to DC hub.

Following major divestitures and a restructuring in 2023 and 2024, the company is primarily a pure-play electric utility. Dominion is now mainly a regulated utility with 3.6 million electric customers in Virginia and the Carolinas and 500,000 gas customers in South Carolina. Numerous nonstrategic assets on the natural gas side of the business have been sold to raise capital in support of investments in the core Virginia and Carolinas electric utility operations. The company has also somewhat de-risked its position in the huge Coastal Virginia Offshore Wind project via the sale of a 50% equity position to Stonepeak Infrastructure, which is to share equally in future on-budget development costs. That project is about 50% finished and is on track for completion by yearend 2026.

This equity is untimely. The main draw here is the high dividend yield. It compares favorably to the 3.6% median level of electric utility peers. Still, annual total return potential isn't particularly appealing at the recent valuation.

Anthony J. Glennon *May 9, 2025*

(A) Dil. egs. Excl. nonrec. gain/(losses): '10, $2.13; '11, (31¢); '12, ($2.18); '14, (81¢); '17, $1.19; '18, (31¢); '19, ($2.62); '20, ($1.72); '21, (67¢); '22, ($3.03); '23, 49¢; '24, (57¢); gain/(losses) from disc. ops.: '10, (26¢); '12, (4¢); '13, (16¢); '20, ($2.39); '21, 79¢; '22, 1¢; '23, (19¢); '24, 24¢. Nxt egs. rpt due early Aug. **(B)** Div'ds paid mid-Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. **(C)** Incl. intang. In '24: $15.92/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost, adj. Rate all'd on com. eq. in VA in '22: 9.35%; in SC in '21: 9.5%. Regult'y. Clim.: Avg.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	15
Earnings Predictability	70

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

DTE ENERGY CO. NYSE-DTE

RECENT PRICE 132.38 | P/E RATIO 18.9 (Trailing: 19.6 Median: 18.0) | RELATIVE P/E RATIO 1.05 | DIV'D YLD 3.3% | VALUE LINE

TIMELINESS 4 Lowered 11/29/24
SAFETY 2 Raised 12/21/12
TECHNICAL 3 Lowered 2/21/25
BETA 1.00 (1.00 = Market)

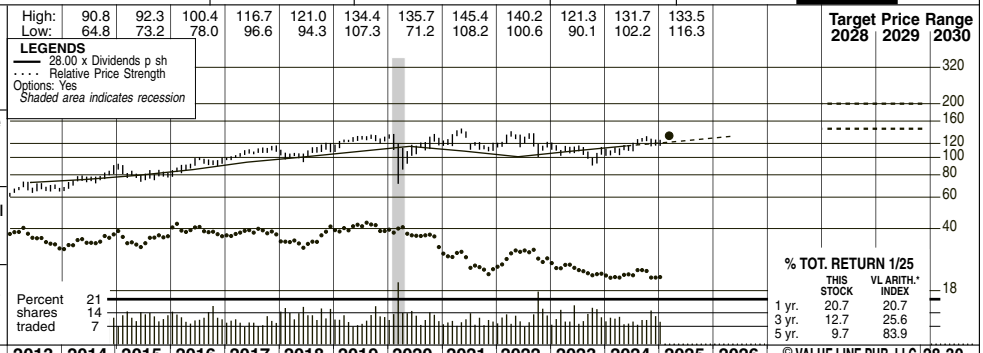
18-Month Target Price Range
Low-High Midpoint (% to Mid)
$100-$150 $125 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	200	(+50%)	*13%*
Low	145	(+10%)	*6%*

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	371	382	417
to Sell	287	316	300
Hld's(000)	162212	159667	183304



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	90.8	92.3	100.4	116.7	121.0	134.4	135.7	145.4	140.2	121.3	131.7	133.5								
Low:	64.8	73.2	78.0	96.6	94.3	107.3	71.2	108.2	100.6	90.1	102.2	116.3								
	48.45	50.51	52.57	51.01	54.56	69.50	57.60	59.24	70.28	78.12	65.91	62.84	77.23	93.48	61.76	60.13	*65.20*	*67.90*	Revenues per sh	*75.25*
	9.38	9.78	9.57	9.77	10.13	11.85	9.44	10.60	11.77	12.58	12.97	14.70	11.94	12.66	14.54	15.14	*15.95*	*16.75*	"Cash Flow" per sh	*18.60*
	3.24	3.74	3.67	3.88	3.76	5.10	4.44	4.83	5.73	6.17	6.31	7.08	4.10	5.52	6.76	6.77	*7.20*	*7.75*	Earnings per sh A	*9.60*
	2.12	2.18	2.32	2.42	2.59	2.69	2.84	3.06	3.36	3.59	3.85	4.12	3.88	3.54	3.88	4.15	*4.41*	*4.71*	Div'd Decl'd per sh B ■	*5.15*
	6.26	6.49	8.77	10.56	10.59	11.58	11.26	11.40	12.54	14.91	15.59	19.91	19.47	16.42	17.02	17.48	*17.75*	*17.95*	Cap'l Spending per sh	*18.50*
	37.96	39.67	41.41	42.78	44.73	47.05	48.88	50.22	53.03	56.27	60.73	64.12	44.93	46.35	53.55	55.82	*58.40*	*60.30*	Book Value per sh C	*63.10*
	165.40	169.43	169.25	172.35	177.09	176.99	179.47	179.43	179.39	181.93	192.21	193.77	193.75	205.69	206.36	207.17	*205.50*	*205.50*	Common Shs Outst'g D	*206.00*
	10.4	12.3	13.5	14.9	17.9	14.9	18.1	19.0	18.6	17.4	19.9	16.3	30.0	22.4	16.1	17.1	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*18.0*
	.69	.78	.85	.95	1.01	.78	.91	1.00	.94	.94	1.06	.84	1.62	1.30	.92	.95			Relative P/E Ratio	*1.00*
	6.3%	4.8%	4.7%	4.2%	3.8%	3.5%	3.5%	3.3%	3.2%	3.3%	3.1%	3.6%	3.2%	3.4%	3.8%	3.3%			Avg Ann'l Div'd Yield	*3.5%*
	10337	10630	12607	14212	12669	12177	14964	19228	12745	12457	*13400*	*13950*	Revenues ($mill)	*15500*
	796.0	868.0	1029.0	1120.0	1169.0	1368.0	796.0	1135.4	1395.0	1404.0	*1480*	*1595*	Net Profit ($mill)	*1980*
	25.6%	24.5%	21.8%	8.1%	11.5%	10.9%	--	2.6%	4.8%	4.9%	*5.0%*	*5.0%*	Income Tax Rate	*5.0%*
	4.3%	3.6%	3.5%	3.8%	3.3%	3.4%	4.9%	4.0%	3.2%	3.4%	*3.0%*	*3.0%*	AFUDC % to Net Profit	*3.0%*
	50.2%	55.6%	56.2%	54.2%	57.7%	60.5%	62.5%	63.0%	61.2%	61.4%	*61.5%*	*61.5%*	Long-Term Debt Ratio	*61.0%*
	49.8%	44.4%	43.8%	45.8%	42.3%	39.5%	37.5%	37.0%	38.0%	38.2%	*38.5%*	*38.5%*	Common Equity Ratio	*39.0%*
	17607	20280	21697	22371	27607	31426	23236	25158	26282	29328	*30000*	*30700*	Total Capital ($mill)	*32200*
	18034	19730	20721	21650	25317	27969	26944	28767	28169	31081	*32250*	*33100*	Net Plant ($mill)	*36600*
	5.7%	5.3%	5.9%	6.1%	5.3%	5.4%	4.7%	4.4%	5.0%	5.0%	*5.0%*	*5.0%*	Return on Total Cap'l	*6.0%*
	9.1%	9.6%	10.8%	10.9%	10.0%	11.0%	9.1%	13.0%	11.0%	11.3%	*11.5%*	*11.5%*	Return on Shr. Equity	*12.5%*
	9.1%	9.6%	10.8%	10.9%	10.0%	11.0%	9.1%	13.0%	11.0%	11.3%	*11.5%*	*11.5%*	Return on Com Equity E	*12.5%*
	3.4%	3.7%	4.6%	4.9%	4.1%	4.9%	.1%	2.0%	4.0%	4.2%	*4.5%*	*4.5%*	Retained to Com Eq	*4.5%*
	63%	61%	58%	55%	59%	56%	99%	76%	60%	60%	*60%*	*60%*	All Div'ds to Net Prof	*62%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $21986 mill. **Due in 5 Yrs** $6481 mill.
LT Debt $20690 mill. **LT Interest** $514 mill.
Incl. $209 mill. securitization bonds. Incl. $19 mill. finance leases.
(LT interest earned: 1.7x)
Leases, Uncapitalized Annual rentals $16 mill.

Pension Assets-12/23 $5507 mill.
Oblig $5857 mill.

Pfd Stock None
Common Stock 207,242,390 shs.

MARKET CAP: $27.4 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2021	2022	2023
% Change Retail Sales (KWH)	+2.1	-1.4	+1.6
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. (%)	233	264	267

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '27-'29
Revenues	3.0%	2.5%	*5.0%*
"Cash Flow"	3.0%	4.5%	*4.5%*
Earnings	4.0%	2.5%	*4.5%*
Dividends	5.5%	5.5%	*3.0%*
Book Value	3.0%	1.5%	*1.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	4577	4924	5251	4476	19228
2023	3779	2684	2888	3394	12745
2024	3240	2875	2906	3436	12457
2025	*3200*	*3000*	*3100*	*4100*	*13400*
2026	*3350*	*3200*	*3250*	*4150*	*13950*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2.03	.19	1.99	1.31	5.52
2023	2.16	.97	1.61	2.02	6.76
2024	1.51	1.55	2.30	1.41	6.77
2025	*1.85*	*1.45*	*2.30*	*1.60*	*7.20*
2026	*1.95*	*1.50*	*2.50*	*1.80*	*7.75*

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.9225	.9225	.9225	.825	3.59
2022	.885	.885	.885	.885	3.54
2023	.9525	.9525	.9525	1.02	3.88
2024	1.02	1.02	1.02	1.09	4.15
2025	1.09				

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: 2.2 mill. electric, 1.3 mill. gas. Has various nonutility operations. Electric revenue breakdown: residential, 50%; commercial, 33%; industrial, 11%; other, 6%. Generating sources: coal, 67%; nuclear, 17%; gas, 1%; purchased, 15%. Fuel costs: 62% of revenues. '23 reported deprec. rates: 4.2% electric, 2.9% gas. Has 10,600 employees. Chairman, President & CEO: Jerry Norcia. Incorporated: Michigan. Address: One Energy Plaza, Detroit, Michigan 48226-1279. Tel.: 313-235-4000. Internet: www.dteenergy.com.

DTE Energy should post solid earnings growth in 2025. In January, the Michigan Public Service Commission (MPSC) approved a $217.4 million rate increase to improve reliability and reduce outages. The approval was for less than half of DTE's original request, and the new rates went into effect in early February. The utility remains committed to its plan to fully automate the grid within five to six years and is set to spend over $100 million to build three new electric substations to further reduce power outage frequency by 30% and cut outage time in half by 2029. The company continues to be able to pass on higher costs associated with investments to the consumer through rate cases and infrastructure mechanisms. We look for full-year 2025 earnings of $7.20, representing 6% growth from 2024 levels. Management is targeting a range of $7.09-$7.23 per share, supported by tax credits contributing $50 million-$60 million annually through 2027.

We expect sharper bottom-line growth next year. DTE Energy and its grid investments are increasingly well-positioned to benefit from increased demand for power over that interim. The utility increased its investment plan by $5 billion, to $30 billion over the next five years, to enhance grid reliability and support clean energy transitions. The updated plan includes $10 billion of clean energy investments and $24 billion to DTE Electric. Thus, we are introducing our 2026 earnings estimate of $7.75 a share, indicating 7% growth, within the utility's 6%-8% long-term growth target.

These shares have risen in value since our early December review. The stock is up more than 5% in the past three months as DTE looks increasingly well-positioned to take advantage of elevated demand. It has now risen 23% over the past year.

This issue is best suited for conservative, income-oriented investors. Indeed, the stock is ranked 2 (Above Average) for Safety and holds a high (90) Price Stability score. What's more, the dividend yield of 3.3% is likely the most notable feature and is right around the industry-wide average. Plus, we look for the stock to trade around $145-$200 by 2028-2030.

Zachary J. Hodgkinson *March 7, 2025*

(A) Diluted EPS. Excl. nonrec. gains (loss): '11, 51¢; '15, (39¢); '17, 59¢; gains (losses) on discontinued operations: '12, (33¢); '21, 57¢. Next earnings report due early May. **(B)** Div'ds paid mid-Jan., Apr., July & Oct. ■ Div'd reinvestment plan available. **(C)** Incl. intang. In '23: $29.20/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate allowed on common equity in '20: 9.9% elec.; in '22: 9.9% gas; earned on avg. com. eq., '21: 7.6%. Regulatory Climate: Above Average.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	40
Earnings Predictability	70

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

DUKE ENERGY NYSE-DUK

RECENT PRICE 120.67 | P/E RATIO 19.0 (Trailing: 20.5 Median: 18.0) | RELATIVE P/E RATIO 1.14 | DIV'D YLD 3.5% | VALUE LINE

TIMELINESS 3 Raised 3/28/25
SAFETY 2 New 6/1/07
TECHNICAL 3 Lowered 2/21/25
BETA .70 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$97-$136	$117 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	155	(+30%)	*10%*
Low	115	(-5%)	*3%*

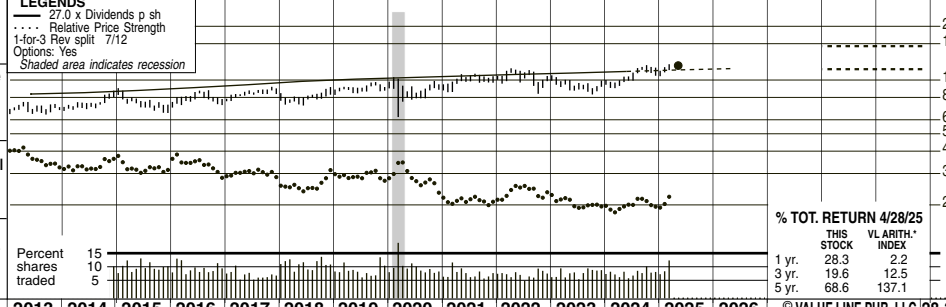
Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	923	984	1119
to Sell	811	849	840
Hld's(000)	507258	578742	575343

	87.3	90.0	87.8	91.8	91.4	97.4	103.8	108.4	116.3	106.4	121.3	125.3
High:	67.1	65.5	70.2	76.1	72.0	82.5	62.1	85.6	83.8	83.1	90.1	105.2
Low:												

LEGENDS
27.0 x Dividends p sh
Relative Price Strength
1-for-3 Rev split 7/12
Options: Yes
Shaded area indicates recession

Target Price Range 2028 | 2029 | 2030



% TOT. RETURN 4/28/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	28.3	2.2
3 yr.	19.6	12.5
5 yr.	68.6	137.1

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
29.18	32.22	32.63	27.88	34.84	33.84	34.10	32.49	33.66	33.73	34.21	31.04	32.64	37.36	37.69	39.12	*40.80*	*42.25*	Revenues per sh	*47.25*
7.58	8.49	8.68	6.80	8.56	9.11	9.40	9.20	10.01	11.05	12.12	12.04	12.60	12.86	13.45	14.15	*15.00*	*15.75*	"Cash Flow" per sh	*18.50*
3.39	4.02	4.14	3.71	3.98	4.13	4.10	3.71	4.22	4.72	5.06	5.12	5.24	5.27	5.56	5.90	*6.35*	*6.70*	Earnings per sh [A]	*8.00*
2.82	2.91	2.97	3.03	3.09	3.15	3.24	3.36	3.49	3.64	3.75	3.82	3.90	3.98	4.06	4.14	*4.22*	*4.30*	Div'd Decl'd per sh [B] ■	*5.00*
9.85	10.84	9.80	7.81	7.83	7.62	9.83	11.29	11.50	12.91	15.17	12.88	12.63	14.76	16.35	15.82	*16.30*	*16.75*	Cap'l Spending per sh	*18.25*
49.85	50.84	51.14	58.04	58.54	57.81	57.74	58.62	59.63	60.27	61.20	59.82	61.55	61.51	61.15	63.34	*65.55*	*68.00*	Book Value per sh [C]	*76.50*
436.29	442.96	445.29	704.00	706.00	707.00	688.00	700.00	700.00	727.00	733.00	769.00	769.00	770.00	771.00	776.00	*777.00*	*778.00*	Common Shs Outst'g [D]	*780.00*
13.3	12.7	13.8	17.5	17.4	17.9	18.2	21.3	19.9	17.0	17.7	17.1	18.9	19.8	16.9	17.8	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*17.0*
.89	.81	.87	1.11	.98	.94	.92	1.12	1.00	.92	.94	.88	1.02	1.14	.94	.94			Relative P/E Ratio	*.95*
6.2%	5.7%	5.2%	4.7%	4.4%	4.3%	4.3%	4.3%	4.2%	4.5%	4.2%	4.4%	3.9%	3.8%	4.3%	4.0%			Avg Ann'l Div'd Yield	*3.7%*
23459	22743	23565	24521	25079	23868	25097	28768	29060	30357	*31700*	*32900*	Revenues ($mill)	*36800*
2854.0	2560.0	2963.0	3339.0	3747.0	3878.0	4133.0	4166.0	4391.0	4664.0	*5030*	*5325*	Net Profit ($mill)	*6340*
32.2%	31.0%	30.4%	14.1%	12.7%	.3%	5.1%	7.4%	9.2%	11.3%	*11.0%*	*11.0%*	Income Tax Rate	*11.0%*
9.2%	11.7%	12.3%	11.4%	8.0%	6.9%	5.9%	7.6%	9.1%	9.3%	*9.0%*	*9.0%*	AFUDC % to Net Profit	*9.0%*
48.6%	52.6%	54.0%	53.8%	54.0%	53.7%	55.1%	57.6%	59.6%	60.4%	*61.0%*	*61.0%*	Long-Term Debt Ratio	*61.0%*
51.4%	47.4%	46.0%	46.2%	44.1%	44.4%	43.1%	40.7%	38.8%	38.9%	*38.5%*	*38.5%*	Common Equity Ratio	*38.0%*
77222	86609	90774	94940	101807	103589	109744	116383	121564	126467	*132375*	*138300*	Total Capital ($mill)	*156100*
75709	82520	86391	91694	102127	106782	111408	111748	115315	123303	*129200*	*135200*	Net Plant ($mill)	*153300*
4.8%	4.0%	4.3%	4.6%	4.7%	4.8%	4.8%	4.6%	4.9%	5.0%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
7.2%	6.2%	7.1%	7.6%	8.0%	8.1%	8.4%	8.4%	8.9%	9.3%	*9.5%*	*10.0%*	Return on Shr. Equity	*10.5%*
7.2%	6.2%	7.1%	7.6%	8.3%	8.2%	8.5%	8.6%	9.1%	9.3%	*9.5%*	*10.0%*	Return on Com Equity [E]	*10.5%*
1.5%	.6%	1.2%	2.0%	2.4%	2.3%	1.9%	2.1%	2.4%	2.7%	*3.0%*	*3.5%*	Retained to Com Eq	*4.0%*
79%	91%	83%	74%	71%	73%	78%	76%	74%	71%	*67%*	*65%*	All Div'ds to Net Prof	*63%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $84273 mill. **Due in 5 Yrs** $21264 mill.
LT Debt $76340 mill. **LT Interest** $3384 mill.
Incl. $524 mill. finance leases.
(Total Interest Coverage: 2.5x)
Leases, Uncapitalized Annual rentals $256 mill.
Pension Assets-12/24 $6887 mill.
Oblig. $5980 mill.
Pfd Stock $973 mill. **Pfd Div'd** $106 mill.

Common Stock 776,461,008 shs.
as of 1/31/25

MARKET CAP: $93.7 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (GWH)	+4.5%	-4.7%	+2.9%
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.)	+1.8%	+1.7	+1.8%
Fixed Charge Cov. (%)	229	223	226

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	1.5%	2.5%	*3.5%*
"Cash Flow"	5.0%	4.0%	*5.5%*
Earnings	3.5%	3.5%	*6.0%*
Dividends	3.0%	2.5%	*3.5%*
Book Value	.5%	.5%	*3.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	7132	6685	7968	6983	28768
2023	7276	6578	7994	7212	29060
2024	7671	7172	8154	7360	30357
2025	*8075*	*7250*	*8475*	*7900*	*31700*
2026	*8375*	*7525*	*8800*	*8200*	*32900*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.29	1.09	1.78	1.11	5.27
2023	1.20	.91	1.94	1.51	5.56
2024	1.44	1.18	1.62	1.66	5.90
2025	*1.55*	*1.25*	*1.85*	*1.70*	*6.35*
2026	*1.65*	*1.30*	*1.95*	*1.80*	*6.70*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.965	.965	.985	.985	3.90
2022	.985	.985	1.005	1.005	3.98
2023	1.005	1.005	1.025	1.025	4.06
2024	1.025	1.025	1.045	1.045	4.14
2025	1.045				

BUSINESS: Duke Energy Corporation is a holding company for utilities with 8.4 mill. elec. customers in NC, FL, IN, SC, OH, and KY, and 1.7 mill. gas customers in OH, KY, NC, SC, and TN. Owns independent power plants & has 17.5% 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. Electric revenue breakdown: residential, 34%; commercial, 31%; industrial, 18%; other, 17%. Generating sources: gas, 35%; nuclear, 27%; coal, 14%; other, 2%; purchased, 22%. Fuel costs: 32% of revs. '24 reported deprec. rate: 3.0%. Has 26,400 employees. Chairman: Ted Craver CEO: Harry Sideris. Inc.: DE. Addr.: 525 South Tryon St., Charlotte, NC 28202-1803. Tel.: 800-488-3853. Int.: www.duke-energy.com.

We're looking for solid intermediate-term results from Duke Energy to continue. We think this year and next may well mark the ninth- and tenth-consecutive years of higher annual core operating earnings gains. The utility is likely to continue to benefit from solid weather-adjusted electric volume growth and constructive regulatory outcomes. Good population growth in Duke's service areas, at two to four times the national average of 0.5%, is a key part of the story. This is largely being driven by healthy migration trends to the Carolinas and Florida, where a generally lower cost of living and the temperate coastal climate are draws. The company is also likely to keep benefiting from rate relief (higher regulated price adjustments) as discussed below. Leadership has introduced its 2025 adjusted earnings-per-share target of $6.17-$6.42 and extended its long-term bottom-line growth rate of 5%-7% per annum through 2029 off of the $6.30 midpoint of this year's range.

The company has been successful on the regulatory front of late. Florida officials approved a $203 million revenue increase this year and $59 million more in 2026. Up to $141 million for 12 new solar plants was approved to be paid out as they are completed. The settlement dictates that Duke uses roughly $50 million in federal tax credits to offset the need for a rate hike in 2027. Meanwhile, the final order in Duke's South Carolina regulatory decision became effective in August of last year and will increase electric delivery rates by 13% over a two-year span from then. The decision includes $215 million of new investments in highly efficient natural gas, solar, nuclear, and hydroelectric units over a seven-year period. Prices in North Carolina recently increased by 2.9%, and Indiana rates were lifted by 8.0%. An Ohio regulatory decision is pending.

Duke stock has outperformed the peer group so far this year. Utilities tend to do well when the economy appears to be on shaky ground. A flight to quality large-cap, low-risk plays within the group has DUK's share price up 12% year to date and 22% over the past 12 months. As a result, much of the earnings growth we're projecting is already baked in, leading to below-average total return potential.

Anthony J. Glennon *May 9, 2025*

(A) Dil. EPS. Excl. net nonrec. losses: '12, 64¢; '13, 22¢; '14, 59¢; '15, 5¢; '16, 60¢; '18, 96; '20, $3.40; '21, 30¢; '22, $2.10; '23, $2.02; '24, 19¢; net nonrec. gain: '17, 14¢. Qtly. EPS may not sum to annual due to rounding. Next egs. due early Aug. **(B)** Div'ds paid mid-Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. **(C)** Incl. intang. In '24: $43.24/sh. **(D)** In mill., **(E)** Rate base: Net orig. cost. Rate all'd on com. eq. in '24 in NC: 9.94%; in '24 in FL: 9.3%-11.3%; in '20 in IN: 9.7%. in '24 in SC: 9.94%; Reg. Clim.: FL, NC, SC Avg.; OH, IN Above Avg.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	45
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

CON. EDISON NYSE-ED

RECENT PRICE 111.13 | P/E RATIO 19.7 (Trailing: 20.7 Median: 18.0) | RELATIVE P/E RATIO 1.18 | DIV'D YLD 3.1% | VALUE LINE

TIMELINESS 3 Lowered 6/7/24
SAFETY 1 New 7/27/90
TECHNICAL 3 Raised 5/9/25
BETA .65 (1.00 = Market)

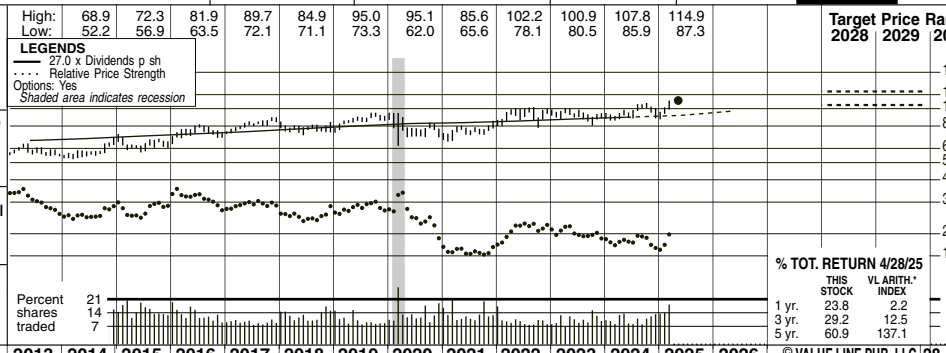
18-Month Target Price Range
Low-High Midpoint (% to Mid)
$85-$124 $105 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	125	(+10%)	*6%*
Low	105	(-5%)	*2%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	490	546	615
to Sell	464	469	469
Hld's(000)	235686	274391	289190



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
46.36	45.69	44.17	41.62	42.27	44.11	42.85	39.59	38.82	38.44	37.80	35.78	38.63	44.15	42.45	44.02	*46.10*	*48.15*	Revenues per sh	*54.25*
5.86	6.24	6.61	7.15	7.45	7.30	7.93	7.89	8.41	8.92	9.39	9.70	10.06	10.36	10.98	11.61	*12.75*	*13.40*	"Cash Flow" per sh	*15.35*
3.14	3.47	3.57	3.86	3.93	3.62	4.05	3.94	4.10	4.55	4.37	4.17	4.38	4.55	5.04	5.38	*5.65*	*5.95*	Earnings per sh [A]	*7.00*
2.36	2.38	2.40	2.42	2.46	2.52	2.60	2.68	2.76	2.86	2.96	3.06	3.10	3.16	3.24	3.32	*3.40*	*3.60*	Div'd Decl'd per sh [B] ■	*4.24*
7.80	6.96	6.72	7.06	8.67	8.26	10.42	12.07	11.11	10.90	10.48	11.42	11.17	11.74	13.01	13.77	*14.50*	*15.50*	Cap'l Spending per sh	*15.50*
36.46	37.93	39.05	40.53	41.81	42.94	44.55	46.88	49.74	52.11	54.18	55.06	56.60	58.28	61.25	63.36	*66.50*	*70.25*	Book Value per sh [C]	*77.75*
281.12	291.62	292.89	292.87	292.87	292.88	293.00	305.00	310.00	320.96	332.63	342.30	353.98	354.96	345.42	346.60	*347.00*	*348.00*	Common Shs Outst'g [D]	*355.00*
12.5	13.3	15.1	15.4	14.7	15.9	15.6	18.8	19.8	17.1	19.7	19.0	17.2	20.3	18.4	17.6	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.5*
.83	.85	.95	.98	.83	.84	.79	.99	1.00	.92	1.05	.98	.93	1.17	1.02	.93			Relative P/E Ratio	*.90*
6.0%	5.2%	4.5%	4.1%	4.3%	4.4%	4.1%	3.6%	3.4%	3.7%	3.4%	3.9%	4.1%	3.4%	3.5%	3.5%			Avg Ann'l Div'd Yield	*3.7%*
12554	12075	12033	12337	12574	12246	13676	15670	14663	15256	*16000*	*16750*	Revenues ($mill)	*19250*
1193.0	1189.0	1266.0	1424.0	1438.0	1399.0	1528.0	1620.0	1762.0	1868.0	*1965*	*2075*	Net Profit ($mill)	*2495*
33.6%	35.3%	36.6%	20.1%	17.5%	12.9%	16.2%	15.4%	17.8%	15.1%	*18.0%*	*18.0%*	Income Tax Rate	*18.0%*
.7%	1.3%	1.5%	1.5%	1.9%	2.2%	2.1%	3.4%	4.4%	5.4%	*6.0%*	*6.5%*	AFUDC % to Net Profit	*7.0%*
47.9%	50.8%	48.9%	51.1%	50.7%	52.0%	53.0%	49.3%	50.9%	52.9%	*53.0%*	*53.0%*	Long-Term Debt Ratio	*54.0%*
52.1%	49.2%	51.1%	48.9%	49.3%	48.0%	47.0%	50.7%	49.1%	47.1%	*47.0%*	*47.0%*	Common Equity Ratio	*46.0%*
25058	29033	30149	34221	36549	39229	42641	40834	43085	46613	*49100*	*52000*	Total Capital ($mill)	*60000*
32209	35216	37600	41749	43889	46555	48596	46766	49608	52165	*54700*	*57600*	Net Plant ($mill)	*65700*
6.0%	5.3%	5.4%	5.3%	5.1%	4.7%	4.7%	5.2%	5.2%	5.2%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
9.1%	8.3%	8.2%	8.5%	8.0%	7.4%	7.6%	7.8%	8.3%	8.5%	*8.5%*	*8.5%*	Return on Shr. Equity	*9.0%*
9.1%	8.3%	8.2%	8.5%	8.0%	7.4%	7.6%	7.8%	8.3%	8.5%	*8.5%*	*8.5%*	Return on Com Equity [E]	*9.0%*
3.5%	3.0%	3.0%	3.5%	2.9%	2.2%	2.5%	2.6%	3.1%	3.5%	*3.5%*	*3.5%*	Retained to Com Eq	*3.5%*
61%	64%	63%	59%	64%	70%	67%	67%	62%	59%	*60%*	*60%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $27321 mill. **Due in 5 Yrs** $1874 mill.
LT Debt $24651 mill. **LT Interest** $1084 mill.
(Total Interest Coverage: 2.8x)

Leases, Uncapitalized Annual rentals $68 mill.

Pension Assets-12/24 $15278 mill.
Oblig. $12141 mill.

Pfd Stock None

Common Stock 346,711,639 shs.
as of 1/31/25
MARKET CAP: $38.5 billion (Large Cap)

CECONY ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Electric Sales (GWH)	+3.3	-1.4	+.3
Annual Residential Use (GWH)	11875	11574	11890
Annual Comm./Ind. Use (GWH)	10522	10895	10267
Annual Retail Choice (GWH)	21116	20315	20715
Annual Govt. & Other Use (GWH)	9507	9472	9555
% Change Customers (yr-end)	NA	NA	NA
Peak Load, Summer (MW)	12424	11565	11822
ConEd Fixed Charge Cov. (%)	240	217	218

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	- -	2.5%	*3.5%*
"Cash Flow"	4.0%	4.5%	*5.5%*
Earnings	3.0%	3.0%	*6.0%*
Dividends	3.0%	2.5%	*4.5%*
Book Value	4.0%	3.0%	*4.0%*

Calendar	QUARTERLY REVENUES ($ mill.) [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	4060	3415	4165	4031	15670
2023	4403	2944	3872	3444	14663
2024	4275	3220	4092	3669	15256
2025	*4425*	*3400*	*4250*	*3925*	*16000*
2026	*4625*	*3550*	*4450*	*4125*	*16750*

Calendar	EARNINGS PER SHARE [A] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.47	.64	1.63	.81	4.55
2023	1.82	.61	1.61	1.00	5.04
2024	2.14	.59	1.67	.98	5.38
2025	*2.05*	*.65*	*1.85*	*1.10*	*5.65*
2026	*2.15*	*.70*	*1.95*	*1.15*	*5.95*

Calendar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.775	.775	.775	.775	3.10
2022	.79	.79	.79	.79	3.16
2023	.81	.81	.81	.81	3.24
2024	.83	.83	.83	.83	3.32
2025	.85				

BUSINESS: Consolidated Edison, Inc. (ConEd) is a holding company for Consolidated Edison Company of New York (CECONY), which sells electricity, gas, and steam in most of NY city and Westchester County. ConEd also owns Orange and Rockland utilities (O&R), which operates in southeastern NY and northern NJ. ConEd has 4.0 mill. electric and 1.2 mill. gas customers. Sold its portfolio of renewable power generation for $6.8 billion (3/23). Entered into midstream gas joint venture 6/16; sold it 7/21. Purchases most of its power. Fuel costs: 21.6% of revenues. '24 depreciation rate for CECONY: 3.6%. Employs about 15,100. Chairman, Pres., and CEO: Timothy Cawley. Inc.: NY. Addr.: 4 Irving Place, NY, NY 10003. Tel.: 800-522-5635. Internet.: www.conedison.com.

Consolidated Edison shares have had a very good run of late. This bellwether utility stock is up nearly 25% year to date and 17% since our last report three months ago, outperforming the *Value Line Utility Index* by 19 and 12 percentage points, respectively. The defensive nature of this industry tends to serve the group well when recession concerns are front and center, as they've been lately. In recent months, fears of an economic downturn have increased on the presumption that tariffs and a trade war will act like a tax on consumption. Professional money managers, looking for a flight to safety, have moved cash into the utility sector, particularly in the largest, safest issues.

ConEd should see its earnings rise in 2025 and 2026. Under the terms of the 2023 general rate case (GRC) decision, the utility began billing for annualized revenue increases of $518 million and $173 million, respectively, for electricity and natural gas deliveries starting last August. That was the second rate increase under the 2023 GRC. The third and final hike goes into effect this coming August and will result in additional revenue of $382 million for electricity and $122 million for gas.

In late January, ConEd filed a new rate case for both electric and natural gas. It's requesting higher rates for one year starting on January 1, 2026. The utility is open to a multi-year settlement, which would provide more cost certainty. Leadership estimates that its proposed investments for the replacement of aging infrastructure and increased electrification would require $1.6 billion more in electric revenue and $440 million more in gas revenue. The average electric bill increase under the proposal would be 11.4%, while the average gas bill hike would be 13.3%. Given the trying economic times, this will likely be a tough sell for consumers and probably will become a politicized issue.

This equity is not a timely choice. Moreover, annual total return potential is subpar relative to the peer-group median, as the earnings prospects we're projecting have been largely discounted by this year's runup. ConEd's dividend yield, at 3.1%, compares unfavorably to the 3.6% average for utilities under our coverage.

Anthony J. Glennon *May 9, 2025*

(A) Diluted EPS. Excl. nonrec. gains/(losses): '13, (32¢); '14, 9¢; '16, 18¢; '17, 84¢; '18, (13¢); '19, (29¢); '20, (89¢); '21, (53¢); '22, 11¢; '23, $2.17; '24, (14¢). Next egs. report due early Aug. Qtly. figures may not sum to full year due to rounding or changes in sh. count. **(B)** Div'ds paid in mid-Mar., June, Sept., and Dec. ■ Div'd reinvestment plan available. **(C)** Incl. intang. In '24: $18.53/sh. **(D)** In mill. **(E)** Rate base: net orig. cost. Rate allowed on com. eq. for CECONY in '23: 9.25%; O&R in '22: 9.2%. Regulatory Climate: Below Average.

Company's Financial Strength	A+
Stock's Price Stability	100
Price Growth Persistence	45
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

EDISON INTERNAT'L NYSE-EIX

RECENT PRICE 53.62 | P/E RATIO 9.7 (Trailing: 10.9 Median: 15.0) | RELATIVE P/E RATIO 0.61 | DIV'D YLD 6.4% | VALUE LINE

TIMELINESS 4 Lowered 10/18/24
SAFETY 3 Lowered 4/18/25
TECHNICAL 5 Lowered 3/28/25
BETA .90 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$49-$109	$79 (45%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	120	(+125%)	*26%*
Low	80	(+50%)	*15%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	403	454	458
to Sell	300	325	358
Hld's(000)	343961	379213	381923

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	68.7	69.6	78.7	83.4	71.0	76.4	78.9	68.6	73.3	74.9	88.8	81.0								
Low:	44.7	55.2	58.0	62.7	45.5	53.4	43.6	53.9	54.4	58.8	63.2	49.1								
	37.98	38.09	39.16	36.41	38.61	41.17	35.37	36.43	37.81	38.85	34.11	35.83	39.18	45.05	42.56	45.74	*47.80*	*49.50*	Revenues per sh	*55.70*
	7.96	8.41	9.03	9.63	8.80	9.95	10.35	10.43	11.03	4.69	9.39	9.80	10.59	11.51	11.80	12.59	*13.85*	*14.45*	"Cash Flow" per sh	*15.35*
	3.24	3.35	3.23	4.55	3.78	4.33	4.15	3.94	4.51	d1.26	4.70	4.52	4.59	4.63	4.76	4.91	*5.75*	*6.15*	Earnings per sh [A]	*7.00*
	1.25	1.27	1.29	1.31	1.37	1.48	1.73	1.98	2.23	2.43	2.48	2.58	2.69	2.84	2.99	3.17	*3.36*	*3.56*	Div'd Decl'd per sh [B] ■	*4.25*
	10.07	13.94	14.76	12.73	11.05	11.99	12.97	11.46	11.75	13.84	13.47	14.47	14.47	15.12	14.19	14.83	*16.25*	*16.75*	Cap'l Spending per sh	*17.00*
	30.20	32.44	30.86	28.95	30.50	33.64	34.89	36.82	35.82	32.10	36.75	37.08	36.57	35.70	36.02	36.18	*38.80*	*41.60*	Book Value per sh [C]	*50.00*
	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	361.99	378.91	380.38	382.21	383.93	384.78	*387.00*	*389.00*	Common Shs Outst'g [D]	*395.00*
	9.7	10.3	11.8	9.7	12.7	13.0	14.8	17.9	17.2	- -	14.1	13.3	12.9	14.0	14.4	15.6	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.5*
	.65	.66	.74	.62	.71	.68	.75	.94	.87	- -	.75	.68	.70	.81	.80	.83			Relative P/E Ratio	*.80*
	4.0%	3.7%	3.4%	3.0%	2.8%	2.6%	2.8%	2.8%	2.9%	3.8%	3.7%	4.3%	4.5%	4.4%	4.4%	4.1%			Avg Ann'l Div'd Yield	*4.2%*
	11524	11869	12320	12657	12347	13578	14905	17220	16338	17599	*18500*	*19250*	Revenues ($mill)	*22000*
	1480.0	1422.0	1603.0	d290.0	1716.0	1818.0	1907.0	1977.0	2035.0	2162.0	*2480*	*2650*	Net Profit ($mill)	*3020*
	6.6%	11.1%	5.0%	- -	1.2%	5.0%	18.0%	12.5%	14.9%	10.6%	*13.0%*	*13.0%*	Income Tax Rate	*13.0%*
	8.0%	6.8%	7.2%	- -	9.6%	9.6%	8.8%	9.6%	11.4%	12.4%	*11.0%*	*11.0%*	AFUDC % to Net Profit	*11.0%*
	45.0%	41.8%	45.6%	53.6%	53.5%	55.2%	57.6%	60.7%	62.8%	65.4%	*65.5%*	*65.5%*	Long-Term Debt Ratio	*65.0%*
	46.7%	49.2%	45.8%	38.3%	39.9%	39.5%	33.2%	30.6%	28.7%	27.1%	*27.5%*	*28.0%*	Common Equity Ratio	*29.0%*
	24352	24362	25506	27284	33360	35581	41959	44547	48260	51274	*54575*	*58100*	Total Capital ($mill)	*69000*
	35085	37000	39050	41348	44285	47839	50700	53486	56084	59254	*62400*	*65700*	Net Plant ($mill)	*75700*
	7.1%	6.9%	7.3%	.1%	6.4%	6.3%	5.6%	5.7%	5.8%	6.0%	*6.0%*	*6.0%*	Return on Total Cap'l	*5.5%*
	11.1%	10.0%	11.6%	NMF	11.1%	11.4%	10.7%	11.3%	11.3%	12.2%	*13.0%*	*13.5%*	Return on Shr. Equity	*13.0%*
	12.0%	10.8%	12.7%	NMF	12.0%	12.0%	12.5%	12.9%	13.1%	13.7%	*15.0%*	*15.0%*	Return on Com Equity [E]	*14.0%*
	7.2%	5.6%	6.6%	NMF	5.9%	5.4%	5.4%	5.2%	5.0%	5.1%	*6.0%*	*6.0%*	Retained to Com Eq	*5.5%*
	44%	53%	52%	NMF	54%	58%	61%	64%	66%	67%	*63%*	*62%*	All Div'ds to Net Prof	*64%*

Target Price Range 2028 | 2029 | 2030

LEGENDS
23.8 x Dividends p sh
Relative Price Strength
Options: Yes
Shaded area indicates recession

200 160 100 80 60 50 40 30 20

Percent shares traded 30 20 10

% TOT. RETURN 3/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-14.1	2.2
3 yr.	-5.3	12.5
5 yr.	32.5	137.1

CAPITAL STRUCTURE as of 12/31/24
Total Debt $36581 mill. **Due in 5 Yrs** $12755 mill.
LT Debt $33534 mill. **LT Interest** $1815 mill.
(Total Interest Coverage: 2.2x)
Leases, Uncapitalized Annual rentals $170 mill.

Pension Assets-12/24 $3608 mill.
Oblig. $3636 mill.

Pfd Stock $3820 mill. **Pfd Div'd** $262 mill.

Common Stock 385,023,526 shs.
as of 2/20/25
MARKET CAP: $20.6 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+.9	-6.3	+3.3
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)	24345	21254	23861
Annual Load Factor (%)	45.8	49.7	43.6
% Change Customers (yr-end)	+.8	+.7	+.8
Fixed Charge Cov. (%)	135	166	153

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	1.5%	4.0%	*4.0%*
"Cash Flow"	2.5%	7.5%	*4.0%*
Earnings	1.0%	12.5%	*6.5%*
Dividends	8.0%	4.5%	*6.0%*
Book Value	1.5%	.5%	*6.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	3968	4008	5228	4016	17220
2023	3966	3964	4702	3706	16338
2024	4078	4336	5201	3984	17599
2025	*4300*	*4550*	*5450*	*4200*	*18500*
2026	*4475*	*4725*	*5700*	*4350*	*19250*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.07	.94	1.48	1.15	4.63
2023	1.09	1.01	1.38	1.28	4.76
2024	1.13	1.23	1.50	1.05	4.91
2025	*1.35*	*1.40*	*1.75*	*1.25*	*5.75*
2026	*1.45*	*1.50*	*1.90*	*1.30*	*6.15*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.6625	.6625	.6625	.6625	2.65
2022	.70	.70	.70	.70	2.80
2023	.7375	.7375	.7375	.7375	2.95
2024	.78	.78	.78	.78	3.12
2025	.8275				

BUSINESS: Edison International is a holding company for Southern California Edison Company (SoCal Edison), which supplies electricity to 5.28 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, 40%; commercial, 43%; industrial, 3%; other, 14%. Generating sources: nuclear, 9%; gas, 5%; hydroelectric, 6%; purchased, 80%. Power costs: 34% of revs. '24 reported depr. rate: 4.1%. Employs 13,500. Board Chair: Peter J. Taylor. President & CEO: Pedro J. Pizzaro. Inc.: CA. Address: 2244 Walnut Grove Ave., P.O. Box 976, Rosemead, CA 91770. Tel.: 626-302-2222. Internet: www.edison.com.

Shares of Edison International have been extremely weak since the January wildfires in Los Angeles County. While investigations are ongoing, the utility's equipment is being considered as a potential ignition source of the Eaton Fire. The company has acknowledged a possible link, but has not determined a definitive cause yet. Edison also acknowledges that its equipment may be associated with the start of the Hurst Fire, a smaller blaze that began within the same time frame as the larger Eaton and Palisades Fire. The origin of the Palisades Fire began outside of Edison's service area, but it has still been named in several lawsuits. The Eaton Fire destroyed over 9,400 structures and caused the death of 17 people, while the Palisades Fire destroyed more than 6,000 structures and resulted in at least 13 casualties. Combined, thousands of acres were charred and significant public infrastructure was destroyed. The damages are estimated to be in the tens of billions of dollars. It may take months before authorities' investigations conclude.

The California Wildfire Fund of 2019 (CWF) should limit the company's potential liability. The CWF serves as a form of self insurance for the state's utilities and is funded by the companies and their customers. It contains $21 billion, and under normal circumstances would be more than adequate to prevent utilities from suffering major material losses. Utilities are backed up by the fund after they pay the first $1 billion of damages per incident. Thus, even if Edison's equipment is found to have been the likely cause of the Eaton and Hurst blazes, $2 billion would not be especially problematic for the company's balance sheet, and pales in comparison to the $10 billion in market capitalization lost since early January, when many utility stocks performed well. The problem is this exercise may not be as straight forward as it appears. There are a lot of unknowns. For starters, the CWF does not cover negligence. Also, the CWF is going to be depleted. It's not clear what would happen in the event of another major fire while the CWF is under funded. **The stock is an untimely selection.** Sentiment may remain poor for a while with ongoing headline risk.

Anthony J. Glennon *April 18, 2025*

(A) Adjusted (non-GAAP) EPS from 2019 on. Excl. gains/(losses): nonrecur's ; '10, 54¢; '11, ($3.33); '13, ($1.12); '15, ($1.18); '17, ($1.37); '18, (14¢); '19, (92¢); '20, ($2.54); '21, ($2.59); '22, ($3.02); '23, ($1.34); '24, ($1.60); disc. ops.: '13, 11¢; '14, 57¢; '15, 11¢; '18, 10¢. Qtly. EPS may not sum to full yr. due to rounding. Next egs. report due late Apr. **(B)** Div'ds paid late Jan., Apr., July, & Oct. ■ Div'd reinv. plan avail. **(C)** Incl. def'd chgs. In '24: $4.40/sh. **(D)** In mill. **(E)** Rate base: net orig. cost. Rate all'd on com. eq. in '20: 10.3%; Reg Clmt.: Avg.

Company's Financial Strength	B+
Stock's Price Stability	25
Price Growth Persistence	25
Earnings Predictability	15

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

EVERSOURCE ENERGY NYSE-ES

RECENT PRICE 59.10 | P/E RATIO 12.4 (Trailing: 12.9, Median: 19.0) | RELATIVE P/E RATIO 0.74 | DIV'D YLD 5.2% | VALUE LINE

TIMELINESS 5 Lowered 5/9/25
SAFETY 2 Lowered 5/12/23
TECHNICAL 4 Raised 5/2/25
BETA .85 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$51-$82	$67 (15%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	110	(+85%)	*20%*
Low	80	(+35%)	*12%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	363	431	426
to Sell	388	330	377
Hld's(000)	292086	333900	341728

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	56.7	56.8	60.4	66.1	70.5	86.6	99.4	92.7	94.6	86.8	69.0	64.4								
Low:	41.3	44.6	50.0	54.1	52.8	63.1	60.7	76.6	70.5	52.0	52.1	52.3								
	30.97	27.76	25.21	19.98	23.16	24.42	25.08	24.11	24.46	26.66	25.85	25.96	28.64	35.27	34.08	32.46	*34.90*	*36.45*	Revenues per sh	*40.80*
	4.96	5.68	4.88	4.03	5.22	4.56	4.94	5.46	5.84	6.64	6.65	6.99	7.74	8.79	6.68	9.30	*9.10*	*9.45*	"Cash Flow" per sh	*10.60*
	1.91	2.10	2.22	1.89	2.49	2.58	2.76	2.96	3.11	3.25	3.45	3.64	3.86	4.09	4.34	4.57	*4.75*	*5.00*	Earnings per sh [A]	*5.90*
	.95	1.03	1.10	1.32	1.47	1.57	1.67	1.78	1.90	2.02	2.14	2.27	2.41	2.55	2.70	2.86	*3.01*	*3.17*	Div'd Decl'd per sh [B] ■	*3.70*
	5.17	5.41	6.08	4.69	4.62	5.06	5.44	6.24	7.41	7.96	8.83	8.58	9.22	9.88	12.41	12.22	*12.25*	*12.50*	Cap'l Spending per sh	*13.25*
	20.37	21.60	22.65	29.41	30.49	31.47	32.64	33.80	34.99	36.25	38.29	41.01	42.39	44.41	40.55	41.02	*42.90*	*44.80*	Book Value per sh [C]	*52.00*
	175.62	176.45	177.16	314.05	315.27	316.98	317.19	316.89	316.89	316.89	329.88	342.95	344.40	348.44	349.54	366.61	*368.00*	*369.00*	Common Shs Outst'g [D]	*380.00*
	12.0	13.4	15.4	19.9	16.9	17.9	18.1	18.7	19.5	18.7	22.1	23.7	22.2	20.9	16.0	13.3	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.0*
	.80	.85	.97	1.27	.95	.94	.91	.98	.98	1.01	1.18	1.22	1.20	1.21	.89	.70			Relative P/E Ratio	*.90*
	4.2%	3.6%	3.2%	3.5%	3.5%	3.4%	3.3%	3.2%	3.1%	3.3%	2.8%	2.6%	2.8%	3.0%	3.9%	4.7%			Avg Ann'l Div'd Yield	*3.9%*
	7954.8	7639.1	7752.0	8448.2	8526.5	8904.4	9863.1	12289	11911	11901	*12850*	*13450*	Revenues ($mill)	*15500*
	886.0	949.8	995.5	1040.5	1121.0	1244.8	1337.7	1427.4	1525.2	1641.5	*1760*	*1850*	Net Profit ($mill)	*2240*
	37.9%	36.9%	36.8%	21.7%	19.7%	22.2%	21.9%	24.3%	19.8%	18.1%	*20.0%*	*20.0%*	Income Tax Rate	*21.0%*
	2.9%	3.9%	4.7%	6.1%	6.3%	5.3%	4.2%	4.8%	8.0%	9.9%	*10.0%*	*10.0%*	AFUDC % to Net Profit	*10.0%*
	45.6%	44.8%	51.2%	52.4%	52.8%	52.4%	54.2%	56.3%	62.6%	63.1%	*62.0%*	*62.5%*	Long-Term Debt Ratio	*62.0%*
	53.6%	54.4%	48.2%	46.9%	46.6%	47.1%	45.3%	43.3%	37.0%	36.5%	*38.0%*	*37.0%*	Common Equity Ratio	*37.5%*
	19313	19697	23018	24474	27097	29842	32233	35763	38285	41221	*41725*	*44575*	Total Capital ($mill)	*52400*
	19892	21351	23617	25610	27585	30883	33378	36113	39499	40987	*42600*	*45700*	Net Plant ($mill)	*54500*
	5.5%	5.8%	5.2%	5.2%	5.1%	5.1%	5.1%	5.0%	5.0%	5.2%	*5.5%*	*5.5%*	Return on Total Cap'l	*5.5%*
	8.4%	8.7%	8.9%	8.9%	8.8%	8.8%	9.1%	9.1%	10.6%	10.8%	*11.0%*	*11.0%*	Return on Shr. Equity	*11.5%*
	8.5%	8.8%	8.9%	9.0%	8.8%	8.8%	9.1%	9.2%	10.7%	10.9%	*11.0%*	*11.0%*	Return on Com Equity [E]	*11.5%*
	3.4%	3.5%	3.5%	3.4%	3.6%	3.5%	3.6%	3.6%	4.2%	4.2%	*4.0%*	*4.0%*	Retained to Com Eq	*4.0%*
	61%	60%	61%	62%	60%	60%	61%	61%	61%	61%	*63%*	*64%*	All Div'ds to Net Prof	*63%*

Target Price Range 2028 | 2029 | 2030

% TOT. RETURN 4/28/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	4.2	2.2
3 yr.	-26.0	12.5
5 yr.	-18.0	137.1

CAPITAL STRUCTURE as of 12/31/24
Total Debt $29116 mill. **Due in 5 Yrs** $9604.6 mill.
LT Debt $26026 mill. **LT Interest** $1033.0 mill.
(Total Interest coverage: 2.7x)

Leases, Uncapitalized Annual rentals $33.5 mill.

Pension Assets-12/24 $5514.0 mill.
Oblig. $4745.7 mill.
Pfd Stock $155.6 mill. **Pfd Div'd** $7.52 mill.

Common Stock 366,785,030 shs.
as of 1/31/25
MARKET CAP: $21.7 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (GWH)	+.5	-3.3	+3.5
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)	+.7	+.7	+.8
Fixed Charge Cov. (%)	310	263	227

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	4.0%	6.0%	*3.0%*
"Cash Flow"	6.0%	5.5%	*4.5%*
Earnings	6.5%	6.0%	*5.5%*
Dividends	6.5%	6.0%	*5.5%*
Book Value	3.5%	3.0%	*3.5%*

QUARTERLY REVENUES ($ mill.) [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	3471	2573	3216	3030	12289
2023	3796	2629	2792	2694	11911
2024	3333	2534	3063	2971	11901
2025	*3550*	*2775*	*3350*	*3175*	*12850*
2026	*3750*	*2875*	*3450*	*3375*	*13450*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.30	.86	1.01	.92	4.09
2023	1.41	1.00	.97	.95	4.34
2024	1.49	.95	1.13	1.01	4.57
2025	*1.50*	*1.00*	*1.20*	*1.05*	*4.75*
2026	*1.60*	*1.05*	*1.25*	*1.10*	*5.00*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.6025	.6025	.6025	.6025	2.41
2022	.6375	.6375	.6375	.6375	2.55
2023	.675	.675	.675	.675	2.70
2024	.715	.715	.715	.715	2.86
2025	.7525				

BUSINESS: Eversource Energy (formerly Northeast Utilities) is the parent of 12 regulated utilities with about 4.5 million electric, natural gas, and water customers. Supplies power to most of Connecticut and gas to part of CT; supplies power to 3/4 of New Hampshire's population; supplies power to western Massachusetts and parts of eastern MA & gas to central & eastern MA; supplies water to CT, MA, & NH. Acq'd NSTAR 4/12; Aquarion 12/17; Columbia Gas 10/20. Electric rev.: residential, 56%; commercial/indus'l/other, 44%. Fuel costs: 31.4% of revs. '24 reported depr. rate: 3.2%. Employs about 10,680. Chairman, President & CEO: Joseph R. Nolan, Jr. Inc.: MA. Addr.: 300 Cadwell Drive, Springfield, MA 01104. Telephone: 800-286-5000. Internet: www.eversource.com.

We think 2025 will be a decent year for Eversource Energy. The company appears positioned to put the large write downs taken in the prior two years, mainly related to the divestiture of offshore wind assets, behind it. (We've excluded the impairment charges from our earnings presentation.) Now fully focussed on the core New England electric and natural gas operations, Eversource has an in-house earnings target of $4.67-$4.82 per share for this year, which should be achievable assuming normal energy demand.

Next year should bring more of the same. From 2025 through 2029, the company expects to invest about $24 billion in its regulated business, of which the majority would be in transmission and distribution (T&D) work. That's favorable because there is very little lag on the recoupment of T&D investments plus a regulated 9%-10% return on equity.

The company is strengthening its balance sheet. The deal for Eversource to sell its water utility subsidiary to the Aquarion Water Authority is expected to close late this year. The transaction is contingent on approvals from regulatory authorities in Connecticut, Massachusetts, and New Hampshire. The sale is valued at roughly $2.4 billion. It will help Eversource to fund one year of capital expenditures without having to assume more debt.

We like the Mystic acquisition. In late December, the company purchased a 26-acre portion of Constellation Energy's shuttered Mystic power plant in Everett, Massachusetts for $70 million. It's zoned for multiple clean energy generation sources and is situated for easy access to Eversource's T&D network. Selling the water company and purchasing this property allows the company to focus its resources on its core electric utility while helping to shore-up leadership's 5%-7% profit growth target through late decade.

This equity is untimely. But utility investors with a longer-term focus may be interested in ES stock. The deep discount it trades at relative to peers, mainly due to the missteps made in the offshore wind business, should eventually diminish. The dividend is well covered and at a 5.2% yield, is much higher than the 3.6% industry median level.

Anthony J. Glennon *May 9, 2025*

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	40
Earnings Predictability	100

To subscribe call 1-800-VALUELINE

(A) Diluted EPS excl. nonrecur. gain/(losses): '10, 9¢; '19, (64¢); '20, (9¢); '21, (32¢); '22, (4¢); '23, ($5.60); '24, ($2.30). Next egs. report due early August. Quarterly figures may not sum to full year due to rounding. **(B)** Div'ds paid late Mar., June, Sept., & Dec. ■ Div'd reinvestment plan avail. **(C)** Incl. intangibles. In '24: $23.05/sh. **(D)** In mill. **(E)** Rate allowed on com. eq. in MA: (elec.) '22, 9.8%; (gas) '23, 9.8%; in CT: (elec.) '23, 9.25%; (gas) '23, 9.15%; in NH: '21, 9.3%; Regulatory Climate: CT, Below Avg.; NH, Avg.; MA, Above Avg.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

ENTERGY CORP. NYSE-ETR

RECENT PRICE **85.29** | P/E RATIO **25.8** (Trailing: 34.8 Median: 15.0) | RELATIVE P/E RATIO **1.43** | DIV'D YLD **2.8%** | **VALUE LINE**

TIMELINESS **3** Raised 8/16/24
SAFETY **1** Raised 9/6/24
TECHNICAL **3** Lowered 12/27/24
BETA 1.00 (1.00 = Market)

18-Month Target Price Range

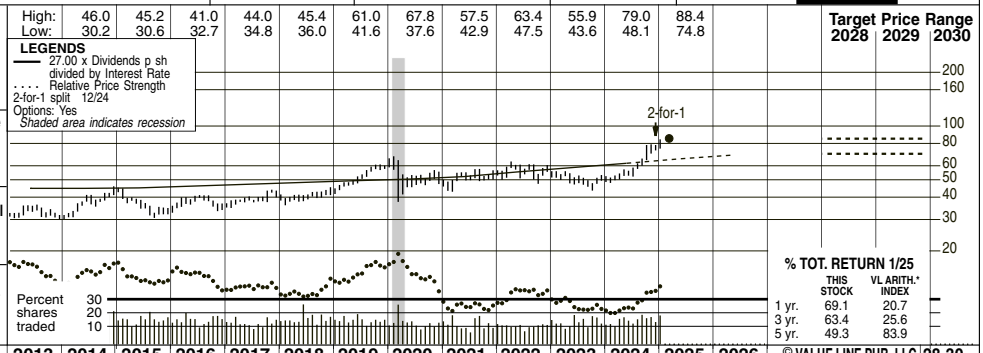
Low-High	Midpoint (% to Mid)
$76-$135	$106 (25%)

2028-30 PROJECTIONS

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

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	464	496	500
to Sell	343	333	382
Hld's(000)	379314	391478	442178



% TOT. RETURN 1/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	69.1	20.7
3 yr.	63.4	25.6
5 yr.	49.3	83.9

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
28.41	32.13	31.84	28.97	31.93	34.86	32.27	30.27	30.67	29.12	27.31	25.25	28.97	32.59	28.54	27.65	***28.75***	***30.00***	Revenues per sh	***33.25***
6.64	8.27	8.77	7.99	8.12	8.84	8.85	9.36	8.35	8.25	8.60	9.10	8.95	7.75	10.77	8.10	***8.80***	***9.30***	"Cash Flow" per sh	***10.50***
3.15	3.33	3.78	3.01	2.48	2.89	2.91	3.44	2.60	2.94	3.15	3.45	3.44	2.69	5.55	2.45	***3.35***	***3.60***	Earnings per sh [A]	***4.20***
1.50	1.62	1.66	1.66	1.66	1.66	1.67	1.71	1.75	1.79	1.83	1.87	1.93	2.05	2.17	2.30	***2.43***	***2.55***	Div'd Decl'd per sh [B] ■ †	***3.00***
6.50	6.66	7.60	9.09	7.86	7.41	8.39	8.64	11.04	11.23	10.86	12.26	15.43	12.52	10.43	11.26	***12.00***	***12.50***	Cap'l Spending per sh	***14.00***
22.77	23.77	25.41	25.86	27.00	27.92	25.95	22.56	22.14	23.39	25.67	27.28	28.71	30.70	34.35	35.11	***36.50***	***38.25***	Book Value per sh [C]	***43.45***
378.24	357.49	352.71	355.62	356.74	358.48	356.78	358.26	361.04	378.11	398.30	400.49	405.31	422.35	425.70	429.58	***435.00***	***440.00***	Common Shs Outst'g [D]	***460.00***
12.0	11.6	9.1	11.2	13.2	12.9	12.5	10.9	15.0	13.8	16.5	15.3	15.0	21.1	9.1	24.1	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	***18.0***
.80	.74	.57	.71	.74	.68	.63	.57	.75	.75	.88	.79	.81	1.22	.51	1.27			Relative P/E Ratio	***1.00***
4.0%	4.2%	4.9%	4.9%	5.1%	4.5%	4.6%	4.6%	4.5%	4.4%	3.5%	3.6%	3.7%	3.6%	4.3%	3.9%			Avg Ann'l Div'd Yield	***3.7%***
11513	10846	11074	11009	10879	10114	11743	13764	12147	11880	***12500***	***13200***	Revenues ($mill)	***15300***
1061.2	1249.8	950.7	1092.1	1258.2	1406.7	1402.8	1103.2	2356.5	1055.6	***1455***	***1585***	Net Profit ($mill)	***1930***
2.2%	11.3%	1.8%	- -	- -	- -	16.1%	- -	16.1%	26.4%	***20.0%***	***20.0%***	Income Tax Rate	***23.0%***
7.4%	8.1%	14.7%	17.5%	16.7%	12.2%	7.1%	2.5%	1.7%	5.0%	***2.0%***	***2.0%***	AFUDC % to Net Profit	***2.0%***
57.8%	63.6%	63.6%	63.2%	62.0%	65.5%	67.6%	64.2%	60.8%	63.5%	***63.5%***	***63.5%***	Long-Term Debt Ratio	***63.5%***
40.8%	35.5%	35.5%	35.9%	37.1%	33.7%	31.7%	35.2%	38.6%	36.0%	***36.5%***	***36.5%***	Common Equity Ratio	***36.5%***
22714	22777	22528	24602	27557	32386	36733	36810	37851	41917	***44330***	***46985***	Total Capital ($mill)	***55915***
27824	27921	29664	31974	35183	38853	42244	42477	43834	47423	***50270***	***53285***	Net Plant ($mill)	***63460***
6.0%	6.9%	5.7%	5.8%	5.9%	5.6%	4.9%	4.3%	7.6%	4.0%	***4.5%***	***4.5%***	Return on Total Cap'l	***4.5%***
11.1%	15.1%	11.6%	12.0%	12.0%	12.6%	11.8%	8.4%	15.9%	6.9%	***9.0%***	***9.5%***	Return on Shr. Equity	***9.5%***
11.2%	15.2%	11.7%	12.2%	12.1%	12.7%	11.9%	8.4%	16.0%	6.9%	***9.0%***	***9.5%***	Return on Com Equity [E]	***9.5%***
4.8%	7.7%	3.9%	4.9%	5.2%	5.9%	5.2%	1.9%	9.7%	.4%	***2.5%***	***2.5%***	Retained to Com Eq	***2.5%***
58%	50%	68%	61%	58%	55%	57%	78%	40%	95%	***73%***	***71%***	All Div'ds to Net Prof	***71%***

CAPITAL STRUCTURE as of 12/31/24
Total Debt $28918 mill. **Due in 5 Yrs** $11117 mill.
LT Debt $26613 mill. **LT Interest** $1046.0 mill.
Incl. $54.7 mill. of securitization bonds.
(LT interest earned: 2.2x)
Leases, Uncapitalized Annual rentals $198.8 mill.
Pension Assets-12/24 $4432.7 mill.
Oblig $4,520.7 mill.
Pfd Stock $219.4 mill. **Pfd Div'd** $18.3 mill.
200,000 shs. 6.25%-7.5%, $100 par; 250,000 shs. 8.75%, 1.4 mill. shs. 5.375%; all cum., without sinking fund.
Common Stock 430,412,580 shs. **as of 1/31/25**
MARKET CAP: $36.7 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+1.1	+4.5	-1.0
Total Indust. Use (GWh)	52501	52807	57081
Avg. Indust. Revs. per KWH(¢)	7.08	6.00	5.60
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	+.4	+.7
Fixed Charge Cov. (%)	209	250	220

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-1.0%	.5%	*2.0%*
"Cash Flow"	.5%	1.0%	*3.0%*
Earnings	2.5%	4.0%	*3.0%*
Dividends	2.5%	4.0%	*5.5%*
Book Value	2.0%	7.0%	*4.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2878	3395	4219	3273	13764
2023	2981	2846	3596	2725	12147
2024	2795	2954	3389	2742	11880
2025	***2900***	***3300***	***3200***	***3100***	***12500***
2026	***3100***	***3400***	***3400***	***3300***	***13200***

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.68	.39	1.37	.26	2.69
2023	.74	.92	1.57	2.33	5.55
2024	.18	.12	1.50	.65	2.45
2025	***.60***	***.40***	***1.65***	***.70***	***3.35***
2026	***.70***	***.45***	***1.70***	***.75***	***3.60***

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.475	.475	.475	.505	1.93
2022	.505	.505	.505	.535	2.05
2023	.535	.535	.535	.565	2.17
2024	.565	.565	.565	.60	2.30
2025	.60				

BUSINESS: Entergy Corporation supplies electricity to 3 million customers through subsidiaries in Arkansas, Louisiana, Mississippi, Texas, and New Orleans (regulated separately from Louisiana). Distributes gas to 206,000 customers in Louisiana. Is selling its last nonutility nuclear unit (shut down 5/22). Electric revenue breakdown: residential, 37%; commercial, 24%; industrial, 27%; other, 12%. Generating sources: gas, 68%; nuclear, 22%; coal, 9%; hydro and solar, 1%. Fuel costs: 32% of revenues. '23 reported depreciation rate: 2.7%. Has 11,707 employees. Chairman & CEO: Leo P. Denault. Incorporated: Delaware. Address: 639 Loyola Avenue, P.O. Box 61000, New Orleans, Louisiana 70161. Telephone: 504-576-4000. Internet: www.entergy.com.

Entergy's fourth-quarter results require an explanation. Revenues came in flat with the year-prior period, as higher levels of energy were produced for its customers. However, prices were lower in part thanks to reduced commodity prices and a lower charge per kilowatt hour during the quarter. This led to improved operating profits, while a few regulatory credits were earned during the quarter. However, the tax burden was greater than compared to the prior-year period. Overall, these factors caused earnings to fall to $0.65 per share in the final portion of 2024. Note that the company completed a 2-for-1 stock split in December 2024, which is now reflected in our presentation.

We expect higher levels of growth in the coming years. The company should benefit from businesses and industrial processes moving into Texas and Louisiana as more reshoring occurs. Indeed, the power producer has already stated plans to spend $37 billion on capital projects devoted to service customers, improve system reliability, and allow for better operations. Additionally, Entergy ought to gain from the expansion of clean energy in Louisiana, and the company is working to increase its nuclear capabilities across its footprint. These measures should help service a higher level of industrial work, while management believes that the data center opportunity is around 5 to 10 gigawatts over the long haul. Entergy has signed several new deals, including one with a large customer in Mississippi, and several rate formula plan filings will likely be enacted shortly. The retail segment will likely benefit from more customers moving into the coverage area. Expenses will probably rise quickly, as increased electricity production leads to higher maintenance and depreciation costs. We expect greater outstanding debt to cause interest expense to increase. Overall, we project that earnings will advance to $3.35 in 2025, $3.60 in 2026, and $4.20 by 2028-2030.

Shares of Entergy are neutrally ranked for Timeliness. This stock holds lackluster long-term appreciation potential. Moreover, while the equity has a top-notch Safety rank of 1, the yield is below the industry average, and prospective increases to the payout are just decent.

John E. Seibert III *March 7, 2025*

(A) Diluted EPS. GAAP starting in 2022. Excl. nonrec. losses: '12, $1.26; '13, $1.14; '14, 56¢; '15, $6.99; '16, $10.14; '17, $2.91; '18, $1.25; '21, $1.33. Next earnings report due early May.
(B) Div'ds historically paid in early Mar., June, Sept., & Dec. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail.
(C) Incl. deferred charges. In '24: $14.92/sh.
(D) In mill. **(E)** Rate base: Net original cost. Allowed ROE (blended): 9.79%; earned on avg. com. eq., '24: 6.9%. Regulatory Climate: Average.

Company's Financial Strength	A+
Stock's Price Stability	90
Price Growth Persistence	50
Earnings Predictability	70

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

EVERGY, INC. NYSE-EVRG

RECENT PRICE 68.39 | P/E RATIO 17.3 (Trailing: 18.5 Median: NMF) | RELATIVE P/E RATIO 0.96 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 3 Raised 11/22/24
SAFETY 2 New 9/14/18
TECHNICAL 3 Lowered 1/31/25
BETA .95 (1.00 = Market)

18-Month Target Price Range

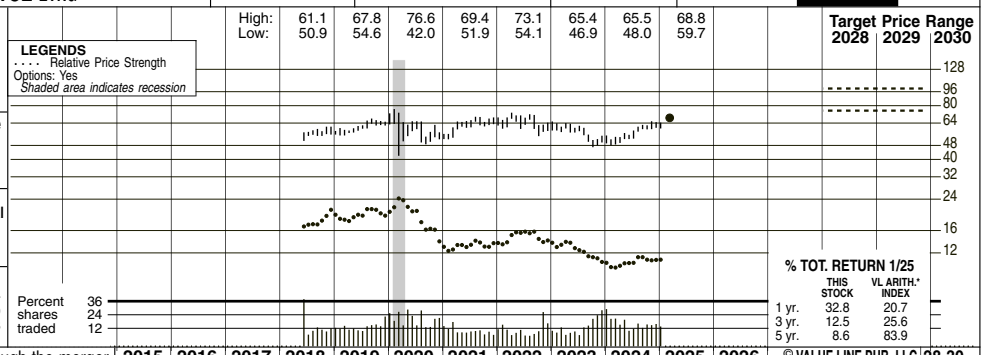
Low-High	Midpoint (% to Mid)
$47-$77	$62 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	100	(+45%)	*13%*
Low	75	(+10%)	*7%*

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	308	344	339
to Sell	320	291	293
Hld's(000)	198283	197848	222197



Evergy, Inc. was formed through the merger of Great Plains Energy and Westar Energy in June of 2018. Great Plains Energy holders received .5981 of a share of Evergy for each of their shares, and Westar Energy holders received one share of Evergy for each of their shares. The merger was completed on June 4, 2018. Shares of Evergy began trading on the New York Stock Exchange one day later.

CAPITAL STRUCTURE as of 9/30/24
Total Debt $11976 mill. **Due in 5 Yrs** $4388 mill.
LT Debt $11571 mill. **LT Interest** $306 mill.
Incl. $40.9 mill. finance leases.
(LT interest earned: 3.8x)

Leases, Uncapitalized Annual rentals $18.8 mill.

Pension Assets-12/22 $1714.7 mill.
Oblig $2561.7 mill.

Pfd Stock None

Common Stock 229,976,171 shs.
MARKET CAP: $15.7 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2020	2021	2022
% Change Retail Sales (KWH)	-3.9	+3.1	+6.7
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	7.14	6.94	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. (%)	286	350	382

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	- -	- -	*2.5%*
"Cash Flow"	- -	- -	*5.0%*
Earnings	- -	- -	*7.5%*
Dividends	- -	- -	*7.0%*
Book Value	- -	- -	*3.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1223.9	1446.5	1909.1	1279.6	5859.1
2023	1296.8	1354.2	1669.3	1187.9	5508.2
2024	1331.0	1447.5	1811.4	*1210.1*	*5800*
2025	*1350*	*1450*	*1850*	*1350*	*6000*
2026	*1400*	*1500*	*1900*	*1400*	*6200*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.53	.84	1.86	.03	3.26
2023	.62	.78	1.53	.24	3.17
2024	.53	.90	2.02	*.35*	*3.80*
2025	*.65*	*.95*	*1.95*	*.50*	*4.05*
2026	*.70*	*1.00*	*2.05*	*.50*	*4.25*

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.535	.535	.535	.5725	2.18
2022	.5725	.5725	.5725	.6125	2.33
2023	.6125	.6125	.6125	.6425	2.48
2024	.6425	.6425	.6425	.6675	2.60
2025					

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
	--	--	--	16.75	22.71	21.66	24.36	25.49	23.98	*25.20*	*26.10*	*26.95*	Revenues per sh	*30.45*
	--	--	--	4.89	7.18	7.06	8.18	7.34	8.33	*8.15*	*8.55*	*8.85*	"Cash Flow" per sh	*9.60*
	--	--	--	2.50	2.79	2.72	3.83	3.26	3.17	*3.80*	*4.05*	*4.25*	Earnings per sh A	*5.00*
	--	--	--	1.74	1.93	2.05	2.18	2.33	2.48	2.60	*2.71*	*2.84*	Div'd Decl'd per sh B ■	*3.25*
	--	--	--	4.19	5.34	6.88	8.60	9.41	9.23	*9.25*	*9.30*	*9.35*	Cap'l Spending per sh	*9.50*
	--	--	--	39.28	37.82	38.50	40.32	41.86	42.06	*44.10*	*45.65*	*45.85*	Book Value per sh C	*47.50*
	--	--	--	255.33	226.64	226.84	229.30	229.90	229.73	*230.00*	*230.00*	*230.00*	Common Shs Outst'g D	*230.00*
	--	--	--	22.7	21.8	21.7	16.2	19.9	18.0	*14.8*	*Bold figures are*		Avg Ann'l P/E Ratio	*17.5*
	--	--	--	1.23	1.16	1.11	.88	1.15	1.01	*.82*	*Value Line*		Relative P/E Ratio	*.95*
	--	--	--	3.1%	3.2%	3.5%	3.5%	4.0%	5.1%	4.0%	*estimates*		Avg Ann'l Div'd Yield	*3.7%*
	--	--	--	4275.9	5147.8	4913.4	5586.7	5859.1	5508.2	*5800*	*6000*	*6200*	Revenues ($mill)	*7000*
	--	--	--	535.8	669.9	618.3	879.7	752.7	731.3	*875*	*930*	*980*	Net Profit ($mill)	*1150*
	--	--	--	9.8%	12.6%	14.1%	11.7%	5.8%	2.1%	*4.5%*	*6.5%*	*7.5%*	Income Tax Rate	*9.0%*
	--	--	--	2.5%	2.5%	5.5%	5.0%	5.1%	5.4%	*6.0%*	*6.0%*	*6.0%*	AFUDC % to Net Profit	*5.0%*
	--	--	--	40.0%	50.6%	51.3%	50.1%	50.0%	51.5%	*51.5%*	*52.0%*	*52.5%*	Long-Term Debt Ratio	*53.5%*
	--	--	--	60.0%	49.4%	48.7%	49.9%	48.0%	48.0%	*48.5%*	*48.0%*	*47.5%*	Common Equity Ratio	*46.5%*
	--	--	--	16716	17337	17924	18542	19668	20019	*21250*	*22500*	*22750*	Total Capital ($mill)	*23400*
	--	--	--	18952	19346	20106	21150	22277	23729	*24200*	*25300*	*25600*	Net Plant ($mill)	*26300*
	--	--	--	4.0%	4.8%	4.5%	5.7%	6.9%	6.4%	*5.5%*	*5.5%*	*5.5%*	Return on Total Cap'l	*6.0%*
	--	--	--	5.3%	7.8%	7.1%	9.5%	8.1%	7.6%	*9.0%*	*9.0%*	*9.0%*	Return on Shr. Equity	*10.0%*
	--	--	--	5.3%	7.8%	7.1%	9.5%	8.1%	7.6%	*9.0%*	*9.0%*	*9.0%*	Return on Com Equity E	*10.0%*
	--	--	--	.6%	2.4%	1.8%	4.1%	3.1%	2.5%	*3.0%*	*3.0%*	*3.0%*	Retained to Com Eq	*3.5%*
	--	--	--	89%	69%	75%	57%	73%	69%	*68%*	*68%*	*68%*	All Div'ds to Net Prof	*63%*

BUSINESS: Evergy, Inc. was formed through the merger of Great Plains Energy and Westar Energy in June of 2018. Through its subsidiaries (now doing business under the Evergy name), provides electric service to 1.6 million customers in Kansas and Missouri, including the greater Kansas City area. Electric revenue breakdown: residential, 32%; commercial, 27%; industrial, 15%; wholesale, 13%; other, 13%. Generating sources: coal, 54%; nuclear, 17%; purchased, 29%. Fuel costs: 28% of revenues. '23 reported deprec. rate: 3%. Has 4,900 employees. Chairman: Mark A. Ruelle. President & CEO: David A. Campbell. COO: Kevin E. Bryant. Inc.: Missouri. Address: 1200 Main Street, Kansas City, Missouri 64105. Tel.: 816-556-2200. Internet: www.evergy.com.

Evergy's utility in Kansas filed a general rate case. The company's Kansas Central utility filed for an increase of $196.4 million (8.62%), based on a 10.5% return on equity and a 52% common equity ratio. The Kansas Corporation Commission (KCC) will review the request over an eight-month process, with new prices subject to go into effect in late September of 2025. The utility continues to benefit from rate relief and investment in its transmission system, and we think this will likely remain a main driver to the bottom line over the next few years. Note, the company is slated to release its fourth-quarter financial results just after this Issue went to press.

We look for healthy earnings growth this year. Our bottom-line estimate of $4.05 per share, represents 7% growth from 2024 levels. This is a touch above the high end of the utility's long-term 4%-6% yearly profit growth target. Evergy looks increasingly well positioned in 2025 to benefit from regulatory and rate improvements, as well as elevated power demand from data centers and AI innovations.

We are also introducing our 2026 profit call of $4.25 per share, indicating 5% growth. We expect many of the above-mentioned factors to drive gains next year, especially from data center build outs and AI advancements. Plus, the utility stands to benefit from a full year of rate relief in Kansas among other legislative initiatives. Evergy is also investing in two new 705 megawatt (MW) combined-cycle natural gas plants in Kansas, which are expected to begin operations in 2029 and 2030. After rolling out another year to 2028-2030, we look for the stock to trade around $75-$100, and earn about $5.00 a share over that interim.

Conservative, income-oriented accounts may want to take a closer look here. The stock is ranked 2 (Above Average) for Safety, and holds high scores for Price Stability (90) and Earnings Predictability (85). What's more, the dividend yield of 4.0% remains this issue's most notable feature and stands above the high-paying industry wide average. Meanwhile, the stock is ranked 3 (Average) for Timeliness, and should mirror the broader-market averages in the year ahead.

Zachary J. Hodgkinson *March 7, 2025*

(A) Diluted earnings. Next earnings report due late May. **(B)** Dividends paid in mid-March, June, September, and December. ■ Dividend reinvestment plan available. **(C)** Incl. intangibles. **(D)** In millions. **(E)** Rate base: Original cost depreciated. Rate allowed on common equity in Missouri in '18: none specified; in Kansas in '18: 9.3%; earned on average common equity, '22: 9.8%. Regulatory Climate: Average.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	20
Earnings Predictability	85

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

EXELON CORP. NDQ-EXC

RECENT PRICE 46.48 | P/E RATIO 17.5 (Trailing: 19.0 Median: 14.0) | RELATIVE P/E RATIO 1.05 | DIV'D YLD 3.5% | VALUE LINE

TIMELINESS — Suspended 2/4/22
SAFETY 3 Lowered 2/7/25
TECHNICAL — Suspended 2/4/22
BETA NMF (1.00 = Market)

18-Month Target Price Range

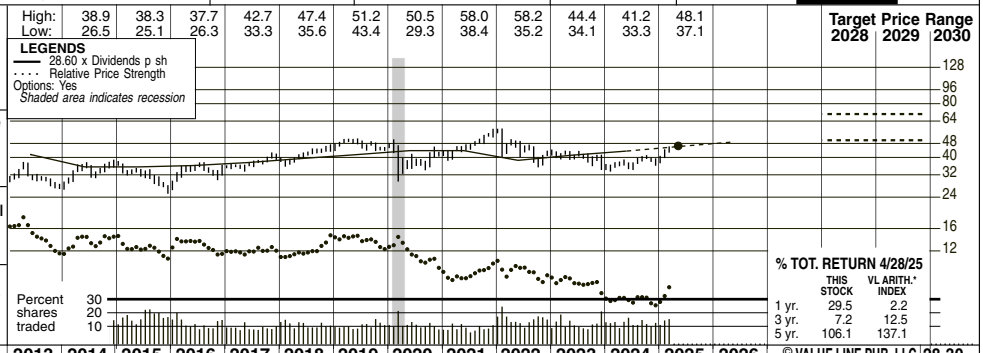
Low-High	Midpoint (% to Mid)
$32-$53	$43 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+50%)	*14%*
Low	50	(+10%)	*6%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	442	535	566
to Sell	438	394	447
Hld's(000)	842112	922735	920370



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
26.25	28.17	28.53	27.48	29.03	31.90	32.01	33.94	34.81	37.17	35.39	33.85	37.13	19.19	21.75	22.91	*23.70*	*24.40*	Revenues per sh	*26.85*
8.25	8.32	7.23	6.61	6.72	6.61	6.80	7.88	8.37	9.29	9.17	9.65	10.56	6.07	6.12	6.15	*6.45*	*6.60*	"Cash Flow" per sh	*7.40*
4.29	3.87	3.75	1.92	2.31	2.10	2.54	2.68	2.78	3.12	3.22	3.22	2.82	2.26	2.38	2.45	*2.65*	*2.80*	Earnings per sh [A]	*3.40*
2.10	2.10	2.10	2.10	1.46	1.24	1.24	1.26	1.31	1.38	1.45	1.53	1.53	1.35	1.44	1.52	*1.62*	*1.72*	Div'd Decl'd per sh [B] ■	*1.95*
4.96	5.03	6.09	6.77	6.29	7.07	8.29	9.26	7.87	7.84	7.45	8.25	8.15	7.19	7.42	7.61	*7.80*	*7.85*	Cap'l Spending per sh	*8.00*
19.16	20.49	21.68	25.07	26.52	26.29	28.04	27.96	30.99	31.77	33.12	33.39	35.13	24.89	25.78	26.79	*27.25*	*28.10*	Book Value per sh [C]	*29.75*
659.76	661.85	663.37	854.78	857.29	859.83	919.92	924.04	963.34	968.19	973.00	976.00	979.00	994.00	999.00	1005.0	*1005.0*	*1005.0*	Common Shs Outst'g [D]	*1005.0*
11.5	11.0	11.3	19.1	13.4	16.0	12.6	12.5	13.4	13.3	14.7	12.4	16.6	19.9	17.0	15.2	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*17.5*
.77	.70	.71	1.22	.75	.84	.63	.66	.67	.72	.78	.64	.90	1.15	.95	.84			Relative P/E Ratio	*.95*
4.3%	4.9%	5.0%	5.7%	4.7%	3.7%	3.9%	3.7%	3.5%	3.3%	3.1%	3.8%	3.3%	3.2%	4.3%	3.8%			Avg Ann'l Div'd Yield	*3.5%*
29447	31360	33531	35985	34438	33039	36347	19078	21727	23028	*23700*	*24400*	Revenues ($mill)	*27000*
2282.0	2488.0	2636.0	3026.0	3139.0	3149.0	2764.0	2170.0	2328.0	2460	*2665*	*2815*	Net Profit ($mill)	*3415*
32.2%	38.5%	34.2%	11.1%	19.4%	17.4%	16.1%	14.5%	13.8%	7.8%	*15.0%*	*15.0%*	Income Tax Rate	*15.0%*
5.4%	8.3%	6.5%	4.6%	5.0%	5.5%	7.4%	7.0%	7.4%	5.8%	*5.0%*	*5.0%*	AFUDC % to Net Profit	*5.0%*
48.3%	55.5%	52.2%	52.8%	49.6%	52.1%	50.9%	59.9%	60.3%	61.1%	*61.0%*	*62.0%*	Long-Term Debt Ratio	*64.5%*
51.3%	44.5%	47.8%	47.2%	50.4%	47.9%	49.1%	40.2%	39.1%	39.53%	*39.0%*	*38.0%*	Common Equity Ratio	*35.5%*
50272	58053	62422	65229	63943	68068	70107	58836	65837	65918	*70300*	*75000*	Total Capital ($mill)	*81000*
57439	71555	74202	76707	80233	82584	84219	69076	73593	78182	*70100*	*70500*	Net Plant ($mill)	*77600*
5.5%	5.5%	5.3%	5.7%	6.0%	5.7%	5.0%	5.0%	3.6%	3.8%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.0%*
8.8%	9.6%	8.8%	9.8%	9.7%	9.7%	8.0%	9.5%	9.0%	9.1%	*10.0%*	*10.0%*	Return on Shr. Equity	*10.0%*
8.8%	9.6%	8.8%	9.8%	9.7%	9.7%	8.0%	9.5%	9.0%	9.1%	*10.0%*	*10.0%*	Return on Com Equity [E]	*10.0%*
4.5%	5.1%	4.7%	5.5%	5.4%	5.1%	3.7%	4.0%	3.5%	3.6%	*4.0%*	*4.0%*	Retained to Com Eq	*4.0%*
49%	47%	47%	44%	45%	47%	54%	60%	60%	60%	*60%*	*60%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $44400 mill. **Due in 5 Yrs** $12334 mill.
LT Debt $42947 mill. **LT Interest** $1450 mill.
Includes $390 mill. nonrecourse transition bonds.
(Interest coverage: 2.7x)
Leases, Uncapitalized Annual rentals $156 mill.

Pension Assets-12/24 $20624 mill.
Oblig $22437 mill.
Pfd Stock None

Common Stock 1,005,217,157 shs.
as of 1/31/25
MARKET CAP: $46.7 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% 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 (Mw)	NA	NA	NA
Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	325	NA	NA

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.5%	1.0%	*NMF*
"Cash Flow"	3.0%	5.5%	*NMF*
Earnings	-.5%	2.5%	*NMF*
Dividends	-3.0%	4.0%	*NMF*
Book Value	4.5%	3.5%	*NMF*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	5327	4239	4845	4667	19078
2023	5562	4818	5980	5367	21727
2024	6043	5361	6154	5470	23028
2025	*6200*	*5750*	*6350*	*5400*	*23700*
2026	*6400*	*5900*	*6500*	*5600*	*24400*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.64	.44	.75	.43	2.26
2023	.70	.41	.67	.60	2.38
2024	.68	.47	.71	.59	2.45
2025	*.70*	*.55*	*.80*	*.60*	*2.65*
2026	*.75*	*.55*	*.85*	*.65*	*2.80*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.3825	.3825	.3825	.3825	1.53
2022	.3375	.3375	.3375	.3375	1.35
2023	.360	.360	.360	.360	1.44
2024	.380	.380	.380	.380	1.52
2025	.380				

BUSINESS: Exelon Corporation is a holding company for Commonwealth Edison (ComEd), PECO Energy, Baltimore Gas and Electric (BGE), Pepco, Delmarva Power (DPL), & Atlantic City Electric (ACE). Has 9.1 mill. elec., 1.3 mill. gas customers. Spun off Constellation Energy (nonregulated generating & energy-marketing ops.) 2/22. Acq'd Constellation Energy 3/12; Pepco Holdings 3/16. Elec. rev. breakdown: residntl., 54%; small commercl. & indstrl., 16%; large commercl. & indstrl., 17%; other, 13%. Fuel costs: 48% of revs. '24 deprec. rates: 2.8%-8.7% elec., 2.1% gas. Has 18,700 empls. Chrmn.: John F. Young. CEO: Calvin Butler. Inc.: PA. Address: 10 S.Dearborn St., P.O. Box 805379, Chicago, IL 60680-5379. Telephone: 312-394-7398. Internet: www.exeloncorp.com.

We look for Exelon's earnings to advance steadily in 2025 and 2026. (The company was slated to report first-quarter results shortly after this review went to press.) Exelon closed out 2024 on a strong note, with the top and bottom lines exceeding our and Wall Street's expectations. Management has committed to investing $38 billion through 2028, with more than $9 billion planned for 2025, including $3.5 billion in incremental transmission investments. Our 2025 earnings estimate remains at $2.65 per share, aligned with the low end of the company's updated guidance range and implying roughly 6% growth from 2024 levels.

Our 2026 earnings target remains intact at $2.80 per share, reflecting continued execution across the utility's expanding investment footprint and transmission strategy. ComEd's pipeline of projects, driven largely by data center demand, has more than doubled year over year, and regulatory clarity has supported ongoing rate case activity. Exelon remains firmly committed to its 5%-7% annualized EPS growth target, and we believe it is well positioned to reach the midpoint or higher as infrastructure modernization, smart grid upgrades, and clean energy support continue to unfold.

These shares have risen significantly of late, though the broader market has struggled. Utilities have been a safe haven amid macroeconomic challenges, and Exelon has outperformed nearly all of its peers since the start of 2025. Indeed, the stock is up more than 20% in value so far this year, supported by a strong dividend, steady operations, and investor rotation into lower-volatility sectors.

This issue is best suited for conservative, income-oriented accounts. While Exelon offers a lofty yield, long-term capital appreciation potential is limited at current levels. We look for the stock to trade between $50-$70 out to 2028-2030, which is right near the current quotation. Prospective investors should keep expectations modest despite favorable regulatory trends and infrastructure tailwinds, as much of the potential returns are already accounted for. Note that the Timeliness rank remains unranked due to the company's spinoff of Constellation Energy.

Zachary J. Hodgkinson *May 9, 2025*

(A) Dil. egs. Excl. nonrec. (losses): '09, (20¢); '12, (50¢); '13, (31¢); '14, (22¢); '16, ($1.46); '17, $1.19; '18, ($1.05); '19, (21¢); '20, ($1.21); '21, ($1.08); Next egs. report due Aug. **(B)** Div'ds paid in early Mar., June, Sept., & Dec. ■ Div'd reinvest. plan avail. **(C)** Incl. deferred charges. In '24: $15.35/sh. **(D)** In mill. **(E)** Rate allowed on common equity in IL in '15: 9.25%; in MD in '16: 9.75% elec., 9.65% gas; Regulatory Climate: PA, NJ: Average; IL, MD: Below Avg.

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

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

FIRSTENERGY NYSE-FE

RECENT PRICE 42.72 | P/E RATIO 16.8 (Trailing: 15.5 Median: 14.0) | RELATIVE P/E RATIO 1.01 | DIV'D YLD 4.2% | VALUE LINE

TIMELINESS 4 Lowered 4/4/25
SAFETY 3 Lowered 7/31/20
TECHNICAL 4 Lowered 5/9/25
BETA .75 (1.00 = Market)

18-Month Target Price Range
Low-High Midpoint (% to Mid)
$35-$49 $42 (0%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+50%)	*14%*
Low	45	(+5%)	*6%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	357	403	423
to Sell	275	280	326
Hld's(000)	483657	528591	538043

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
High:	40.8	41.7	36.6	35.2	39.9	49.1	52.5	41.8	48.8	43.3	45.0	43.6						
Low:	30.0	28.9	29.3	27.9	29.3	36.3	22.9	29.2	35.3	32.2	35.4	37.6						

LEGENDS
25.6 x Dividends p sh
Relative Price Strength
Options: Yes
Shaded area indicates recession

Target Price Range 2028 | 2029 | 2030
128 96 80 64 48 40 32 24 16 12

Percent shares traded 30 20 10

% TOT. RETURN 4/28/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	16.8	2.2
3 yr.	8.1	12.5
5 yr.	23.9	137.1

© VALUE LINE PUB. LLC 28-30

41.70	43.76	38.87	36.57	35.60	35.74	35.48	32.92	31.49	22.00	20.41	19.87	19.52	21.78	22.41	23.36	*25.25*	*25.80*	Revenues per sh	*28.55*
8.80	8.50	5.75	6.05	6.30	6.26	7.04	7.04	6.54	5.19	4.80	4.59	5.41	4.71	4.78	5.38	*5.30*	*5.60*	"Cash Flow" per sh	*6.60*
3.32	3.25	1.88	2.13	2.97	2.56	2.71	2.63	2.73	2.59	2.56	2.39	2.60	2.41	2.56	2.63	*2.55*	*2.70*	Earnings per sh A	*3.30*
2.20	2.20	2.20	2.20	1.65	1.44	1.44	1.44	1.44	1.82	1.53	1.56	1.56	1.56	1.60	1.70	*1.78*	*1.86*	Div'd Decl'd per sh B ■	*2.10*
7.23	6.44	5.45	7.09	6.90	8.42	6.83	6.93	6.38	5.23	4.93	4.89	4.29	4.82	5.84	6.99	*8.25*	*8.25*	Cap'l Spending per sh	*9.25*
28.08	28.03	31.75	31.29	30.32	29.49	29.33	14.11	8.81	13.17	12.90	13.33	15.21	17.77	18.17	21.60	*22.25*	*23.25*	Book Value per sh C	*26.75*
304.84	304.84	418.22	418.22	418.63	421.10	423.56	442.34	445.33	511.92	540.65	543.12	570.26	572.13	574.34	576.61	*580.00*	*585.00*	Common Shs Outst'g D	*595.00*
13.0	11.7	22.4	21.1	13.1	13.2	12.6	12.7	11.4	13.6	17.1	15.7	14.1	17.0	14.9	15.2	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.5*
.87	.74	1.41	1.34	.74	.69	.63	.67	.57	.73	.91	.81	.76	.98	.83	.80			Relative P/E Ratio	*.90*
5.1%	5.8%	5.2%	4.9%	4.3%	4.3%	4.2%	4.3%	4.6%	5.2%	3.5%	4.2%	4.3%	3.8%	4.2%	4.2%			Avg Ann'l Div'd Yield	*3.9%*
15029	14562	14022	11261	11035	10790	11132	12459	12870	13472	*14650*	*15100*	Revenues ($mill)	*17000*
1144.0	1118.0	1213.0	1346.0	1380.0	1296.0	1419.0	1377.0	1468.0	1514.0	*1480*	*1585*	Net Profit ($mill)	*1970*
35.8%	37.4%	37.2%	28.5%	19.8%	13.6%	20.6%	48.1%	16.2%	25.1%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
10.2%	9.2%	6.5%	4.8%	5.1%	5.9%	5.3%	6.1%	6.6%	8.8%	*9.0%*	*9.0%*	AFUDC % to Net Profit	*10.0%*
60.7%	74.5%	84.3%	72.3%	73.8%	75.4%	71.9%	67.6%	68.7%	64.4%	*66.0%*	*65.5%*	Long-Term Debt Ratio	*65.0%*
39.3%	25.5%	15.7%	27.4%	26.2%	24.6%	28.1%	32.4%	31.3%	35.6%	*34.0%*	*33.5%*	Common Equity Ratio	*35.0%*
31613	24433	25040	24565	26593	29368	30923	31369	33322	34951	*37900*	*40900*	Total Capital ($mill)	*45300*
37214	29387	28879	29911	31650	33294	34744	36285	38412	41102	*44400*	*47500*	Net Plant ($mill)	*57200*
5.3%	6.6%	7.0%	7.4%	6.8%	6.0%	6.2%	5.9%	5.8%	5.7%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.0%*
9.2%	17.9%	30.9%	19.8%	19.8%	17.9%	16.4%	13.5%	14.1%	12.2%	*11.5%*	*11.5%*	Return on Shr. Equity E	*12.5%*
9.2%	17.9%	30.9%	18.9%	19.7%	17.9%	16.4%	13.5%	14.1%	12.2%	*11.5%*	*11.5%*	Return on Com Equity E	*12.5%*
4.3%	8.1%	14.6%	8.4%	8.1%	6.2%	6.6%	4.8%	5.4%	4.4%	*3.5%*	*3.5%*	Retained to Com Eq	*4.5%*
53%	55%	53%	58%	59%	65%	60%	65%	62%	64%	*69%*	*68%*	All Div'ds to Net Prof	*63%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $24023 mill. **Due in 5 Yrs** $9373 mill.
LT Debt $22496 mill. **LT Interest** $975 mill.
Incl. $11 mill. finance leases.
(Total Interest coverage: 2.9x)
Leases, Uncapitalized Annual rentals $61 mill.

Pension Assets-12/24 $6296 mill.
Oblig. $7824 mill.
Pfd Stock None

Common Stock 576,697,425 shs.
as of 1/31/25
MARKET CAP: $24.6 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (MWH)	+1.5	-3.3	+2.8
Residential Use (MWH)	55994	52217	54631
Commercial Use (MWH)	39479	38179	39021
Industrial Use (MWH)	52008	52252	52950
Tot. Electric Deliv'd (MWH)	147481	142648	146602
Peak Load Summer (Mw)	NA	NA	NA
% Change Customers (yr-end)	+.4	+.5	+.5
Fixed Charge Cov. (%)	290	225	261

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-4.5%	-2.0%	*4.0%*
"Cash Flow"	-2.0%	-2.0%	*5.0%*
Earnings	- -	-.5%	*4.5%*
Dividends	-1.0%	.5%	*4.5%*
Book Value	-4.5%	10.5%	*5.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2989	2818	3475	3177	12459
2023	3231	3006	3487	3146	12870
2024	3287	3280	3729	3176	13472
2025	3765	*3500*	*4000*	*3385*	*14650*
2026	*3900*	*3600*	*4125*	*3475*	*15100*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.60	.53	.79	.50	2.41
2023	.60	.47	.88	.62	2.56
2024	.55	.56	.85	.67	2.63
2025	.67	*.53*	*.83*	*.52*	*2.55*
2026	*.64*	*.58*	*.90*	*.58*	*2.70*

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.39	.39	.39	.39	1.56
2022	.39	.39	.39	.39	1.56
2023	.39	.39	.39	.41	1.58
2024	.41	.425	.425	.425	1.69
2025	.425	.445			

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 about 6.3 million customers in OH, PA, NJ, WV, MD, & NY. Acq'd Allegheny Energy 2/11. Electric revenue breakdown: residential, 60%; commercial, industrial & other, 40%. Purchases most of its power. Power costs: 32.5% of revenues. 2024 reported depreciation rate: 2.9%. Employs about 12,300. Chair, President and Chief Executive Officer: Brian X. Tierney. Incorporated: Ohio. Address: 76 South Main Street, Akron, Ohio 44308-1890. Telephone: 800-736-3402. Internet: www.firstenergycorp.com.

FirstEnergy changed how it reports adjusted (non-GAAP) earnings per share. According to leadership, the company has made substantial strides in improving its core regulated earnings over the past few years, but the growth has not come through clearly because of the impact of non-core components of historical operating profits. To rectify the situation, FirstEnergy will report adjusted earnings for its distribution, integrated, standalone transmission, and corporate segments, excluding the impact on profits from the pension and the company's interest in the non-core Signal Peak coal mine. We're not restating prior-year figures, but under the new format, last year's adjusted earnings would have been reported as $2.37 per share, a 7.7% gain from the comparable $2.20 pro forma level in 2023. Leadership's target for adjusted earnings this year is $2.40-$2.60 per share, but given the strong first-quarter results our call stands at $2.55. Next year, we're projecting core operating earnings of $2.70 per share, as the company continues to benefit from constructive rate settlements across much of its Mid-Atlantic service area.

The company's Ohio rate case has dragged on and has been met with a fair amount of political opposition. A year ago, FirstEnergy filed for higher rates in the state for the first time since the 2020 bribery scandal there came to light. While new leadership has done a good job of turning the page on that chapter of the company's history, the public is loath to forget it, and requests for higher prices make for good headlines in the local press. FirstEnergy requested a $190 million hike in annual revenue, which was met with a recommendation for an $8.5 million increase from the Public Utilities Commission of Ohio staff. The Ohio Consumer's Counsel, the state's consumer watchdog agency, has been actively involved in the case, suggesting significant price cuts. The company has since amended its request to $183 million. A final decision is expected by year's end. Ohio represents about 17% of FirstEnergy's rate base.

This issue is untimely. The 4.2% dividend yield compares favorably to the 3.6% industry median. But 3- to 5-year total return potential does not stand out.

Anthony J. Glennon *May 9, 2025*

(A) Diluted egs. excl. nonrc. losses: '13, $2.07; '14, $2.05; '15, $1.34; '16, $17.12; '17, $6.61; '18, $1.26; '19, 89¢; '20, 54¢; '21, 33¢; '22, $1.70; '23, 60¢; '24, 93¢; gain/(loss) from disc. ops.: '18, 66¢; '20, 14¢; '21, 8¢; '23, (4¢). Qtly. EPS don't sum due to rnd'g. Next egs. rpt. due late July. **(B)** Div. pd. Mar., June, Sept., & Dec. ■ Div'd reinv. avail. **(C)** Incl. intang. in '24: $10.81/sh. **(D)** In mill. **(E)** High ROE from large writeoffs. Rate base: Depr. orig. cost. Rates all'd on com. eq.: 9.5-11.3%; Reg.: OH Above Avg.; PA/NJ Avg.; MD/WV Below Avg.

Company's Financial Strength	B++
Stock's Price Stability	80
Price Growth Persistence	30
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

FORTIS INC. TSE-FTS.TO [A]

RECENT PRICE 62.74 | P/E RATIO 18.8 (Trailing: 19.4 Median: 20.0) | RELATIVE P/E RATIO 1.04 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 4 Lowered 3/8/24
SAFETY 1 Raised 6/7/24
TECHNICAL 3 Lowered 1/31/25
BETA .75 (1.00 = Market)

18-Month Target Price Range

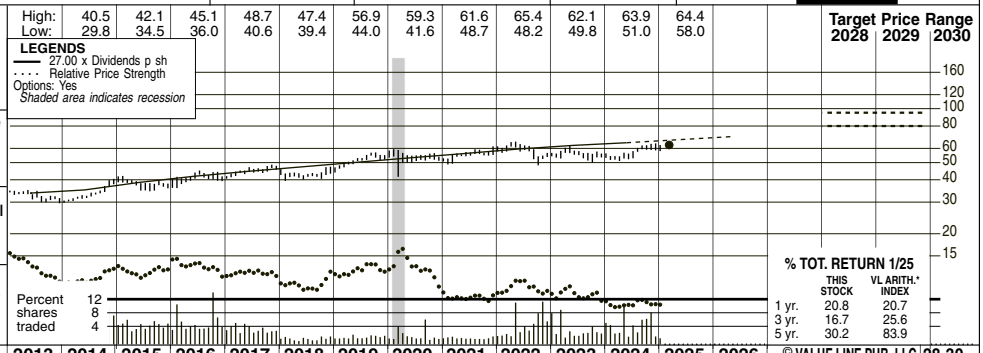
Low-High	Midpoint (% to Mid)
$49-$70	$60 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	95	(+50%)	*14%*
Low	80	(+30%)	*10%*

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	129	153	143
to Sell	120	117	111
Hld's(000)	252519	259831	257551



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
21.24	21.01	19.84	19.07	18.99	19.57	23.89	17.03	19.71	19.58	18.96	19.14	19.90	22.90	23.48	23.19	*25.20*	*26.15*	Revenues per sh	*27.45*
3.66	3.99	3.90	4.10	4.10	3.62	5.21	3.91	5.43	5.40	5.44	5.65	5.76	6.24	6.71	7.10	*7.35*	*7.50*	"Cash Flow" per sh	*8.10*
1.51	1.62	1.74	1.65	1.63	1.38	2.11	1.89	2.66	2.52	2.68	2.60	2.61	2.78	3.10	3.28	*3.40*	*3.55*	Earnings per sh [B]	*4.10*
1.04	1.12	1.17	1.21	1.25	1.30	1.43	1.55	1.65	1.75	1.86	1.97	2.08	2.17	2.29	2.39	*2.49*	*2.59*	Div'd Decl'd per sh [C] ■	*2.98*
5.79	5.89	5.91	5.68	5.32	6.00	7.97	5.13	7.18	7.51	8.03	8.65	7.13	7.02	7.18	8.03	*8.25*	*8.25*	Cap'l Spending per sh	*8.25*
18.57	18.95	20.53	20.84	22.39	24.90	28.63	32.32	31.77	34.80	36.49	36.58	37.21	36.44	39.24	41.81	*43.50*	*45.10*	Book Value per sh [D]	*47.05*
171.26	174.39	188.83	191.57	213.17	276.00	281.56	401.49	421.10	428.50	463.30	466.80	474.80	482.15	490.60	496.20	*500.00*	*503.00*	Common Shs Outst'g [E]	*510.00*
16.4	18.2	18.8	20.1	20.0	24.3	18.0	21.6	16.8	17.1	19.2	20.6	21.2	21.1	18.0	17.3	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*21.5*
1.09	1.16	1.18	1.28	1.12	1.28	.91	1.13	.84	.92	1.02	1.06	1.15	1.22	1.03	.96			Relative P/E Ratio	*1.20*
4.2%	3.8%	3.6%	3.6%	3.8%	3.9%	3.8%	3.8%	3.7%	4.1%	3.6%	3.7%	3.8%	4.1%	4.3%	4.0%			Avg Ann'l Div'd Yield	*3.3%*
6727.0	6838.0	8301.0	8390.0	8783.0	8935.0	9448.0	11043.0	11517.0	11508.0	*12600*	*13150*	Revenues ($mill)	*14000*
672.0	660.0	1174.0	1136.0	1238.0	1274.0	1294.0	1340.4	1520.9	1630.2	*1700*	*1785*	Net Profit ($mill)	*2090*
21.3%	16.9%	25.8%	13.4%	12.5%	14.3%	14.3%	16.0%	14.6%	14.5%	*14.5%*	*14.5%*	Income Tax Rate	*14.5%*
7.4%	10.0%	9.5%	8.4%	9.2%	9.3%	9.0%	9.0%	8.2%	8.0%	*8.0%*	*8.0%*	AFUDC % to Net Profit	*7.0%*
53.3%	59.3%	58.4%	58.8%	54.2%	55.6%	55.5%	55.0%	54.2%	53.7%	*53%*	*53%*	Long-Term Debt Ratio	*51.5%*
38.1%	36.2%	37.1%	37.2%	41.8%	40.5%	40.8%	41.5%	42.5%	43.2%	*43.5%*	*43.5%*	Common Equity Ratio	*45.0%*
21151	35874	36108	40082	40445	42141	43328	44922	46282	48029	*49225*	*50100*	Total Capital ($mill)	*51900*
19595	29337	29668	32654	33988	35998	37816	41663	43436	49520	*51250*	*53000*	Net Plant ($mill)	*58000*
4.5%	2.8%	4.5%	4.1%	4.4%	4.3%	4.2%	2.4%	4.5%	4.7%	*4.5%*	*4.5%*	Return on Total Cap'l	*5.0%*
6.8%	4.5%	7.8%	6.9%	6.7%	6.8%	6.7%	4.4%	7.0%	7.2%	*7.0%*	*7.0%*	Return on Shr. Equity	*7.5%*
7.4%	4.5%	8.3%	7.2%	6.9%	7.1%	7.0%	4.4%	7.0%	7.2%	*7.0%*	*7.0%*	Return on Com Equity [F]	*7.5%*
4.5%	2.1%	5.2%	4.1%	4.0%	2.5%	3.5%	3.5%	3.5%	3.6%	*3.5%*	*3.5%*	Retained to Com Eq	*4.0%*
46%	59%	41%	46%	45%	67%	52%	78%	81%	82%	*82%*	*82%*	All Div'ds to Net Prof [G]	*75%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $33214 mill. **Due in 5 Yrs** $7732 mill.
LT Debt $31224 mill. **LT Interest** $945 mill.
Incl. $340 mill. finance leases.
(LT interest earned: 2.4x)
Leases, Uncapitalized Annual rentals $8 mill.

Pension Assets-12/23 $3722 mill.
Oblig $3922 mill.
Pfd Stock $1623 mill. **Pfd Div'd** $65 mill.

Common Stock 497,300,000 shs.

MARKET CAP: $31.2 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2020	2021	2022
% 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	NA
Fixed Charge Cov. (%)	207	211	215

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '27-'29
Revenues	- -	-.5%	*3.5%*
"Cash Flow"	3.5%	3.5%	*5.0%*
Earnings	4.5%	3.5%	*5.0%*
Dividends	5.5%	5.5%	*6.0%*
Book Value	6.5%	3.5%	*4.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2835	2487	2553	3168	11043
2023	3319	2594	2719	2885	11517
2024	3118	2670	2771	2949	11508
2025	*3370*	*2750*	*2880*	*3600*	*12600*
2026	*3450*	*2900*	*2950*	*3850*	*13150*

EARNINGS PER SHARE [B]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.74	.59	.68	.77	2.78
2023	.90	.61	.81	.78	3.10
2024	.93	.67	.85	.83	3.28
2025	*.95*	*.75*	*.85*	*.85*	*3.40*
2026	*.95*	*.80*	*.90*	*.90*	*3.55*

QUARTERLY DIVIDENDS PAID [C] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.505	.505	.505	.535	2.05
2022	.535	.535	.535	.565	2.17
2023	.565	.565	.565	.590	2.29
2024	.590	.590	.590	.615	2.39
2025	.615				

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, 1.3 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: 31% of revs. '23 reported deprec. rate: 2.6%. Has 9,100 employees. Chairman: Jo Mark Zurel. President & CEO: David G. Hutchens. 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' earnings will likely advance slightly this year. We look for the utility to post 2025 earnings of $3.40 per share, implying 4% growth from last year. The company will likely continue to take advantage of growth in its regulated utilities and rate relief as a number of cases are ongoing. Investors should note that the U.S. and Canadian dollar exchange rate can cause some inconsistencies in the company's earnings. We also expect macroeconomic challenges such as high inflation and supply-chain constraints to remain, negatively impacting the bottom line, but rate relief should help mitigate this.

We are introducing our 2026 earnings call of $3.55 per share. Fortis remains committed to its five-year $26 billion capital plan, focused on regulated investments to support infrastructure improvements and customer growth. The rate base is projected to grow by $14 billion, to $53 billion, by 2029, representing an annual growth rate of 6.5%. The utility is also focused on investment opportunities to enhance grid reliability across the country, specifically in the Midwest. It anticipates making regulatory filings in Arizona and other states to recoup its investment and minimize regulatory lag for projects tied to large-scale consumer demand.

Investors can expect another dividend raise by the end of the year. Fortis increased its annual dividend by 4% in 2024, to $2.39 per share. This marked the 51st consecutive year of increases in dividends paid. The company evidently has a strong proven track record of dividend growth, and we see no reason for it to stop any time soon. Indeed, the utility expects to extend the record with an annual dividend growth target of 4%-6% through 2029.

Conservative, income-oriented accounts may want to take a closer look here. The stock is ranked 1 (Highest) for Safety and holds top notch scores (100) for Price Stability and Earnings Predictability. Plus, with the anticipated dividend hike, the yield of 4.0% stands comfortably above the industrywide average. After rolling out another year to 2028-2030, we look for the stock to trade between $80-$95 and earn profits north of $4.00 per share over that interim.

Zachary J. Hodgkinson *March 7, 2025*

(A) Also trades on NYSE (FTS). All data in Canadian $. **(B)** Dil. egs. Excl. nonrecur. gains (loss): '14, 2¢; '15, 48¢; '17, (35¢); '18, 7¢. '19, $1.12. Next egs. report due early May. **(C)** Div'ds historically paid in early Mar., June, Sept., and Dec. ■ Div'd reinv. plan avail. (2% disc.). **(D)** Incl. intang. In '23: $34.05/sh. **(E)** In mill. **(F)** Rates all'd on com. eq.: 8.3%-10.32%; earn. on avg. com. eq., '21: 7.1%. Reg. Clim.: FERC, Above Avg.; AZ, Below Avg.; NY, Below Avg. **(G)** Excl. div'ds pd. via reinv. plan.

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

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

HYDRO ONE LIMITED TSX-H.TO

RECENT PRICE 51.58 | P/E RATIO 25.2 (Trailing: 26.7 Median: 20.0) | RELATIVE P/E RATIO 1.40 | DIV'D YLD 2.6% | VALUE LINE

TIMELINESS 3 New 5/9/25
SAFETY 3 New 5/9/25
TECHNICAL 5 New 5/9/25
BETA NMF (1.00 = Market)

18-Month Target Price Range

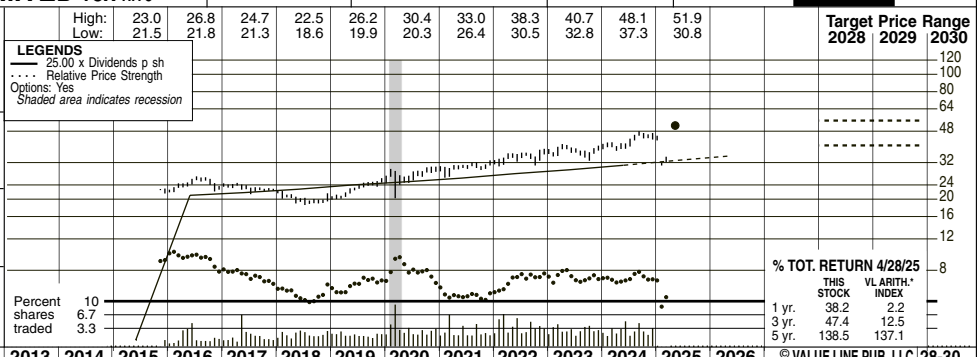
Low-High	Midpoint (% to Mid)
$46-$85	$66 (25%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+5%)	*4%*
Low	35	(-30%)	*-9%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	0	0	0
to Sell	0	0	0
Hld's(000)	000	000	000



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
- -	- -	- -	- -	- -	- -	9.50	8.20	8.00	7.56	8.37	9.59	9.46	9.51	9.80	***9.80***	***10.40***	***10.90***	Revenues per sh	***12.10***
- -	- -	- -	- -	- -	- -	2.97	2.55	2.51	1.29	2.81	3.47	2.16	2.37	2.48	***2.70***	***3.20***	***3.35***	"Cash Flow" per sh	***3.80***
- -	- -	- -	- -	- -	- -	1.39	1.21	1.10	d.15	1.30	2.95	1.61	1.75	1.81	1.92	***2.05***	***2.20***	Earnings per sh [A]	***2.65***
- -	- -	- -	- -	- -	- -	.68	.70	.70	.72	.74	.75	.75	.86	.86	.90	***1.00***	***1.20***	Div'd Decl'd per sh [B] ■	***1.65***
- -	- -	- -	- -	- -	- -	3.21	2.68	2.46	2.37	2.53	2.86	3.21	3.27	3.91	***4.50***	***5.05***	***5.20***	Cap'l Spending per sh	***6.00***
- -	- -	- -	- -	- -	- -	19.00	16.09	16.34	15.31	15.65	17.56	18.14	18.82	19.45	20.13	***20.60***	***21.50***	Book Value per sh [C]	***23.50***
- -	- -	- -	- -	- -	- -	496.37	596.70	597.52	597.90	598.85	599.92	600.36	600.59	600.53	***600.66***	***600.0***	***600.0***	Common Shs Outst'g [D]	***600.0***
- -	- -	- -	- -	- -	- -	16.1	20.1	21.0	- -	17.5	9.2	18.7	19.6	20.5	21.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	***17.5***
- -	- -	- -	- -	- -	- -	.81	1.06	1.06	- -	.93	.47	1.01	1.13	1.14	1.16			Relative P/E Ratio	***.95***
- -	- -	- -	- -	- -	- -	.6%	3.5%	3.8%	4.5%	4.2%	3.7%	3.5%	3.2%	3.1%	2.9%			Avg Ann'l Div'd Yield	***3.5%***
						4673.9	4839.8	4728.0	4474.8	4959.6	5695.4	5680.4	5714.4	5883.9	5873.3	***6250***	***6500***	Revenues ($mill)	***7250***
						713.0	746.0	682.0	d65.0	802.0	1796.0	973.0	1058.0	1094.0	1165.0	***1230***	***1320***	Net Profit ($mill)	***1590***
						12.8%	15.7%	14.0%	NMF	- -	- -	15.5%	21.4%	14.0%	13.4%	***14.0%***	***14.0%***	Income Tax Rate	***15.0%***
						- -	- -	8.2%	- -	6.0%	2.7%	6.2%	6.0%	6.6%	***6.5%***	***6.0%***	***6.0%***	AFUDC % to Net Profit	***6.0%***
						45.5%	50.2%	49.1%	52.2%	52.5%	54.7%	54.5%	53.5%	55.7%	57.5%	***55.0%***	***60.0%***	Long-Term Debt Ratio	***60.0%***
						52.2%	47.8%	48.9%	45.7%	45.5%	45.3%	45.5%	46.5%	44.3%	42.5%	***50.0%***	***50.0%***	Common Equity Ratio	***55.5%***
						18073	20095	19983	20040	20612	23260	23905	24336	26390	28418	***37500***	***40000***	Total Capital ($mill)	***50000***
						17968	19140	19947	20687	21501	22631	23842	25077	26874	29093	***40100***	***45500***	Net Plant ($mill)	***51500***
						5.0%	4.7%	4.7%	1.0%	5.3%	5.9%	5.2%	5.5%	5.4%	***5.5%***	***5.0%***	***5.0%***	Return on Total Cap'l	***6.0%***
						7.2%	7.4%	6.7%	NMF	8.2%	9.2%	8.9%	9.4%	9.4%	9.6%	***8.0%***	***8.0%***	Return on Shr. Equity	***9.0%***
						7.6%	7.8%	7.0%	NMF	8.6%	9.2%	8.9%	9.4%	9.4%	9.6%	***8.0%***	***8.0%***	Return on Com Equity [E]	***9.0%***
						1.9%	1.6%	1.5%	NMF	2.3%	2.2%	3.2%	3.5%	3.4%	3.5%	***6.5%***	***7.0%***	Retained to Com Eq	***8.0%***
						55%	55%	55%	NMF	55%	58%	60%	60%	60%	60%	***60%***	***60%***	All Div'ds to Net Prof	***60%***

CAPITAL STRUCTURE as of 12/31/24
Total Debt $16963 mill. **Due in 5 Yrs** $10629 mill.
LT Debt $16329 mill. **LT Interest** $10429 mill.
(Interest coverage: 2.6x)

Pfd Stock None

Common Stock 600,660,478 shs.
as of 12/31/24
MARKET CAP: $31.0 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% 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 (Mw)	NA	NA	NA
Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	NA	NA	NA

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	- -	5.0%	*NMF*
"Cash Flow"	- -	10.0%	*NMF*
Earnings	- -	19.5%	*NMF*
Dividends	- -	5.0%	*NMF*
Book Value	- -	4.5%	*NMF*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1454.2	1421.6	1462.5	1376.1	5714.4
2023	1527.2	1392.0	1415.8	1483.1	5883.9
2024	1593.2	1475.7	1611.3	1452.3	5873.3
2025	*1600*	*1500*	*1650*	*1500*	*6250*
2026	*1650*	*1550*	*1700*	*1600*	*6500*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.52	.43	.51	.30	1.76
2023	.47	.44	.60	.30	1.81
2024	.49	.49	.62	.33	1.93
2025	*.50*	*.50*	*.65*	*.40*	*2.05*
2026	*.60*	*.50*	*.65*	*.45*	*2.20*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.1753	.1888	.1922	.1983	.75
2022	.2064	.2130	.2228	.2080	.86
2023	.2044	.2211	.2187	.2179	.86
2024	.2196	.2295	.2311	.2222	.90
2025	.2182				

BUSINESS: Hydro One Limited is a transmission and distribution utility serving nearly all of Ontario, Canada. Operates through subsidiaries Hydro One Networks (transmissions & distribution) and Hydro One Remote Communities. Serves 1.5 million electricity customers/ Spun off from Ontario government via IPO in 2015. Acquired Orillia Power in 2020; Avista deal terminated 2019. Transmission rates regulated by Ontario Energy Board (OEB). 2024 depreciation rates: 2.5%-5.6% across asset classes, rev. Has 9,700 employees. Chairman: Susan Wolburgh Jenah (Interim). CEO: David Lebeter. Incorporated: Ontario. Address: 483 Bay St., 8th Floor, Toronto, ON M5G 2P5. Telephone: 416-345-5000. Internet: www.hydroone.com.

We are initiating our coverage of Hydro One, a leading electric transmission and distribution utility based in Ontario, Canada. The company operates over 30,000 circuit kilometers of transmission lines and serves approximately 1.5 million customers across the province. The company delivered a solid finish to 2024. Fourth-quarter net income rose 10.5%, driven by higher revenues from OEB-approved rates and a notable reduction in OM&A expenses. Capital deployment remained aggressive, with over $3 billion invested and $2.5 billion in new assets placed into service. The company also marked a milestone with the early and under-budget completion of Chatham by Lakeshore Transmission project, its first 50/50 equity partnership with First Nations.

We look for a solid 2025, supported by regulatory clarity, ongoing capital investments, and rate base expansion. Hydro One was set to release its first-quarter financials shortly after this issue went to press. We look for solid earnings growth, and our estimate stands at $2.05 per share, reflecting an acceleration in productivity and continued execution on Hydro One's core transmission and distribution infrastructure plan. In the March period, we look for profits of $0.50 a share, which would be up slightly from the prior year tally.

Hydro One is well positioned for 2026. We are projecting earnings of $2.20 per share, backed by the company's expanding investment profile and recent acquisitions, including a 48% stake in the East West Tie transmission line. Hydro One reaffirmed its 6%-8% annual EPS growth target through 2027, supported by strong cost discipline and a capital program that includes the Wawasigan and Porcupine transmission projects, as well as rural broadband buildouts.

These shares are best suited for income oriented accounts. The stock holds a solid yield of 2.6%, and has a proven track record of hikes. Long-term capital appreciation potential appears limited at this juncture. We look for the stock to trade between $35-$55 by 2028-2030, and the current quotation is already well within this range.

Zachary J. Hodgkinson *May 9, 2025*

(A) Next eqs. report due Aug. **(B)** Div'ds paid in early Mar., June, Sept., & Dec.

Company's Financial Strength	B++
Stock's Price Stability	NMF
Price Growth Persistence	60
Earnings Predictability	25

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

HAWAIIAN ELECTRIC NYSE-HE

RECENT PRICE 9.72 | P/E RATIO 11.2 (Trailing:NMF Median: 20.0) | RELATIVE P/E RATIO 0.71 | DIV'D YLD Nil | VALUE LINE

TIMELINESS — [G] Suspended 8/25/23
SAFETY 5 Lowered 9/15/23
TECHNICAL — [G] Suspended 8/25/23
BETA .95 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$4-$16	$10 (0%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	20	(+105%)	*22%*
Low	11	(+15%)	*6%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	145	159	169
to Sell	132	130	132
Hld's(000)	71463	130086	135519

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	35.0	34.9	35.0	38.7	39.3	47.6	55.2	46.0	44.7	43.7	18.2	12.0								
Low:	22.7	27.0	27.3	31.7	31.7	35.1	31.8	33.0	33.2	9.1	7.6	8.1								
	24.96	28.14	33.76	34.46	31.98	31.59	24.22	21.92	23.49	26.28	26.38	23.63	26.08	34.18	33.43	18.67	*18.80*	*19.00*	Revenues per sh	*20.00*
	2.59	2.88	3.18	3.28	3.22	3.41	3.31	4.17	3.68	4.20	4.55	4.48	4.80	4.90	4.63	d5.97	*2.70*	*2.80*	"Cash Flow" per sh	*3.15*
	.91	1.21	1.44	1.67	1.62	1.64	1.50	2.29	1.64	1.85	1.99	1.81	2.25	2.20	1.81	d10.42	*.95*	*1.05*	Earnings per sh [A]	*1.30*
	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.28	1.32	1.36	1.40	1.08	- -	*Nil*	*Nil*	Div'd Decl'd per sh [B]	*.70*
	3.29	1.92	2.45	3.32	3.49	3.31	3.39	3.04	4.55	4.94	4.20	3.52	2.88	3.14	4.07	2.00	*2.10*	*2.10*	Cap'l Spending per sh	*2.25*
	15.58	15.67	15.95	16.28	17.06	17.47	17.94	19.03	19.28	19.86	20.93	21.41	21.87	20.12	21.29	8.58	*9.55*	*10.60*	Book Value per sh [C]	*13.55*
	92.52	94.69	96.04	97.93	101.26	102.57	107.46	108.58	108.79	108.88	108.97	109.18	109.31	109.47	110.15	172.47	*173.00*	*173.50*	Common Shs Outst'g [D]	*175.00*
	19.8	18.6	17.1	15.8	16.2	15.9	20.4	13.6	20.7	18.9	21.3	21.5	18.2	18.5	15.9	- -	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*12.0*
	1.32	1.18	1.07	1.01	.91	.84	1.03	.71	1.04	1.02	1.13	1.10	.98	1.07	.88	- -			Relative P/E Ratio	*.65*
	6.9%	5.5%	5.0%	4.7%	4.7%	4.8%	4.1%	4.0%	3.7%	3.5%	3.0%	3.4%	3.3%	3.4%	3.7%	- -			Avg Ann'l Div'd Yield	*4.5%*
	2603.0	2380.7	2555.6	2860.8	2874.6	2579.8	2850.4	3742.0	3682.2	3219.9	*3250*	*3300*	Revenues ($mill)	*3500*
	161.8	250.1	180.6	203.7	219.8	199.7	248.1	243.0	201.1	d1321	*170*	*185*	Net Profit ($mill)	*230*
	36.5%	33.1%	34.7%	20.0%	19.0%	17.0%	20.2%	20.1%	18.1%	NMF	*19.0%*	*19.0%*	Income Tax Rate	*20.0%*
	5.8%	4.6%	9.6%	7.7%	7.5%	5.9%	5.2%	5.8%	10.1%	NMF	*11.5%*	*11.0%*	AFUDC % to Net Profit	*11.0%*
	43.5%	41.6%	43.4%	47.5%	44.6%	46.5%	46.4%	50.3%	62.2%	67.3%	*66.5%*	*66.5%*	Long-Term Debt Ratio	*63.5%*
	55.5%	57.5%	55.7%	51.7%	54.6%	52.7%	52.8%	49.0%	37.3%	31.9%	*33.0%*	*33.0%*	Common Equity Ratio	*36.0%*
	3473.5	3595.1	3765.5	4182.3	4176.9	4435.9	4524.1	4498.5	6292.6	4630.4	*5050*	*5550*	Total Capital ($mill)	*6600*
	4377.7	4603.5	5025.9	4830.1	5109.6	5265.7	5392.1	5687.0	6150.1	6134.3	*6200*	*6250*	Net Plant ($mill)	*6425*
	5.7%	7.9%	5.8%	5.9%	6.3%	5.5%	6.4%	6.4%	4.1%	NMF	*4.5%*	*4.5%*	Return on Total Cap'l	*4.5%*
	8.2%	11.9%	8.5%	9.3%	9.5%	8.4%	10.2%	10.9%	8.5%	NMF	*10.0%*	*10.0%*	Return on Shr. Equity	*9.5%*
	8.3%	12.0%	8.5%	9.3%	9.6%	8.5%	10.3%	10.9%	8.5%	NMF	*10.0%*	*10.0%*	Return on Com Equity [E]	*9.5%*
	1.5%	6.3%	2.1%	3.1%	3.4%	2.3%	4.1%	4.0%	3.7%	NMF	*10.0%*	*10.0%*	Retained to Com Eq	*4.5%*
	83%	48%	76%	67%	64%	73%	61%	64%	57%	NMF	*1%*	*1%*	All Div'ds to Net Prof [F]	*54%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $3274.8 mill. **Due in 5 Yrs** $1022 mill.
LT Debt $3117.0 mill. **LT Interest** $122.0 mill.
Incl. $426.6 mill. finance leases.
(Interest not covered)
Leases, Uncapitalized Annual rentals $15.8 mill.

Pension Assets-12/24 $1888.9 mill.
Oblig. $1893.6 mill.
Pfd Stock $34.3 mill. **Pfd Div'd** $1.9 mill.

Common Stock 172,465,608 shs.
as of 2/14/25
MARKET CAP: $1.7 billion (Small Cap)

ELECTRIC OPERATING STATISTICS

	2021	2022	2023
% Change Retail Sales (MWH)	+1.7	+1.1	-1.5
Avg. Indust. Use (MWH)	3174	3296	3273
Avg. Indust. Revs. per KWH (¢)	26.88	36.75	35.34
Capacity at Yearend (Mw)	2278	2100	2101
Peak Load/Demand (Mw)	1471	1467	1447
Annual Load Factor (%)	67.2	68.2	68.0
% Change Customers (yr-end)	+.5	-.2	+.4
Fixed Charge Cov. (%)	393	356	273

ANNUAL RATES

of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-1.5%	2.5%	*NMF*
"Cash Flow"	-9.5%	-22.0%	*NMF*
Earnings	- -	- -	*NMF*
Dividends	-4.0%	-8.0%	*NMF*
Book Value	- -	-3.5%	*NMF*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	785.1	895.6	1042.2	1019.1	3742.0
2023	928.2	895.7	896.9	961.4	3682.2
2024	792.0	795.4	833.3	799.2	3219.9
2025	*795*	*800*	*845*	*810*	*3250*
2026	*805*	*815*	*860*	*820*	*3300*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.63	.48	.57	.52	2.20
2023	.50	.50	.37	.44	1.81
2024	.38	d11.74	d.91	.17	d10.42
2025	*.20*	*.25*	*.25*	*.25*	*.95*
2026	*.25*	*.25*	*.30*	*.25*	*1.05*

QUARTERLY DIVIDENDS PAID [B]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.34	.34	.34	.34	1.36
2022	.35	.35	.35	.35	1.40
2023	.36	.36	.36	- -	1.08
2024	- -	- -	- -	- -	- -
2025	- -				

BUSINESS: Hawaiian Electric Industries (HEI) is the parent company of Hawaiian Electric Company, Inc. (HECO), American Savings Bank (ASB), and Pacific Current. HECO & its subs., Maui Electric Co. (MECO) & Hawaii Electric Light Co. (HELCO), supply electricity to 472,536 customers on Oahu, Maui, Molokai, Lanai, & Hawaii. Operating companies' systems are not interconnected. Elec. rev. breakdown: residential, 32%; commercial, 36%; industrial, 32%; other, less than 1%. Generating sources: oil, 79%; biofuel, 3%; purchased, 18%. Fuel costs: 55% of revs. '24 reported deprec. rate: 3.2%. Employes about 2,600. Chairman: Tom Fargo. Pres. & CEO: Scott Seu. Inc.: HI. Address: 1001 Bishop St., Suite 2900, Honolulu, HI 96808-0730. Telephone: 808-543-5662. Internet: www.hei.com.

Hawaiian Electric Industries' $2 billion settlement for its role in 2023's Maui wildfires is still facing legal challenges. To briefly recap, on August 8, 2023, winds from Hurricane Dora resulted in downed power lines, which likely contributed to the blaze that destroyed the Maui town of Lahaina and caused over 100 deaths. HEI was named as a defendant in more than 400 tort claims for local damages, a shareholders' class action suit, and subrogation claims on the part of insurers who had already paid off many customers. In a deal brokered by state authorities, the utility agreed to contribute half of a $4 billion payment to settle local lawsuits. Recently, the Hawaii Supreme Court ruled that once the settlement is legally finalized, insurers can not sue HEI for subrogation claims. The case was sent to a lower court for a solution of how insurers may obtain restitution before finalization.

While the utility appears to have sidestepped Chapter 11 bankruptcy proceedings, it's recovery will be difficult. HEI has to pay out four consecutive annual tranches of nearly $500 million. As a result, it took on huge equity dilution in a secondary offering of 62 million shares priced at $9.25 each. The equity offering brought in $575 million before fees, but the share count is up 57%. In addition, HEI sold a 90% stake in its savings bank subsidiary for $405 million. There was a $75 million contribution to an initial victims fund that will instead go towards funding the settlement, and there may be up to $165 million of insurance coverage remaining on the initial incident, as well. The rest of the settlement will mainly come from cash flow and debt. One positive is the major earnings hit for the accrual of estimated wildfire liabilities ($1.9 billion pretax) took place as a writedown to book value last year.

Hawaiian Electric should be able to eventually grind its way back to respectability. By 2030, the company may regain nearly 60% of its former per-share earnings power. After HEI has fully paid out the settlement it should be able to restore a portion of the former dividend. Still, the risk-reward tradeoff does not merit a purchase at the recent quotation.

Anthony J. Glennon *April 18, 2025*

(A) Diluted EPS. Excl. nonrec. losses: '12, 25¢; '17, 12¢. Qtrly. EPS may not sum to full year due to rounding or change in share count. Next egs. report due mid-May. **(B)** Quarterly div'ds have been suspended. **(C)** Incl. deferred charges and intag. In '24: $1.70/sh. **(D)** In mill. **(E)** Rate base: Orig. cost. Rate allowed on com. eq. in '18: HECO, 9.5%; in '18: HELCO, 9.5%; in '18: MECO, 9.5%; Regulatory Climate: Below Average. **(F)** Incl. preferred div'ds. **(G)** Ranks are suspended until HE starts trading on fundamentals as opposed to the news cycle.

Company's Financial Strength	C+
Stock's Price Stability	20
Price Growth Persistence	25
Earnings Predictability	20

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

IDACORP, INC. NYSE-IDA

RECENT PRICE 113.75 | P/E RATIO 19.6 (Trailing: 20.8 Median: 20.0) | RELATIVE P/E RATIO 1.24 | DIV'D YLD 3.0% | VALUE LINE

TIMELINESS 3 Raised 4/4/25
SAFETY 1 Raised 4/19/24
TECHNICAL 3 Lowered 3/14/25
BETA .75 (1.00 = Market)

18-Month Target Price Range

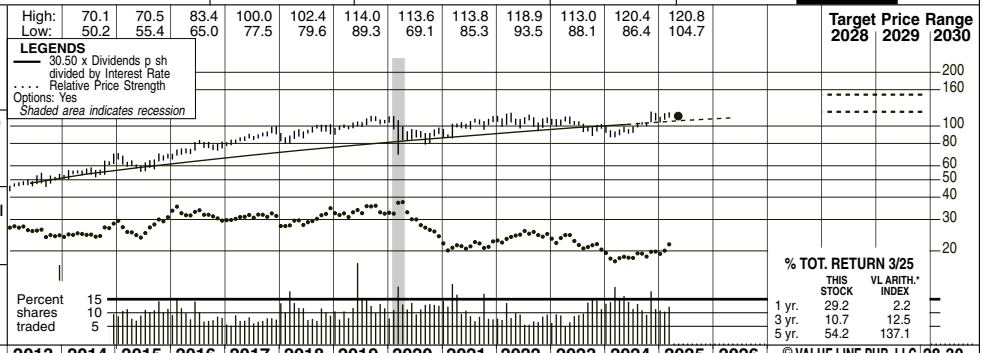
Low-High	Midpoint (% to Mid)
$91-$130	$111 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	150	(+30%)	*10%*
Low	120	(+5%)	*5%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	191	226	235
to Sell	170	166	180
Hld's(000)	46039	51027	52388



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
21.92	20.97	20.55	21.55	24.81	25.51	25.23	25.04	26.76	27.19	26.70	26.77	28.86	32.51	34.90	33.85	*35.95*	*37.25*	Revenues per sh	*39.90*
5.07	5.35	5.84	5.93	6.29	6.58	6.70	6.86	7.50	7.85	8.07	8.19	8.41	8.55	9.11	9.59	*10.45*	*11.25*	"Cash Flow" per sh	*12.75*
2.64	2.95	3.36	3.37	3.64	3.85	3.87	3.94	4.21	4.49	4.61	4.69	4.85	5.11	5.14	5.50	*5.80*	*6.30*	Earnings per sh [A]	*7.10*
1.20	1.20	1.20	1.37	1.57	1.76	1.92	2.08	2.24	2.40	2.56	2.72	2.88	3.04	3.20	3.35	*3.52*	*3.65*	Div'd Decl'd per sh [B] ■ †	*4.20*
5.26	6.85	6.76	4.78	4.68	5.45	5.84	5.89	5.66	5.51	5.53	6.16	5.94	8.56	12.07	18.70	*18.50*	*21.00*	Cap'l Spending per sh	*23.00*
29.17	31.01	33.19	35.07	36.84	38.85	40.88	42.74	44.65	47.01	48.88	50.73	52.82	55.52	57.44	61.73	*66.65*	*70.00*	Book Value per sh [C]	*74.00*
47.90	49.41	49.95	50.16	50.23	50.27	50.34	50.40	50.42	50.42	50.42	50.46	50.52	50.56	50.62	53.96	*54.00*	*55.00*	Common Shs Outst'g [D]	*56.00*
10.2	11.8	11.5	12.4	13.4	14.7	16.2	19.1	20.6	20.5	22.3	19.9	20.8	21.0	19.9	18.0	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*19.0*
.68	.75	.72	.79	.75	.77	.82	1.00	1.04	1.11	1.19	1.02	1.12	1.21	1.11	.95			Relative P/E Ratio	*1.05*
4.5%	3.4%	3.1%	3.3%	3.2%	3.1%	3.1%	2.8%	2.6%	2.6%	2.5%	2.9%	2.9%	2.8%	3.1%	3.4%			Avg Ann'l Div'd Yield	*3.1%*
1270.3	1262.0	1349.5	1370.8	1346.4	1350.7	1458.1	1644.0	1766.4	1826.6	*1940*	*2050*	Revenues ($mill)	*2235*
194.7	198.3	212.4	226.8	232.9	237.4	245.6	259.0	261.2	289.2	*315*	*345*	Net Profit ($mill)	*400*
19.0%	15.5%	18.6%	7.1%	9.5%	10.8%	13.1%	12.7%	9.4%	4.9%	*13.0%*	*13.0%*	Income Tax Rate	*13.0%*
16.3%	16.3%	13.9%	15.2%	16.2%	17.3%	17.7%	19.8%	8.8%	8.8%	*9.0%*	*9.0%*	AFUDC % to Net Profit	*12.0%*
45.6%	44.8%	43.7%	43.6%	41.3%	43.9%	42.8%	43.9%	48.8%	47.8%	*46.0%*	*44.5%*	Long-Term Debt Ratio	*43.0%*
54.4%	55.2%	56.3%	56.4%	58.7%	56.1%	57.2%	56.1%	51.2%	52.2%	*54.0%*	*55.5%*	Common Equity Ratio	*57.0%*
3783.3	3898.5	3997.5	4205.1	4201.3	4560.4	4669.1	5001.4	5683.4	6384.7	*6675*	*6950*	Total Capital ($mill)	*7300*
3992.4	4172.0	4283.9	4395.7	4531.5	4709.5	4901.8	5173.0	5745.2	6517.3	*7275*	*8000*	Net Plant ($mill)	*9000*
6.2%	6.1%	6.3%	6.4%	6.5%	6.1%	6.2%	6.1%	5.4%	5.6%	*4.5%*	*5.0%*	Return on Total Cap'l	*5.5%*
9.5%	9.2%	9.4%	9.6%	9.4%	9.3%	9.2%	9.2%	9.0%	8.7%	*8.5%*	*9.0%*	Return on Shr. Equity	*9.5%*
9.5%	9.2%	9.4%	9.6%	9.4%	9.3%	9.2%	9.2%	9.0%	8.7%	*8.5%*	*9.0%*	Return on Com Equity [E]	*9.5%*
4.8%	4.3%	4.4%	4.4%	4.2%	3.9%	3.7%	3.7%	3.4%	3.4%	*3.5%*	*4.0%*	Retained to Com Eq	*4.0%*
50%	53%	53%	54%	56%	58%	60%	60%	63%	61%	*61%*	*57%*	All Div'ds to Net Prof	*59%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $3073.7 mill. **Due in 5 Yrs** $136.2 mill.
LT Debt $3053.8 mill. **LT Interest** $139.2 mill.
(Total Interest Coverage: 2.5x)

Pension Assets-12/24 $951.1 mill.
Oblig $998.0 mill.

Pfd Stock None

Common Stock 53,977,012 shs.
as of 2/14/25

MARKET CAP: $6.1 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+9.6	+7.3	+2.9
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)	3568	3615	3793
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+2.4	+2.4	+2.2
Fixed Charge Cov. (%)	395	315	328

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.5%	4.5%	*3.5%*
"Cash Flow"	4.0%	3.0%	*6.0%*
Earnings	4.0%	3.5%	*6.0%*
Dividends	7.5%	6.0%	*5.5%*
Book Value	4.5%	4.5%	*4.5%*

QUARTERLY REVENUES($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	344.3	358.7	518.0	422.9	1644.0
2023	429.7	413.8	510.9	412.0	1766.4
2024	448.9	451.1	528.5	398.1	1826.6
2025	*475*	*475*	*550*	*440*	*1940*
2026	*500*	*520*	*550*	*480*	*2050*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.91	1.27	2.10	.83	5.11
2023	1.11	1.35	2.07	.61	5.14
2024	.95	1.71	2.12	.70	5.50
2025	*1.05*	*1.80*	*2.25*	*.70*	*5.80*
2026	*1.10*	*1.85*	*2.50*	*.85*	*6.30*

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.71	.71	.71	.75	2.88
2022	.75	.75	.75	.79	3.04
2023	.79	.79	.79	.83	3.20
2024	.83	.83	.83	.86	3.35
2025	.86				

BUSINESS: IDACORP, Inc. is a holding company for Idaho Power Company, a regulated electric utility that serves 649,000 customers throughout a 24,000-square-mile area in southern Idaho and eastern Oregon (population: 1.4 million). Most of the company's revenues are derived from the Idaho portion of its service area. Revenue breakdown: residential, 38%; commercial, 22%; industrial, 15%; irrigation, 11%; other, 14%. Generating sources: hydro, 54%; steam fired, 18%; gas, 28%; purchased,33%. Fuel costs: 14% of revenues. '24 depreciation rate: 12.2%. Has 2,141 employees. Chairman: Dennis L. Johnson. President & CEO: Lisa A. Grow. Incorporated: Idaho. Address: 1221 W. Idaho St., Boise, Idaho 83702. Telephone: 208-388-2200. Internet: www.idacorpinc.com.

IDACORP's near-term profits will likely grow at a mid- to high-single-digit pace. Solid electric revenue growth across its residential, commercial, industrial, and irrigation customer segments continues to support the utility's strong performance. During 2024, IDACORP achieved a more than 3% year-over-year revenue increase. Meanwhile, the bottom line advanced at a faster pace, to $5.50 per share. The company has benefited from rising customer counts, elevated customer usage, partly due to warmer weather, and rate increases approved by regulators earlier this year. Considering the recent performance, management expects 2025 share earnings in the $5.65-$5.85 range, assuming normal weather. IDACORP is well positioned for continued top- and bottom-line growth despite elevated infrastructure costs. All told, we estimate share earnings of $5.80 in 2025 and $6.30 in 2026, reflecting gains of over 5% and 8%, respectively.

Capital investment should remain a key focus here. IDACORP plans to allocate $1.0 billion-$1.1 billion in capital spending during 2025, followed by $1.25 billion-$1.35 billion in 2026, and $3.1 billion-$3.6 billion from 2027 through 2029. In all, the company expects to invest up to $6.1 billion over the next five years. These expenditures are expected to support upcoming rate cases, as utilities are incentivized for such investments.

The company also provided updates on the progress of its major transmission projects. IDACORP is advancing two large-scale high-voltage transmission lines. The 300-mile Boardman-to-Hemingway project, linking northeastern Oregon to southwestern Idaho, began early-stage work and is slated for construction in the summer of 2025, with completion expected in or after 2027. Separately, in February 2025, the utility committed to a partial ownership stake in the 285-mile SWIP-N project, connecting Nevada and Idaho. Its construction is anticipated to start this year and take about two years to complete. IDACORP will fund approximately 11% of total project costs.

High-quality shares of IDACORP have a subpar dividend yield for a utility company.

Emma Jalees *April 18, 2025*

(A) Diluted EPS. Earnings may not sum due to rounding. Next earnings report due early May. **(B)** Dividends historically paid in late February, May, August, and November. ■ Dividend reinvestment plan available. † Shareholder investment plan available. **(C)** Incl. intangibles. In '24: $1418.0 mill., $26.28/sh. **(D)** In millions. **(E)** Rate base: Net original cost. Rate allowed on common equity in '12: 10% (imputed); Regulatory Climate: Above Average.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	45
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

ALLIANT ENERGY NDQ-LNT

RECENT PRICE 63.85 | P/E RATIO 20.1 (Trailing: 21.0) (Median: 21.0) | RELATIVE P/E RATIO 1.12 | DIV'D YLD 3.0% | VALUE LINE

TIMELINESS 3 Raised 5/3/24
SAFETY 1 Raised 9/6/24
TECHNICAL 3 Lowered 2/28/25
BETA .95 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$46-$73	$60 (-5%)

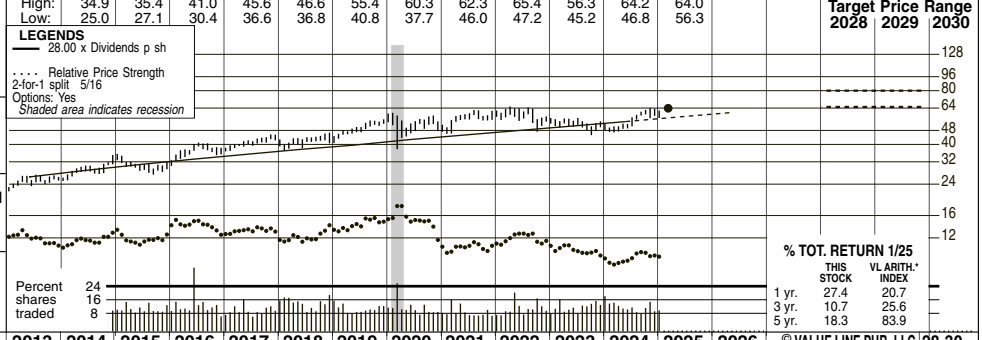
2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	80	(+25%)	9%
Low	65	(Nil)	4%

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	290	314	338
to Sell	311	265	271
Hld's(000)	208018	205430	229417

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	34.9	35.4	41.0	45.6	46.6	55.4	60.3	62.3	65.4	56.3	64.2	64.0							Target Price Range	
Low:	25.0	27.1	30.4	36.6	36.8	40.8	37.7	46.0	47.2	45.2	46.8	56.3							2028 2029 2030	
	15.51	15.40	16.51	13.94	14.77	15.10	14.34	14.58	14.62	14.97	14.89	13.67	14.65	16.74	15.72	15.51	*17.30*	*17.95*	Revenues per sh	*18.95*
	2.10	2.60	2.75	2.95	3.34	3.49	3.45	3.43	3.97	4.32	4.59	4.92	5.25	5.40	5.38	5.70	*5.85*	*6.05*	"Cash Flow" per sh	*6.85*
	.95	1.38	1.38	1.53	1.65	1.74	1.69	1.65	1.99	2.19	2.33	2.47	2.63	2.73	2.78	2.69	*3.25*	*3.45*	Earnings per sh A	*4.25*
	.75	.79	.85	.90	.94	1.02	1.10	1.18	1.26	1.34	1.42	1.52	1.61	1.71	1.81	1.92	*2.04*	*2.16*	Div'd Decl'd per sh B ■ †	*2.43*
	5.43	3.91	3.03	5.22	3.32	3.78	4.25	5.26	6.34	6.92	6.69	5.47	4.67	5.91	7.24	8.76	*5.60*	*5.60*	Cap'l Spending per sh	*5.40*
	12.54	13.05	13.57	14.12	14.79	15.54	16.41	16.96	18.08	19.43	21.24	22.76	23.91	24.99	26.46	27.29	*28.85*	*29.00*	Book Value per sh C	*31.90*
	221.31	221.79	222.04	221.97	221.89	221.87	226.92	227.67	231.35	236.06	245.02	249.87	250.47	251.14	256.10	256.69	*256.70*	*257.00*	Common Shs Outst'g D	*257.00*
	13.9	12.5	14.5	14.5	15.3	16.6	18.1	22.3	20.6	19.1	21.2	21.2	21.2	21.4	18.8	20.1	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*17.5*
	.93	.80	.91	.92	.86	.87	.91	1.17	1.04	1.03	1.13	1.09	1.15	1.24	1.05	1.06			Relative P/E Ratio	*.95*
	5.7%	4.6%	4.3%	4.1%	3.7%	3.5%	3.6%	3.2%	3.1%	3.2%	2.9%	2.9%	2.9%	2.9%	3.5%	3.5%			Avg Ann'l Div'd Yield	*3.7%*
	3253.6	3320.0	3382.2	3534.5	3647.7	3416.0	3669.0	4205.0	4027.0	3981.0	*4420*	*4610*	Revenues ($mill)	*4870*
	390.9	384.0	466.1	522.3	567.4	624.0	674.0	686.0	703.0	690.0	*835*	*885*	Net Profit ($mill)	*975*
	15.3%	13.4%	12.5%	8.4%	10.8%	--	--	3.1%	.6%	2.0%	*2.0%*	*2.0%*	Income Tax Rate	*2.0%*
	9.4%	16.3%	10.7%	14.5%	16.3%	8.8%	3.7%	8.7%	14.2%	10.9%	*10.0%*	*10.0%*	AFUDC % to Net Profit	*4.0%*
	47.3%	51.5%	47.8%	52.3%	50.6%	53.5%	52.9%	55.0%	54.8%	55.3%	*55.5%*	*55.5%*	Long-Term Debt Ratio	*52.0%*
	50.0%	46.1%	49.8%	45.7%	47.6%	44.9%	47.1%	45.0%	45.2%	44.7%	*44.5%*	*44.5%*	Common Equity Ratio	*48.0%*
	7446.3	8377.6	8392.8	10032	10938	12657	12725	13944	15002	15681	*16530*	*16750*	Total Capital ($mill)	*17070*
	8970.2	9809.9	10798	12462	13527	14336	14987	16247	17157	18701	*18600*	*18900*	Net Plant ($mill)	*19180*
	6.3%	5.6%	6.7%	6.3%	6.3%	5.9%	6.3%	6.1%	6.0%	5.8%	*6.5%*	*6.5%*	Return on Total Cap'l	*7.0%*
	10.0%	9.5%	10.6%	10.9%	10.5%	10.6%	11.3%	10.9%	10.4%	9.9%	*11.5%*	*11.5%*	Return on Shr. Equity	*12.0%*
	10.2%	9.7%	10.9%	11.2%	10.7%	10.8%	11.0%	10.9%	10.4%	9.9%	*11.5%*	*11.5%*	Return on Com Equity E	*12.0%*
	3.6%	2.8%	4.0%	4.4%	4.2%	4.2%	4.3%	4.1%	3.6%	2.8%	*4.0%*	*4.0%*	Retained to Com Eq	*4.5%*
	66%	72%	64%	62%	61%	62%	62%	62%	65%	71%	*63%*	*63%*	All Div'ds to Net Prof	*62%*



CAPITAL STRUCTURE as of 12/31/24
Total Debt $10406 mill. **Due in 5 Yrs** $4371 mill.
LT Debt $8677 mill. **LT Interest** $370 mill.
(LT interest earned: 2.8x)

Leases, Uncapitalized Annual rentals $3 mill.

Pension Assets-12/24 $715 mill. **Oblig** $841 mill.

Pfd Stock None

Common Stock 256,690,000 shs.

MARKET CAP: $16.4 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	-.7	-.4	Unc
Avg. Indust. Use (MWH)	11494	11435	11161
Avg. Indust. Revs. per KWH (¢)	8.39	8.47	8.53
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	5629	5856	5638
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.7	+.7	+.7
Fixed Charge Cov. (%)	NA	NA	NA

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	1.0%	1.5%	*2.5%*
"Cash Flow"	5.5%	5.0%	*2.0%*
Earnings	5.5%	4.5%	*6.0%*
Dividends	6.5%	6.0%	*6.0%*
Book Value	6.0%	6.0%	*4.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1068	943	1135	1059	4205
2023	1077	912	1077	961	4027
2024	1030	894	1081	976	3981
2025	*1065*	*1005*	*1165*	*1185*	*4420*
2026	*1110*	*1050*	*1215*	*1235*	*4610*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.77	.63	.90	.43	2.73
2023	.65	.64	1.02	.47	2.78
2024	.62	.34	1.15	.58	2.69
2025	*.74*	*.69*	*1.14*	*.68*	*3.25*
2026	*.78*	*.73*	*1.21*	*.73*	*3.45*

QUARTERLY DIVIDENDS PAID B ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.4025	.4025	.4025	.4025	1.61
2022	.4275	.4275	.4275	.4275	1.71
2023	.4525	.4525	.4525	.4525	1.81
2024	.48	.48	.48	.48	1.92
2025	.48				

BUSINESS: Alliant Energy Corporation is the parent company of Interstate Power and Light Company (IPL) and Wisconsin Power and Light Company (WPL). Together, the utility subsidiaries serve approximately one million electric and 430,000 natural gas customers in Wisconsin and Iowa. Electric revenue: residential, 37%; commercial, 24%; industrial, 28%; wholesale, 8%; other, 3%. Generating sources: coal, 18%; gas, 41%; wind, 16%; other, 1%; purchased, 24%. Fuel costs: 19% of revenues. '24 reported depreciation rates: 2.9%-6.1%. Has 2,998 employees. President & CEO: Lisa M. Barton. Incorporated: Wisconsin. Address: 4902 North Biltmore Lane, Madison, Wisconsin 53718-2148. Telephone: 608-458-3311. Internet: www.alliantenergy.com.

Alliant Energy ended 2024 on a fairly positive note. Indeed, in the December quarter, the Wisconsin-based electric and gas utility earned $0.58 a share, up 23% from the prior-year period, on a modest sub-2% rise in overall revenue. Notably, the parent company of Interstate Power and Light (IPL) and Wisconsin P&L (WPL) benefited from a sharp 26% reduction in the cost of fuel to power its plants and in the amount of money it paid to third-party power providers. That said, full-year GAAP earnings declined an uncharacteristic 3%, largely reflecting a one-time charge that IPL incurred in the June quarter, writing down the carrying value of its Lansing Generating Station.

Excluding unusual items such as 2024's writedown at IPL, management continues to target normalized bottom-line growth of between 5%–7% a year. That goal seems well within reach, thanks to, among other things, leadership's efforts in helping to foster economic development within Alliant's two state service area. To wit, it's having good success these days attracting data-center customers to the Midwest.

IPL met its 2024 goal of building out 400 megawatts of solar power generation. Meantime, WPL recently completed several projects that increased the utility's overall solar-power capacity in the Badger State to 1.1 gigawatts. Importantly, these solar projects have zero fuel costs, thus reducing Alliant's susceptibility to swings in natural-gas prices and the like. Its investments in "green" power also yield significant tax credits that can be sold to regional manufacturers and other third parties looking to maintain compliance with restrictions on harmful carbon emissions. In 2025 alone, Alliant could realize as much as $400 million from the sale of tax credits.

Alliant Energy shares remain neutrally ranked for relative year-ahead price performance. And with the stock up 15% in price last year, long-term appreciation potential no longer stands out. Still, the utility company boasts an attractive, well-covered dividend that could hold some appeal for income-oriented accounts (current yield: 3.0% versus 2.1% for the *Value Line* universe as a whole).

Nils C. Van Liew *March 7, 2025*

(A) Diluted EPS. Excl. nonrecurring losses: '11, 1¢; '12, 8¢. '20 & '21 EPS don't sum due to rounding. Next earnings report due early May. **(B)** Dividends historically paid in mid-Feb., May, Aug., and Nov. ■ Dividend reinvestment plan avail. † Shareholder investment plan avail. **(C)** Incl. deferred charges. In '21: $1,980 mill., $7.91/sh. **(D)** In millions, adj. for split. **(E)** Rate base: Orig. cost. Rates all'd on com. eq. in IA in '20: various; in WI in '22: 10%; earned on avg. com. eq., '21: 11.3%. Regulatory Climate: Wisconsin, Above Average; Iowa, Average.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	55
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

MGE ENERGY, INC. NDQ-MGEE

RECENT PRICE 93.00 | P/E RATIO 26.0 (Trailing: 28.4 Median: 25.0) | RELATIVE P/E RATIO 1.44 | DIV'D YLD 1.9% | VALUE LINE

TIMELINESS 3 Lowered 12/20/24
SAFETY 3 Lowered 6/7/24
TECHNICAL 2 Lowered 2/21/25
BETA .80 (1.00 = Market)

18-Month Target Price Range

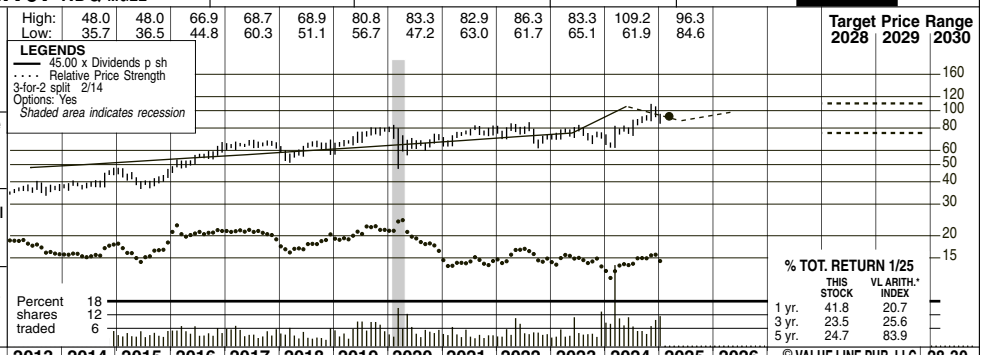
Low-High	Midpoint (% to Mid)
$54-$115	$85 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	110	(+20%)	6%
Low	75	(-20%)	-2%

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	117	139	128
to Sell	114	86	104
Hld's(000)	23145	22211	28047



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
15.40	15.36	15.76	15.61	17.04	17.88	16.27	15.71	16.24	16.15	16.41	14.89	16.77	19.76	19.09	*18.50*	*19.30*	*20.15*	Revenues per sh	*23.70*
2.66	2.76	2.94	2.98	3.28	3.49	3.33	3.47	3.73	4.06	4.57	4.61	5.05	5.43	6.03	*6.45*	*7.15*	*7.50*	"Cash Flow" per sh	*8.25*
1.47	1.67	1.76	1.86	2.16	2.32	2.06	2.18	2.20	2.43	2.51	2.60	2.92	3.07	3.25	*3.45*	*3.85*	*3.95*	Earnings per sh A	*4.65*
.97	.99	1.01	1.04	1.07	1.11	1.16	1.21	1.26	1.32	1.38	1.45	1.52	1.59	1.67	1.76	*1.95*	*2.20*	Div'd Decl'd per sh B ■	*2.35*
2.35	1.76	1.88	2.84	3.43	2.67	2.08	2.41	3.12	6.12	4.73	5.62	4.24	4.84	6.14	*6.35*	*7.50*	*8.00*	Cap'l Spending per sh	*7.50*
14.47	15.14	15.89	16.71	17.81	19.02	19.92	20.89	22.45	23.56	24.68	26.99	28.41	29.91	31.53	*33.00*	*35.10*	*36.25*	Book Value per sh C	*41.00*
34.67	34.67	34.67	34.67	34.67	34.67	34.67	34.67	34.67	34.67	34.67	36.16	36.16	36.16	36.16	*36.50*	*36.50*	*36.50*	Common Shs Outst'g D	*36.50*
15.1	15.0	15.8	17.2	17.0	17.2	20.3	24.9	29.4	25.1	28.4	26.4	25.5	24.7	22.9	*23.0*	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*19.5*
1.01	.95	.99	1.09	.96	.91	1.02	1.31	1.48	1.36	1.51	1.36	1.38	1.43	1.27	*1.28*			Relative P/E Ratio	*1.10*
4.4%	4.0%	3.6%	3.2%	2.9%	2.8%	2.8%	2.2%	2.0%	2.2%	1.9%	2.1%	2.0%	2.1%	2.2%	2.3%			Avg Ann'l Div'd Yield	*2.5%*
564.0	544.7	563.1	559.8	568.9	538.6	606.6	714.5	690.4	*675*	*705*	*735*	Revenues ($mill)	*865*
71.3	75.6	76.1	84.2	86.9	92.4	105.8	111.0	117.7	*125*	*140*	*145*	Net Profit ($mill)	*170*
36.7%	36.0%	36.4%	24.6%	18.5%	17.4%	3.7%	19.1%	19.1%	*19.0%*	*19.0%*	*19.0%*	Income Tax Rate	*19.0%*
1.3%	2.1%	2.1%	5.2%	3.6%	8.7%	6.3%	--	6.3%	*5.0%*	*4.0%*	*4.0%*	AFUDC % to Net Profit	*3.0%*
36.2%	34.6%	33.8%	37.7%	38.0%	35.5%	38.1%	35.8%	39.3%	*38.0%*	*36.5%*	*36.5%*	Long-Term Debt Ratio	*36.0%*
63.8%	65.4%	66.2%	62.3%	62.0%	64.5%	61.9%	64.2%	60.7%	*62.0%*	*63.5%*	*63.5%*	Common Equity Ratio	*64.0%*
1081.5	1106.9	1176.3	1310.0	1379.4	1512.8	1659.0	1684.0	1876.9	*1925*	*2025*	*2100*	Total Capital ($mill)	*2300*
1243.4	1282.1	1341.4	1509.4	1642.7	1769.4	1878.8	1971.1	2128.2	*2250*	*2500*	*2600*	Net Plant ($mill)	*2900*
7.5%	7.7%	7.3%	7.2%	7.1%	6.8%	7.1%	7.4%	7.1%	*6.5%*	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
10.3%	10.4%	9.8%	10.3%	10.2%	9.5%	10.3%	10.3%	10.3%	*10.5%*	*11.0%*	*11.0%*	Return on Shr. Equity	*11.5%*
10.3%	10.4%	9.8%	10.3%	10.2%	9.5%	10.3%	10.3%	10.3%	*10.5%*	*11.0%*	*11.0%*	Return on Com Equity E	*11.5%*
4.5%	4.7%	4.2%	4.7%	4.6%	4.2%	5.0%	4.9%	5.0%	*5.0%*	*5.5%*	*5.0%*	Retained to Com Eq	*5.5%*
56%	55%	57%	54%	55%	56%	52%	52%	51%	*51%*	*51%*	*56%*	All Div'ds to Net Prof	*51%*

CAPITAL STRUCTURE as of 9/30/24
Total Debt $720.6 mill. **Due in 5 Yrs** $110.0 mill.
LT Debt $715.3 mill. **LT Interest** $35.0 mill.

(LT interest earned: 4.8x)
Leases, Uncapitalized Annual rentals $2.0 mill.
Pension Assets-12/23 $404 mill.
Oblig $65.0 mill.
Pfd Stock None

Common Stock 36,207,529 shs.
as of 10/30/24
MARKET CAP: $3.4 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2021	2022	2023
% Change Retail Sales (KWH)	+3.2	-.3	-1.0
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	7.69	8.71	9.09
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. (%)	486	517	525

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '26-'30
Revenues	1.5%	3.0%	*4.5%*
"Cash Flow"	6.0%	8.0%	*7.0%*
Earnings	5.0%	6.5%	*7.0%*
Dividends	4.5%	4.5%	*6.5%*
Book Value	6.0%	6.0%	*5.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	209.0	152.3	163.4	189.8	714.5
2023	217.3	148.0	160.5	164.6	690.4
2024	191.3	145.7	168.5	***169.5***	***675***
2025	***195***	***170***	***170***	***170***	***705***
2026	***195***	***180***	***185***	***175***	***735***

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.96	.60	.93	.58	3.07
2023	.86	.79	1.05	.55	3.25
2024	.93	.66	1.13	***.73***	***3.45***
2025	***.95***	***.90***	***1.00***	***1.00***	***3.85***
2026	***.95***	***1.00***	***1.00***	***1.00***	***3.95***

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec. 31	Full Year
2021	.37	.37	.388	.388	1.52
2022	.388	.388	.408	.408	1.59
2023	.408	.408	.4275	.4275	1.67
2024	.4275	.4275	.450	.450	1.76
2025	.450				

BUSINESS: MGE Energy, Inc. is a holding company for Madison Gas and Electric Company (MGE), which provides electric service to 163,000 customers in Dane County and gas service to 176,000 customers in seven counties in Wisconsin. Electric revenue breakdown: residential, 36%; commercial, 53%; industrial, 3%; other, 8%. Generating sources: coal, 40%; gas, 17%; renewables, 21%; purchased power, 22%. Fuel costs: 30% of revenues. '23 reported depreciation rates: electric, 3.8%; gas, 2.1%; nonregulated, 2.3%. Has about 700 employees. Chairman, President & CEO: Jeffrey M. Keebler. Incorporated: Wisconsin. Address: 133 South Blair Street, P.O. Box 1231, Madison, Wisconsin 53701-1231. Telephone: 608-252-7000. Internet: www.mgeenergy.com.

MGE Energy likely posted mixed results for 2024. (Note: Fourth-quarter figures were scheduled to be released soon after we went to press.) The full-year top line likely declined more than 2% year over year, to about $675 million. However, the bottom line may have risen 6% from the previous-year tally, to $3.45 per share. Revenue likely faced pressure from a single-digit decline in retail natural gas volumes. Nonetheless, favorable rates and lower fuel costs may have offset this top-line softness and supported earnings.

The utility remains focused on shifting toward cleaner energy. The company plans to reduce its carbon footprint by 80% by 2030, including eliminating coal-fired generation. Nevertheless, MGE recently announced plans, alongside co-owners Alliant Energy and Wisconsin Public Service, to extend coal operations at the Columbia Energy Center until the end of 2029. In the meantime, MGE Energy will keep exploring the possibility of conversion to natural gas. The Columbia Energy Storage Project, pending regulatory approval, could also provide long-duration energy storage.

Likewise, the company continues to expand its renewable energy portfolio. Several wind, solar, and battery projects, including Badger Hollow Wind, Whitetail Wind, Koshkonong Battery, High Noon Battery, and Sunnyside Battery, are on track to be in service by 2027.

A combination of rate relief and better cost controls should keep the near-term bottom line healthy. MGE Energy will probably continue to invest actively in infrastructure to make a case for the subsequent rate negotiations. Moreover, the company is planning to attract new customers to support the top-line growth. All things considered, we estimate a nearly 12% increase in per-share profit for 2025, to $3.85. Also, we are introducing our 2026 share-earnings estimate of $3.95, marking a low single-digit gain.

Shares of MGE Energy are ranked to only mirror the broader market averages in the year ahead. Moreover, the dividend yield (1.9%) is below average for most utilities. Therefore, we think investors interested in utility stocks may find better options in the *Value Line* universe.

Emma Jalees *March 7, 2025*

(A) GAAP Diluted earnings. Excludes nonrecurring gain: '17, 62¢. Quarterly earnings may not sum to full year due to rounding or share count change. Next earnings report due early May. **(B)** Div'ds historically paid in mid-March, June, September, and December ■ Div'd reinvestment plan avail. **(C)** Includes regulatory assets. In '23: $102.3 mill., $2.83/sh. **(D)** In millions, adj for split. **(E)** Rate allowed on common equity in '23: 9.7%; Regulatory Climate: Above Average.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	60
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

NEXTERA ENERGY NYSE-NEE

RECENT PRICE **66.19** | P/E RATIO **17.9** (Trailing: 18.9 Median: 24.0) | RELATIVE P/E RATIO **1.07** | DIV'D YLD **3.5%** | **VALUE LINE**

TIMELINESS 4 Lowered 4/25/25
SAFETY 2 Raised 11/8/24
TECHNICAL 3 Lowered 2/28/25
BETA .90 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$57-$98	$78 (15%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	115	(+75%)	*18%*
Low	85	(+30%)	*10%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	1315	1324	1375
to Sell	1015	1096	1179
Hld's(000)	1666683	1762540	1840827

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
High:	27.7	28.2	33.0	39.8	46.1	61.3	83.3	93.7	93.6	86.5	86.1	76.3						
Low:	21.0	23.4	25.5	29.3	36.3	42.2	43.7	68.3	67.2	47.2	53.9	61.7						

Target Price Range 2028 | 2029 | 2030

LEGENDS
31.3 x Dividends p sh
Relative Price Strength
4-for-1 split 10/20
Options: Yes
Shaded area indicates recession

4-for-1

Percent shares traded

% TOT. RETURN 4/28/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	3.1	2.2
3 yr.	-2.4	12.5
5 yr.	24.8	137.1

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
	9.45	9.10	9.22	8.41	8.70	9.61	9.48	8.63	9.13	8.75	9.82	9.18	8.70	10.55	13.70	12.03	*14.30*	*15.25*	Revenues per sh	*17.75*
	2.19	2.41	2.32	2.17	2.63	3.03	3.23	3.24	3.03	3.84	4.22	4.52	4.70	5.30	6.14	6.23	*6.55*	*6.75*	"Cash Flow" per sh	*8.25*
	.99	1.19	1.21	1.14	1.21	1.40	1.52	1.45	1.63	1.67	1.94	2.31	2.55	2.90	3.17	3.43	*3.70*	*4.00*	Earnings per sh [A]	*5.10*
	.47	.50	.55	.60	.66	.73	.77	.87	.98	1.11	1.25	1.40	1.54	1.70	1.87	2.06	*2.27*	*2.50*	Div'd Decl'd per sh [B] ■ †	*3.22*
	3.63	3.47	3.98	5.58	3.84	3.96	4.54	5.15	5.70	6.80	6.29	7.45	8.19	9.70	12.24	12.02	*11.00*	*11.00*	Cap'l Spending per sh	*12.00*
	7.84	8.59	8.98	9.47	10.37	11.24	12.24	13.00	14.97	17.86	18.92	18.63	18.95	19.74	23.13	24.36	*26.05*	*28.25*	Book Value per sh [C]	*36.00*
	1654.5	1683.4	1664.0	1696.0	1740.0	1772.0	1844.0	1872.0	1884.0	1912.0	1956.0	1960.0	1963.0	1987.0	2052.0	2057.0	*2065.0*	*2100.0*	Common Shs Outst'g [D]	*2200.0*
	13.4	10.8	11.5	14.4	16.6	17.3	16.9	20.7	21.6	24.8	26.8	28.9	31.3	27.8	22.0	20.8	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*20.0*
	.89	.69	.72	.92	.93	.91	.85	1.09	1.09	1.34	1.43	1.48	1.69	1.61	1.22	1.10			Relative P/E Ratio	*1.10*
	3.5%	3.9%	4.0%	3.6%	3.3%	3.0%	3.0%	2.9%	2.8%	2.7%	2.4%	2.1%	1.9%	2.1%	2.7%	2.9%			Avg Ann'l Div'd Yield	*3.2%*
	17486	16155	17195	16727	19204	17997	17069	20956	28114	24753	*29500*	*32000*	Revenues ($mill)	*39000*
	2752.0	2693.0	3074.0	3200.0	3769.0	4552.0	5021.0	5742.0	6441.0	7063.0	*7635*	*8355*	Net Profit ($mill)	*11230*
	30.8%	29.3%	24.4%	28.6%	11.7%	13.0%	15.0%	18.2%	12.5%	5.0%	*6.0%*	*7.0%*	Income Tax Rate	*9.0%*
	6.9%	8.2%	6.7%	6.6%	4.1%	4.6%	6.3%	4.3%	5.4%	6.3%	*7.0%*	*7.0%*	AFUDC % to Net Profit	*7.0%*
	54.2%	53.3%	52.7%	44.0%	50.4%	53.5%	57.8%	58.5%	56.4%	59.1%	*60.0%*	*59.5%*	Long-Term Debt Ratio	*58.0%*
	45.8%	46.7%	47.3%	56.0%	49.6%	46.5%	42.2%	41.5%	43.6%	40.9%	*40.0%*	*40.5%*	Common Equity Ratio	*42.0%*
	49255	52159	59671	60926	74548	78457	88162	94485	108873	122486	*135175*	*147700*	Total Capital ($mill)	*189400*
	61386	66912	72416	70334	82010	91803	99348	111059	125776	138852	*152925*	*166800*	Net Plant ($mill)	*213100*
	6.8%	6.3%	6.3%	6.3%	6.0%	6.8%	6.6%	6.9%	7.2%	6.7%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
	12.2%	11.1%	10.9%	9.4%	10.2%	12.5%	13.5%	14.6%	13.6%	14.1%	*14.0%*	*14.0%*	Return on Shr. Equity	*14.0%*
	12.2%	11.1%	10.9%	9.4%	10.2%	12.5%	13.5%	14.6%	13.6%	14.1%	*14.0%*	*14.0%*	Return on Com Equity [E]	*14.0%*
	6.1%	4.4%	4.4%	3.2%	3.7%	5.0%	5.4%	6.1%	5.6%	5.6%	*5.5%*	*5.5%*	Retained to Com Eq	*5.0%*
	50%	60%	60%	66%	64%	60%	60%	58%	59%	60%	*61%*	*62%*	All Div'ds to Net Prof	*63%*

CAPITAL STRUCTURE as of 3/31/25
Total Debt $89678 mill. **Due in 5 Yrs** $40214 mill.
LT Debt $79814 mill. **LT Interest** $2500 mill.

(Total Interest coverage: 3.4x)

Pension Assets-12/24 $5121 mill.
Oblig. $2625 mill.

Pfd Stock None

Common Stock 2,058,631,107 shs.
as of 3/31/25

MARKET CAP: $136 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+3.0	+.6	+1.5
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.5	+1.2	+1.9
Fixed Charge Cov. (%)	370	341	325

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	5.5%	*6.5%*
"Cash Flow"	8.5%	10.0%	*6.0%*
Earnings	9.5%	12.5%	*8.5%*
Dividends	11.0%	11.0%	*9.5%*
Book Value	8.0%	5.5%	*8.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2890	5183	6719	6164	20956
2023	6716	7349	7172	6877	28114
2024	5731	6069	7567	5386	24753
2025	6247	*7303*	*8150*	*7800*	*29500*
2026	*7225*	*7775*	*8675*	*8325*	*32000*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.74	.81	.85	.51	2.90
2023	.84	.88	.94	.52	3.17
2024	.91	.96	1.03	.53	3.43
2025	.99	*.98*	*1.08*	*.65*	*3.70*
2026	*1.04*	*1.06*	*1.20*	*.70*	*4.00*

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.385	.385	.385	.385	1.54
2022	.425	.425	.425	.425	1.70
2023	.4675	.4675	.4675	.4675	1.87
2024	.515	.515	.515	.515	2.06
2025	.5665				

BUSINESS: NextEra Energy, Inc. is a holding company for Florida Power & Light Co. (FP&L), which provides electricity to more than six million customer accounts in eastern, southern, & northwestern Florida. NextEra Energy Resources is a nonregulated power generator with nuclear, gas, & renewables. Has 51.4% stake in NextEra Energy Partners. Acquired Gulf Power 1/19; Florida City Gas 7/18. Revenue: residential, about 55%; commercial/industrial/other, 45%. Generating sources: gas, 72%; nuclear, 19%; solar, 9%. Fuel costs: 20.3% of revenues. '24 depreciation rate: 3.5%. Employs about 16,800. Chairman, President and CEO: John W. Ketchum. Inc.: Florida. Address: 700 Universe Blvd., Juno Beach, FL 33408. Telephone.: 561-694-4000. Internet: www.nexteraenergy.com.

NextEra Energy should see its earnings rise this year and next. The utility subsidiary, Florida Power & Light (FPL), is experiencing healthy growth driven by investment in the business. Regulatory capital employed grew 10% last year, and we expect a rate of 8%-9% to persist through 2029. (As a regulated utility, the company receives an economic return of 9.7%-11.7% on its electric-grid investments as part of the rates it charges customers on their monthly bills.) FPL continues to benefit from long-term rising demand for electricity, known as load growth, due to migration trends in Florida and a friendly business environment in the state. The customer base grew by 1.9% last year, and will likely continue to outpace the 0.5% average rate of population growth nationwide. FPL will also benefit further from the need to invest in system resiliency in storm-challenged Florida and additional solar power generation.

The shares have underperformed the peer group of late. NEE is not a pure-play regulated utility. The NextEra Energy Resources segment is a clean energy business, with a focus on developing, constructing, and operating power generation facilities, mainly for North American wholesale energy markets. The unit is a leading generator of wind and solar, and also operates natural gas and nuclear facilities. Market sentiment for this side of NEE's business swings substantially depending on government support for renewable energy, and shifts in trade policies related to imported solar panels from Asia. The Trump Administration's preference for traditional energy and potential threat to the previous administration's favorable green-energy policies have pressured NEE stock. The tariff announcements have done so as well, although the company has recently stated it's been able to adjust its contracts with suppliers in order to shift the tariff burden away from itself.

This equity is untimely. Still, NEE is one of the faster growing utility holding companies, with annual earnings and dividends likely to advance by 8%-9% and 9%-10%, respectively, over the pull to 2028-2030. Total return prospects look favorable on a 3- to 5-year holding period.

Anthony J. Glennon *May 9, 2025*

(A) Diluted EPS. Excl. nonrecurring gains/(losses): '11, (6¢); '13, (20¢); '16, 12¢; '17, $1.22¢; '18, $1.80; '20, (83¢); '21, (74¢); '22, (80¢); '23, 43¢; '24, (6¢); disc. ops.: '13, 11¢. EPS may not some to full yr. due to rounding. Next egs. report due late July. **(B)** Div'ds paid in mid-Mar., mid-June, mid-Sept., & mid-Dec. ■ Div'd reinvestment plan avail. † Shareholder investment plan avail. **(C)** Includes intagibles. In '24: $4.71/sh. **(D)** In mill., adj. for stock split. **(E)** Rate allowed on common eq. in '22-'25 (FPL): 9.7%-11.7%; Regult'y Climate: Avg.

Company's Financial Strength	A+
Stock's Price Stability	75
Price Growth Persistence	75
Earnings Predictability	95

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

NORTHWESTERN NDQ-NWE

RECENT PRICE **54.72** | P/E RATIO **16.0** (Trailing: 16.7 Median: 17.0) | RELATIVE P/E RATIO **1.01** | DIV'D YLD **4.8%** | **VALUE LINE**

TIMELINESS 3 Lowered 4/11/25
SAFETY 2 Raised 10/18/24
TECHNICAL 3 Raised 4/18/25
BETA .80 (1.00 = Market)

18-Month Target Price Range
Low-High Midpoint (% to Mid)
$42-$67 $55 (0%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+35%)	*12%*
Low	55	(Nil)	*5%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	158	160	173
to Sell	134	139	138
Hld's(000)	58903	67655	69941

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	58.7	59.7	63.8	64.5	65.7	76.7	80.5	70.8	63.1	61.2	57.5	59.5								
Low:	42.6	48.4	52.2	55.7	50.0	57.3	45.1	53.2	48.7	46.0	46.2	50.8								
	31.72	30.66	30.80	28.76	29.80	25.68	25.21	26.01	26.45	23.81	24.93	23.70	25.38	24.74	23.22	24.69	*25.80*	*26.55*	Revenues per sh	*28.90*
	4.62	4.76	5.42	5.18	5.45	5.39	5.92	6.74	6.76	6.96	7.07	6.86	6.92	6.46	6.69	7.07	*7.30*	*7.75*	"Cash Flow" per sh	*8.60*
	2.02	2.14	2.53	2.26	2.46	2.99	2.90	3.39	3.34	3.40	3.53	3.21	3.50	3.29	3.22	3.27	*3.55*	*3.80*	Earnings per sh [A]	*4.30*
	1.34	1.36	1.44	1.48	1.52	1.60	1.92	2.00	2.10	2.20	2.30	2.40	2.48	2.52	2.56	2.60	*2.64*	*2.68*	Div'd Decl'd per sh [B] ■ †	*2.80*
	5.26	6.30	5.20	5.89	5.95	5.76	5.89	5.96	5.60	5.64	6.26	8.02	8.03	8.62	9.26	8.96	*8.45*	*8.50*	Cap'l Spending per sh	*8.75*
	21.86	22.64	23.68	25.09	26.60	31.50	33.22	34.68	36.44	38.60	40.42	41.10	43.28	44.61	45.48	46.60	*47.40*	*48.60*	Book Value per sh [C]	*53.55*
	36.00	36.23	36.28	37.22	38.75	46.91	48.17	48.33	49.37	50.32	50.45	50.59	54.06	59.74	61.25	61.32	*62.00*	*62.50*	Common Shs Outst'g [D]	*64.00*
	11.5	12.9	12.6	15.7	16.9	16.2	18.4	17.2	17.8	16.8	19.9	18.6	17.4	17.3	17.0	15.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*15.5*
	.77	.82	.79	1.00	.95	.85	.93	.90	.90	.91	1.06	.96	.94	1.00	.95	.85			Relative P/E Ratio	*.85*
	5.7%	4.9%	4.5%	4.2%	3.7%	3.3%	3.6%	3.4%	3.5%	3.9%	3.3%	4.0%	4.1%	4.4%	4.7%	5.0%			Avg Ann'l Div'd Yield	*4.2%*
	1214.3	1257.2	1305.7	1198.1	1257.9	1198.7	1372.3	1477.8	1422.1	1513.9	*1600*	*1660*	Revenues ($mill)	*1850*
	138.4	164.2	162.7	171.1	179.3	162.6	181.6	185.5	194.1	201.0	*220*	*240*	Net Profit ($mill)	*275*
	13.7%	- -	7.6%	- -	1.6%	- -	.9%	- -	3.7%	7.2%	*9.0%*	*11.0%*	Income Tax Rate	*12.0%*
	9.8%	4.3%	5.2%	3.4%	4.6%	6.0%	14.9%	18.5%	21.6%	22.7%	*23.0%*	*23.0%*	AFUDC % to Net Profit	*24.0%*
	53.1%	52.0%	50.2%	52.2%	52.5%	52.8%	52.2%	48.2%	49.1%	48.6%	*49.5%*	*50.5%*	Long-Term Debt Ratio	*50.5%*
	46.9%	48.0%	49.8%	47.8%	47.5%	47.2%	47.8%	51.8%	50.9%	51.4%	*50.5%*	*49.5%*	Common Equity Ratio	*49.5%*
	3408.6	3493.9	3614.5	4064.6	4289.8	4409.1	4893.1	5148.3	5475.4	5554.9	*5840*	*6125*	Total Capital ($mill)	*6950*
	4059.5	4214.9	4358.3	4521.3	4700.9	4952.9	5247.2	5657.5	6039.8	6398.3	*6700*	*6975*	Net Plant ($mill)	*7800*
	5.2%	5.9%	5.6%	5.2%	5.2%	4.6%	4.6%	4.5%	4.5%	4.7%	*4.5%*	*5.0%*	Return on Total Cap'l	*5.0%*
	8.6%	9.8%	9.0%	8.8%	8.8%	7.8%	7.8%	7.0%	7.0%	7.0%	*7.5%*	*8.0%*	Return on Shr. Equity	*8.0%*
	8.6%	9.8%	9.0%	8.8%	8.8%	7.8%	7.8%	7.0%	7.0%	7.0%	*7.5%*	*8.0%*	Return on Com Equity [E]	*8.0%*
	3.0%	4.1%	3.4%	3.2%	3.1%	2.0%	2.3%	1.7%	1.4%	1.5%	*2.0%*	*2.5%*	Retained to Com Eq	*3.0%*
	65%	58%	62%	64%	64%	74%	71%	76%	79%	79%	*74%*	*70%*	All Div'ds to Net Prof	*65%*

% TOT. RETURN 3/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	19.3	2.2
3 yr.	10.4	12.5
5 yr.	21.4	137.1

CAPITAL STRUCTURE as of 12/31/24
Total Debt $3100.7 mill. **Due in 5 Yrs** $1036.1 mill.
LT Debt $2697.2 mill. **LT Interest** $125.0 mill.
Incl. $1.9 mill. finance leases.
(Total Interest Coverage: 2.4x)

Pension Assets-12/24 $395.3 mill.
Oblig. $447.9 mill.

Pfd Stock None

Common Stock 61,328,041 shs.
as of 2/7/25

MARKET CAP: $3.4 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+3.7	-.3	+1.8
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)	2073	1992	2079
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.5	+1.6	+1.5
Fixed Charge Cov. (%)	219	216	205

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-1.5%	-0.5%	*3.0%*
"Cash Flow"	2.5%	-0.5%	*4.0%*
Earnings	2.5%	-1.0%	*4.5%*
Dividends	5.5%	3.0%	*1.5%*
Book Value	5.0%	3.5%	*2.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	394.5	323.0	335.1	425.2	1477.8
2023	454.5	290.5	321.1	356.0	1422.1
2024	475.3	319.9	345.2	373.5	1513.9
2025	*495*	*340*	*365*	*400*	*1600*
2026	*510*	*355*	*380*	*415*	*1660*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.08	.58	.47	1.16	3.29
2023	1.10	.32	.48	1.32	3.22
2024	1.08	.52	.64	1.03	3.27
2025	*1.15*	*.55*	*.70*	*1.15*	*3.55*
2026	*1.22*	*.60*	*.77*	*1.21*	*3.80*

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.62	.62	.62	.62	2.48
2022	.63	.63	.63	.63	2.52
2023	.64	.64	.64	.64	2.56
2024	.65	.65	.65	.65	2.60
2025	.66				

BUSINESS: NorthWestern Energy Group, Inc. supplies electricity & gas in the Upper Midwest and Northwest, serving 467,700 electric customers in Montana and South Dakota and 307,600 gas customers in Montana, South Dakota, and Nebraska. Electric revenue breakdown for 2024: residential, 48%; commercial, 46%; industrial, 4%; and other, 2%. Generating sources: coal, 24%; hydro, 26%; wind, 7%; natural gas, 25%; purchased power, 18%. Fuel costs: 29% of revenues. 2024 reported depreciation rate: 2.9%. Had 1,585 employees as of 12/31/24. Chair of the board of directors: Dana J. Dykhouse. President and CEO: Brian B. Bird. Incorporated: DE. Address: 3010 West 69th Street, Sioux Falls, SD 57108. Telephone: 605-978-2900. Internet: www.northwesternenergy.com.

NorthWestern Energy is due for rate relief. In NWE's general rate case (GRC) filed with the Montana Public Service Commission, it requested a more than one percentage point hike to its authorized return on equity (ROE), to 10.8% for both natural gas and electric investments. The company is also seeking a $164 million annual revenue increase from electricity customers and $29 million from gas customers. A significant portion of the hike is associated with infrastructure the company has paid for, but not yet billed for. This includes utility poles, pipelines, and a 175-megawatt natural gas generation plant that was delayed and over budget, in part due to it being contested by environmentalist groups. Our expectation is that NWE will get 45%-65% of what it's asking for in what's proven to be a historically difficult regulatory climate. We'd be surprised if the ROE is raised. Late last year, the company requested an interim rate increase and received it on natural gas, but was handed an offsetting reduction on electricity delivery prices. Public hearings related to the GRC commence April 22nd, with a decision due in the fourth quarter.

We expect earnings to rise this year and next. The company's bottom line in 2025 is up against an easy 2024 comparison that was hampered by milder-than-typical weather. (Fewer heating and cooling days than average pressured last year's earnings by about $0.13 per share.) Depending on the timing of the upcoming rate-case decision, the company may get a portion of a rate hike this year, but most of it will likely fall to 2026, setting up what should be a solid earnings gain.

NorthWestern raised its dividend. Annual growth in the disbursement has been rather miserly at 1.5% over the past few years. The company's payout ratio, listed as "All Div'ds to Net Profit" in our array, had moved up to 79% in 2023 and needs to drop back to a safer level in the mid-60% area. Once that's achieved, dividend hikes can better match earnings growth.

This stock has performed well thus far this year. The above average dividend yield and defensive nature of utilities has been a plus. However, intermediate-term upside looks limited and NWE is neutrally ranked for timeliness.

Anthony J. Glennon *April 18, 2025*

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

To subscribe call 1-800-VALUELINE

(A) Diluted egs. Excl. nonrec. gains/(losses): '12, 40¢; '15, 27¢; '18, 52¢; '19, 45¢; '20, (15¢); '21, 10¢; '22, (4¢); '24, 38¢. Qtly EPS may not sum to full yr. due to rounding. Next egs. report due late April. **(B)** Div'ds paid late Mar., June, Sept. & Dec. ■ Div'd reinvest. plan avail. † Shrhldr. invest. plan avail. **(C)** Incl. def'd charges and intag. '24: $18.30/sh. **(D)** In mill. **(E)** Rate base: Net orig. cost. Rate allowed on com. eq. in MT in '23 (elec.): 9.65%; in '23 (gas): 9.55%; in SD in '24: 6.81%; in NE in '07: 10.4%. Reg. Climate: Below Avg.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

OGE ENERGY CORP. NYSE-OGE

RECENT PRICE 45.15 | P/E RATIO 17.7 (Trailing: 20.6 Median: 18.0) | RELATIVE P/E RATIO 0.98 | DIV'D YLD 3.9% | VALUE LINE

TIMELINESS 4 Lowered 10/25/24
SAFETY 3 Lowered 3/8/24
TECHNICAL 3 Lowered 2/28/25
BETA 1.05 (1.00 = Market)

18-Month Target Price Range

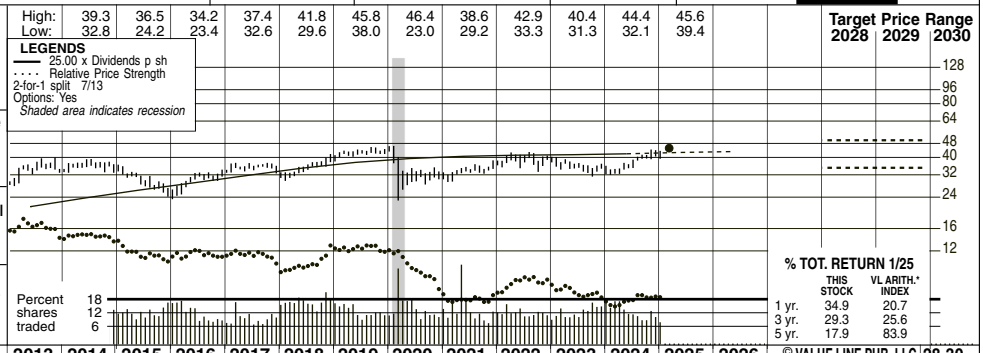
Low-High	Midpoint (% to Mid)
$31-$51	$41 (-10%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+10%)	7%
Low	35	(-20%)	-1%

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	215	217	230
to Sell	218	211	205
Hld's(000)	139254	142329	165132



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
14.79	19.04	19.96	18.58	14.45	12.30	11.00	11.31	11.32	11.37	11.15	10.61	18.26	16.86	13.36	14.86	*15.00*	*15.75*	Revenues per sh	*19.25*
2.69	3.01	3.31	3.69	3.46	3.40	3.23	3.31	3.34	3.74	4.02	4.03	4.44	5.63	4.61	4.70	*5.05*	*5.25*	"Cash Flow" per sh	*6.10*
1.33	1.50	1.73	1.79	1.94	1.98	1.69	1.69	1.92	2.12	2.24	2.08	2.36	2.25	2.07	2.19	*2.30*	*2.45*	Earnings per sh [A]	*2.95*
.71	.73	.76	.80	.85	.95	1.05	1.16	1.27	1.40	1.51	1.58	1.63	1.64	1.66	1.68	*1.71*	*1.73*	Div'd Decl'd per sh [B] ■	*1.79*
4.37	4.36	6.48	5.85	4.99	2.86	2.74	3.31	4.13	2.87	3.18	3.25	3.89	5.25	4.49	4.62	*4.75*	*4.75*	Cap'l Spending per sh	*4.75*
10.52	11.73	13.06	14.00	15.30	16.27	16.66	17.24	19.28	20.06	20.69	18.15	20.27	22.52	22.17	22.87	*23.75*	*24.25*	Book Value per sh [C]	*26.25*
194.00	195.20	196.20	197.60	198.50	199.40	199.70	199.70	199.70	199.70	200.10	200.10	200.10	200.20	200.30	200.9	*200.20*	*200.20*	Common Shs Outst'g [D]	*200.20*
10.8	13.3	14.4	15.2	17.7	18.3	17.7	17.7	18.3	16.5	19.0	16.2	14.3	17.2	17.4	17.0	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.0*
.72	.85	.90	.97	.99	.96	.89	.93	.92	.89	1.01	.83	.77	1.00	.96	.95			Relative P/E Ratio	*.80*
5.0%	3.7%	3.1%	2.9%	2.5%	2.6%	3.5%	3.9%	3.6%	4.0%	3.5%	4.7%	4.8%	4.5%	5.1%	3.9%			Avg Ann'l Div'd Yield	*4.2%*
2196.9	2259.2	2261.1	2270.3	2231.6	2122.3	3653.7	3375.7	2674.3	2985.3	*3000*	*3150*	Revenues ($mill)	*3850*
337.6	338.2	384.3	425.5	449.6	415.9	472.5	665.7	416.8	438.4	*460*	*480*	Net Profit ($mill)	*590*
29.2%	30.5%	32.5%	14.5%	7.4%	13.2%	11.5%	12.0%	12.0%	12.1%	*12.0%*	*12.0%*	Income Tax Rate	*12.0%*
3.7%	6.4%	15.0%	8.3%	1.6%	1.6%	2.2%	2.0%	1.8%	2.0%	*2.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
44.3%	41.1%	41.7%	42.0%	43.6%	49.0%	52.6%	49.8%	51.2%	51.4%	*51.5%*	*51.0%*	Long-Term Debt Ratio	*50.0%*
55.7%	58.9%	58.3%	58.0%	56.4%	51.0%	47.4%	52.4%	49.6%	49.2%	*48.5%*	*49.0%*	Common Equity Ratio	*50.0%*
5971.6	5849.6	6600.7	6902.0	7334.7	7126.2	8552.7	8962.0	9238.2	9726.8	*9935*	*10100*	Total Capital ($mill)	*10400*
7322.4	7696.2	8339.9	8643.8	9044.6	9374.6	9832.9	10546.8	11301.0	11538.0	*11650*	*11750*	Net Plant ($mill)	*12075*
6.9%	7.0%	7.0%	7.3%	7.1%	6.9%	6.4%	5.9%	6.3%	6.8%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.5%*
10.2%	9.8%	10.0%	10.6%	10.9%	11.5%	11.6%	11.0%	12.0%	12.3%	*12.5%*	*12.5%*	Return on Shr. Equity	*13.0%*
10.2%	9.8%	10.0%	10.6%	10.9%	11.5%	11.6%	11.0%	12.0%	12.3%	*12.5%*	*12.5%*	Return on Com Equity [E]	*13.0%*
4.0%	3.3%	3.5%	3.8%	3.6%	2.8%	3.6%	3.0%	3.5%	3.8%	*4.5%*	*4.5%*	Retained to Com Eq	*5.5%*
61%	67%	64%	64%	67%	76%	69%	73%	81%	75%	*75%*	*75%*	All Div'ds to Net Prof	*70%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $5053.3 mill. **Due in 5 Yrs** $1731.5 mill.
LT Debt $5020.9 mill. **LT Interest** $158.7 mill.
(LT interest earned: 4.3x)

Leases, Uncapitalized Annual rentals $5.7 mill.

Pension Assets-12/23 $486.0 mill.
Oblig $502.9 mill.

Pfd Stock None

Common Stock 201,148,883 shs.

MARKET CAP: $9.1 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2020	2021	2022
% Change Retail Sales (KWH)	-4.9	+2.6	+8.3
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	4.40	7.68	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	6437	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.1	+1.4	NA
Fixed Charge Cov. (%)	326	336	335

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	-3.0%	5.0%	*5.5%*
"Cash Flow"	2.5%	5.0%	*7.0%*
Earnings	3.0%	4.5%	*6.5%*
Dividends	7.5%	6.5%	*3.0%*
Book Value	4.0%	1.5%	*5.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	589.3	803.7	1270.8	711.9	3375.7
2023	557.2	605.0	945.4	566.7	2674.3
2024	596.8	662.6	965.4	760.5	2985.3
2025	*620*	*780*	*950*	*650*	*3000*
2026	*650*	*830*	*985*	*685*	*3150*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.33	.36	1.31	.25	2.25
2023	.19	.44	1.20	.24	2.07
2024	.09	.51	1.09	.50	2.19
2025	*.25*	*.55*	*1.25*	*.25*	*2.30*
2026	*.30*	*.55*	*1.30*	*.30*	*2.45*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.4025	.4025	.4025	.41	1.62
2022	.41	.41	.41	.4141	1.64
2023	.4141	.4141	.4141	.4182	1.66
2024	.4182	.4182	.4182	.4213	1.68
2025	.4213				

BUSINESS: OGE Energy Corp. is a holding company for Oklahoma Gas and Electric Company (OG&E), which supplies electricity to 879,000 customers in Oklahoma (84% of electric revenues) and western Arkansas (8%); wholesale is (8%). Owns 3% of Energy Transfer's limited partnership units. Electric revenue breakdown: residential, 44%; commercial, 25%; industrial, 11%; oilfield, 10%; other, 10%. Generating sources: gas, 25%; coal, 21%; wind, 6%; purchased, 48%. Fuel costs: 58% of revenues. '23 reported depreciation rate (utility): 2.6%. Has 2,200 employees. Chairman, President and Chief Executive Officer: Sean Trauschke. Incorporated: Oklahoma. Address: 321 North Harvey, P.O. Box 321, Oklahoma City, OK 73101-0321. Tel.: 405-553-3000. Internet: www.oge.com.

OGE Energy's utility subsidiary is facing some potential regulatory hurdles. The Oklahoma Corporation Commission approved a $127 million rate hike last year, which was the largest increase since 2017. The boost aims to help OGE recover essential capital investment to strengthen and improve the reliability of the electric grid. In response, Oklahoma lawmakers recently filed an appeal with the Oklahoma Supreme Court. Three Republican lawmakers are seeking to disqualify Commissioner Todd Hiett as a voting member of the Corporation Commission. They argue that Mr. Hiett, who cast the deciding vote, violated state ethics rules and should not have participated. Investors ought to keep a close eye on this case as it progresses.

Our 2025 earnings estimate remains at $2.30 per share. This is near the midpoint of management's updated target range of $2.21-$2.33 per share, which implies a 5% increase versus the 2024 tally. OGE will likely benefit from continued customer growth, along with its transformation to a fully focused electric utility. Additionally, a full year of rate relief in Arkansas and potentially Oklahoma should prop up earnings. The company forecasts 8.5% weather-normalized load growth this year, following the 7.6% generated in 2024.

We are introducing our 2026 bottom-line estimate. Our target of $2.45 per share represents 7% growth from this year's projection. This is within OGE's long-term EPS growth goal of 5%-7% through 2029, aided by sustained load gains and operational execution. The utility looks increasingly well positioned over the next couple of years to take advantage of elevated power demand and the clean energy transition as a pure-play electric utility. We think investments in the grid will bear fruit over that interim, along with the data center build-out and technological advancements.

Income-oriented investors may want to take a closer look. Indeed, the dividend yield of 3.9% stands above the high-paying industry-wide average. After rolling out another year to 2028-2030, we look for the stock to trade around $35-$50 and earn $2.95 per share over that interim.

Zachary J. Hodgkinson *March 7, 2025*

(A) Diluted EPS. Excl. nonrecurring gains (losses): '15, (33¢); '17, $1.18; '19, (8¢); '20, ($2.95); '21, $1.32; '22, $1.06; gain on discont. ops.: '19 & '21 EPS don't sum due to rounding. Next earnings report due mid May. **(B)** Div'ds historically paid in late Jan., Apr., July, & Oct. ■ Div'd reinvestment plan avail. **(C)** Incl. deferred charges. In '22: $6.15/sh. **(D)** In mill., adj. for split. **(E)** Rate base: Net original cost. Rate allowed on com. eq. in OK in '19: 9.5%; in AR in '18: 9.5%; earned on avg. com. eq., '21: 12.7%. Regulatory Climate: Average.

Company's Financial Strength	B++
Stock's Price Stability	85
Price Growth Persistence	35
Earnings Predictability	95

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

OTTER TAIL CORP. NDQ-OTTR

RECENT PRICE 81.56 | P/E RATIO 12.9 (Trailing: 11.4 Median: 19.0) | RELATIVE P/E RATIO 0.72 | DIV'D YLD 2.6% | VALUE LINE

TIMELINESS 2 Raised 12/20/24
SAFETY 2 Raised 6/7/24
TECHNICAL 4 Raised 2/28/25
BETA .95 (1.00 = Market)

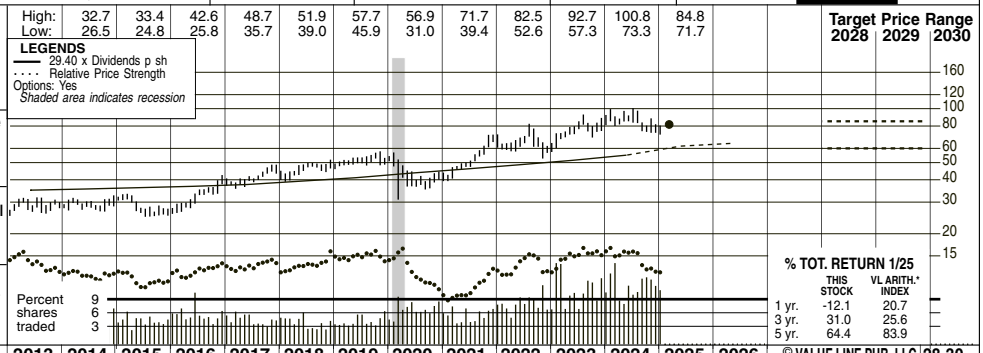
18-Month Target Price Range
Low-High Midpoint (% to Mid)
$63-$123 $93 (15%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	85	(+5%)	4%
Low	60	(-25%)	-4%

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	125	163	162
to Sell	145	110	127
Hld's(000)	24638	24744	32841



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
	29.03	31.08	29.86	23.76	24.63	21.48	20.60	20.42	21.47	23.10	22.90	21.46	28.80	35.08	32.35	31.81	*32.40*	*33.55*	Revenues per sh	*35.30*
	2.76	2.60	2.36	2.71	3.02	3.09	3.14	3.44	3.70	3.96	4.11	4.29	6.45	8.77	9.35	9.77	*8.80*	*7.60*	"Cash Flow" per sh	*6.80*
	.71	.38	.45	1.05	1.37	1.55	1.56	1.60	1.86	2.06	2.17	2.34	4.23	6.78	7.00	7.17	*6.20*	*5.00*	Earnings per sh A	*4.20*
	1.19	1.19	1.19	1.19	1.19	1.21	1.23	1.25	1.28	1.34	1.40	1.48	1.56	1.65	1.75	1.87	*2.10*	*2.18*	Div'd Decl'd per sh B ■	*2.36*
	4.95	2.38	2.04	3.20	4.53	4.40	4.23	4.10	3.36	2.66	5.16	8.96	4.14	4.11	4.72	5.34	*6.00*	*6.05*	Cap'l Spending per sh	*6.25*
	18.78	17.57	15.83	14.43	14.75	15.39	15.98	17.03	17.62	18.38	19.46	21.00	23.84	29.24	34.60	39.89	*42.25*	*43.30*	Book Value per sh C	*44.25*
	35.81	36.00	36.10	36.17	36.27	37.22	37.86	39.35	39.56	39.66	40.16	41.47	41.55	41.63	41.71	41.83	*42.00*	*42.00*	Common Shs Outst'g D	*42.50*
	31.2	NMF	47.5	21.7	21.1	18.8	18.2	20.2	22.1	22.2	23.5	18.3	12.3	9.5	10.7	11.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*17.5*
	2.08	NMF	2.98	1.38	1.19	.99	.92	1.06	1.11	1.20	1.25	.94	.66	.55	.61	.66			Relative P/E Ratio	*.95*
	5.4%	5.7%	5.6%	5.2%	4.1%	4.1%	4.3%	3.9%	3.1%	2.9%	2.7%	3.5%	3.0%	2.5%	2.3%	2.6%			Avg Ann'l Div'd Yield	*3.4%*
	779.8	803.5	849.4	916.4	919.5	890.1	1196.8	1460.2	1349.2	1330.5	*1360*	*1410*	Revenues ($mill)	*1500*
	58.6	62.0	73.9	82.3	86.8	95.9	176.8	282.3	294.2	301.7	*260*	*210*	Net Profit ($mill)	*180*
	27.0%	24.5%	25.5%	15.0%	16.7%	17.4%	16.9%	20.5%	20.2%	20.1%	*20.0%*	*20.0%*	Income Tax Rate	*20.0%*
	3.5%	2.2%	2.3%	4.1%	4.9%	6.4%	.8%	.9%	1.4%	1.8%	*2.5%*	*2.5%*	AFUDC % to Net Profit	*4.0%*
	42.4%	43.0%	41.3%	44.7%	46.9%	41.8%	42.6%	40.0%	41.0%	41.2%	*41.5%*	*41.5%*	Long-Term Debt Ratio	*42.5%*
	57.6%	57.0%	58.7%	55.3%	53.1%	58.2%	57.4%	58.3%	58.5%	58.5%	*58.5%*	*58.5%*	Common Equity Ratio	*57.5%*
	1051.0	1175.4	1187.3	1318.9	1471.1	1495.4	1724.8	2041.1	2148.2	2287.9	*2375*	*2425*	Total Capital ($mill)	*2525*
	1387.8	1477.2	1539.6	1581.1	1753.8	2049.3	2124.6	2212.7	2418.4	2692.5	*2550*	*2600*	Net Plant ($mill)	*2700*
	6.8%	6.5%	7.3%	7.3%	7.0%	7.4%	11.1%	12.0%	9.0%	8.5%	*8.0%*	*8.0%*	Return on Total Cap'l	*7.5%*
	9.7%	9.3%	10.6%	11.3%	11.1%	11.0%	17.8%	18.0%	20.5%	18.8%	*12.5%*	*12.5%*	Return on Shr. Equity	*11.5%*
	9.7%	9.3%	10.6%	11.3%	11.1%	11.0%	17.8%	18.0%	20.5%	18.8%	*12.5%*	*12.5%*	Return on Com Equity E	*11.5%*
	2.0%	2.1%	3.3%	4.0%	4.0%	4.1%	11.3%	12.4%	7.5%	7.3%	*7.0%*	*7.0%*	Retained to Com Eq	*5.0%*
	79%	78%	69%	65%	64%	63%	37%	24%	44%	52%	*52%*	*52%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $943.7 mill. **Due in 5 Yrs** $207.8 mill.
LT Debt $943.7 mill. **LT Interest** $31.6 mill.
(LT interest earned: 9.7x)

Leases, Uncapitalized Annual rentals $5.0 mill.
Pension Assets-12/23 $313.8 mill.
Oblig $416.7 mill.
Pfd Stock None

Common Stock 41,827,999 shs.
as of 1/31/25

MARKET CAP: $3.8 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2020	2021	2022
% Change Retail Sales (KWH)	-3.9	+.3	+16.8
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. (%)	405	651	653

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	-1.0%	4.0%	*5.0%*
"Cash Flow"	7.5%	9.5%	*5.5%*
Earnings	18.0%	14.5%	*4.5%*
Dividends	2.5%	4.0%	*7.0%*
Book Value	3.5%	6.0%	*8.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	374.9	400.0	383.9	301.4	1460.2
2023	339.1	337.7	358.1	314.3	1349.2
2024	347.1	342.3	338.0	303.1	1330.5
2025	*350*	*345*	*340*	*325*	*1360*
2026	*360*	*360*	*355*	*335*	*1410*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.72	2.05	2.01	1.00	6.78
2023	1.49	1.95	2.19	1.37	7.00
2024	1.77	2.07	2.03	1.30	7.17
2025	*1.60*	*1.70*	*1.70*	*1.20*	*6.20*
2026	*1.30*	*1.40*	*1.30*	*1.00*	*5.00*

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.39	.39	.39	.39	1.56
2022	.4125	.4125	.4125	.4125	1.65
2023	.4375	.4375	.4375	.4375	1.75
2024	.4675	.4675	.4675	.4675	1.87
2025	.525				

BUSINESS: Otter Tail Corporation is the parent of Otter Tail Power Company, which supplies electricity to 133,000 customers in Minnesota (52% of retail electric revenues), North Dakota (38%), and South Dakota (10%). Electric rev. breakdown: residential, 32%; commercial & farms, 36%; industrial, 30%; other, 2%. Generating sources: coal, 38%; wind & other, 18%; purchased, 44%. Fuel costs: 10% of revenues. Also has operations in manufacturing and plastics (67% of '23 operating income). '23 deprec. rate: 3.0%. Has 2,500 employees. Chairman: Nathan I. Partain. President & CEO: Charles S. MacFarlane. Inc.: Minnesota. Address: 215 South Cascade St., P.O. Box 496, Fergus Falls, Minnesota 56538-0496. Tel.: 866-410-8780. Internet: www.ottertail.com.

Otter Tail Corporation's earnings this year are expected to decline from their elevated levels in recent years. Unusually favorable conditions for the Plastics and Manufacturing segments raised the top and bottom lines considerably as demand for PVC pipe exceeded supply. In November, Otter Tail disclosed that it received a grand jury subpoena from the U.S. Department of Justice (DOJ) regarding possible price fixing in the PVC pipe market. The investigation and a potential antitrust violation finding could have a material impact on its financial condition and operating results. So, we anticipate earnings of $6.20 per share this year, which is above the high end of management's range of $5.68-$6.08 a share. The company has a history of understating guidance and later revising it upward. Additionally, we expect PVC pipe sales to recede at a slower rate than previously anticipated. Management thinks the Plastics segment sales will normalize between $45 million-$50 million annually by 2028, delayed from its original 2026 timeline.

We are introducing our 2026 bottom-line estimate of $5.00 per share. This accounts for the expectation that sales prices and resin spreads will continue their downward trend. Investors should also closely monitor the current DOJ investigation, which could materially impact results. Conversely, the utility is well-positioned to take advantage of open and recently passed rate cases, as well as its clean energy transmission investments. Otter Tail updated its five-year capital spending plan, which now totals $1.4 billion, representing a 9% rate base compound annual growth rate.

The board of directors raised the quarterly dividend by 12%, to $0.525 per share. It has consistently increased the dividend over the past decade, with an average annual growth rate of 4.4%.

These shares may appeal to investors with a near-term investment horizon. Other types of investors will likely want to stay on the sidelines. Despite the recent dividend increase, the yield sits below the industry average. Accounts should monitor the current DOJ investigation, which could cause the stock to be more volatile.

Zachary J. Hodgkinson *March 7, 2025*

(A) Dil. EPS. Excl. nonrec. gains (loss): '10, (44¢); '11, 26¢; '13, 2¢; gains (losses) from disc. ops.: '11, ($1.11); '12, ($1.22); '13, 2¢; '14, 2¢; '15, 2¢; '16, 1¢; '17, 1¢. '19 EPS may not sum due to rounding. Next earnings report due early May. **(B)** Div'ds histor. pd. in early Mar., Jun., Sept., & Dec. ■ Div'd reinv. plan avail. **(C)** Incl. intang. In '23: $4.72/sh. **(D)** In mill. **(E)** Rate allowed on com. eq. in MN in '22: 9.48%; in ND in '18: 9.77%; in SD in '19: 8.75%; earned on avg. com. eq., '21: 19.2%.

Company's Financial Strength	A
Stock's Price Stability	75
Price Growth Persistence	85
Earnings Predictability	70

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PG&E CORP. NYSE-PCG

RECENT PRICE **16.08** | P/E RATIO **11.2** (Trailing: 11.8 Median: 20.0) | RELATIVE P/E RATIO **0.71** | DIV'D YLD **0.7%** | **VALUE LINE**

TIMELINESS **4** Lowered 3/28/25
SAFETY **3** New 10/20/23
TECHNICAL **5** Lowered 3/28/25
BETA .95 (1.00 = Market)

18-Month Target Price Range

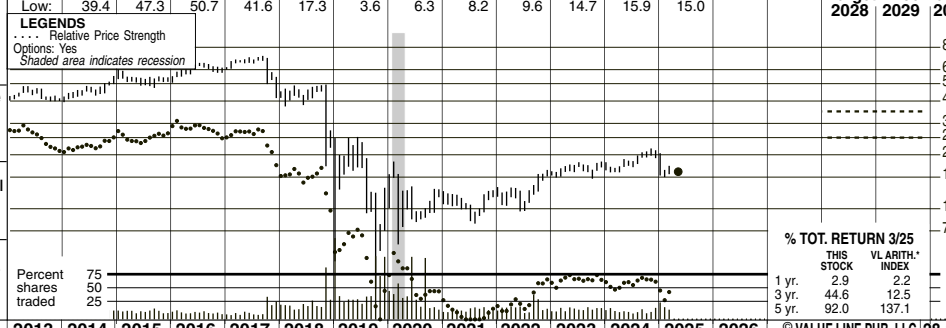
Low-High	Midpoint (% to Mid)
$14-$28	$21 (30%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+120%)	*23%*
Low	25	(+55%)	*13%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	350	373	455
to Sell	270	266	238
Hld's(000)	199853521	421752	239901



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
36.15	35.02	36.28	34.92	34.16	35.91	34.21	34.85	33.29	32.21	32.37	9.31	10.40	10.91	11.45	11.13	*11.40*	*11.60*	Revenues per sh	*12.40*
8.37	8.22	8.08	7.32	6.33	8.13	7.29	8.23	9.03	d7.30	d8.36	1.08	2.79	3.12	2.98	3.24	*3.60*	*3.85*	"Cash Flow" per sh	*4.75*
3.03	2.82	2.78	2.07	1.83	3.06	2.00	2.83	3.50	d13.25	d14.50	d1.05	1.00	1.10	1.23	1.36	*1.50*	*1.65*	Earnings per sh [A]	*2.10*
1.68	1.82	1.82	1.82	1.82	1.82	1.82	1.93	1.55	- -	- -	- -	- -	- -	.01	.06	*.12*	*.18*	Div'd Decl'd per sh [B] ■	*.42*
10.68	9.62	9.79	10.74	11.40	10.16	10.51	11.26	10.96	12.52	11.93	3.87	3.87	4.82	4.55	4.73	*5.10*	*5.20*	Cap'l Spending per sh	*5.75*
27.88	28.55	29.35	30.35	31.41	33.09	33.69	35.39	37.34	24.31	9.59	10.58	10.56	11.48	11.74	13.02	*14.70*	*16.45*	Book Value per sh [C]	*22.40*
370.60	395.23	412.26	430.72	456.67	475.91	492.03	506.89	514.76	520.34	529.24	1984.7	1985.4	1987.8	2133.6	2193.6	*2250.0*	*2300.0*	Common Shs Outst'g [D]	*2500.0*
13.0	15.8	15.5	20.7	23.7	15.0	26.4	21.1	18.3	- -	- -	- -	10.9	11.4	13.6	13.5	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*14.0*
.87	1.01	.97	1.32	1.33	.79	1.33	1.11	.92	- -	- -	- -	.59	.66	.76	.72			Relative P/E Ratio	*.80*
4.3%	4.1%	4.2%	4.2%	4.2%	4.0%	3.4%	3.2%	2.4%	- -	- -	- -	- -	- -	.1%	.3%			Avg Ann'l Div'd Yield	*1.3%*
16833	17666	17135	16760	17129	18469	20642	21680	24428	24419	*25650*	*26700*	Revenues ($mill)	*31000*
988.0	1431.0	1807.0	d6818	d7642	d1304	2152.0	2357.0	2644.0	2960.0	*3620*	*4060*	Net Profit ($mill)	*5430*
- -	3.7%	16.8%	- -	- -	- -	44.2%	3.3%	6.6%	5.0%	*8.0%*	*10.0%*	Income Tax Rate	*12.0%*
15.7%	11.4%	7.0%	- -	- -	- -	8.8%	11.2%	9.9%	10.0%	*10.0%*	*10.0%*	AFUDC % to Net Profit	*10.0%*
48.8%	47.1%	47.7%	- -	- -	63.7%	64.3%	67.4%	67.1%	63.8%	*61.5%*	*60.5%*	Long-Term Debt Ratio	*53.5%*
50.4%	52.1%	51.6%	98.0%	95.2%	35.9%	35.3%	32.2%	32.6%	34.0%	*36.5%*	*38.0%*	Common Equity Ratio	*45.0%*
32858	34412	37225	12903	5335.0	58541	59448	70817	76821	83974	*91225*	*99900*	Total Capital ($mill)	*124300*
46723	50581	53789	58557	61635	66136	69826	76208	82321	88229	*95175*	*102200*	Net Plant ($mill)	*127900*
4.1%	5.2%	5.9%	NMF	NMF	NMF	4.8%	4.6%	5.3%	5.3%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.0%*
5.9%	7.9%	9.3%	NMF	NMF	NMF	10.1%	10.2%	10.5%	9.7%	*10.5%*	*10.0%*	Return on Shr. Equity	*9.5%*
5.9%	7.9%	9.3%	NMF	NMF	NMF	10.2%	10.3%	10.5%	10.2%	*10.5%*	*10.5%*	Return on Com Equity [E]	*9.5%*
.7%	2.8%	4.0%	NMF	NMF	NMF	10.2%	10.3%	10.5%	9.9%	*10.0%*	*9.5%*	Retained to Com Eq	*8.0%*
88%	65%	57%	NMF	NMF	NMF	1%	1%	1%	4%	*10%*	*13%*	All Div'ds to Net Prof	*20%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $57819 mill. **Due in 5 Yrs** $16440 mill.
LT Debt $53573 mill. **LT Interest** $3051 mill.
(Incl. $4 mill. of noncurrent finance leases)
(Total Interest Coverage: 2.0x)
Leases, Uncapitalized Annual rentals $116 mill.

Pension Assets-12/24 $16767 mill.
Oblig. $17585 mill.

Pfd Stock $1831 mill. **Pfd Div'd** $108 mill.
Common Stock 2,193,576,799 shs.
as of 2/5/25
MARKET CAP: $35.3 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (GWH)	-.9	-6.2	+1.6
Avg. Indust. Use (MWH)	NA	NA	
Avg. Indust. Revs. per KWH (¢)	NA	NA	
Capacity at Peak (Mw)	NA	NA	
Peak Load, Summer (Mw)	NA	NA	
Annual Load Factor (%)	NA	NA	
% Change Customers (yr-end)	+.4	+.4	+.3
Fixed Charge Cov. (%)	188	162	163

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-11.0%	-19.5%	*1.5%*
"Cash Flow"	-8.0%	- -	*6.5%*
Earnings	-6.0%	- -	*9.5%*
Dividends	-36.0%	- -	*NMF*
Book Value	-9.0%	-12.5%	*11.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	5798	5118	5394	5370	21680
2023	6209	5290	5888	7041	24428
2024	5861	5986	5941	6631	24419
2025	*6200*	*6325*	*6450*	*6675*	*25650*
2026	*6450*	*6575*	*6725*	*6950*	*26700*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.30	.25	.29	.26	1.10
2023	.29	.23	.24	.47	1.23
2024	.37	.31	.37	.31	1.36
2025	*.39*	*.34*	*.39*	*.38*	*1.50*
2026	*.43*	*.37*	*.43*	*.42*	*1.65*

QUARTERLY DIVIDENDS PAID [B]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	- -	- -	- -	- -	- -
2022	- -	- -	- -	- -	- -
2023	- -	- -	- -	- -	- -
2024	.01	.01	.01	.01	.04
2025	.025	.025			

BUSINESS: PG&E Corporation is a holding company for Pacific Gas and Electric Company and nonutility subsidiaries. Supplies electricity and natural gas to most of northern and central California (population 16 million). Has 5.5 million electric and 4.5 million natural gas customers. Electric revenue breakdown: residential, 40%; commercial, 37%; industrial, 12%; agricultural, 9%; other, about 2%. Power generating sources: nuclear, 40%; renewable, 24%; large hydro, 10%; fossil fuel, 26%. Power and Fuel costs: 17% of revenues. '24 reported depr. rate: 3.56% (utility). Has 23,000 employees. Chair of the Board: Robert C. Flexon. CEO: Patricia K. Poppe. Incorporated: California. Address: 300 Lakeside Drive, Oakland, California 94612. Tel.: 415-973-7000. Int.: www.pgecorp.com.

PG&E's share-earnings growth is among the highest within its peer group. The utility received a favorable general rate case decision last year, with the regulated return on equity moving up 70 basis points to 10.7%. That level is among the highest in the country. Leadership is confident in the company's ability to meet or surpass operating profit gains of 9%-10% per annum through late decade.

PG&E raised the dividend this year. The disbursement has been increased from an annual rate of $0.04 per share to $0.10. The company set a target for a 20% payout of core earnings as dividends by 2028.

The balance sheet is stronger. PG&E raised nearly $2.4 billion four months ago from a public offering of 49 million common shares priced at $20.55 each and 28 million shares of convertible preferred stock at $50 a piece. The company will likely continue to float equity to help fund large capital investments that will be geared towards meeting California's green energy goals, as well as improved safety and resiliency in PG&E's service area.

Wildfire mitigation investments will continue to be a key focus for years to come. The utility is using multiple solutions to reduce the odds of a repeat of the major wildfires that put it in bankruptcy court years ago. Automated shutoff switching systems, drones, vegetation management, and, where possible, underground power lines are being deployed.

PG&E stock is untimely. Although this year's Los Angeles County wildfires are outside of PG&E's service area and its equipment was not involved, the company's stock sold off in sympathy with that of Edison International. The California Wildfire Fund of 2019 (CWF) lowers the odds of bankruptcy, as it acts as a $21 billion self-funded insurance policy for the state's major utilities. This year's fires may deplete much of the CWF's fund and the next major fire, which could happen at virtually any time under the right conditions, would leave a utility exposed to a greater-than-typical risk of suffering a major adverse loss. It's an uncertainty that many investors are uncomfortable with. When the situation is adequately addressed or tort reform in the state takes place, PG&E's valuation should begin to recover.

Anthony J. Glennon *April 18, 2025*

(A) Diluted EPS. Adjusted (non-GAAP) egs. from 2021 on. Excl. nonrecur. gains/(losses): '09, 17¢; '11, (68¢); '12, (15¢); '15, (21¢); '16, (5¢); '17, (29¢); '21, ($1.05); '22, (26¢); '23 (18¢); '24 (21¢); gain from disc. ops.: '08, 41¢. Qtly. EPS may not sum to full year due to rounding and/or changes in share count. Next egs. report due late Apr. **(B)** Div'ds suspended 12/17, reinstated 11/23. **(C)** Incl. def'd chgs. In '24: $8.16/sh. **(D)** In mill. **(E)** Rate base: net orig. cost. Rate allowed on com. eq. in '23: 10.7%; Regulatory Climate: Avg.

Company's Financial Strength	B
Stock's Price Stability	70
Price Growth Persistence	20
Earnings Predictability	10

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

P.S. ENTERPRISE GP. NYSE-PEG

RECENT PRICE 80.90 | P/E RATIO 20.2 (Trailing: 22.0 Median: 17.0) | RELATIVE P/E RATIO 1.21 | DIV'D YLD 3.2% | VALUE LINE

TIMELINESS 4 Lowered 2/9/24
SAFETY 1 Raised 11/23/12
TECHNICAL 2 Raised 5/9/25
BETA .90 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$58-$95	$77 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+30%)	*10%*
Low	85	(+5%)	*5%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	548	562	622
to Sell	409	445	471
Hld's(000)	373869	423337	431209

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	43.8	44.4	47.4	53.3	56.7	63.9	62.2	67.1	75.6	65.5	95.2	91.0								
Low:	31.3	36.8	37.8	41.7	46.2	50.0	34.8	53.8	52.5	53.7	56.8	74.7								
	24.57	23.31	22.42	19.33	19.71	21.52	20.61	18.22	18.14	19.24	19.99	19.05	19.29	19.72	22.56	20.66	*22.90*	*23.85*	Revenues per sh	*26.75*
	4.98	5.27	5.36	4.87	5.17	5.82	5.75	5.07	5.30	5.81	6.14	6.37	6.46	6.08	6.16	6.45	*7.00*	*7.50*	"Cash Flow" per sh	*8.75*
	3.08	3.07	3.11	2.44	2.45	2.99	2.91	2.83	2.82	3.12	3.28	3.43	3.65	3.47	3.48	3.68	*4.00*	*4.35*	Earnings per sh [A]	*5.25*
	1.33	1.37	1.37	1.42	1.44	1.48	1.56	1.64	1.72	1.80	1.88	1.96	2.04	2.16	2.28	2.40	*2.52*	*2.68*	Div'd Decl'd per sh [B] ■	*3.24*
	3.55	4.27	4.12	5.09	5.56	5.58	7.65	8.32	8.30	7.76	6.28	5.80	5.39	5.81	6.68	6.79	*7.75*	*8.50*	Cap'l Spending per sh	*9.00*
	17.37	19.04	20.30	21.31	22.95	24.09	25.86	26.01	27.42	28.53	29.94	31.71	28.65	27.62	31.08	32.36	*33.75*	*35.50*	Book Value per sh [C]	*42.25*
	505.99	505.97	505.95	505.89	505.86	505.84	505.28	504.87	505.00	504.00	504.00	504.00	504.00	497.00	498.00	498.00	*500.00*	*501.00*	Common Shs Outst'g [D]	*505.00*
	10.0	10.4	10.4	12.8	13.5	12.6	14.1	15.3	16.3	16.6	18.0	15.7	16.8	18.5	17.7	20.4	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*18.0*
	.67	.66	.65	.81	.76	.66	.71	.80	.82	.90	.96	.81	.91	1.07	.98	1.08			Relative P/E Ratio	*1.00*
	4.3%	4.3%	4.2%	4.6%	4.4%	3.9%	3.8%	3.8%	3.7%	3.5%	3.2%	3.6%	3.3%	3.4%	3.7%	3.2%			Avg Ann'l Div'd Yield	*3.4%*
	10415	9198.0	9161.0	9696.0	10076	9603.0	9722.0	9800.0	11237	10290	*11450*	*11950*	Revenues ($mill)	*13500*
	1476.0	1436.0	1431.0	1582.0	1666.0	1741.0	1853.0	1739.0	1742.0	1839.0	*2010*	*2190*	Net Profit ($mill)	*2675*
	37.4%	31.7%	37.3%	23.7%	32.2%	14.3%	19.5%	13.7%	10.1%	2.9%	*13.0%*	*15.0%*	Income Tax Rate	*18.0%*
	6.2%	8.4%	10.6%	8.7%	6.5%	7.0%	5.5%	5.1%	5.3%	3.9%	*5.0%*	*5.0%*	AFUDC % to Net Profit	*5.0%*
	40.3%	45.3%	46.6%	47.8%	47.7%	47.6%	51.3%	54.6%	53.5%	54.1%	*54.5%*	*55.5%*	Long-Term Debt Ratio	*56.0%*
	59.7%	54.7%	53.4%	52.2%	52.3%	52.4%	48.7%	45.4%	46.5%	45.9%	*45.5%*	*44.5%*	Common Equity Ratio	*44.0%*
	21900	24025	25915	27545	28832	30480	29657	30224	33261	35078	*37100*	*40000*	Total Capital ($mill)	*48500*
	26539	29286	31797	34363	35844	37585	34366	35942	38031	40064	*42200*	*45300*	Net Plant ($mill)	*54100*
	7.6%	6.8%	6.4%	6.7%	6.7%	6.6%	7.1%	6.7%	6.4%	6.5%	*6.5%*	*6.5%*	Return on Total Cap'l	*6.5%*
	11.3%	10.9%	10.3%	11.0%	11.0%	10.9%	12.8%	12.7%	11.3%	11.4%	*12.0%*	*12.5%*	Return on Shr. Equity	*12.5%*
	11.3%	10.9%	10.3%	11.0%	11.0%	10.9%	12.8%	12.7%	11.3%	11.4%	*12.0%*	*12.5%*	Return on Com Equity [E]	*12.5%*
	5.3%	4.6%	4.1%	4.7%	4.7%	4.7%	5.7%	4.8%	3.9%	4.0%	*4.5%*	*4.5%*	Retained to Com Eq	*5.0%*
	53%	58%	61%	58%	57%	57%	56%	62%	65%	65%	*63%*	*62%*	All Div'ds to Net Prof	*61%*

% TOT. RETURN 4/28/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	23.0	2.2
3 yr.	25.9	12.5
5 yr.	84.9	137.1

CAPITAL STRUCTURE as of 12/31/24
Total Debt $22707 mill. **Due in 5 Yrs** $6575 mill.
LT Debt $18964 mill. **LT Interest** $882 mill.
(Total Interest coverage: 3.0x)

Leases, Uncapitalized Annual rentals $35 mill.

Pension Assets-12/24 $3978 mill.
Oblig. $4477 mill.

Pfd Stock None

Common Stock 498,561,467 shs.
as of 2/21/25
MARKET CAP: $40.3 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (GWH)	+1.6	-4.2	+4.0
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.)	+.9	+.9	+.9
Fixed Charge Cov. (%)	297	285	288

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	.5%	2.0%	*4.0%*
"Cash Flow"	1.5%	1.5%	*6.0%*
Earnings	3.0%	3.0%	*7.0%*
Dividends	4.5%	5.0%	*6.0%*
Book Value	3.0%	1.0%	*5.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2313	2076	2272	3139	9800
2023	3755	2421	2456	2605	11237
2024	2760	2423	2642	2465	10290
2025	3222	*2588*	*2930*	*2710*	*11450*
2026	*3350*	*2700*	*3075*	*2825*	*11950*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.33	.64	.86	.64	3.47
2023	1.39	.70	.85	.54	3.48
2024	1.31	.63	.90	.84	3.68
2025	1.43	*.73*	*1.04*	*.80*	*4.00*
2026	*1.53*	*.82*	*1.15*	*.85*	*4.35*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.51	.51	.51	.51	2.04
2022	.54	.54	.54	.54	2.16
2023	.57	.57	.57	.57	2.28
2024	.60	.60	.60	.60	2.40
2025	.63				

BUSINESS: Public Service Enterprise Group Inc. (PSEG) is a holding company for Public Service Electric and Gas Company (PSE&G), which serves 2.4 million electric and 1.9 million gas customers in NJ, and PSEG Power LLC, a nonregulated power generator with 5 nuclear plants in the Northeast (sold fossil-fuel generation, 2/22). Divested offshore wind assets (5/23). Percentage of electric sales: Commercial (57%); Residential (34%); Industrial (9%). Fuel costs: 33.0% of revenues. '24 reported depreciation rates (utility): 1.84%-2.51%. Employs approximately 13,050. Chair of the Board, President and CEO: Ralph A. LaRossa. Incorporated: New Jersey. Address: 80 Park Plaza, Newark, New Jersey 07102-4194. Telephone.: 973-430-7000. Internet: www.pseg.com.

Public Service Enterprise Group's (PSEG) equity performance has cooled off of late. The stock was the top performing utility in 2024, as nuclear and independent power plays were in vogue. PSEG's only significant business held outside of the regulatory pricing umbrella is its nuclear fleet. The company operates three plants in New Jersey and has a 50% stake in two Pennsylvania reactors. Nuclear power is increasingly being viewed as a key noncarbon-emitting contributor to future domestic energy needs. There is the potential for PSEG to sign long-term purchased power agreements with Big Tech firms seeking reliable electric generation for data centers at rates that would be favorable for the utility. Still, the market reaction to those possibilities likely went too far, hence the consolidation that's taken place in PSEG's stock price lately.

The company looks set for solid growth in earnings per share over the next few years. In 2024's fourth quarter, the utility came to a base rates settlement with the New Jersey Board of Public Utilities. Higher delivery rates for electric and natural gas will lift the company's annual revenue by $505 million. As a result of the agreement, the typical combined residential electric and gas customer bill will increase 7%, or $15 per month. The company's regulated return on equity has been set at 9.6%. PSEG's in-house core operating earnings target for 2025 is $3.94-$4.06 per share. Leadership's 2025-2029 earnings growth expectation is 5%-7%.

PSEG recently hiked the dividend by 5%. This marks the 14th-consecutive year that PSEG has raised the annual disbursement. The conservatively managed company has reliably paid out a dividend for 118 years with no cuts along the way.

These shares are ranked to underperform the broader market averages in the coming six to 12 months. Moreover, last year's runup, despite a more mundane performance in recent months, has left PSEG's valuation stretched with an above-market level price-to-earnings ratio. Further, the dividend yield is about 50 basis points below the utility peer group median level. Investors interested in PSEG are advised to wait for a better entry point.

Anthony J. Glennon *May 9, 2025*

(A) Diluted EPS. Excl. nonrec. gains/(losses): '11, (34¢); '12, 7¢; '15, 39¢; '16, ($1.08); '17, 28¢ (net); '18, (29¢); '19, 5¢; '20, 33¢; '21, ($4.94); '22, ($1.41); '23, $1.65; '24, (14¢); disc. ops.: '10, 1¢; '11, 19¢. Next earnings report due in early August. **(B)** Div'ds historically paid in late Mar., June, Sept., & Dec. ■ Div'd reinvestment plan avail. **(C)** Incl. intangibles. In '24: $12.62/sh. **(D)** In mill. **(E)** Rate base: Net original cost. Rate allowed on common equity in '24: 9.6%; Regulatory Climate: Avg.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	60
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PINNACLE WEST NYSE-PNW

RECENT PRICE 89.62 | P/E RATIO 18.7 (Trailing: 17.2, Median: 17.0) | RELATIVE P/E RATIO 1.18 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 2 Raised 3/21/25
SAFETY 2 Raised 10/18/24
TECHNICAL 3 Raised 4/4/25
BETA .80 (1.00 = Market)

18-Month Target Price Range

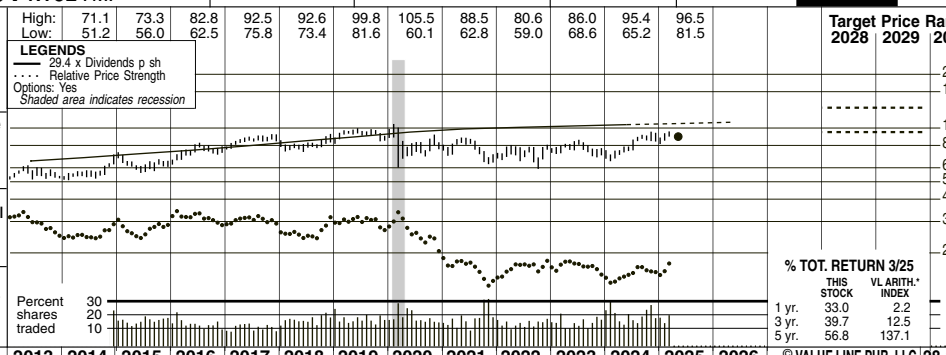
Low-High	Midpoint (% to Mid)
$72-$108	$90 (0%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	130	(+45%)	*13%*
Low	95	(+5%)	*5%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	245	274	320
to Sell	225	226	241
Hld's(000)	114098	123296	122886



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	71.1	73.3	82.8	92.5	92.6	99.8	105.5	88.5	80.6	86.0	95.4	96.5								
Low:	51.2	56.0	62.5	75.8	73.4	81.6	60.1	62.8	59.0	68.6	65.2	81.5								
Revenues per sh	32.50	30.01	29.67	30.09	31.35	31.58	31.50	31.42	31.90	32.93	30.87	31.81	33.66	38.21	41.40	43.03	*43.00*	*45.10*	Revenues per sh	*51.60*
"Cash Flow" per sh	8.08	6.85	7.52	7.92	8.15	8.09	9.09	9.39	9.92	10.37	10.69	10.97	11.84	11.50	11.95	13.14	*12.85*	*13.60*	"Cash Flow" per sh	*16.25*
Earnings per sh A	2.26	3.08	2.99	3.50	3.66	3.58	3.92	3.95	4.43	4.54	4.77	4.87	5.47	4.26	4.41	5.24	*4.80*	*5.15*	Earnings per sh A	*6.25*
Div'd Decl'd per sh B ■	2.10	2.10	2.10	2.67	2.23	2.33	2.44	2.56	2.70	2.87	3.04	3.23	3.36	3.43	3.49	3.55	*3.61*	*3.67*	Div'd Decl'd per sh B ■	*3.85*
Cap'l Spending per sh	7.64	7.03	8.26	8.24	9.36	8.38	9.84	11.64	12.80	10.73	10.76	11.93	13.04	15.09	16.28	18.89	*16.75*	*17.00*	Cap'l Spending per sh	*17.50*
Book Value per sh C	32.69	33.86	34.98	36.20	38.07	39.50	41.30	43.15	44.80	46.59	48.30	49.96	52.26	53.45	54.47	56.71	*58.00*	*58.75*	Book Value per sh C	*70.00*
Common Shs Outst'g D	101.43	108.77	109.25	109.74	110.18	110.57	110.98	111.34	111.75	112.10	112.44	112.76	113.01	113.17	113.42	119.10	*120.50*	*122.00*	Common Shs Outst'g D	*125.00*
Avg Ann'l P/E Ratio	13.7	12.6	14.6	14.3	15.3	15.9	16.0	18.7	19.3	17.8	19.4	16.7	14.1	17.1	17.4	15.3	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*18.00*
Relative P/E Ratio	.91	.80	.92	.91	.86	.84	.81	.98	.97	.96	1.03	.86	.76	.99	.97	.81			Relative P/E Ratio	*1.00*
Avg Ann'l Div'd Yield	6.8%	5.4%	4.8%	5.3%	4.0%	4.1%	3.9%	3.5%	3.2%	3.5%	3.3%	4.0%	4.3%	4.7%	4.5%	4.4%			Avg Ann'l Div'd Yield	*3.4%*
Revenues ($mill)							3495.4	3498.7	3565.3	3691.2	3471.2	3587.0	3803.8	4324.4	4696.0	5124.9	*5180*	*5500*	Revenues ($mill)	*6450*
Net Profit ($mill)							437.3	442.0	497.8	511.0	538.3	550.6	618.7	483.6	501.6	608.8	*575*	*625*	Net Profit ($mill)	*780*
Income Tax Rate							34.3%	33.9%	32.5%	20.2%	- -	12.1%	14.8%	13.0%	12.9%	15.0%	*15.0%*	*15.0%*	Income Tax Rate	*15.0%*
AFUDC % to Net Profit							11.8%	14.1%	13.9%	15.2%	9.3%	9.5%	10.1%	15.2%	19.3%	14.3%	*15.0%*	*15.0%*	AFUDC % to Net Profit	*15.0%*
Long-Term Debt Ratio							43.0%	45.6%	48.9%	47.0%	47.1%	52.8%	53.9%	56.1%	55.0%	54.4%	*55.5%*	*57.0%*	Long-Term Debt Ratio	*55.0%*
Common Equity Ratio							57.0%	54.4%	51.1%	53.0%	52.9%	47.2%	46.1%	43.9%	45.0%	45.6%	*44.5%*	*43.0%*	Common Equity Ratio	*45.0%*
Total Capital ($mill)							8046.3	8825.4	9796.4	9861.1	10263	11948	12820	13790	13718	14813	*15800*	*16725*	Total Capital ($mill)	*19500*
Net Plant ($mill)							11809	12714	13445	14030	14523	15159	15987	16854	17980	19198	*20225*	*21250*	Net Plant ($mill)	*24150*
Return on Total Cap'l							6.4%	6.0%	6.1%	6.2%	6.3%	5.5%	5.8%	4.5%	4.9%	5.5%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
Return on Shr. Equity							9.5%	9.2%	9.9%	9.8%	9.9%	9.8%	10.5%	8.0%	8.1%	9.0%	*8.0%*	*8.5%*	Return on Shr. Equity	*9.0%*
Return on Com Equity E							9.5%	9.2%	9.9%	9.8%	9.9%	9.8%	10.5%	8.0%	8.1%	9.0%	*8.0%*	*8.5%*	Return on Com Equity E	*9.0%*
Retained to Com Eq							3.9%	3.5%	4.2%	3.9%	3.8%	3.5%	4.2%	1.7%	1.9%	3.2%	*2.0%*	*2.5%*	Retained to Com Eq	*3.5%*
All Div'ds to Net Prof							59%	62%	58%	60%	61%	64%	60%	78%	77%	65%	*75%*	*71%*	All Div'ds to Net Prof	*61%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $9427.1 mill. **Due in 5 Yrs** $2794.0 mill.
LT Debt $8058.6 mill. **LT Interest** $400.0 mill.
(Total Interest Coverage: 2.7x)

Leases, Uncapitalized Annual rentals $20.1 mill.

Pension Assets-12/24 $2639.9 mill.
Oblig. $2792.3 mill.

Pfd Stock None

Common Stock 119,099,064 shs.
as of 2/20/25
MARKET CAP: $10.6 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+4.4	+2.8	+7.4
Total Ref'l Revs. per KWH (¢)	12.50	13.83	14.53
Avg. Indust. Revs. per KWH (¢)	9.20	10.38	10.18
Capacity at Peak (Mw)	8612	9629	9466
Peak Load, Summer (Mw)	7587	8162	8210
Annual Load Factor (%)	48.1	45.7	47.5
% Change Customers (yr-end)	+2.1	+1.8	+2.1
Fixed Charge Cov. (%)	258	220	238

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	5.0%	*4.0%*
"Cash Flow"	4.0%	3.5%	*5.0%*
Earnings	2.5%	- -	*5.0%*
Dividends	4.0%	4.0%	*1.5%*
Book Value	4.0%	3.5%	*4.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	783.5	1061.7	1469.9	1009.3	4324.4
2023	945.0	1121.7	1637.8	991.5	4696.0
2024	951.7	1309.0	1768.8	1095.4	5124.9
2025	*990*	*1330*	*1740*	*1120*	*5180*
2026	*1030*	*1420*	*1855*	*1195*	*5500*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.15	1.45	2.88	d.21	4.26
2023	d.03	.94	3.50	Nil	4.41
2024	.15	1.76	3.37	d.06	5.24
2025	*.10*	*1.60*	*3.15*	*d.05*	*4.80*
2026	*.15*	*1.70*	*3.35*	*d.05*	*5.15*

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.83	.83	.83	.85	3.34
2022	.85	.85	.85	.865	3.42
2023	.865	.865	.865	.88	3.48
2024	.88	.88	.88	.895	3.54
2025	.895				

% TOT. RETURN 3/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	33.0	2.2
3 yr.	39.7	12.5
5 yr.	56.8	137.1

BUSINESS: Pinnacle West Capital Corporation is a holding company for Arizona Public Service Company (APS), which supplies electricity to 1.4 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/industrial, 46%; other, 4%. Generating sources: gas, 24%; nuclear, 21%; coal, 14%; renewables, 19%; purchased, 22%. Fuel costs: 36% of revenues. '24 reported deprec. rate: 3.13%. Has 6,403 employees. Chairman, President & CEO: Ted Geisler. Inc.: AZ. Address: 400 North Fifth St., P.O. Box 53999, Phoenix, AZ 85072-3999. Tel.: 602-250-1000. Internet: www.pinnaclewest.com.

Leadership at Pinnacle West Capital expects the company's overheated bottom line to cool off some this year. In 2024, the utility benefited from a record-setting heat wave in Arizona that helped send retail sales volume up 7.4% versus the prior-year level, as customers used more electricity to cool their homes and businesses. Management has provided a preliminary 2025 weather-normalized earnings projection of $4.40 to $4.60 per share. We think the company will prove to be too conservative in its forecast. Sweltering heat in 2022 and 2023, followed by an even more oppressive stretch last year doesn't seem like a trend that will pivot back to management's idea of average temperatures that are based on decades of past data. In addition, Pinnacle West's service area benefits from strong migration, as Arizona's 2.5% flat income tax rate helps draw in out-of-state retirees. A business friendly government also keeps the regional economy headed in the right direction. Customer growth rose 2.1% last year and will probably be up by a similar amount in each of the next couple of years.

Earnings will likely be back on a growth trajectory starting in 2026. Besides the higher-than-typical electricity volumes in 2024, which make for a difficult bottom-line comparison this year, the company is also suffering from regulatory lag. The utility plans to file its next rate case by mid-2025, which should garner a decision and potential revenue increase some time next year. In Pinnacle West's most recent rate-case decision, handed down in February 2024, the utility received fair treatment from a revamped Arizona Public Service Commission.

These shares are ranked to outperform the broader market averages over the next six to 12 months. Longer term, we like this electric utility a lot, as it's the beneficiary of a premium service area in terms of rising energy demand from population growth and a thriving economy. Even so, patient utility investors need to be disciplined buyers and wait for a better entry point. A 7%-10% dip, sending the stock into the low $80 area, would translate to a worthwhile risk-adjusted annual total return expectation.

Anthony J. Glennon *April 18, 2025*

(A) Diluted EPS. Excl. nonrec. gain/(loss): '09, ($1.45); '17, 8¢; gains/(losses) from discont. ops.: '09, (13¢); '10, 18¢; '11, 10¢; '12, (5¢). Qtly. EPS may not sum to full year due to rounding. Next egs. report due May 1st. **(B)** Div'ds historically paid in early Mar., June, Sept., & Dec. There were 5 declarations in '12. ■ Div'd reinvestment plan avail. **(C)** Incl. deferred charges/other intangibles. In '23: $27.22/sh. **(D)** In mill. **(E)** Rate base: Fair value. Rate allowed on common equity in '24: 9.55%-9.85%. Regulatory Climate: Average.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	30
Earnings Predictability	85

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PORTLAND GENERAL NYSE-POR

RECENT PRICE **41.58** | P/E RATIO **13.7** (Trailing: 13.2 Median: 18.0) | RELATIVE P/E RATIO **0.87** | DIV'D YLD **5.1%** | **VALUE LINE**

TIMELINESS **2** Raised 4/4/25
SAFETY **2** Raised 7/19/24
TECHNICAL **4** Raised 4/18/25
BETA .80 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$38-$57	$48 (15%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+80%)	*19%*
Low	55	(+30%)	*11%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	240	241	241
to Sell	144	166	192
Hld's(000)	106708	118198	121028

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	40.3	41.0	45.2	50.1	50.4	58.4	63.1	53.1	57.0	51.6	49.8	45.9								
Low:	29.0	33.0	35.3	42.4	39.0	44.0	32.0	40.8	41.6	38.0	39.1	40.1								
	23.99	23.67	24.06	23.89	23.18	24.29	21.38	21.62	22.54	22.30	23.75	23.96	26.80	29.65	28.90	31.46	*31.30*	*31.60*	Revenues per sh	*35.40*
	4.07	4.82	4.96	5.15	4.93	6.08	5.37	5.78	6.16	6.65	6.97	7.83	7.25	7.41	6.83	7.53	*8.15*	*8.40*	"Cash Flow" per sh	*10.05*
	1.31	1.66	1.95	1.87	1.77	2.18	2.04	2.16	2.29	2.37	2.39	2.75	2.72	2.74	2.38	3.14	*3.25*	*3.40*	Earnings per sh [A]	*4.00*
	1.01	1.04	1.06	1.08	1.10	1.12	1.18	1.26	1.34	1.43	1.52	1.59	1.70	1.79	1.88	1.98	*2.09*	*2.21*	Div'd Decl'd per sh [B] ■ †	*2.60*
	9.25	5.97	3.98	4.01	8.40	12.87	6.73	6.57	5.77	6.67	6.78	8.76	7.11	8.58	13.42	11.60	*11.50*	*11.50*	Cap'l Spending per sh	*11.50*
	20.50	21.14	22.07	22.87	23.30	24.43	25.43	26.35	27.11	28.07	28.99	29.18	30.28	31.13	32.81	34.70	*36.00*	*37.50*	Book Value per sh [C]	*42.25*
	75.21	75.32	75.36	75.56	78.09	78.23	88.79	88.95	89.11	89.27	89.39	89.54	89.41	89.28	101.16	109.34	*111.00*	*114.00*	Common Shs Outst'g [D]	*120.00*
	14.4	12.0	12.4	14.0	16.9	15.3	17.7	19.1	20.0	18.4	22.3	16.6	17.7	18.2	19.3	14.2	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.5*
	.96	.76	.78	.89	.95	.81	.89	1.00	1.01	.99	1.19	.85	.96	1.05	1.07	.75			Relative P/E Ratio	*.90*
	5.4%	5.2%	4.4%	4.1%	3.7%	3.3%	3.3%	3.1%	2.9%	3.3%	2.8%	3.5%	3.5%	3.6%	4.1%	4.4%			Avg Ann'l Div'd Yield	*3.9%*
	1898.0	1923.0	2009.0	1991.0	2123.0	2145.0	2396.0	2647.0	2923.0	3440.0	*3475*	*3600*	Revenues ($mill)	*4250*
	172.0	193.0	204.0	212.0	214.0	247.0	244.0	245.0	233.0	327.0	*355*	*385*	Net Profit ($mill)	*480*
	20.7%	20.6%	25.3%	7.4%	11.2%	12.4%	8.6%	15.2%	16.8%	11.4%	*17.5%*	*17.5%*	Income Tax Rate	*17.5%*
	19.8%	16.6%	8.8%	8.0%	7.0%	9.7%	10.2%	8.6%	13.7%	11.6%	*12.0%*	*13.0%*	AFUDC % to Net Profit	*14.0%*
	47.8%	48.4%	50.1%	46.5%	51.3%	53.6%	56.8%	57.0%	55.8%	55.0%	*56.5%*	*57.0%*	Long-Term Debt Ratio	*58.0%*
	52.2%	51.6%	49.9%	53.5%	48.7%	46.4%	43.2%	43.0%	44.2%	45.0%	*43.5%*	*43.0%*	Common Equity Ratio	*42.0%*
	4329.0	4544.0	4842.0	4684.0	5323.0	5628.0	6265.0	6459.0	7513.0	8424.0	*9175*	*9900*	Total Capital ($mill)	*12025*
	6012.0	6434.0	6741.0	6887.0	7161.0	7539.0	8005.0	8465.0	9546.0	10345	*11070*	*11750*	Net Plant ($mill)	*13675*
	5.4%	5.6%	5.5%	5.8%	5.1%	5.6%	4.9%	4.9%	4.2%	5.0%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.0%*
	7.6%	8.2%	8.4%	8.5%	8.3%	9.5%	9.0%	8.8%	7.0%	8.6%	*9.0%*	*9.0%*	Return on Shr. Equity	*9.5%*
	7.6%	8.2%	8.4%	8.5%	8.3%	9.5%	9.0%	8.8%	7.0%	8.6%	*9.0%*	*9.0%*	Return on Com Equity [E]	*9.5%*
	3.3%	3.5%	3.6%	3.5%	3.1%	4.1%	3.5%	3.1%	1.6%	3.3%	*3.0%*	*3.0%*	Retained to Com Eq	*3.5%*
	56%	57%	58%	59%	63%	57%	61%	64%	77%	61%	*65%*	*65%*	All Div'ds to Net Prof	*65%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $4827 mill. **Due in 5 Yrs** $763 mill.
LT Debt $4630 mill. **LT Interest** $188 mill.
Incl. $276 mill. finance leases.
(Total Interest Coverage: 2.6x)
Leases, Uncapitalized Annual rentals $26 mill.
Pension Assets-12/24 $484 mill.
Oblig. $612 mill.
Pfd Stock None

Common Stock 109,347,586 shs.
as of 2/7/25

MARKET CAP: $4.5 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+3.4	+.9	+1.3
Avg. Indust. Use (MWH)	22097	23052	24703
Avg. Indust. Revs. per KWH (¢)	5.23	5.85	6.59
Capacity at Peak (MW)	NA	NA	NA
Peak Load, Summer (MW)	4255	4498	4367
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.1	+.7	+1.6
Fixed Charge Cov. (%)	254	217	235

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	2.5%	5.5%	*3.0%*
"Cash Flow"	3.0%	2.0%	*5.5%*
Earnings	3.5%	3.0%	*6.5%*
Dividends	5.5%	5.5%	*5.5%*
Book Value	3.5%	3.0%	*4.5%*

QUARTERLY REVENUES ($ mill.)

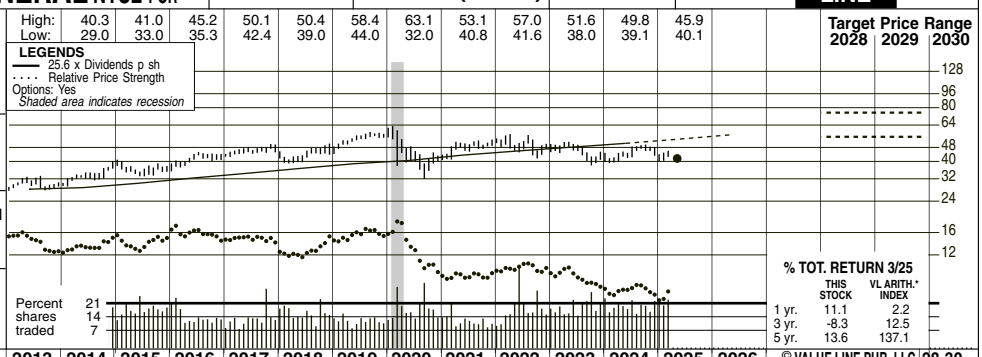
Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	626	591	743	687	2647
2023	748	648	802	725	2923
2024	929	758	929	824	3440
2025	*945*	*765*	*935*	*830*	*3475*
2026	*975*	*795*	*970*	*860*	*3600*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.67	.72	.65	.70	2.74
2023	.80	.44	.46	.67	2.38
2024	1.21	.69	.90	.34	3.14
2025	*1.15*	*.65*	*.90*	*.55*	*3.25*
2026	*1.20*	*.65*	*.90*	*.65*	*3.40*

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.4075	.4075	.43	.43	1.68
2022	.43	.43	.4525	.4525	1.77
2023	.4525	.4525	.475	.475	1.86
2024	.475	.475	.50	.50	1.95
2025	.50	.50			



BUSINESS: Portland General Electric Company provides electricity to 950,000 customers in 51 cities in a 4,000-square-mile area of Oregon, including Portland and Salem (population: 1.9 million). The company is in the process of decommissioning the Trojan nuclear plant, which was closed in 1993. Electric revenue breakdown: residential, 51%; commercial, 33%; industrial, 16%; other, less than 1%. Generating sources: gas, 28%; wind, 16%; coal, 4%; hydro, 7%; purchased, 45%. Fuel costs: 41% of revenues. '24 reported depreciation rate: 3.5%. Has 2,915 full-time employees. Chair: James P. Torgerson. President and CEO: Maria M. Pope. Incorporated: Oregon. Address: 121 S.W. Salmon Street, Portland, OR 97204. Tel.: 503-464-8000. Internet: www.portlandgeneral.com.

Higher electric rates should lift Portland General Electric's earnings this year, but its latest rate case was not as lucrative as desired. The utility received its regulatory decision from Oregon commissioners in December. Effective January 1st, residential rates increased 5.5% and commercial/industrial rates were raised by nearly 7.7%. The utility was seeking an 8.6% across-the-board hike in rates for recoupment of investments made. In all, Portland received a $98 million revenue increase, representing 54% of the requested amount. The rates are based on an authorized return on equity of 9.34%, down 16 basis points from the 9.5% level under the prior rate case.

Longer-term prospects remain favorable. Within the utility's territory there's a cluster of high-tech companies occupying an area referred to as the "Silicon Forest." Key employers there include Intel, Adobe, Microsoft, NTT Global, NVIDIA, Synopsys, and Stack Infrastructure. Other technology companies located within Portland General's service area include Microchip Technology, Lam Research, and ON Semiconductor, among others. Weather-adjusted demand has been rising at a solid pace from the semiconductor industry and data centers, as well as the lift they provide to the region's economy. The company is expecting load growth to average 2.5% to 3.5% for the foreseeable future. The utility brought its Clearwater Wind development project on line early in 2024, and it's been a positive that the company has become less reliant on expensive at-the-market purchased power. Portland General will likely continue to add new renewable capacity under the formula of half company owned and half long-term stable purchased power agreements from a strategic partner. It has the green light from regulators to add more nonemitting annual power generation, plus significant battery storage capacity. Leadership maintains the company can grow earnings at a 5%-7% annual rate through late decade. We've penciled in 5%-6% for our projections.

This issue is timely. POR's dividend yield is about a percentage point above the peer-group median. Moreover, total return prospects look appealing.

Anthony J. Glennon *April 18, 2025*

(A) Diluted earnings. Excl. nonrecurring gains/(losses): '13, (42¢); '17, (19¢); '20, ($1.03); '22, (14¢); '23, (5¢); '24, (13¢). Quarterly EPS many not sum to full year due to rounding. Next earnings report due late Apr. **(B)** Dividends paid mid-Jan., Apr., July, and Oct. ■ Dividend reinvestment plan available. † Shareholder investment plan available. **(C)** Incl. deferred charges. In '24: $632 mill., $5.78/sh. **(D)** In mill. **(E)** Rate base: Net original cost. Rate allowed on common equity in '25: 9.34%. Regulatory Climate: Average.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	30
Earnings Predictability	90

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PPL CORPORATION NYSE-PPL

RECENT PRICE 36.46 | P/E RATIO 19.7 (Trailing: 21.7 Median: 15.0) | RELATIVE P/E RATIO 1.18 | DIV'D YLD 3.0% | VALUE LINE

TIMELINESS 4 Raised 3/14/25
SAFETY 2 Raised 8/9/24
TECHNICAL 3 Lowered 2/21/25
BETA .90 (1.00 = Market)

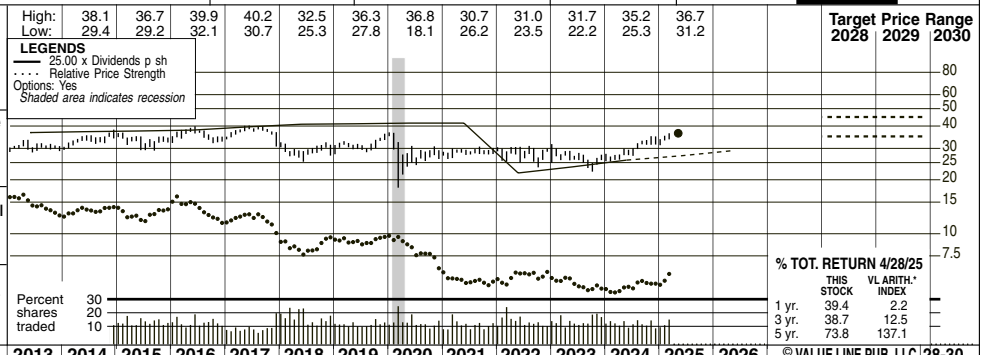
18-Month Target Price Range
Low-High: $28-$40 | Midpoint (% to Mid): $34 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+25%)	9%
Low	35	(-5%)	3%

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	327	426	457
to Sell	359	323	339
Hld's(000)	567935	626757	643936



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
20.03	17.63	22.02	21.11	18.82	17.27	11.38	11.06	10.74	10.81	10.13	9.89	7.87	10.73	11.28	11.47	*11.40*	*11.80*	Revenues per sh	*14.50*
3.47	3.66	4.59	4.84	4.64	4.58	3.78	4.28	3.68	4.16	3.94	3.81	2.07	3.09	3.44	3.04	*3.70*	*3.80*	"Cash Flow" per sh	*4.25*
1.19	2.29	2.61	2.61	2.38	2.38	2.37	2.79	2.11	2.58	2.37	2.04	.53	1.41	1.60	1.68	*1.85*	*1.95*	Earnings per sh [A]	*2.40*
1.38	1.40	1.40	1.44	1.47	1.49	1.50	1.52	1.58	1.64	1.65	1.66	1.66	.88	.95	1.03	*1.09*	*1.17*	Div'd Decl'd per sh [B] ■	*1.40*
3.25	3.30	4.30	5.34	6.68	6.14	5.24	4.30	4.52	4.50	4.02	4.23	2.68	2.93	3.24	3.38	*3.70*	*3.75*	Cap'l Spending per sh	*4.00*
14.57	16.98	18.72	18.01	19.78	20.47	14.72	14.56	15.52	16.18	16.93	17.39	18.67	18.89	18.90	19.07	*20.55*	*21.20*	Book Value per sh [C]	*23.45*
377.18	483.39	578.41	581.94	630.32	665.85	673.86	679.73	693.40	720.32	767.23	768.91	735.11	736.49	737.13	738.03	*737.40*	*737.50*	Common Shs Outst'g [D]	*738.00*
25.7	11.9	10.5	10.9	12.8	14.1	13.9	12.8	17.6	11.3	13.3	13.9	NMF	20.0	16.8	17.6	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*17.0*
1.71	.76	.66	.69	.72	.74	.70	.67	.89	.61	.71	.71	NMF	1.16	.93	.98			Relative P/E Ratio	*.95*
4.5%	5.1%	5.1%	5.1%	4.8%	4.4%	4.5%	4.2%	4.2%	5.6%	5.2%	5.8%	5.8%	3.1%	3.5%	3.1%			Avg Ann'l Div'd Yield	*3.4%*
7669.0	7517.0	7447.0	7785.0	7769.0	7607.0	5783.0	7902.0	8312.0	8462.0	*8400*	*8700*	Revenues ($mill)	*10700*
1603.0	1902.0	1449.0	1827.0	1746.0	1571.0	401.0	756.0	740.0	888.0	*1365*	*1440*	Net Profit ($mill)	*1770*
22.5%	25.4%	24.2%	20.0%	19.0%	20.3%	23.0%	22.0%	19.9%	20.4%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
1.6%	1.6%	1.9%	2.0%	1.9%	1.8%	6.0%	.7%	1.6%	1.8%	*2.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
65.2%	64.3%	64.8%	63.3%	61.5%	61.7%	43.7%	48.1%	51.1%	51.3%	*51.0%*	*51.0%*	Long-Term Debt Ratio	*49.5%*
34.8%	35.7%	35.2%	36.7%	38.5%	38.3%	56.3%	51.9%	48.8%	49.1%	*49.0%*	*49.0%*	Common Equity Ratio	*50.5%*
28482	27707	30608	31726	33712	34926	24389	26804	28544	29726	*30925*	*32000*	Total Capital ($mill)	*34280*
30382	30074	33092	34458	36482	38892	25470	30238	31418	33149	*32700*	*33500*	Net Plant ($mill)	*34900*
7.1%	8.4%	6.2%	7.2%	6.6%	5.9%	2.6%	2.8%	2.6%	3.8%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.5%*
16.2%	19.2%	13.5%	15.7%	13.4%	11.7%	2.9%	5.4%	5.3%	6.3%	*8.5%*	*8.5%*	Return on Shr. Equity	*9.5%*
16.2%	19.2%	13.5%	15.7%	13.4%	11.7%	2.9%	5.4%	5.3%	6.3%	*8.5%*	*8.5%*	Return on Com Equity [E]	*9.5%*
6.0%	8.8%	3.5%	6.0%	4.3%	2.2%	NMF	1.8%	1.6%	2.2%	*3.5%*	*3.5%*	Retained to Com Eq	*3.5%*
63%	54%	74%	62%	68%	81%	NMF	76%	67%	61%	*61%*	*61%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $16674 mill. **Due in 5 Yrs** $3613 mill.
LT Debt $15952 mill. **LT Interest** $427 mill.
Incl. 23 mill. units 7.75%, $25 liq. value; 82,000 units 8.23%, $1000 face value.
(LT interest earned: 3.5x)

Leases, Uncapitalized Annual rentals $24 mill.
Pension Assets-12/23 $3175 mill.
Oblig $3333 mill.

Pfd Stock None
Common Stock 738,294,081 shs.
as of 1/31/25
MARKET CAP: $26.9 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+3.0	+1.5	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, Winter (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	154	348	NA

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	-7.5%	-3.0%	*5.0%*
"Cash Flow"	-6.0%	-8.5%	*3.0%*
Earnings	-9.0%	-17.0%	*7.5%*
Dividends	-1.0%	-4.5%	*-.5%*
Book Value	- -	4.0%	*3.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1782	1696	2134	2290	7902
2023	2415	1823	2043	2031	8312
2024	2304	1881	2066	2211	8462
2025	2504	*1800*	*2000*	*2096*	*8400*
2026	*2350*	*1850*	*2200*	*2300*	*8700*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.41	.30	.41	.28	1.41
2023	.48	.29	.43	.40	1.60
2024	.54	.38	.42	.34	1.68
2025	.60	*.40*	*.50*	*.35*	*1.85*
2026	*.50*	*.45*	*.50*	*.50*	*1.95*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.415	.415	.415	.415	1.66
2022	.415	.20	.225	.225	1.07
2023	.225	.24	.24	.24	.95
2024	.24	.258	.258	.258	1.01
2025	.258	.273			

BUSINESS: PPL Corporation (formerly PP&L Resources, Inc.) is a holding company for PPL Electric Utilities, which distributes electricity to 1.4 mill. customers in eastern & central Pennsylvania. Acquired Kentucky Utilities and Louisville Gas and Electric (1.3 mill. customers) 11/10. Acq'd Narragansett Electric (770,000 customers, renamed Rhode Island Energy) 5/22. Spun off power-generating sub. in '15. Sold electric distribution sub. in U.K. in '21. Electric rev. breakdown: res'l, 48%; comm'l, 22%; ind'l, 10%; other, 20%. Fuel costs: 29% of revs. '24 reported deprec. rate: 3.2%. Has 6,527 employees. Chairman: Craig A. Rogerson. President & CEO: Vincent Sorgi. Inc.: PA. Address: 645 Hamilton Street., Allentown, PA 18101-1179. Tel.: 800-345-3085. Internet: www.pplweb.com.

PPL Corp. looks set to deliver solid results in 2025. The company posted better-than-expected first-quarter earnings of $0.60 a share on revenues of $2.5 billion. Management reaffirmed its long-term annual earnings and dividend growth target of 6%-8% through 2028. Our estimate remains at $1.85 per share, representing 7% growth. This is on the high end of management's $1.75-$1.87 per share range. The utility is increasingly well positioned to benefit from elevated demand for data centers and electricity, and it continues to sign new power supply agreements to support long-term growth.

Our 2026 top- and bottom-line estimates anticipate continued momentum. We look for earnings of $1.95 per share on revenues of $8.7 billion. This growth is supported by ongoing rate base expansion and execution of the company's multiyear investment strategy. The utility is targeting rate base growth of 9.8% annually from 2024 to 2028, up from 6.3% in the previous plan. PPL is looking for EPS growth in the top half of its 6%-8% range, and we believe that's achievable given the company's consistency and improving regulatory visibility.

These shares have outpaced broader market averages and many of their peers since the start of 2025. The utilities industry continues to serve as a safe heaven from market weakness as investors look for safety and quality. Indeed, the stock is up more than 10% since early February. PPL also raised the dividend recently. The payout was hiked 5.8% to $0.2725 quarterly. What's more, the company unveiled a revised infrastructure investment plan totaling $20 billion through 2028, up from $14.3 billion in the previous plan. These investments will fund transmission and distribution upgrades across its Kentucky and Pennsylvania utilities. The company is targeting $4.3 billion in 2025 alone, which should drive 9.8% average annual rate base growth.

These shares are best suited for conservative, income-oriented accounts. The stock offers a solid dividend yield of 3.0%, and earns an Above Average rank for Safety. However, it remains rated Below Average (4) for Timeliness and is not a recommended selection for the year ahead.

Zachary J. Hodgkinson *May 9, 2025*

(A) Dil. EPS. Excl. nonrec. gain (losses): '10, (8¢); '11, 8¢; '13, (62¢); '20, (13¢); '21, (50¢); gains (losses) on disc. ops.: '09, (10¢); '10, (4¢); '12, (1¢); '14, 23¢; '15, ($1.36); '21, ($1.94). Next egs. rept. due early Aug.
(B) Div'ds paid in early Jan., April, July, & Oct. ■ Div'd reinv. plan avail. **(C)** Incl. intang. In '24: $3.12/sh. **(D)** In mill. **(E)** Rate base: Fair val. Rate all'd on com. eq. in PA in '16: none spec.; in KY in '19: 9.725%; earned on avg. com. eq., '21: 2.8%. Reg. Clim.: Avg.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	15
Earnings Predictability	45

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

SOUTHERN COMPANY NYSE-SO

RECENT PRICE 90.75 | P/E RATIO 21.1 (Trailing: 22.4 Median: 17.0) | RELATIVE P/E RATIO 1.26 | DIV'D YLD 3.3% | VALUE LINE

TIMELINESS 3 Raised 5/2/25
SAFETY 2 Lowered 2/21/14
TECHNICAL 3 Raised 4/4/25
BETA .75 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$69-$103	$86 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+15%)	7%
Low	80	(-10%)	1%

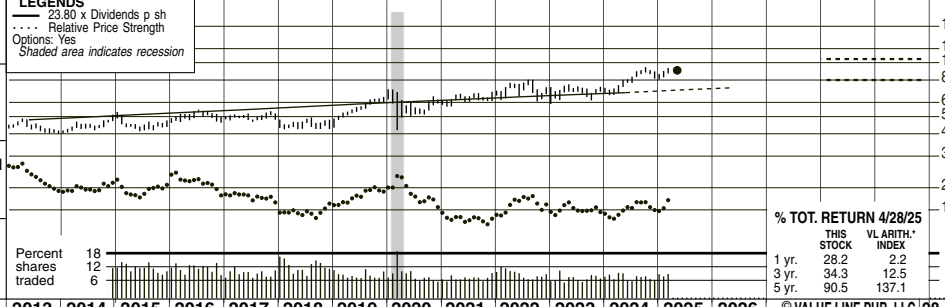
Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	895	980	1095
to Sell	732	765	793
Hld's(000)	735543	829101	831264

	51.3	53.2	54.6	53.5	49.4	64.3	71.1	68.9	80.6	75.8	94.4	93.6
High:	40.3	41.4	46.0	46.7	42.4	43.3	42.0	56.7	60.7	58.8	65.8	80.5

LEGENDS
23.80 x Dividends p sh
Relative Price Strength
Options: Yes
Shaded area indicates recession

Target Price Range 2028 | 2029 | 2030



% TOT. RETURN 4/28/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	28.2	2.2
3 yr.	34.3	12.5
5 yr.	90.5	137.1

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
19.21	20.70	20.41	19.06	19.26	20.34	19.18	20.09	22.86	22.73	20.34	19.29	21.80	26.89	23.15	24.38	*24.90*	*25.90*	Revenues per sh	*28.55*
4.43	4.51	4.91	5.18	5.27	5.28	5.47	5.69	6.64	6.41	6.33	6.98	7.20	7.34	7.79	8.35	*8.50*	*8.80*	"Cash Flow" per sh	*9.80*
2.32	2.36	2.55	2.67	2.70	2.77	2.84	2.83	3.21	3.00	3.17	3.25	3.42	3.61	3.64	4.06	*4.30*	*4.60*	Earnings per sh A	*5.60*
1.73	1.80	1.87	1.94	2.01	2.08	2.15	2.22	2.30	2.38	2.46	2.54	2.62	2.70	2.78	2.86	*2.96*	*3.05*	Div'd Decl'd per sh B ■	*3.10*
5.70	4.85	5.23	5.54	6.16	6.58	6.22	7.38	7.37	7.74	7.17	7.04	6.83	7.87	8.88	8.84	*8.75*	*8.70*	Cap'l Spending per sh	*8.50*
18.15	19.21	20.32	21.09	21.43	21.98	22.59	25.00	23.98	23.92	26.11	26.48	26.30	27.93	28.82	29.85	*31.75*	*31.90*	Book Value per sh C	*32.25*
819.65	843.34	865.13	867.77	887.09	907.78	911.72	990.39	1007.6	1033.8	1053.3	1056.5	1060.0	1089.0	1091.0	1096.0	*1105.0*	*1110.0*	Common Shs Outst'g D	*1120.0*
13.5	14.9	15.8	17.0	16.2	16.0	15.8	17.8	15.5	15.1	17.6	17.9	18.4	19.6	19.1	19.6	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.5*
.90	.95	.99	1.08	.91	.84	.80	.93	.78	.82	.94	.92	1.00	1.14	1.06	1.09			Relative P/E Ratio	*.90*
5.5%	5.1%	4.6%	4.3%	4.6%	4.7%	4.8%	4.4%	4.6%	5.3%	4.4%	4.4%	4.2%	4.1%	4.1%	3.4%			Avg Ann'l Div'd Yield	*3.6%*
17489	19896	23031	23495	21419	20375	23113	29279	25253	26724	*27500*	*28750*	Revenues ($mill)	*32000*
2647.0	2757.0	3269.0	3096.0	3354.0	3481.0	3670.0	3931.3	3976.0	4401.0	*4710*	*5035*	Net Profit ($mill)	*6270*
33.4%	28.5%	25.2%	21.3%	15.9%	14.3%	16.3%	18.9%	11.4%	14.5%	*15.0%*	*15.0%*	Income Tax Rate	*15.0%*
13.2%	11.9%	7.6%	6.8%	6.0%	6.6%	7.7%	8.0%	7.9%	8.0%	*8.0%*	*8.0%*	AFUDC % to Net Profit	*6.0%*
52.8%	61.5%	64.5%	62.0%	60.1%	61.5%	64.0%	63.0%	65.6%	64.4%	*64.0%*	*64.0%*	Long-Term Debt Ratio	*63.0%*
44.0%	35.7%	35.0%	37.6%	39.5%	38.1%	35.6%	36.5%	37.6%	36.8%	*36.0%*	*36.0%*	Common Equity Ratio	*37.0%*
46788	69359	68953	65750	69594	73336	78285	80558	83654	84373	*87500*	*90000*	Total Capital ($mill)	*93500*
61114	78446	79872	80797	83080	87634	91108	94570	99844	100028	*100500*	*100800*	Net Plant ($mill)	*110000*
6.6%	4.9%	5.9%	5.9%	6.0%	5.9%	5.8%	5.5%	4.6%	4.8%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.5%*
12.0%	10.3%	13.3%	12.4%	12.1%	12.3%	13.0%	12.5%	12.6%	12.9%	*13.0%*	*13.0%*	Return on Shr. Equity	*14.5%*
12.6%	11.0%	13.4%	12.5%	12.1%	12.4%	13.1%	12.5%	12.6%	12.9%	*13.0%*	*13.0%*	Return on Com Equity E	*14.5%*
3.1%	2.5%	3.9%	2.6%	2.8%	2.8%	3.1%	3.0%	3.2%	3.4%	*3.5%*	*3.5%*	Retained to Com Eq	*5.0%*
76%	78%	72%	79%	77%	78%	76%	78%	77%	77%	*77%*	*77%*	All Div'ds to Net Prof	*67%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $63486 mill. **Due in 5 Yrs** $15427 mill.
LT Debt $58768 mill. **LT Interest** $1754 mill.
Incl. $215 mill. finance leases.
(LT interest earned: 3.3x)
Leases, Uncapitalized Annual rentals $307 mill.
Pension Assets-12/23 $14218 mill.
Oblig $16382 mill.
Pfd Stock $242 mill. **Pfd Div'd** $15 mill.
Incl. 10 mill. shs. 5.83% cum. pfd. ($25 stated value); 475,115 shs. 4.2%-5.44% cum. pfd. ($100 par).
Common Stock 1,096,802,197 shs.
MARKET CAP: $99.5 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+2.0	NA	NA
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Yearend (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.5	NA	NA
Fixed Charge Cov. (%)	275	NA	NA

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	- -	.5%	*6.0%*
"Cash Flow"	4.0%	4.5%	*5.0%*
Earnings	3.0%	3.0%	*6.5%*
Dividends	3.5%	3.5%	*3.5%*
Book Value	3.0%	2.5%	*3.5%*

QUARTERLY REVENUES (mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	6648	7206	8378	7047	29279
2023	6480	5748	6980	6045	25253
2024	6646	6463	7274	6341	26724
2025	*7100*	*6500*	*7400*	*6500*	*27500*
2026	*7350*	*6800*	*7700*	*6900*	*28750*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.97	1.07	1.31	.26	3.61
2023	.79	.79	1.42	.64	3.64
2024	1.03	1.10	1.43	.50	4.06
2025	*1.20*	*1.10*	*1.45*	*.55*	*4.30*
2026	*1.15*	*1.20*	*1.55*	*.70*	*4.60*

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.64	.66	.66	.66	2.62
2022	.66	.68	.68	.68	2.70
2023	.68	.70	.70	.70	2.78
2024	.70	.72	.72	.72	2.86
2025	.72	.74			

BUSINESS: The Southern Company, through its subsidiaries, supplies electricity to 4.4 mill. customers in GA, AL, and MS. Also has a competitive generation business. Acq'd AGL Resources (renamed Southern Company Gas, 4.4 mill. customers in GA, NJ, IL, VA, & TN) 7/16. Sold Gulf Power 1/19. Electric revenue breakdown: residential, 43%; commercial, 35%; industrial, 21%; other, 1%. Generating sources: gas, 51%; coal, 19%; nuclear, 10%; other, 11%; purchased, 9%. Fuel costs: 26% of revenues. '24 reported deprec. rates (utility): 2.7%-3.4%. Has 27,300 employees. President and CEO: Chris Womack. Incorporated.: Delaware. Address: 30 Ivan Allen Jr. Blvd., N.W., Atlanta, Georgia 30308. Telephone: 404-506-0747. Internet: www.southerncompany.com.

We look for Southern Company's earnings to advance nicely in 2025 and 2026. The company was slated to report first-quarter earnings results shortly after this report went to press. Southern closed out 2024 on a strong note and should continue to benefit from rate relief and volume growth. Growing demand from data centers and population surges have driven electricity consumption to record highs. Accordingly, Southern raised its capital spending plan by 30%, to $63 billion through 2030, to meet the elevated jump in electricity demand. Our 2025 estimate, which remains unchanged, is at the high point of management's updated target of $4.20-$4.30 per share, reflecting 6% growth from last year's midpoint target. Long-term profit growth guidance remains at 5%-7%, but management has indicated the potential to reach the high end of that range. We have introduced our 2026 top- and bottom-line estimates of $28.75 billion and $4.60 per share, respectively.

Southern Company shares have performed strongly alongside recent broader market pressure. The stock price is up nearly 10% since the start of 2025 and has risen about 5% over the past three months. Utilities have recently served as a safe haven, outperforming the broader market, and Southern is performing better than almost all of its peers. This is a testament to its regional electricity volume growth, financial strength, safety, and consistent dividend payout.

The Board of Directors remains committed to boosting shareholder value. Indeed, the utility recently announced its 24th consecutive annual dividend increase. Southern declared a 3% quarterly dividend increase to $0.74 per share. The stock now carries a dividend yield of 3.3%.

Investors may want to take a closer look at these shares, especially given the current challenging macroeconomic environment. Southern offers strong defensive qualities, including fixed returns, a top-notch Price Stability score, an above-average (2) Safety rank, and a well-supported dividend payout. On the other hand, the recent quotation is already well within the 3- to 5-year Target Price Range.

Zachary Hodgkinson *May 9, 2025*

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	65
Earnings Predictability	90

(A) Diluted EPS. Excl. nonrec. gain (losses): '09, (25¢); '13, (83¢); '14, (59¢); '15, (25¢); '16, (28¢); '17, ($2.37); '18, (78¢); '19, $1.30; '20, (17¢); '21, (54¢). Next earnings report due in Aug. **(B)** Div'ds paid in early Mar., June, Sept., and Dec. ■ Div'd reinvestment plan avail. **(C)** Incl. def'd charges. In '23: $17.35/sh. **(D)** In mill. **(E)** Rate base: AL, MS, fair value; FL, GA, orig. cost. Allowed return on common eq. (blended): 12.5%; earned on avg. com. eq., '21: 12.8%. Regulatory Climate: GA, AL Above Average; MS, FL Average.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

SEMPRA ENERGY NYSE-SRE

RECENT PRICE 63.91 | P/E RATIO 13.0 (Trailing: 13.8 Median: 19.0) | RELATIVE P/E RATIO 0.82 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 3 Raised 4/4/25
SAFETY 2 Raised 7/29/16
TECHNICAL 3 Lowered 3/21/25
BETA .90 (1.00 = Market)

18-Month Target Price Range

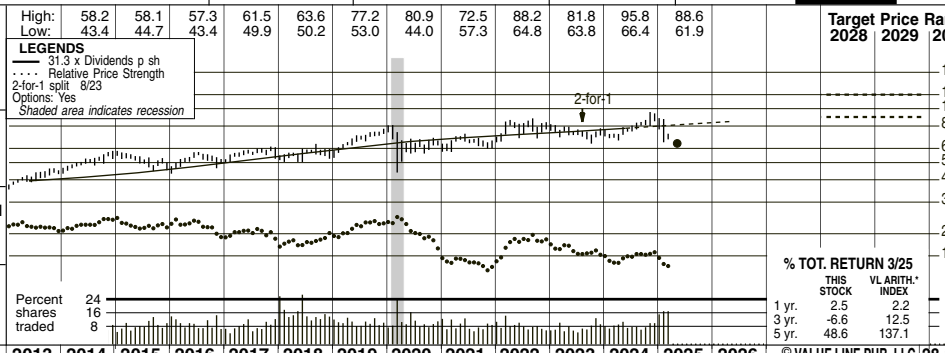
Low-High	Midpoint (% to Mid)
$59-$116	$88 (35%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	120	(+90%)	*20%*
Low	90	(+40%)	*12%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	504	571	636
to Sell	446	390	453
Hld's(000)	570332	627119	653468



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
16.44	18.72	20.91	19.90	21.59	22.40	20.60	20.35	22.29	21.34	18.56	19.71	20.28	22.97	26.48	20.27	*23.00*	*24.45*	Revenues per sh	*29.30*
3.97	3.88	4.29	4.46	4.43	4.70	5.16	4.75	5.29	5.53	5.57	6.61	7.09	7.85	8.15	8.31	*8.35*	*9.10*	"Cash Flow" per sh	*10.75*
2.39	2.01	2.24	2.18	2.11	2.32	2.62	2.12	2.32	2.74	2.99	3.69	4.22	4.61	4.61	4.65	*4.55*	*5.05*	Earnings per sh A	*6.30*
.78	.78	.96	1.20	1.26	1.32	1.40	1.51	1.65	1.79	1.94	2.09	2.20	2.29	2.38	2.48	*2.60*	*2.72*	Div'd Decl'd per sh B ■	*3.28*
3.88	4.29	5.93	6.10	5.26	6.34	6.36	8.42	7.86	6.91	6.36	8.10	7.91	8.52	13.30	13.99	*14.25*	*14.50*	Cap'l Spending per sh	*15.50*
18.27	18.77	20.50	21.21	22.51	22.99	23.78	25.89	25.20	27.18	30.29	35.06	39.59	41.72	44.00	46.62	*47.65*	*50.00*	Book Value per sh C	*59.50*
493.02	480.89	479.87	484.74	488.92	492.66	496.60	500.31	502.72	547.54	583.43	576.94	633.84	628.67	631.43	650.63	*652.50*	*655.00*	Common Shs Outst'g D	*665.00*
10.1	12.6	11.8	14.9	19.7	21.9	19.7	24.4	24.3	20.4	22.5	17.5	15.4	16.8	16.1	16.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.5*
.67	.80	.74	.95	1.11	1.15	.99	1.28	1.22	1.10	1.20	.90	.83	.97	.90	.89			Relative P/E Ratio	*.90*
3.2%	3.1%	3.6%	3.7%	3.0%	2.6%	2.7%	2.9%	2.9%	3.2%	2.9%	3.2%	3.4%	3.0%	3.2%	3.2%			Avg Ann'l Div'd Yield	*3.2%*
10231	10183	11207	11687	10829	11370	12857	14439	16720	13185	*15000*	*16000*	Revenues ($mill)	*19500*
1314.0	1065.0	1169.0	1607.0	1825.0	2316.0	2701.0	2960.0	2965.0	3014.0	*3015*	*3355*	Net Profit ($mill)	*4250*
19.2%	14.4%	24.5%	20.1%	17.9%	18.0%	25.5%	20.1%	3.4%	12.6%	*16.0%*	*16.0%*	Income Tax Rate	*18.0%*
15.3%	22.2%	21.9%	12.6%	10.0%	8.7%	8.0%	8.6%	15.1%	20.9%	*15.0%*	*15.0%*	AFUDC % to Net Profit	*15.0%*
52.6%	52.7%	56.4%	55.7%	51.0%	48.2%	44.8%	47.5%	49.2%	50.3%	*50.0%*	*52.5%*	Long-Term Debt Ratio	*54.0%*
47.3%	47.3%	43.5%	38.4%	43.4%	44.8%	53.3%	50.7%	49.2%	48.3%	*48.5%*	*46.5%*	Common Equity Ratio	*45.0%*
24963	27400	29135	38769	40734	45174	47069	51683	56454	62800	*65350*	*68400*	Total Capital ($mill)	*95000*
28039	32931	36503	36796	36452	40003	43894	47782	54960	61437	*68000*	*74800*	Net Plant ($mill)	*97000*
6.4%	5.0%	5.1%	5.1%	5.5%	6.1%	6.6%	6.8%	6.4%	5.6%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.0%*
11.1%	8.2%	9.2%	9.4%	9.1%	9.9%	10.4%	10.9%	10.3%	9.6%	*9.5%*	*10.0%*	Return on Shr. Equity	*10.5%*
11.1%	8.2%	9.2%	10.0%	9.5%	10.6%	10.5%	11.1%	10.5%	9.8%	*9.5%*	*10.0%*	Return on Com Equity E	*10.5%*
5.8%	2.9%	3.3%	4.1%	3.9%	4.8%	5.2%	5.7%	5.2%	4.8%	*5.0%*	*5.0%*	Retained to Com Eq	*5.0%*
48%	65%	65%	62%	62%	58%	52%	50%	52%	51%	*57%*	*54%*	All Div'ds to Net Prof	*52%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $35848 mill. **Due in 5 Yrs** $9027 mill.
LT Debt $31558 mill. **LT Interest** $1050 mill.
Incl. $1250 mill. finance leases.
(Total Interest Coverage: 2.2x)

Leases, Uncapitalized Annual rentals $335 mill.
Pension Assets-12/24 $2935 mill.
Oblig. $3139 mill.
Pfd Stock $909 mill. **Pfd Div'd** $44 mill.

Common Stock 651,457,249 shs.
as of 2/19/25
MARKET CAP: $41.6 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (kWh)	+2.8	-4.8	-.9
Avg. Indust. Use (MWh)	NA	NA	NA
Avg. Indust. Revs. per kWh (¢)	NA	NA	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)	+.5	+.9	+.8
Fixed Charge Cov. (%)	232	194	174

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	1.0%	2.5%	*4.0%*
"Cash Flow"	6.0%	8.0%	*5.0%*
Earnings	7.5%	11.5%	*5.5%*
Dividends	6.5%	6.0%	*5.5%*
Book Value	7.0%	10.0%	*5.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	3820	3547	3617	3455	14439
2023	6560	3335	3334	3491	16720
2024	3640	3011	2776	3758	13185
2025	*4000*	*3350*	*3450*	*4200*	*15000*
2026	*4275*	*3575*	*3700*	*4450*	*16000*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.46	.99	.99	1.18	4.61
2023	1.46	.94	1.08	1.13	4.61
2024	1.34	.89	.89	1.50	4.65
2025	*1.35*	*.95*	*1.10*	*1.15*	*4.55*
2026	*1.45*	*1.05*	*1.25*	*1.30*	*5.05*

QUARTERLY DIVIDENDS PAID B

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.523	.55	.55	.55	2.17
2022	.55	.573	.573	.573	2.27
2023	.573	.595	.595	.595	2.36
2024	.595	.62	.62	.62	2.46
2025	.62	.65			

BUSINESS: Sempra Energy is a holding company for San Diego Gas & Electric (SDG&E), which sells electricity & gas mainly in San Diego County, and Southern California Gas (SoCalGas), which distributes gas to most of Southern CA. Owns 80% of Oncor (acquired 3/18), which distributes electricity in TX. Serves nearly 40 mill. consumers, mainly in CA, TX, and Mexico. Elctrc. rev. breakdown: N/A. Purchases about 3/4ths of its power; rest is mainly gas. Sempra Infrastrucure (SI) subsidiary is active in LNG exportation and other energy endeavors. Sold S.A. utilities in '20. Power costs: 25% of revenue. '24 reported deprec. rates: 2.6%-7.1%. Employs 20,000. Chr., Pres. & CEO: Jeffrey W. Martin. Inc.: CA. Addr.: 488 8th Ave., San Diego, CA 92101. Tel.: 619-696-2000. Int: www.sempra.com.

Sempra Energy stock has been weak of late. The shares have lost their luster after management cut its 2025 earnings-per-share expectation to $4.30-$4.70, from $4.90-5.25. The company did not get as much rate relief from regulators in a December decision as it was counting on. Management also cited inflationary pressures and a higher cost of capital as headwinds. Leadership now believes 7%-9% share-earnings growth through late decade is feasible given a revamped and more ambitious capital plan it's working on. To help fund investments, the company is considering the sale of some assets in Mexico and a minority interest in the Sempra Infrastructure subsidiary. We think 7%-9% profit growth is achievable from this year's reduced target as a base level. Sempra's Texas subsidiary, Oncor, benefits from very good demographic trends and a healthy local economy. Those two factors are driving high load growth. Utility investment, which receives a 9.7% regulated return on equity (ROE), is slated to expand at an 11% clip annually through late decade. The California service area has solid long-term prospects, as well.

Sempra isn't immune to wildfire risk. The California Wildfire Fund of 2019 is typically fully funded with $21 billion to back up major state utilities from suffering more than a $1 billion loss per incident. This year's tragic losses in Los Angeles County could severely deplete the fund. It has not been stress tested to this level before, and it's worth considering what would happen if another major fire were to take place before the fund is replenished. Sempra's service areas in both Orange and San Diego Counties are less susceptible to major fires suffered in the territories of Edison International and PG&E Corp., but there's still a significant financial vulnerability at the present time. When the shares of the two aforementioned California utilities were trading sharply lower during the January wildfires, Sempra stock was dropping in sympathy, though not as much in percentage terms. Most of the recent selloff came with the news that the company was lowering near-term profit targets. Though the shares look attractive presently, investors need to consider the wildfire risk.

Anthony J. Glennon *April 18, 2025*

(A) Diluted egs. Excl. nonrec. gains/(losses): '09, (13¢); '10, (52¢); '11, 58¢; '12, (44¢); '13, (11¢); '15, 7¢; '16, 61¢; '17, ($1.81); '18, ($1.03); '19, 8¢; '20, (40¢); '21, ($2.21); '22, ($1.30); '23, 18¢; '24, 26¢. Disc. ops.: '19, 58¢; '20, $3.15. Qtly. EPS may not sum due to round'g. Egs. report due early May. **(B)** Div'ds paid Jan., Apr., July, Oct. ■ Div. reinv. avail. **(C)** Incl. intang. In '24: $8.55/sh. **(D)** In mill., adj. for 8/23 stk. split. **(E)** Rate allowed on com. eq.: SDG&E '22: 9.95%; SoCalGas '22: 9.8%; Oncor '23: 9.7%. Reg. Climate: Average.

Company's Financial Strength	B++
Stock's Price Stability	45
Price Growth Persistence	45
Earnings Predictability	95

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

TXNM ENERGY NYSE-TXNM

RECENT PRICE 49.78 | P/E RATIO 17.8 (Trailing: 18.2 Median: 19.0) | RELATIVE P/E RATIO 1.13 | DIV'D YLD 3.3% | VALUE LINE

TIMELINESS 3 Raised 3/14/25
SAFETY 2 Raised 1/17/25
TECHNICAL 2 Raised 4/18/25
BETA .70 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$38-$62	$50 (0%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+40%)	*12%*
Low	50	(Nil)	*4%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	156	153	157
to Sell	127	141	138
Hld's(000)	87863	101664	112542

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	31.6	31.2	36.2	46.0	45.3	53.0	56.1	50.1	49.3	49.6	50.3	55.5								
Low:	23.5	24.4	29.2	33.3	33.8	39.7	27.1	43.8	43.4	41.4	34.6	45.7								
	19.01	19.31	21.35	16.85	17.42	18.03	18.07	17.11	18.14	18.04	18.30	17.74	20.74	26.21	21.50	21.79	*22.85*	*24.20*	Revenues per sh	*28.40*
	2.32	2.67	3.18	3.39	3.52	4.09	4.28	4.51	5.30	5.47	5.95	5.80	6.19	6.67	6.62	7.00	*7.25*	*7.50*	"Cash Flow" per sh	*8.65*
	.58	.87	1.08	1.31	1.41	1.45	1.48	1.46	1.92	2.00	2.16	2.28	2.45	2.69	2.82	2.74	*2.80*	*3.00*	Earnings per sh [A]	*3.65*
	.50	.50	.50	.58	.68	.76	.82	.90	.99	1.09	1.18	1.25	1.33	1.41	1.49	1.57	*1.65*	*1.73*	Div'd Decl'd per sh [B] ■	*2.00*
	3.32	3.25	4.10	3.88	4.37	5.78	7.01	7.53	6.28	6.29	7.74	7.91	10.89	10.63	11.93	13.79	*13.85*	*14.25*	Cap'l Spending per sh	*15.50*
	18.90	17.60	19.62	20.05	20.87	22.39	20.78	21.04	21.28	21.20	21.08	23.88	25.25	25.54	26.04	28.56	*28.80*	*29.25*	Book Value per sh [C]	*33.00*
	86.67	86.67	79.65	79.65	79.65	79.65	79.65	79.65	79.65	79.65	79.65	85.83	85.83	85.83	90.20	90.43	*92.00*	*93.00*	Common Shs Outst'g [D]	*95.00*
	18.1	14.0	14.5	15.0	16.1	18.7	18.7	22.4	20.4	19.4	22.2	19.6	19.9	17.4	16.3	14.7	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*16.5*
	1.21	.89	.91	.95	.90	.98	.94	1.18	1.03	1.05	1.18	1.01	1.08	1.01	.91	.81			Relative P/E Ratio	*.90*
	4.8%	4.1%	3.2%	3.0%	3.0%	2.8%	3.0%	2.8%	2.5%	2.8%	2.5%	2.8%	2.7%	3.0%	3.2%	3.9%			Avg Ann'l Div'd Yield	*3.5%*
	1439.1	1363.0	1445.0	1436.6	1457.6	1523.0	1779.9	2249.6	1939.2	1971.2	*2100*	*2250*	Revenues ($mill)	*2700*
	118.8	117.4	154.4	160.6	173.1	183.4	211.6	232.0	243.5	247.8	*260*	*280*	Net Profit ($mill)	*345*
	36.9%	32.4%	33.0%	12.9%	8.1%	9.5%	13.4%	14.6%	13.6%	7.7%	*13.5%*	*13.5%*	Income Tax Rate	*15.0%*
	17.0%	11.0%	11.9%	12.1%	9.8%	8.9%	8.6%	9.0%	12.3%	12.4%	*12.5%*	*12.5%*	AFUDC % to Net Profit	*13.0%*
	54.1%	55.7%	56.1%	61.1%	59.8%	56.9%	61.8%	63.9%	64.2%	63.0%	*65.0%*	*66.0%*	Long-Term Debt Ratio	*67.5%*
	45.5%	44.0%	43.6%	38.6%	39.9%	42.9%	38.0%	36.0%	35.6%	37.0%	*35.0%*	*34.0%*	Common Equity Ratio	*32.5%*
	3633.3	3806.8	3887.5	4370.0	4207.7	4780.6	5698.6	6096.1	6602.3	6848.1	*7200*	*7800*	Total Capital ($mill)	*10400*
	4535.4	4904.7	4980.2	5234.6	5466.0	5965.1	6752.9	6972.8	7609.9	8437.0	*9250*	*10000*	Net Plant ($mill)	*12500*
	4.8%	4.7%	5.3%	5.0%	5.5%	4.9%	4.6%	4.9%	5.0%	3.6%	*3.5%*	*3.5%*	Return on Total Cap'l	*3.5%*
	7.1%	7.0%	9.0%	9.4%	10.2%	8.9%	9.7%	10.5%	10.3%	9.8%	*10.0%*	*10.0%*	Return on Shr. Equity	*10.0%*
	7.1%	7.0%	9.1%	9.5%	10.3%	8.9%	9.7%	10.6%	10.4%	9.9%	*10.0%*	*10.0%*	Return on Com Equity [E]	*10.0%*
	3.3%	2.8%	4.5%	4.5%	4.8%	4.1%	4.6%	5.1%	5.0%	4.3%	*4.0%*	*4.0%*	Retained to Com Eq	*4.5%*
	54%	61%	51%	53%	54%	54%	53%	52%	52%	57%	*57%*	*57%*	All Div'ds to Net Prof	*55%*

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

Target Price Range 2028 | 2029 | 2030
128 96 80 64 48 40 32 24 16 12

Percent shares traded 24 16 8

% TOT. RETURN 3/25

	THIS STOCK	VL ARITH.* INDEX
1 yr.	47.5	2.2
3 yr.	24.2	12.5
5 yr.	64.6	137.1

CAPITAL STRUCTURE as of 12/31/24
Total Debt $4923.3 mill. **Due in 5 Yrs** $2177.6 mill.
LT Debt $4311.7 mill. **LT Interest** $228.1 mill.
(Total Interest Coverage: 1.3x)

Leases, Uncapitalized Annual rentals $16.5 mill.
Pension Assets-12/24 $449.0 mill.
Oblig. $458.8 mill.
Pfd Stock $11.5 mill. **Pfd Div'd** $.5 mill.
Common Stock 92,659,335 shs.
as of 2/14/25
MARKET CAP: $4.6 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	5.2	1.0	2.1
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)	2139	2162	2185
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	1.0	1.0	1.0
Fixed Charge Cov. (%)	289	230	223

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	3.0%	5.5%	*3.0%*
"Cash Flow"	6.0%	3.5%	*4.0%*
Earnings	7.0%	6.5%	*4.5%*
Dividends	8.0%	6.0%	*5.0%*
Book Value	2.0%	4.0%	*3.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	444.1	499.7	729.9	575.9	2249.6
2023	544.1	477.2	505.9	412.0	1939.2
2024	436.9	488.1	569.3	476.9	1971.2
2025	*475*	*510*	*590*	*525*	*2100*
2026	*500*	*540*	*650*	*560*	*2250*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.50	.57	1.46	.15	2.69
2023	.55	.55	1.54	.18	2.82
2024	.41	.60	1.43	.30	2.74
2025	*.43*	*.63*	*1.50*	*.24*	*2.80*
2026	*.46*	*.67*	*1.60*	*.27*	*3.00*

QUARTERLY DIVIDENDS PAID [B] ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.3275	.3275	.3275	.3275	1.31
2022	.3475	.3475	.3475	.3475	1.39
2023	.3675	.3675	.3675	.3675	1.47
2024	.3875	.3875	.3875	.3875	1.55
2025	.4075				

BUSINESS: TXNM Energy, Inc. (formerly PNM Resources) is a holding company with two regulated electric utilities. Public Service Company of New Mexico (PNM) serves about 550,000 customers in north central New Mexico, including Albuquerque and Santa Fe. Texas-New Mexico Power Company (TNMP) transmits and distributes power to more than 270,000 homes and businesses in Texas. Electric revenue: residential, 26%; commercial, 28%; indust'l, 16%; other, 30%. Fuel costs: 32% of revenues in 2024; reported depreciation rates: 2.67%-7.64%. Has about 1,600 employees. Chairman and CEO: Patricia K. Collawn. Incorporated: New Mexico. Address: 414 Silver Ave. SW, Albuquerque, New Mexico 87102-3289. Telephone: 505-241-2700. Internet: www.txnmenergy.com.

TXNM Energy should achieve modest earnings gains in 2025. Following a year in which the company registered earnings per share of $2.74 while approaching the high end of internal expectations, leadership provided an initial EPS projection ranging between $2.74 and $2.84 for the current year. The holding company's Lewisville, Texas-based TNMP subsidiary is driving growth while continuing to set system peak records, including another in December that allowed it to finish the year with an 18% increase over the 2023 peak. Last year's rebrand from PNM Resources to TXNM Energy reflects an increasing emphasis on the wholly-owned TNMP subsidiary, which now accounts for over 40% of the total rate base while serving as an exclusive provider of electric transmission and distribution services to small- and medium-sized communities within Texas. Given that the rates TNMP charges customers are subject to traditional rate regulation by the Public Utility Commission of Texas (PUCT), TNMP scored a noteworthy regulatory victory on March 25th when it received PUCT approval on its recent Transmission Cost of Service (TCOS) application, thereby securing an $11.5 million annual rate increase and recovering $83.5 million of incremental transmission rate base.

Leadership has increased its five-year capital investment forecast to $7.8 billion. This represents an increase of $1.6 billion over the previous forecast, with the bulk of that increase to be allocated to TNMP, which is now projected to achieve 17% compound annual growth in average annual rate base through the end of the decade. Approximately 44% of the $1.6 billion incremental increase in capital investment is likely to be financed through equity and equity-linked securities. Meanwhile, leadership is now targeting 7%-9% annual earnings growth out to 2029 (previously 6%-7% out to 2028), using the $2.79 per share midpoint of its initial 2025 projected range as a baseline.

Neutrally ranked (3) for Timeliness, TXNM Energy stock has risen approximately 40% over the past nine months. As such, total return potential at the current quotation is limited and investors may wish to wait for a pullback.

Steven Brachman *April 18, 2025*

(A) Dil. EPS. Excl. nonrec. gain/(loss): '10, ($1.36); '11, 88¢; '13, (16¢); '15, ($1.28); '17, (92¢); '18, (93¢); '19, ($1.19); '20, (13¢); '21, (18¢); '22, (72¢); '23, ($1.80). Excl. disc. op. gains: '09, 78¢. Next egs. report due late April. **(B)** Div'ds paid mid-Feb., May, Aug., & Nov. ■ Div'd reinv. plan avail. **(C)** Incl. def. charges/other intang. In '24: $16.95/sh. **(D)** In mill. **(E)** Rate base: net orig. cost. Rate allowed on com. eq. in NM in '23: 9.26%; in TX in '18: 9.65%; Regulatory Climate: NM, Below Average.; TX, Average.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	45
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

WEC ENERGY GROUP NYSE-WEC

RECENT PRICE 104.88 | P/E RATIO 19.0 (Trailing: 21.4 Median: 21.0) | RELATIVE P/E RATIO 1.06 | DIV'D YLD 3.4% | VALUE LINE

TIMELINESS 4 Lowered 11/29/24
SAFETY 1 Raised 3/23/12
TECHNICAL 3 Lowered 2/21/25
BETA .90 (1.00 = Market)

18-Month Target Price Range

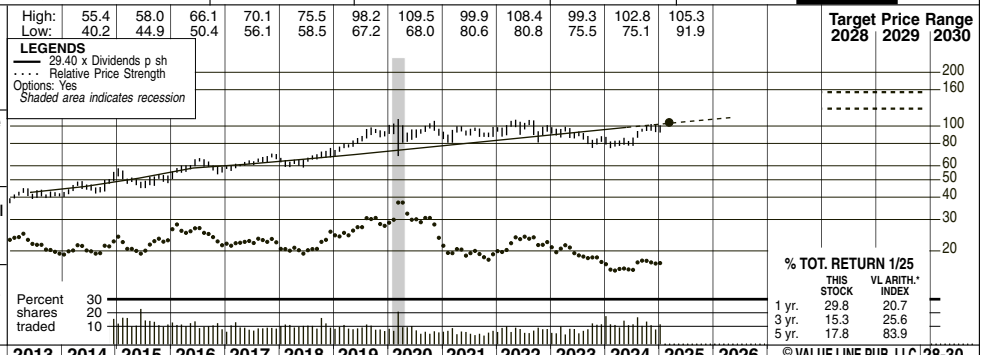
Low-High	Midpoint (% to Mid)
$76-$119	$98 (-5%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	155	(+50%)	*13%*
Low	125	(+20%)	*8%*

Institutional Decisions

	1Q2024	2Q2024	3Q2024
to Buy	450	531	569
to Sell	459	395	418
Hld's(000)	250382	246692	308504



2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
17.65	17.98	19.46	18.54	20.00	22.16	18.77	23.68	24.24	24.34	23.85	22.96	26.36	30.43	28.19	27.07	*30.30*	*31.70*	Revenues per sh	*38.05*
3.11	3.30	3.68	4.01	4.33	4.47	3.87	5.39	5.69	6.04	6.53	6.90	7.53	8.01	8.64	9.33	*10.15*	*10.65*	"Cash Flow" per sh	*12.45*
1.60	1.92	2.18	2.35	2.51	2.59	2.34	2.96	3.14	3.34	3.58	3.79	4.11	4.46	4.63	4.89	*5.25*	*5.60*	Earnings per sh A	*6.90*
.68	.80	1.04	1.20	1.45	1.56	1.74	1.98	2.08	2.21	2.36	2.53	2.71	2.91	3.12	3.34	*3.57*	*3.81*	Div'd Decl'd per sh B ■	*4.59*
3.50	3.41	3.60	3.09	3.04	3.26	4.01	4.51	6.21	6.71	7.17	7.10	7.14	7.34	9.14	9.22	*9.30*	*9.30*	Cap'l Spending per sh	*9.25*
15.26	16.26	17.20	18.05	18.73	19.60	27.42	28.29	29.98	31.02	32.06	33.19	34.60	36.76	37.25	39.11	*40.70*	*42.50*	Book Value per sh C	*46.75*
233.82	233.77	230.49	229.04	225.96	225.52	315.68	315.62	315.57	315.52	315.43	315.43	315.43	315.43	315.43	317.68	*315.43*	*315.43*	Common Shs Outst'g D	*315.43*
13.3	14.0	14.2	15.8	16.5	17.7	21.3	19.9	20.0	19.6	23.5	24.9	22.3	21.9	19.1	17.8	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*20.5*
.89	.89	.89	1.01	.93	.93	1.07	1.04	1.01	1.06	1.25	1.28	1.21	1.27	1.09	.99			Relative P/E Ratio	*1.15*
3.2%	3.0%	3.3%	3.2%	3.5%	3.4%	3.5%	3.4%	3.3%	3.4%	2.8%	2.7%	3.0%	3.4%	3.8%	3.4%			Avg Ann'l Div'd Yield	*3.4%*
5926.1	7472.3	7648.5	7679.5	7523.1	7241.7	8316.0	9597.4	8893.0	8599.9	*9560*	*10005*	Revenues ($mill)	*12000*
640.3	940.2	998.2	1060.5	1134.2	1201.1	1301.5	1406.8	1332.9	1528.4	*1655*	*1765*	Net Profit ($mill)	*2175*
40.4%	37.6%	37.2%	13.8%	9.9%	15.9%	13.4%	18.6%	18.7%	18.9%	*19.0%*	*19.0%*	Income Tax Rate	*19.0%*
4.5%	3.8%	1.6%	2.1%	1.8%	2.4%	1.9%	2.1%	2.1%	2.0%	*2.0%*	*2.0%*	AFUDC % to Net Profit	*2.0%*
51.2%	50.5%	48.0%	50.4%	52.5%	52.8%	55.3%	54.7%	54.7%	54.9%	*55.0%*	*55.0%*	Long-Term Debt Ratio	*55.5%*
48.6%	49.3%	51.9%	49.4%	47.4%	47.1%	44.6%	44.4%	44.1%	44.3%	*44.5%*	*44.5%*	Common Equity Ratio	*44.5%*
17809	18118	18238	19813	21355	22228	24467	25368	26279	27362	*28120*	*28750*	Total Capital ($mill)	*29800*
19190	19916	21347	22001	23620	25707	26982	29114	31582	34645	*32750*	*34250*	Net Plant ($mill)	*35100*
4.5%	6.3%	6.6%	6.5%	6.5%	6.5%	6.3%	6.4%	6.5%	6.5%	*6.5%*	*6.5%*	Return on Total Cap'l	*7.0%*
7.4%	10.5%	10.5%	10.8%	11.2%	11.4%	11.9%	12.0%	12.5%	12.3%	*12.5%*	*12.5%*	Return on Shr. Equity	*13.0%*
7.4%	10.5%	10.5%	10.8%	11.2%	11.5%	11.9%	12.5%	12.5%	12.3%	*12.5%*	*12.5%*	Return on Com Equity E	*13.0%*
2.1%	3.5%	3.6%	3.7%	3.8%	3.8%	4.1%	4.0%	4.5%	4.0%	*4.0%*	*4.0%*	Retained to Com Eq	*4.0%*
71%	67%	66%	66%	66%	67%	66%	65%	68%	68%	*68%*	*68%*	All Div'ds to Net Prof	*64%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $20023.7 mill. **Due in 5 Yrs** $4611 mill.
LT Debt $18907.1 mill. **LT Interest** $452.7 mill.
Incl. $12.1 mill. finance leases.
(LT interest earned: 4.4x)
Leases, Uncapitalized Annual rentals $6.8 mill.
Oblig $3136.6 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 317,752,123 shs.

MARKET CAP: $33.2 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2020	2021	2022
% Change Retail Sales (KWH)	-2.5	-2.6	+3.4
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Lg. C&I Revs. per KWH (¢)	7.25	6.61	7.51
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+.6	+.7	+.2
Fixed Charge Cov. (%)	300	338	357

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '21-'23 to '28-'30
Revenues	3.0%	2.0%	*5.0%*
"Cash Flow"	7.0%	7.5%	*6.5%*
Earnings	6.5%	7.0%	*6.0%*
Dividends	10.0%	6.5%	*7.0%*
Book Value	7.0%	3.5%	*4.0%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	2908	2127	2003	2558	9597.4
2023	2888	1830	1957	2218	8893.0
2024	2680	1772	1864	2284	8599.9
2025	*2750*	*1950*	*2100*	*2760*	*9560*
2026	*2805*	*2050*	*2300*	*2850*	*10005*

EARNINGS PER SHARE A

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	1.79	.91	.96	.80	4.46
2023	1.61	.92	1.00	1.10	4.63
2024	1.97	.67	.82	1.43	4.89
2025	*2.00*	*1.00*	*1.10*	*1.15*	*5.25*
2026	*2.10*	*1.10*	*1.20*	*1.20*	*5.60*

QUARTERLY DIVIDENDS PAID B ■

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.6775	.6775	.6775	.6775	2.71
2022	.7275	.7275	.7275	.7275	2.91
2023	.7800	.7800	.7800	.7800	3.12
2024	.8350	.8350	.8350	.8350	3.34
2025	.8925				

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., 2.9 mill. gas. Acq'd Integrys Energy 6/15. Electric revenue breakdown: residential, 39%; small commercial & industrial, 32%; large commercial & industrial, 21%; other, 8%. Generating sources: coal, 36%; gas, 28%; renewables, 5%; purchased, 31%. Fuel costs: 40% of revenues. '23 reported deprec. rates: 2.4%-3.1%. Has 6,900 employees. Chairman: Gale E. Klappa. President & CEO: Scott J. Lauber. Incorporated.: Wisconsin. Address: 231 W. Michigan St., P.O. Box 1331, Milwaukee, WI 53201. Telephone.: 414-221-2345. Internet: www.wecenergygroup.com.

WEC Energy Group will likely post another year of solid bottom-line growth in 2025. The utility is well-positioned to continue benefiting from elevated electric and gas volumes, rate-based growth, and efficient cost management measures. Along with positive infrastructure and transmission developments, data centers and AI advancements should remain strong throughout this year and beyond. A full year of rate relief in Wisconsin and Michigan will also likely boost earnings moderately in 2025. We estimate that profits will advance 7%, to $5.25 per share. This is near the midpoint of management's updated 2025 target range of $5.17-$5.27 per share and within its long-term EPS growth rate of 6.5%-7%. Notably, the company's early guidance is typically conservative, and management usually ends up raising it as the year progresses.

We are introducing our 2026 bottom-line estimate of $5.60 per share, representing 7% growth. The same factors that should help boost profits in 2025 are expected to remain present next year. Indeed, a number of new rate cases and increased power demand will likely benefit WEC greatly over that period. Additionally, the utility recently announced a $28 billion five-year capital plan, its largest ever, driven by economic growth in Wisconsin. The investment includes $9.1 billion for renewable energy and 4,300 megawatts (MW) of generation capacity, with a heavy focus on the data center build out.

The board of directors raised the quarterly dividend in the first period by 6.9%, to $0.8925 per share. This marks the 22nd consecutive year of dividend hikes. WEC Energy's goal remains a payout ratio of 65%-70%, with dividend growth aligned with EPS growth.

Conservative, income-oriented accounts may want to take a closer look here. The stock, though untimely, is ranked 1 (Highest) for Safety and holds a top notch (100) score for Earnings Predictability. Plus, the dividend yield of this top-quality stock stands above the high-paying industrywide average. After rolling out another year to 2028-2030, we project the shares to trade around $125-$155 and the company to earn about $6.90 per share.

Zachary J. Hodgkinson *March 7, 2025*

(A) Diluted EPS. Excl. gain on discontinued ops.: '11, 6¢; nonrecurring gain: '17, 65¢. Next earnings report due early April. **(B)** Div'ds paid in early Mar., June, Sept. & Dec. ■ Div'd reinvestment plan avail. **(C)** Incl. intang. In '23: $20.05/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%-10.2%; in IL in '21: 9.67%; in MN in '19: 9.7%; in MI in '23: 9.85%; earned on avg. com. eq., '21: 12.2%. Regulatory Climate: WI, Above Average; IL, Below Average; MN & MI, Average.

Company's Financial Strength	A+
Stock's Price Stability	85
Price Growth Persistence	55
Earnings Predictability	100

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

XCEL ENERGY NDQ-XEL

RECENT PRICE 67.06 | P/E RATIO 18.1 (Trailing: 19.2, Median: 20.0) | RELATIVE P/E RATIO 1.15 | DIV'D YLD 3.5% | VALUE LINE

TIMELINESS 4 Lowered 3/21/25
SAFETY 2 Lowered 1/19/24
TECHNICAL 3 Lowered 2/28/25
BETA .75 (1.00 = Market)

18-Month Target Price Range
Low-High Midpoint (% to Mid)
$61-$91 $76 (15%)

2028-30 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	100	(+50%)	*13%*
Low	75	(+10%)	*7%*

Institutional Decisions

	2Q2024	3Q2024	4Q2024
to Buy	467	518	598
to Sell	414	408	372
Hld's(000)	437414	503378	534272



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30
High:	37.6	38.3	45.4	52.2	54.1	66.1	76.4	72.9	77.7	73.0	73.4	73.0								
Low:	27.3	31.8	35.2	40.0	41.5	47.7	46.6	57.2	56.9	53.7	46.8	62.6								
	21.08	21.38	21.90	20.76	21.92	23.11	21.72	21.90	22.46	22.44	21.98	21.45	24.69	27.86	25.60	23.40	*25.85*	*27.35*	Revenues per sh	*31.95*
	3.48	3.51	3.79	4.00	4.10	4.28	4.56	5.04	5.47	5.92	6.25	6.61	7.08	7.81	7.96	8.43	*9.10*	*9.75*	"Cash Flow" per sh	*11.70*
	1.49	1.56	1.72	1.85	1.91	2.03	2.10	2.21	2.30	2.47	2.64	2.79	2.96	3.17	3.35	3.50	*3.80*	*4.05*	Earnings per sh [A]	*5.00*
	.97	1.00	1.03	1.07	1.11	1.20	1.28	1.36	1.44	1.52	1.62	1.72	1.83	1.95	2.08	2.19	*2.28*	*2.42*	Div'd Decl'd per sh [B] ■ †	*3.00*
	3.91	4.60	4.53	5.27	6.82	6.33	7.26	6.42	6.54	7.70	8.05	9.99	7.80	8.44	10.55	12.82	*15.00*	*14.00*	Cap'l Spending per sh	*13.00*
	15.92	16.76	17.44	18.19	19.21	20.20	20.89	21.73	22.56	23.78	25.24	27.12	28.70	30.34	31.74	33.99	*35.80*	*37.70*	Book Value per sh [C]	*43.70*
	457.51	482.33	486.49	487.96	497.97	505.73	507.54	507.22	507.76	514.04	524.54	537.44	544.03	549.58	554.94	574.37	*580.00*	*585.00*	Common Shs Outst'g [D]	*595.00*
	12.7	14.1	14.2	14.8	15.0	15.4	16.5	18.5	20.2	18.9	22.3	23.9	22.5	22.2	19.0	17.0	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	*17.5*
	.85	.90	.89	.94	.84	.81	.83	.97	1.02	1.02	1.19	1.23	1.22	1.28	1.06	.90			Relative P/E Ratio	*.95*
	5.1%	4.5%	4.2%	3.9%	3.9%	3.8%	3.7%	3.3%	3.1%	3.3%	2.7%	2.6%	2.8%	2.8%	3.3%	3.7%			Avg Ann'l Div'd Yield	*3.4%*
	11024	11107	11404	11537	11529	11526	13431	15310	14206	13441	*15000*	*16000*	Revenues ($mill)	*19000*
	1063.6	1123.4	1171.0	1261.0	1372.0	1473.0	1597.0	1736.0	1851.0	1969.0	*2205*	*2360*	Net Profit ($mill)	*2975*
	35.8%	34.1%	30.7%	12.6%	8.5%	- -	- -	- -	- -	- -	*NMF*	*NMF*	Income Tax Rate	*NMF*
	7.7%	7.8%	9.4%	12.4%	8.3%	10.7%	6.2%	5.9%	7.7%	12.2%	*10.0%*	*10.0%*	AFUDC % to Net Profit	*9.0%*
	54.1%	56.3%	55.9%	56.4%	56.8%	57.4%	58.2%	57.8%	58.6%	58.3%	*61.0%*	*61.5%*	Long-Term Debt Ratio	*61.0%*
	45.9%	43.7%	44.1%	43.6%	43.2%	42.6%	41.8%	42.2%	41.4%	41.7%	*39.0%*	*38.5%*	Common Equity Ratio	*39.0%*
	23092	25216	25975	28025	30646	34220	37391	39488	42529	46838	*53000*	*57500*	Total Capital ($mill)	*66500*
	31206	32842	34329	36944	39483	42950	45457	48253	51642	57198	*63400*	*68000*	Net Plant ($mill)	*77800*
	5.8%	5.7%	5.8%	5.7%	5.6%	5.4%	5.3%	5.5%	5.4%	5.5%	*5.5%*	*5.5%*	Return on Total Cap'l	*5.5%*
	10.0%	10.2%	10.2%	10.3%	10.4%	10.1%	10.2%	10.4%	10.5%	10.1%	*10.5%*	*10.5%*	Return on Shr. Equity	*11.0%*
	10.0%	10.2%	10.2%	10.3%	10.4%	10.1%	10.2%	10.4%	10.5%	10.1%	*10.5%*	*10.5%*	Return on Com Equity [E]	*11.0%*
	4.3%	4.0%	3.9%	4.3%	4.4%	4.2%	4.2%	4.3%	4.3%	4.1%	*4.5%*	*4.5%*	Retained to Com Eq	*4.5%*
	57%	61%	62%	58%	58%	58%	59%	58%	59%	60%	*60%*	*60%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 12/31/24
Total Debt $29114 mill. **Due in 5 Yrs** $3741 mill.
LT Debt $27316 mill. **LT Interest** $1182 mill.
Incl. $228 mill. finance leases.
(Total Interest Coverage: 2.6x)

Leases, Uncapitalized Annual rentals $277 mill.
Pension Assets-12/24 $2504 mill.
Oblig. $2752 mill.

Pfd Stock None

Common Stock 574,365,598 shs.

MARKET CAP: $38.5 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2022	2023	2024
% Change Retail Sales (KWH)	+1.2	-1.6	-2.4
Resid'l Revs. per KWH (¢)	13.41	13.80	13.83
C & I Revs. per KWH (¢)	9.02	8.82	8.24
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	20346	20512	20343
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.0	+1.1	+1.2
Fixed Charge Cov. (%)	255	245	194

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '22-'24 to '28-'30
Revenues	1.5%	3.0%	*3.5%*
"Cash Flow"	7.0%	6.5%	*6.5%*
Earnings	5.5%	6.0%	*7.0%*
Dividends	6.5%	6.5%	*6.5%*
Book Value	5.5%	6.0%	*5.5%*

QUARTERLY REVENUES ($ mill.)

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	3751	3424	4082	4053	15310
2023	4080	3022	3662	3442	14206
2024	3649	3028	3644	3120	13441
2025	*3900*	*3300*	*3975*	*3825*	*15000*
2026	*4125*	*3600*	*4225*	*4050*	*16000*

EARNINGS PER SHARE [A]

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2022	.70	.60	1.18	.69	3.17
2023	.76	.52	1.23	.83	3.35
2024	.89	.55	1.25	.81	3.50
2025	*.90*	*.65*	*1.35*	*.90*	*3.80*
2026	*.95*	*.70*	*1.45*	*.95*	*4.05*

QUARTERLY DIVIDENDS PAID [B] ■ †

Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	.43	.4575	.4575	.4575	1.80
2022	.4575	.4875	.4875	.4875	1.92
2023	.4875	.52	.52	.52	2.05
2024	.52	.5475	.5475	.5475	2.16
2025	.5475	.57			

BUSINESS: Xcel Energy Inc. is the parent of: Northern States Power Company (NSP), which supplies electricity to MN, WI, ND, SD & MI & gas to MN, WI, ND & MI; Public Service Company of Colorado (PSCo), which supplies electricity & gas to CO; & Southwestern Public Service Company (SPS), which supplies electricity to TX and NM. Customers: 3.9 mill. electric, 2.2 mill. gas. Electric revenues: resid'l, 32%; comm'l & ind'l, 49%; other, 19%. Purchases 35% of power, owns 65%. Total electric mix: wind, 33%; gas, 33%; coal, 15%, nuclear, 10%, solar/other, 9%. Fuel cost: 35% of revenues. '24 deprec. rate: 3.8%. Employs 11,380. Chrmn., President, and CEO: Robert Frenzel. Inc.: MN. Addr.: 414 Nicollet Mall, Minneapolis, MN 55401. Tel.: 612-330-5500. Int.: www.xcelenergy.com.

Xcel Energy has a track record that few in the electric utility peer group can match. The company has managed to string together 19 consecutive years of rising earnings. The last time Xcel's bottom line failed to eclipse the prior year's tally was 2005. The company has made a habit of delivering results within management's profit target guidance range, with most years exceeding the midpoint. Xcel has an enormous service area encompassing portions of eight large states through its four wholly owned utility subsidiaries. That provides the company with a lot of diversification, excellent scale, and flexibility. If Xcel needs to tighten its belt to deliver financial results that meet expectations, it can typically do so. Last year's $3.50 did come in at the bottom of management's $3.50-$3.60 expectation, but that was due to the impact of fewer overall cooling and heating days than typical. Retail electric volume was down 2.4% in 2024 relative to 2023's level despite a 1.2% increase in Xcel's customer base. This sets up a relatively easy comparison for the 2025 campaign. Management's outlook is for $3.75-$3.85 in share earnings.

The company has plenty of investment opportunities. Leadership believes its five-year capital expenditure plan (base case) will deliver annual rate-base growth in excess of 9%, which should translate to 6%-8% share-earnings gains. Regular readers of our utility reports likely know by now that the rate base is the dollar value of a utility's infrastructure investments (net of accumulated depreciation), upon which it is allowed to earn a specified rate of return set by regulators. Prices set for electricity and natural gas delivery in customers' bills provide the recoupment of capital expenditures plus an economic return on investment. Xcel's main focus of late has been adding to its utility-owned generating capacity. Due to major wildfires in portions of its service areas, stepped up mitigation technology will likely be a more significant source of investment going forward.

This stock is untimely. A Colorado court case related to Xcel's role in the Marshall fire of 2021 will commence this autumn. It may result in some headline risk later this year and a potential buying opportunity.

Anthony J. Glennon *April 18, 2025*

(A) Diluted EPS. Excl. nonrec. gain/(losses): '10, 5¢; '15, (16¢); '17, (5¢); '23, (14¢); '24, (6¢); gain/ (loss) on discontin'd ops.: '09, (1¢); '10, 1¢. Qtly. EPS may not sum to full yr. due to rounding. Next egs. report due Apr. 24th. **(B)** Div'ds typically paid mid-Jan., Apr., July, and Oct. ■ Div'd reinvestment plan available. † Shareholder investment plan available. **(C)** Incl. intangibles. In '24: $3909 mill., $6.81/sh. **(D)** In mill. **(E)** Rate base: Varies. Rate allowed on common equity (blended): 9.6%. Regulatory Climate: Average.

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

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

THE VALUE LINE Investment Survey®

Part 1 Summary & Index

File at the front of the *Ratings & Reports* binder. Last week's *Summary & Index* should be removed.

May 23, 2025

TABLE OF SUMMARY & INDEX CONTENTS

Summary & Index Page Number

Industries, in alphabetical order 1
Stocks, in alphabetical order 2-22
Noteworthy Rank Changes 24

SCREENS

Industries, in order of Timeliness Rank 24
Timely Stocks in Timely Industries 25-26
Timely Stocks (1 & 2 for Performance) 27-29
Conservative Stocks (1 & 2 for Safety) 30-31
Highest Dividend Yielding Stocks 32
Stocks with High 3- to 5-year Price Potential 32
Biggest "Free Flow" Cash Generators 33
Best Performing Stocks last 13 Weeks 33
Worst Performing Stocks last 13 Weeks 33
Widest Discounts from Book Value 34
Stocks with Lowest P/Es 35
Stocks with Highest P/Es 35
Stocks with Highest Annual Total Returns 36
Stocks with Highest 3- to 5-year Dividend Yield 36
High Returns Earned on Total Capital 37
Bargain Basement Stocks 37
Untimely Stocks (5 for Performance) 38
Highest Dividend Yielding Non-utility Stocks 38
Highest Growth Stocks 39

The Median of Estimated **PRICE-EARNINGS RATIOS** of all stocks with earnings

17.9

26 Weeks Ago	Market Low	Market High
18.5	3-23-20 11.0	2-18-25 18.2

The Median of Estimated **DIVIDEND YIELDS** (next 12 months) of all dividend paying stocks

2.3%

26 Weeks Ago	Market Low	Market High
2.0%	3-23-20 3.7%	2-18-25 2.1%

The Median Estimated **THREE-TO-FIVE YEAR PRICE APPRECIATION POTENTIAL** of all stocks in the VL Universe

50%

26 Weeks Ago	Market Low	Market High
40%	3-23-20 145%	2-18-25 45%

The Median Estimated **18-MONTH APPRECIATION POTENTIAL TO TARGET PRICE RANGE** of all stocks in the VL Universe

19%

26 Weeks Ago	Market Low	Market High
14%	3-23-20 72%	2-18-25 16%

ANALYSES OF INDUSTRIES IN ALPHABETICAL ORDER WITH PAGE NUMBER

Numeral in parenthesis after the industry is rank for probable performance (next 12 months).

	PAGE		PAGE		PAGE		PAGE
Advertising (87)	2380	Electrical Equipment (16)	1301	Investment Co. (--)	1212	Recreation (52)	2301
Aerospace/Defense (31)	701	Electric Util. (Central) (60)	901	Investment Co.(Foreign) (--)	413	Reinsurance (9)	2003
Air Transport (44)	301	Electric Utility (East) (88)	129	Machinery (38)	1701	Restaurant (26)	348
Apparel (80)	2101	Electric Utility (West) (63)	2199	Maritime (73)	331	Retail Automotive (20)	2117
Asset Management (51)	2212	Electronics (25)	1323	Medical Services (19)	792	Retail Building Supply (55)	1145
Automotive (36)	101	Engineering & Const (6)	1010	Med Supp Invasive (68)	161	Retail (Hardlines) (4)	2167
Auto Parts (43)	968	Entertainment (27)	2331	Med Supp Non-Invasive (50)	194	Retail (Softlines) (46)	2186
*Bank (65)	601	Entertainment Tech (94)	1994	Metal Fabricating (8)	730	Retail Store (21)	2137
Bank (Regional) (42)	775	Environmental (33)	404	Metals & Mining (Div.) (81)	1577	Retail/Wholesale Food (1)	1943
Beverage (74)	1960	Financial Svcs. (Div.) (17)	2501	*Natural Gas Utility (58)	535	Semiconductor (76)	1351
Biotechnology (90)	830	Food Processing (57)	1901	*Natural Gas (Div.) (84)	523	Semiconductor Equip (78)	1390
Brokers & Exchanges (13)	1777	Furn/Home Furnishings (70)	1156	*Oil/Gas Distribution (64)	578	Shoe (22)	2158
Building Materials (37)	1101	Healthcare Information (47)	820	Oilfield Svcs/Equip. (71)	2404	Steel (23)	739
Cable TV (67)	1002	Heavy Truck & Equip (3)	141	Packaging & Container (12)	1176	Telecom. Equipment (35)	948
Chemical (Basic) (45)	1593	Homebuilding (77)	1133	Paper/Forest Products (82)	1168	Telecom. Services (53)	916
Chemical (Diversified) (92)	2421	Hotel/Gaming (39)	2348	*Petroleum (Integrated) (54)	501	Thrift (32)	1501
*Chemical (Specialty) (72)	545	Household Products (86)	1193	Petroleum (Producing) (28)	2389	Tobacco (10)	1977
Computers/Peripherals (75)	1410	Human Resources (48)	1632	*Pipeline MLPs (49)	591	Toiletries/Cosmetics (93)	994
Computer Software (30)	2544	Industrial Services (5)	373	Power (79)	1222	Trucking (85)	314
Cyber Security (59)	2011	Information Services (41)	420	Precious Metals (7)	1564	Water Utility (61)	1770
Digital Infrastructure (69)	1801	IT Services (14)	2586	Precision Instrument (40)	113	*Wireless Networking (34)	570
Diversified Co. (15)	1745	Insurance (Life) (56)	1554	Public/Private Equity (91)	2429		
Drug (62)	1603	Insurance (Prop/Cas.) (11)	751	Publishing (29)	2373		
E-Commerce (18)	2620	Internet (24)	2601	Railroad (66)	338		
Educational Services (2)	1984	Investment Banking (83)	1791	R.E.I.T. (89)	1510		

*Reviewed in this week's issue.

In three parts: This is Part 1, the Summary & Index. Part 2 is Selection & Opinion. Part 3 is Ratings & Reports. Volume LXXX, No. 42.

Published weekly by VALUE LINE PUBLISHING LLC, 551 Fifth Avenue, New York, NY 10176

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for each subscriber's own, non-commercial, internal use. No part of this publication may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

See back cover for important disclosures.

Index to Stocks

Prices quoted are as of May 12, 2025.
All shares are traded on the New York Stock Exchange except where noted.

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
1242	1702	**AAON, Inc.**	(NDQ)	AAON	**104.63**	3	3	3	1.10	115- 170	(10- 60%)	**45.5**	**0.4**	2.30	.40	**38**	3/31	**.37**	.46	3/31	▲.10	.08	YES
2027	702	AAR Corp.		AIR	**61.22**	4	3	5	1.40	75- 115	(25- 90%)	**32.7**	**NIL**	1.87	NIL	**31**	2/28	**d.25**	.39	3/31	NIL	NIL	YES
	1961	AB InBev ADR		BUD	**65.90**	3	3	3	1.05	85- 130	(30- 95%)	**18.8**	**1.7**	3.50	1.14	**74**	3/31	◆**1.08**	.54	9/30	1.049	NIL	YES
	1746	ABB Ltd. ADR	(NDQ)	ABBNY	**55.29**	3	1	3	1.10	60- 75	(10- 35%)	**22.1**	**1.8**	2.50	1.00	**15**	3/31	**.60**	.49	9/30	.989	NIL	YES
	374	ABM Industries Inc.		ABM	**51.37**	3	3	3	1.15	55- 85	(5- 65%)	**13.6**	**2.1**	3.78	1.06	**5**	1/31	**.87**	.86	6/30	.265	.225	YES
	2502	ACI Worldwide	(NDQ)	ACIW	**48.76**	▼3	3	1	1.15	40- 55	(N- 15%)	**26.4**	**NIL**	1.85	NIL	**17**	3/31	◆**.55**	d.07	3/31	NIL	NIL	YES
	375	ADT Inc.		ADT	**8.41**	1	4	3	1.20	10- 17	(20-100%)	**9.9**	**2.6**	.85	.22	**5**	3/31	**.21**	.16	6/30	.055	.055	YES
	1223	AES Corp.		AES	**11.87**	3	3	3	1.25	20- 30	(70-155%)	**5.8**	**5.9**	2.05	.70	**79**	3/31	**.07**	.60	3/31	▲.176	.173	YES
	142	AGCO Corp.		AGCO	**105.44**	▲2	3	4	1.30	125- 190	(20- 80%)	**23.4**	**1.1**	4.50	1.16	**3**	3/31	**.41**	2.32	6/30	.29	.29	YES
	2332	AMC Networks	(NDQ)	AMCX	**5.85**	–	4	–	1.45	8- 13	(35-120%)	**2.1**	**NIL**	2.85	NIL	**27**	3/31	◆**.57**	1.16	3/31	NIL	NIL	YES
	1633	AMN Healthcare		AMN	**22.63**	▲3	3	3	.80	40- 60	(75-165%)	**17.4**	**NIL**	1.30	NIL	**48**	3/31	◆**d.03**	.45	3/31	NIL	NIL	YES
	2390	APA Corp.	(NDQ)	APA	**17.71**	1	4	3	1.50	30- 50	(70-180%)	**5.2**	**5.6**	3.40	1.00	**28**	3/31	◆**1.06**	.78	3/31	.25	.25	YES
	1011	APi Group Corp.		APG	**45.37**	3	3	3	1.25	50- 80	(10- 75%)	**45.4**	**NIL**	1.00	NIL	**6**	3/31	**.11**	d1.34	3/31	NIL	NIL	YES
	2587	ASGN Inc.		ASGN	**58.26**	4	3	3	1.15	75- 115	(30- 95%)	**14.2**	**NIL**	4.10	NIL	**14**	3/31	**.48**	.81	3/31	NIL	NIL	YES
	1391	ASML Holding N.V.	(NDQ)	ASML	**750.20**	2	3	4	1.30	1000-1500	(35-100%)	**32.0**	**0.9**	23.41	7.00	**78**	3/31	**6.00**	3.22	6/30	1.571	1.873	YES
	917	AST SpaceMobile Inc	(NDQ)	ASTS	**27.16**	5	4	2	1.65	40- 70	(45-160%)	**NMF**	**NIL**	d.71	NIL	**53**	12/31	**d.18**	d.35	3/31	NIL	NIL	YES
	918	AT&T Inc.		T	**27.01**	3	2	1	.75	30- 40	(10- 50%)	**11.5**	**4.1**	2.35	1.11	**53**	3/31	**.51**	.55	6/30	.278	.278	YES
	949	A10 Networks		ATEN	**17.86**	3	3	2	1.05	20- 30	(10- 70%)	**20.8**	**1.3**	.86	.24	**35**	3/31	**.20**	.17	3/31	.06	.06	YES
	1578	ATI Inc.		ATI	**73.40**	3	4	3	1.50	65- 110	(N- 50%)	**25.3**	**NIL**	2.90	NIL	**81**	3/31	**.72**	.48	3/31	NIL	NIL	YES
	1302	AZZ Inc.		AZZ	**93.44**	2	3	3	1.20	110- 160	(20- 70%)	**22.6**	**0.8**	4.13	.72	**16**	2/28	**.67**	.56	6/30	.17	.17	YES
	195	Abbott Labs.		ABT	**131.99**	2	1	2	.70	135- 165	(N- 25%)	**25.6**	**1.8**	5.15	2.36	**50**	3/31	**1.09**	.98	6/30	.59	.55	YES
	1604	AbbVie Inc.		ABBV	**190.07**	3	1	2	.70	205- 250	(10- 30%)	**15.5**	**3.5**	12.25	6.56	**62**	3/31	**2.46**	2.31	6/30	1.64	1.55	YES
	2187	Abercrombie & Fitch		ANF	**78.17**	3	4	3	1.25	95- 160	(20-105%)	**7.1**	**NIL**	11.00	NIL	**46**	1/31	**3.57**	2.97	3/31	NIL	NIL	YES
	414	Aberdeen Australia Fd.	(ASE)	IAF	**4.26**	–	3	–	1.15	5- 8	(15- 90%)	**NMF**	**11.7**	NMF	.50	**–**	4/30	**4.71(q)**	4.63(q)	3/31	▼.12	.12	
	1213	Aberdeen Asia-Pac. Fd.	(ASE)	FAX	**15.57**	–	4	–	.70	11- 19	(N- 20%)	**NMF**	**12.7**	NMF	1.98	**–**	10/31	**17.70(q)**	2.83(q)	3/31	.66	6.599	
	2168	Academy Sports	(NDQ)	ASO	**46.39**	4	3	3	1.20	60- 90	(30- 95%)	**7.7**	**1.1**	6.05	.52	**4**	1/31	**1.96**	2.21	3/31	.11	.09	YES
	792	Acadia Healthcare	(NDQ)	ACHC	**25.84**	5	3	3	1.00	55- 85	(115-230%)	**7.7**	**NIL**	3.35	NIL	**19**	3/31	◆**.09**	.83	3/31	NIL	NIL	YES
	2349	Accel Entertainment		ACEL	**11.68**	3	3	4	.95	15- 25	(30-115%)	**13.0**	**NIL**	.90	NIL	**39**	3/31	◆**.23**	.22	3/31	NIL	NIL	YES
1818	2588	Accenture Plc		ACN	**322.09**	3	1	4	1.05	375- 460	(15- 45%)	**24.9**	**1.8**	12.91	5.92	**14**	2/28	**2.82**	2.77	6/30	1.48	1.29	YES
		Acuity Brands								NAME CHANGED TO ACUITY INC.													
	1303	Acuity Inc.		AYI	**271.39**	3	3	3	1.25	290- 440	(5- 60%)	**18.5**	**0.3**	14.65	.68	**16**	2/28	**2.45**	2.84	6/30	.17	.15	YES
	2302	Acushnet Holdings		GOLF	**71.14**	3	3	3	1.05	70- 100	(N- 40%)	**19.2**	**1.3**	3.70	.94	**52**	3/31	◆**1.62**	1.35	3/31	▲.235	.215	YES
	1214	Adams Divers. Equity Fd		ADX	**19.84**	–	2	–	1.00	18- 25	(N- 25%)	**NMF**	**9.3**	NMF	1.84	**–**	12/31	**22.64(q)**	20.56(q)	6/30	.46	.05	
	196	AdaptHealth Corp.	(NDQ)	AHCO	**9.11**	3	4	3	1.15	13- 20	(45-120%)	**10.1**	**NIL**	.90	NIL	**50**	3/31	◆**d.05**	d.02	3/31	NIL	NIL	YES
	197	Adaptive Biotech.	(NDQ)	ADPT	**9.51**	–	5	–	1.50	6- 11	(N- 15%)	**NMF**	**NIL**	d.90	NIL	**50**	3/31	**d.20**	d.33	3/31	NIL	NIL	YES
	969	Adient plc		ADNT	**15.61**	4	4	4	1.70	18- 30	(15- 90%)	**8.5**	**NIL**	1.83	NIL	**43**	3/31	◆**.69**	.54	3/31	NIL	NIL	YES
1648	2545	Adobe Inc.	(NDQ)	ADBE	**395.94**	1	3	5	1.10	550- 825	(40-110%)	**24.7**	**NIL**	16.00	NIL	**30**	2/28	**4.14**	1.36	3/31	NIL	NIL	YES
	1985	Adtalem Global Educ.		ATGE	**131.89**	1	3	3	1.05	105- 160	(N- 20%)	**20.0**	**NIL**	6.60	NIL	**2**	3/31	◆**1.92**	1.50	3/31	NIL	NIL	YES
	950	ADTRAN Holdings	(NDQ)	ADTN	**8.31**	4	5	2	1.20	12- 20	(45-140%)	**41.6**	**NIL**	.20	NIL	**35**	3/31	◆**.03**	d.02	3/31	NIL	NIL	YES
	2118	Advance Auto Parts		AAP	**33.38**	–	3	–	1.10	75- 110	(125-230%)	**NMF**	**3.0**	d2.65	1.00	**20**	12/31	**d10.20**	d.59	3/31	.25	.25	YES
	1102	Advanced Drainage		WMS	**122.47**	3	3	4	1.25	180- 270	(45-120%)	**19.2**	**0.6**	6.38	.70	**37**	12/31	**1.04**	1.37	3/31	.16	.14	YES
	1392	Advanced Energy	(NDQ)	AEIS	**117.38**	3	3	4	1.35	120- 175	(N- 50%)	**24.2**	**0.3**	4.85	.40	**78**	3/31	**1.23**	.58	3/31	.10	.10	YES
	1352	Advanced Micro Dev.	(NDQ)	AMD	**108.12**	3	3	5	1.45	160- 240	(50-120%)	**24.0**	**NIL**	4.50	NIL	**76**	3/31	◆**.96**	.62	3/31	NIL	NIL	YES
	546	AdvanSix Inc.		ASIX	**24.21**	3	3	4	1.45	40- 60	(65-150%)	**7.9**	**2.6**	▼3.05	.64	**72**	3/31	**.86**	d.65	3/31	.16	.16	YES
	1012	AECOM		ACM	**106.33**	2	3	3	1.15	125- 185	(20- 75%)	**20.3**	**1.0**	5.24	1.04	**6**	3/31	**1.25**	1.04	6/30	.26	.22	YES
	703	AerCap Hldgs. NV		AER	**111.34**	2	4	3	1.55	130- 220	(15-100%)	**9.1**	**1.0**	12.30	1.08	**31**	3/31	**3.68**	3.29	6/30	.27	.25	YES
	704	AeroVironment	(NDQ)	AVAV	**167.13**	4	3	5	1.25	165- 250	(N- 50%)	**51.0**	**NIL**	3.28	NIL	**31**	1/31	**d.06**	.50	3/31	NIL	NIL	YES
	2213	Affiliated Managers		AMG	**183.83**	▲2	3	3	1.40	220- 330	(20- 80%)	**10.8**	**NIL**	17.00	.04	**51**	3/31	◆**2.20**	4.14	6/30	.01	.01	YES
	2503	Affirm Holdings Inc	(NDQ)	AFRM	**53.74**	▲4	4	3	2.80	55- 90	(N- 65%)	**NMF**	**NIL**	.48	NIL	**17**	12/31	**.23**	d.54	3/31	NIL	NIL	YES
	1555	Aflac Inc.		AFL	**105.57**	▼4	3	2	1.05	100- 150	(N- 40%)	**13.7**	**2.3**	7.70	2.39	**56**	3/31	**1.66**	1.66	3/31	▲.58	.50	YES
	198	Agilent Technologies		A	**115.55**	3	2	4	1.00	170- 235	(45-105%)	**20.3**	**0.9**	5.69	.99	**50**	1/31	**1.28**	1.29	6/30	.248	.236	YES
	1565	Agnico Eagle Mines		AEM	**106.46**	2	3	2	.75	90- 140	(N- 30%)	**22.9**	**1.5**	4.65	1.60	**7**	3/31	**1.53**	.76	6/30	.40	.40	YES
848	2602	Airbnb, Inc.	(NDQ)	ABNB	**134.21**	3	3	4	1.50	185- 280	(40-110%)	**30.2**	**NIL**	4.45	NIL	**24**	3/31	**.24**	.41	3/31	NIL	NIL	YES
	2422	Air Products & Chem.		APD	**276.21**	5	2	2	.95	345- 470	(25- 70%)	**21.2**	**2.6**	13.03	7.16	**92**	3/31	**2.69**	2.85	6/30	▲1.79	1.77	YES
	2441	Air Transport Serv.		ATSG						SEE FINAL SUPPLEMENT													

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

Volume LXXX, Number 42, Issue 3. The Value Line Investment Survey (ISSN 0042-2401) is published weekly by Value Line Publishing LLC, 551 Fifth Avenue New York, NY 10176 and is accorded expeditious treatment prescribed for newspapers. Subscription rate for one year in the United States and US possessions is $598. Foreign rates upon request. Periodical Postage Paid at New York, NY and additional mailing offices.

The contents are protected by copyright 2025. Factual material is not guaranteed, but is obtained from sources believed to be reliable. Rights of reproduction and distribution are reserved to the publisher VALUE LINE PUBLISHING LLC.

CHANGE OF ADDRESS: Postmaster: Send address change to:
The Value Line Investment Survey, 551 Fifth Avenue New York, NY 10176

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
1030	1802	Akamai Technologies	(NDQ)	AKAM	78.79	2	3	3	1.00	150- 205	(90-160%)	16.9	NIL	4.65	NIL	69	3/31	◆.82	1.11	3/31	NIL	NIL	YES
	143	Alamo Group		ALG	199.76	▲2	3	3	1.10	190- 290	(N- 45%)	19.5	0.6	10.25	1.24	3	3/31	◆2.64	2.67	6/30	.30	.26	YES
	2012	Alarm.com Holdings	(NDQ)	ALRM	59.97	2	3	4	1.10	70- 110	(15- 85%)	25.0	NIL	2.40	NIL	59	3/31	◆.52	.44	3/31	NIL	NIL	YES
	302	Alaska Air Group		ALK	53.53	3	3	3	1.50	75- 115	(40-115%)	15.1	NIL	3.55	NIL	44	3/31	d.77	d.92	3/31	NIL	NIL	YES
	1703	Albany Int'l 'A'		AIN	68.15	3	3	3	1.25	90- 130	(30- 90%)	20.3	1.6	3.35	1.08	38	3/31	.73	.90	6/30	.27	.26	YES
	2423	Albemarle Corp.		ALB	61.57	5	3	3	1.55	130- 200	(110-225%)	8.9	2.6	6.90	1.62	92	3/31	NIL	d.08	3/31	.405	.40	YES
	1944	Albertsons Companies		ACI	22.30	2	3	1	.65	25- 40	(10- 80%)	10.8	2.7	2.06	.60	1	2/28	.46	.54	3/31	▲.15	.12	YES
	1579	Alcoa Corp.		AA	28.12	4	3	3	1.90	40- 60	(40-115%)	6.2	1.4	4.55	.40	81	3/31	2.15	d.81	3/31	.10	.10	YES
	162	Alcon Inc.		ALC	94.79	3	2	3	1.05	100- 140	(5- 50%)	29.6	0.3	3.20	.29	68	12/31	.72	.69	6/30	.28	.24	YES
	1511	Alexandria Real Estate		ARE	74.23	5	3	3	1.10	215- 320	(190-330%)	19.5	7.1	3.80	5.28	89	3/31	d.07	.97	6/30	1.32	1.27	YES
1030	2621	Alibaba Group ADS		BABA	132.55	2	3	3	1.10	145- 220	(10- 65%)	11.3	NIL	11.71	NIL	18	12/31	2.93	2.67	3/31	NIL	NIL	YES
	199	Align Techn.	(NDQ)	ALGN	189.00	2	3	5	1.35	335- 505	(75-165%)	19.0	NIL	9.95	NIL	50	3/31	2.13	2.14	3/31	NIL	NIL	YES
	2169	Ali. Couche-Tard	(TSE)	ATD.TO	69.51b	3	2	4	.70	105- 145	(50-110%)	15.9	1.2	4.38	.82	4	1/31	.68(b)	.87(b)	6/30	.195(b)	.175(b)	YES
	830	Alkermes plc	(NDQ)	ALKS	31.27	▲2	3	2	.90	30- 45	(N- 45%)	17.4	NIL	1.80	NIL	90	3/31	.27	.44	3/31	NIL	NIL	YES
	303	Allegiant Travel	(NDQ)	ALGT	59.35	▲3	3	4	1.50	90- 135	(50-125%)	14.8	NIL	4.00	NIL	44	3/31	◆1.81	.57	6/30	NIL	.60	YES
	1103	Allegion plc		ALLE	143.80	1	3	3	1.10	160- 240	(10- 65%)	18.7	1.4	7.70	2.04	37	3/31	1.86	1.55	6/30	.51	.48	YES
1242	1353	Allegro MicroSystems	(NDQ)	ALGM	24.83	–	3	–	1.55	25- 35	(N- 40%)	59.1	NIL	.42	NIL	76	3/31	◆.06	.25	3/31	NIL	NIL	YES
	902	ALLETE		ALE	65.58	–	1	–	.80	85- 105	(30- 60%)	17.7	4.5	3.70	2.94	60	3/31	◆.97	.88	3/31	▲.73	.705	YES
	2214	AllianceBernstein Hldg.		AB	40.87	3	3	2	1.15	30- 40	(N- N%)	13.6	7.8	3.00	3.20	51	3/31	.67	.67	6/30	▼.80	.73	YES
	903	Alliant Energy	(NDQ)	LNT	59.52	▼4	1	1	.80	65- 80	(10- 35%)	18.3	3.4	3.25	2.03	60	3/31	◆.83	.62	6/30	.508	.48	YES
	970	Allison Transmission		ALSN	103.29	▲2	3	3	1.05	90- 135	(N- 30%)	12.2	1.0	8.50	1.08	43	3/31	2.23	1.90	3/31	▲.27	.25	YES
	751	Allstate Corp.		ALL	202.49	3	2	2	.90	265- 360	(30- 80%)	11.1	2.0	18.25	4.00	11	3/31	3.53	5.13	6/30	▲1.00	.92	YES
	775	Ally Financial		ALLY	36.40	3	3	3	1.50	50- 70	(35- 90%)	12.1	3.3	3.00	1.20	42	3/31	.58	.41	6/30	.30	.30	YES
1818	831	Alnylam Pharmac.	(NDQ)	ALNY	270.19	5	3	3	.95	215- 320	(N- 20%)	NMF	NIL	d1.20	NIL	90	3/31	d.44	d.52	3/31	NIL	NIL	YES
236	2603	Alphabet Inc.	(NDQ)	GOOG	159.58	1	1	2	.95	270- 330	(70-105%)	17.9	0.6	8.90	.88	24	3/31	2.27	1.89	3/31	.20	NIL	YES
	1003	Altice USA		ATUS	2.69	–	5	–	1.50	2- 5	(N- 85%)	NMF	NIL	d.15	NIL	67	3/31	◆d.16	d.05	3/31	NIL	NIL	YES
	1978	Altria Group		MO	56.95	3	2	2	.75	60- 85	(5- 50%)	10.6	7.2	5.35	4.08	10	3/31	1.23	1.15	3/31	1.02	.98	YES
	2622	Amazon.com	(NDQ)	AMZN	208.64	3	2	2	1.10	305- 415	(45-100%)	33.9	NIL	6.15	NIL	18	3/31	1.59	.98	3/31	NIL	NIL	YES
	1354	Ambarella, Inc.	(NDQ)	AMBA	58.55	4	4	3	1.75	70- 115	(20- 95%)	NMF	NIL	.05	NIL	76	1/31	.11	d.24	3/31	NIL	NIL	YES
235	1177	Amcor plc		AMCR	9.34	4	2	4	.90	14- 19	(50-105%)	12.3	5.5	.76	.51	12	3/31	.14	.13	6/30	.128	.125	YES
	2589	Amdocs Ltd.	(NDQ)	DOX	92.30	2	1	3	.80	105- 130	(15- 40%)	17.3	2.1	5.32	1.92	14	3/31	◆1.45	1.01	3/31	.479	.435	YES
	793	Amedisys, Inc.	(NDQ)	AMED	95.42	–	3	–	.75	150- 220	(55-130%)	19.3	NIL	4.95	NIL	19	3/31	1.25	1.03	3/31	NIL	NIL	YES
	904	Ameren Corp.		AEE	95.42	3	1	1	.80	115- 145	(20- 50%)	19.3	3.0	4.95	2.85	60	3/31	1.07	.98	3/31	.71	.67	YES
	919	America Movil		AMX	16.91	3	2	4	.85	19- 25	(10- 50%)	11.8	3.0	1.43	.50	53	3/31	.30	.26	6/30	NIL	NIL	YES
	304	Amer. Airlines	(NDQ)	AAL	11.67	4	4	4	1.60	17- 30	(45-155%)	6.1	NIL	1.90	NIL	44	3/31	d.59	d.34	3/31	NIL	NIL	YES
	971	Amer. Axle		AXL	4.59	4	4	4	1.80	6- 11	(30-140%)	11.5	NIL	.40	NIL	43	3/31	.09	.18	3/31	NIL	NIL	YES
	2188	Amer. Eagle Outfitters		AEO	12.07	3	3	4	1.30	20- 30	(65-150%)	7.8	4.1	1.55	.50	46	1/31	.54	.61	3/31	.125	.125	YES
	905	Amer. Elec. Power		AEP	100.99	▲3	1	1	.70	120- 150	(20- 50%)	17.3	3.8	5.85	3.80	60	3/31	◆1.54	1.27	3/31	.93	.88	YES
	2504	Amer. Express		AXP	298.92	2	3	3	1.40	245- 365	(N- 20%)	20.9	1.1	14.30	3.36	17	3/31	3.64	3.33	6/30	▲.82	.70	YES
	752	Amer. Financial Group		AFG	123.47	3	3	3	1.05	165- 245	(35-100%)	11.8	2.7	10.50	3.30	11	3/31	◆1.81	2.76	6/30	.80	.71	YES
	1512	Amer. Homes 4 Rent		AMH	38.31	3	3	3	.95	35- 55	(N- 45%)	31.4	3.2	1.22	1.24	89	3/31	.30	.30	3/31	▲.30	.26	YES
	2505	Amer. Int'l Group		AIG	83.47	1	3	2	1.25	105- 160	(25- 90%)	13.7	2.1	6.10	1.76	17	3/31	1.17	1.27	3/31	.40	.36	YES
	2170	Amer Sports Inc		AS	30.04	–	3	–	NMF	35- 50	(15- 65%)	46.2	NIL	.65	NIL	4	12/31	.03	d.25	3/31	NIL	NIL	YES
	1771	Amer. States Water		AWR	78.17	▼3	1	4	.70	105- 130	(35- 65%)	23.7	2.5	3.30	1.98	61	3/31	◆.70	.62	3/31	.466	.43	YES
	1513	Amer. Tower 'A'		AMT	207.92	4	3	1	.85	240- 360	(15- 75%)	32.7	3.5	6.35	7.25	89	3/31	1.04	1.96	6/30	▲1.70	1.62	YES
	1772	Amer. Water Works		AWK	138.64	3	2	1	.85	165- 225	(20- 60%)	24.3	2.4	5.70	3.26	61	3/31	1.05	.95	3/31	.765	.708	YES
	1104	Amer. Woodmark	(NDQ)	AMWD	61.05	3	3	4	1.20	95- 145	(55-140%)	9.0	NIL	6.75	NIL	37	1/31	1.05	1.66	3/31	NIL	NIL	YES
	2215	Ameriprise Fin'l		AMP	515.72	3	3	3	1.35	440- 660	(N- 30%)	15.2	1.2	33.90	6.40	51	3/31	9.50	9.46	6/30	▲1.60	1.48	YES
	1747	AMETEK, Inc.		AME	179.38	2	2	3	1.05	200- 275	(10- 55%)	28.0	0.7	6.40	1.24	15	3/31	1.52	1.34	3/31	▲.31	.28	YES
	832	Amgen	(NDQ)	AMGN	274.76	3	1	2	.70	395- 480	(45- 75%)	13.4	3.5	20.55	9.52	90	3/31	4.90	3.96	6/30	2.38	2.25	YES
	1393	Amkor Technology	(NDQ)	AMKR	19.63	3	3	4	1.60	40- 60	(105-205%)	12.7	1.7	1.55	.34	78	3/31	.09	.24	6/30	.083	.079	YES
	1605	Amphastar Pharma.	(NDQ)	AMPH	24.34	3	3	4	.85	50- 70	(105-190%)	7.4	NIL	3.30	NIL	62	3/31	◆.51	1.04	3/31	NIL	NIL	YES
	1304	Amphenol Corp.		APH	84.46	1	1	3	1.15	90- 110	(5- 30%)	36.7	0.8	2.30	.69	16	3/31	.58	.44	6/30	.165	.11	YES
	1355	Analog Devices	(NDQ)	ADI	223.15	3	2	4	1.15	220- 300	(N- 35%)	29.1	1.8	7.67	3.96	76	1/31	1.63	1.73	3/31	▲.99	.92	YES
	1566	AngloGold Ashanti plc		AU	40.16	2	3	3	.85	50- 70	(25- 75%)	12.4	6.9	3.25	2.76	7	3/31	◆.88(p)	NA(p)	3/31	.69	NIL	YES
	1514	Annaly Capital Mgmt.		NLY	19.49	4	3	2	1.10	25- 40	(30-105%)	7.2	14.4	2.70	2.80-1.76	89	3/31	.15	.85	6/30	▲.70	.65	YES
	2546	ANSYS, Inc.	(NDQ)	ANSS	345.43	–	2	–	1.10	470- 640	(35- 85%)	31.1	NIL	11.10	NIL	30	3/31	1.64	1.39	3/31	NIL	NIL	YES
	579	Antero Midstream Corp.		AM	18.19	2	3	3	1.20	20- 30	(10- 65%)	17.3	4.9	1.05	.90	64	3/31	.25	.21	6/30	.225	.225	YES
2227	524	Antero Resources		AR	39.40	4	3	2	1.35	45- 70	(15- 80%)	13.4	NIL	▼2.95	NIL	84	3/31	.66	.07	3/31	NIL	NIL	YES
	376	Anywhere Real Estate		HOUS	3.80	–	5	–	1.80	4- 7	(5- 85%)	NMF	NIL	d.30	NIL	5	3/31	d.70	d.79	3/31	NIL	NIL	YES
	2506	Aon plc		AON	353.57	2	1	1	.85	475- 575	(35- 65%)	20.5	0.8	17.25	2.98	17	3/31	5.67	5.66	6/30	▲.745	.675	YES
	1606	Apellis Pharmac.	(NDQ)	APLS	17.52	5	4	3	1.05	35- 55	(100-215%)	NMF	NIL	d.45	NIL	62	3/31	◆d.74	d.54	3/31	NIL	NIL	YES
	1105	Apogee Enterprises	(NDQ)	APOG	42.39	4	3	3	1.20	75- 110	(75-160%)	10.3	2.5	4.13	1.05	37	2/28	.89	1.14	6/30	.26	.25	YES
	2430	Apollo Global Mgmt		APO	143.45	3	3	2	1.55	90- 135	(N- N%)	35.9	1.3	4.00	1.85	91	3/31	.68	2.28	3/31	.463	.43	YES
235	2547	AppFolio, Inc.	(NDQ)	APPF	220.78	3	3	2	.95	290- 430	(30- 95%)	55.2	NIL	4.00	NIL	30	3/31	.86	1.05	3/31	NIL	NIL	YES
	2548	Appian Corp.	(NDQ)	APPN	32.27	▲3	4	3	1.65	30- 50	(N- 55%)	NMF	NIL	d.65	NIL	30	3/31	◆d.02	d.45	3/31	NIL	NIL	YES
	1411	Apple Inc.	(NDQ)	AAPL	210.79	3	1	2	1.00	320- 390	(50- 85%)	28.1	0.5	7.50	1.00	75	3/31	1.65	1.53	3/31	▲.25	.24	YES
	1704	Applied Ind'l Techn.		AIT	233.65	2	3	2	1.20	240- 355	(5- 50%)	23.2	0.8	10.05	1.84	38	3/31	2.57	2.48	3/31	▲.46	.37	YES
	1394	Applied Materials	(NDQ)	AMAT	167.99	3	3	4	1.35	195- 295	(15- 75%)	17.6	1.1	9.52	1.84	78	1/31	2.38	2.12	6/30	▲.46	.40	YES
★★	2549	AppLovin Corp.		APP	347.90	2	4	2	2.00	325- 540	(N- 55%)	43.5	NIL	8.00	NIL	30	3/31	◆2.22	.67	3/31	NIL	NIL	YES
	1178	AptarGroup		ATR	155.52	2	1	3	.90	190- 230	(20- 50%)	27.8	1.2	5.60	1.85	12	3/31	1.17	1.23	6/30	.45	.41	YES
	972	Aptiv PLC		APTV	66.93	2	3	4	1.35	105- 155	(55-130%)	12.1	NIL	5.55	NIL	43	3/31	d.05	.79	3/31	NIL	NIL	YES
	377	ARAMARK Holdings		ARMK	38.84	–	3	–	NMF	55- 80	(40-105%)	21.5	1.1	1.81	.42	5	3/31	◆.23	.20	3/31	.105	.095	YES
	315	ArcBest Corp.	(NDQ)	ARCB	70.41	3	3	3	1.35	150- 225	(115-220%)	13.4	0.7	5.25	.48	85	3/31	.51	1.34	3/31	.12	.12	YES
	739	ArcelorMittal		MT	31.20	2	3	2	1.45	35- 55	(10- 75%)	8.8	1.8	3.55	.55	23	3/31	1.04	1.16	6/30	▲.275	.25	YES
	753	Arch Capital Group	(NDQ)	ACGL	94.63	3	3	4	1.05	130- 200	(35-110%)	10.8	NIL	8.80	NIL	11	3/31	1.54	2.45	3/31	NIL	NIL	YES
	2442	Arch Resources		ARCH						SEE FINAL SUPPLEMENT													
	1902	Archer Daniels Midl'd		ADM	49.90	–	3	–	.85	70- 105	(40-110%)	12.0	4.1	4.15	2.04	57	3/31	◆.70	1.46	3/31	▲.51	.50	YES
	2405	Archrock, Inc.		AROC	25.32	▲3	3	2	1.35	25- 40	(N- 60%)	15.8	3.0	1.60	.77	71	3/31	.40	.26	6/30	.19	.165	YES
	2431	Ares Management		ARES	172.57	3	3	3	1.45	185- 275	(5- 60%)	49.3	2.6	3.50	4.48	91	3/31	NIL	.33	3/31	1.12	.93	YES
	1157	Arhaus, Inc.	(NDQ)	ARHS	8.50	▼4	3	3	1.45	17- 25	(100-195%)	15.5	NIL	.55	NIL	70	3/31	◆.04	.11	3/31	NIL	NIL	YES
	951	Arista Networks		ANET	92.32	2	3	3	1.20	80- 120	(N- 30%)	36.2	NIL	2.55	NIL	35	3/31	◆.64	.50	3/31	NIL	NIL	YES

(•) All data adjusted for announced stock split or stock dividend.
See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
★★	1356	ARM Holdings	(NDQ)	ARM	124.81	–	3	–	NMF	200- 300	(60-140%)	62.1	NIL	2.01	NIL	76	3/31	◆.55	.36	3/31	NIL	NIL	YES
	1106	Armstrong World Inds.		AWI	156.43	3	3	3	1.20	120- 180	(N- 15%)	24.4	0.8	6.40	1.23	37	3/31	1.58	1.36	6/30	.308	.28	YES
	1324	Arrow Electronics		ARW	121.75	3	3	5	1.10	160- 240	(30- 95%)	12.5	NIL	9.75	NIL	25	3/31	1.80	2.41	3/31	NIL	NIL	YES
	2119	Asbury Automotive		ABG	235.96	2	3	2	1.10	225- 340	(N- 45%)	8.8	NIL	26.70	NIL	20	3/31	6.82	7.21	3/31	NIL	NIL	YES
	547	Ashland Inc.		ASH	52.80	4	3	4	1.15	▼ 70- 100	(35- 90%)	26.4	3.1	▼2.00	1.62	72	3/31	.65	1.09	3/31	.405	.385	YES
	1423	Aspen Technology Inc.		AZPN						SEE FINAL SUPPLEMENT													
	776	Assoc. Banc-Corp		ASB	24.38	3	3	3	1.30	25- 35	(5- 45%)	10.2	3.8	2.40	.92	42	3/31	.63	.52	3/31	.23	.22	YES
	2507	Assurant Inc.		AIZ	202.07	2	2	2	.95	250- 310	(25- 55%)	12.7	1.6	15.95	3.20	17	3/31	◆2.83	4.47	3/31	.80	.72	YES
	2004	Assured Guaranty		AGO	87.39	3	3	3	1.25	70- 105	(N- 20%)	13.4	1.6	6.50	1.39	9	3/31	◆3.44	1.90	3/31	▲.34	.31	YES
	144	Astec Inds.	(NDQ)	ASTE	41.64	1	3	4	1.35	50- 75	(20- 80%)	14.9	1.2	2.80	.52	3	3/31	.88	.34	3/31	.13	.13	YES
	1357	Astera Labs Inc	(NDQ)	ALAB	80.28	–	4	–	NMF	80- 135	(N- 70%)	61.8	NIL	1.30	NIL	76	3/31	◆.33	.10	6/30	NIL	NIL	YES
	1607	AstraZeneca PLC (ADS)	(NDQ)	AZN	68.95	3	2	4	.75	100- 135	(45- 95%)	15.2	2.3	4.55	1.60	62	3/31	1.30	1.02	6/30	NIL	NIL	YES
	1013	Atkinsrealis Group	(TSE)	ATRL.TO	74.40b	3	3	2	1.05	90- 140	(20- 90%)	29.8	0.2	2.50	.12	6	12/31	.30(b)	.51(b)	6/30	.02(b)	.02(b)	YES
	731	Atkore, Inc.		ATKR	70.25	3	3	5	1.50	85- 125	(20- 80%)	10.7	1.8	6.59	1.28	8	3/31	◆d1.46	3.67	3/31	.32	NIL	YES
	2550	Atlassian Corp.	(NDQ)	TEAM	223.75	4	3	1	1.35	245- 365	(10- 65%)	NMF	NIL	d.82	NIL	30	3/31	d.27	.05	3/31	NIL	NIL	YES
	536	Atmos Energy		ATO	155.23	3	1	3	.75	150- 185	(N- 20%)	20.9	2.3	7.41	3.63	58	3/31	◆3.03	2.85	3/31	.87	.805	YES
	973	Atmus Filtration		ATMU	38.15	–	3	–	NMF	50- 70	(30- 85%)	16.2	0.5	2.35	.20	43	3/31	.54	.54	3/31	.05	NIL	YES
	163	AtriCure, Inc.	(NDQ)	ATRC	31.81	3	4	2	1.35	35- 55	(10- 75%)	NMF	NIL	d.55	NIL	68	3/31	d.14	d.28	3/31	NIL	NIL	YES
	952	AudioCodes Ltd.	(NDQ)	AUDC	8.86	–	3	–	1.10	17- 25	(90-180%)	10.9	4.1	.81	.36	35	3/31	.15	.17	6/30	NIL	NIL	YES
	974	Aurora Innovation Inc	(NDQ)	AUR	7.93	4	4	2	2.05	7- 13	(N- 65%)	NMF	NIL	d.35	NIL	43	3/31	◆d.12	d.11	3/31	NIL	NIL	YES
	2551	Autodesk, Inc.	(NDQ)	ADSK	293.20	2	3	3	1.30	320- 480	(10- 65%)	52.4	NIL	5.60	NIL	30	1/31	1.40	1.31	3/31	NIL	NIL	YES
	975	Autoliv, Inc.		ALV	101.01	2	3	5	1.20	125- 190	(25- 90%)	10.9	2.8	9.24	2.82	43	3/31	2.14	1.52	3/31	.70	.68	YES
	1634	Automatic Data Proc.	(NDQ)	ADP	309.38	2	1	3	.90	330- 405	(5- 30%)	30.0	2.0	10.31	6.16	48	3/31	3.06	2.88	9/30	1.54	1.40	YES
	2120	AutoNation, Inc.		AN	188.65	2	3	3	.95	170- 255	(N- 35%)	10.4	NIL	18.10	NIL	20	3/31	4.45	4.49	3/31	NIL	NIL	YES
	2121	AutoZone Inc.		AZO	3664.25	1	3	2	.75	2960-4435	(N- 20%)	24.2	NIL	151.48	NIL	20	2/28	28.29	28.89	3/31	NIL	NIL	YES
	1515	AvalonBay Communities		AVB	208.59	4	3	3	1.05	240- 360	(15- 75%)	25.3	3.4	8.25	7.07	89	3/31	1.66	1.22	6/30	▲1.75	1.70	YES
	128	Avangrid, Inc.		AGR						SEE FINAL SUPPLEMENT													
	200	Avanos Medical		AVNS	13.10	▲3	3	3	1.15	17- 25	(30- 90%)	11.4	NIL	1.15	NIL	50	3/31	◆.26	.22	3/31	NIL	NIL	YES
	201	Avantor, Inc.		AVTR	13.00	4	3	2	.90	30- 45	(130-245%)	13.0	NIL	1.00	NIL	50	3/31	.09	.09	3/31	NIL	NIL	YES
	1179	Avery Dennison		AVY	183.34	3	2	4	1.00	205- 280	(10- 55%)	20.5	2.1	8.95	3.80	12	3/31	2.09	2.13	3/31	.88	.81	YES
	548	Avient Corp.		AVNT	39.01	4	3	4	1.40	45- 65	(15- 65%)	52.0	2.8	▼.75	1.08	72	3/31	◆d.22	.54	6/30	.27	.258	YES
2027	2171	Avis Budget Group	(NDQ)	CAR	103.76	▲1	4	5	1.80	85- 145	(N- 40%)	11.9	NIL	8.70	NIL	4	3/31	◆d3.27	d3.21	3/31	NIL	NIL	YES
	2200	Avista Corp.		AVA	39.24	3	3	2	.75	40- 65	(N- 65%)	15.1	5.0	2.60	1.96	63	3/31	◆.98	.91	3/31	▲.49	.475	YES
	1325	Avnet, Inc.	(NDQ)	AVT	52.33	▼2	3	5	1.10	60- 90	(15- 70%)	14.5	2.5	3.60	1.32	25	3/31	.84	.97	3/31	.33	.31	YES
	549	Axalta Coating		AXTA	32.70	3	3	3	1.25	65- 95	(100-190%)	13.1	NIL	2.50	NIL	72	3/31	◆.45	.18	3/31	NIL	NIL	YES
	1395	Axcelis Technologies	(NDQ)	ACLS	62.15	▲3	3	4	1.40	60- 85	(N- 35%)	31.1	NIL	2.00	NIL	78	3/31	◆1.04	1.57	3/31	NIL	NIL	YES
	2005	AXIS Capital Hldgs.		AXS	100.54	1	2	3	1.00	125- 170	(25- 70%)	8.8	1.8	11.40	1.77	9	3/31	3.17	2.57	6/30	.44	.44	YES
1030	705	Axon Enterprise	(NDQ)	AXON	693.10	3	3	3	1.40	535- 805	(N- 15%)	NMF	NIL	6.45	NIL	31	3/31	◆1.41	1.15	3/31	NIL	NIL	YES
	203	Axonics, Inc.		AXNX						SEE FINAL SUPPLEMENT													
	1502	Axos Financial		AX	72.23	1	3	3	1.45	90- 135	(25- 85%)	9.2	NIL	7.87	NIL	32	3/31	1.81	1.93	3/31	NIL	NIL	YES
	1608	Axsome Therapeutics	(NDQ)	AXSM	110.16	5	4	3	1.20	130- 220	(20-100%)	NMF	NIL	d3.30	NIL	62	3/31	d1.22	d1.44	3/31	NIL	NIL	YES
1818	1107	AZEK (The) Company		AZEK	51.49	–	3	–	1.45	55- 85	(5- 65%)	41.2	NIL	1.25	NIL	37	3/31	◆.37	.33	3/31	NIL	NIL	YES
	202	Azenta, Inc.	(NDQ)	AZTA	28.30	▼4	3	3	1.30	65- 95	(130-235%)	54.4	NIL	.52	NIL	50	3/31	◆.05	.05	3/31	NIL	NIL	YES
	1903	**B&G Foods**		BGS	4.50	3	4	2	.70	10- 17	(120-280%)	7.5	16.9	.60	.76	57	3/31	◆.04	.18	3/31	.19	.19	YES
	920	BCE Inc.		BCE	22.56	4	2	3	.70	35- 45	(55-100%)	11.9	12.4	1.90	2.79	53	3/31	◆.69	.50	6/30	.998	.968	YES
	1580	BHP Group Ltd. ADR		BHP	49.90	▲3	3	4	1.15	55- 85	(10- 70%)	12.1	6.9	4.13	3.46(h)	81	12/31	.87(p)	.37(p)	6/30	NIL	NIL	YES
	349	BJ's Restaurants	(NDQ)	BJRI	41.55	2	4	3	1.50	45- 75	(10- 80%)	23.7	NIL	1.75	NIL	26	3/31	.59	.34	3/31	NIL	NIL	YES
1423	2138	BJ's Wholesale Club		BJ	111.71	1	3	2	.50	120- 180	(5- 60%)	25.7	NIL	4.35	NIL	21	1/31	.92	1.08	3/31	NIL	NIL	YES
	777	BOK Financial	(NDQ)	BOKF	98.76	4	3	2	1.30	100- 145	(N- 45%)	11.5	2.3	8.60	2.28	42	3/31	1.86	1.29	3/31	.57	.55	YES
	502	BP PLC ADR		BP	30.19	3	3	3	1.10	50- 75	(65-150%)	9.6	6.4	▼3.15	1.92	54	3/31	.26	.80	3/31	.48	.436	YES
	1224	BWX Technologies		BWXT	107.09	2	3	2	.90	130- 200	(20- 85%)	30.6	0.9	3.50	1.00	79	3/31	.82	.75	3/31	▲.25	.24	YES
	1516	BXP Inc.		BXP	66.60	5	3	4	1.30	85- 130	(30- 95%)	35.1	5.9	1.90	3.92	89	3/31	.39	.50	6/30	.98	.98	YES
	114	Badger Meter		BMI	235.45	2	3	3	1.10	245- 365	(5- 55%)	49.6	0.6	4.75	1.36	40	3/31	1.30	.99	3/31	.34	.27	YES
	2406	Baker Hughes		BKR	37.62	4	3	1	1.20	50- 75	(35-100%)	14.5	2.5	2.60	.94	71	3/31	.51	.43	6/30	.23	.21	YES
	550	Balchem Corp.	(NDQ)	BCPC	165.55	3	2	3	.95	185- 255	(10- 55%)	35.6	0.5	4.65	.87	72	3/31	1.13	.89	6/30	NIL	NIL	YES
	1180	Ball Corp.		BALL	53.23	▲3	3	5	1.05	100- 150	(90-180%)	15.2	1.5	3.50	.80	12	3/31	◆.76	.68	6/30	.20	.20	YES
	626	Bly's Corp.		BALY.D						SEE FINAL SUPPLEMENT													
	602	Bank of America		BAC	43.36	2	3	3	1.35	55- 85	(25- 95%)	11.9	2.6	3.65	1.12	65	3/31	.90	.76	6/30	.26	.24	YES
	603	Bank of Montreal	(TSE)	BMO.TO	141.89b	3	2	2	.95	135- 185	(N- 30%)	11.4	4.7	12.43	6.60	65	1/31	2.83(b)	2.16(b)	6/30	1.59(b)	1.51(b)	YES
	604	Bank of NY Mellon		BK	87.10	3	2	3	1.15	100- 140	(15- 60%)	13.2	2.4	6.60	2.08	65	3/31	1.58	1.25	6/30	.47	.42	YES
	605	Bank of Nova Scotia	(TSE)	BNS.TO	70.74b	5	1	3	.85	95- 115	(35- 65%)	10.1	6.2	6.99	4.36	65	1/31	1.76(b)	1.69(b)	3/31	1.06(b)	1.06(b)	YES
	236	Barnes Group		B.D						SEE FINAL SUPPLEMENT													
	1567	Barrick Mining Corp.		B	18.23	3	3	1	.70	30- 40	(65-120%)	12.2	2.2	1.50	.40	7	3/31	◆.35	.15	3/31	.10	.10	YES
		Barrick Gold								NAME CHANGED TO BARRICK MINING CORP.													
	2172	Bath & Body Works		BBWI	33.43	2	4	3	1.25	35- 60	(5- 80%)	9.6	2.4	3.50	.80	4	1/31	2.09	2.55	6/30	.20	.20	YES
	1609	Bausch Health		BHC	4.78	–	5	–	1.15	9- 17	(90-255%)	1.2	NIL	4.15	NIL	62	3/31	.60	.59	3/31	NIL	NIL	YES
	164	Baxter Int'l Inc.		BAX	31.88	4	2	3	.75	40- 55	(25- 75%)	12.8	2.1	2.50	.68	68	3/31	.55	.65	6/30	.17	.29	YES
235	1108	Beacon Roofing		BECN						SEE FINAL SUPPLEMENT													
	995	Beauty Health (The)	(NDQ)	SKIN	1.76	–	5	–	1.80	2- 5	(15-185%)	NMF	NIL	d.30	NIL	93	3/31	◆d.08	d.10	3/31	NIL	NIL	YES
	165	Becton, Dickinson		BDX	175.34	3	2	2	.70	260- 350	(50-100%)	12.0	2.4	14.57	4.24	68	3/31	3.35	3.17	3/31	▲1.04	.95	YES
	1305	Belden Inc.		BDC	112.32	3	3	3	1.30	165- 245	(45-120%)	16.0	0.2	7.00	.20	16	3/31	1.27	.90	6/30	.05	.05	YES
	1904	BellRing Brands		BRBR	65.14	▼4	3	2	.80	70- 105	(5- 60%)	27.8	NIL	2.34	NIL	57	3/31	.53	.43	3/31	NIL	NIL	YES
	2552	Bentley Systems Inc	(NDQ)	BSY	47.73	3	3	4	1.10	45- 70	(N- 45%)	59.7	0.6	.80	.28	30	3/31	◆.28	.22	3/31	▲.07	.06	YES
	754	Berkley (W.R.)		WRB	72.20	2	2	2	.95	85- 120	(20- 65%)	16.4	0.4	4.40	.32	11	3/31	1.01	1.04	3/31	.08	.07	YES
	755	Berkshire Hathaway 'B'		BRKB	514.30	3	1	1	1.00	675- 825	(30- 60%)	25.7	NIL	20.00	NIL	11	3/31	4.47	5.20	3/31	NIL	NIL	YES
235	1181	Berry Global Group		BERY						SEE FINAL SUPPLEMENT													
1242	2173	Best Buy Co.		BBY	73.37	2	3	5	1.05	75- 115	(N- 55%)	12.7	5.2	5.77	3.80	4	1/31	2.58	2.72	6/30	▲.95	.94	YES
	1905	Beyond Meat	(NDQ)	BYND	2.31	–	5	–	1.45	6- 10	(160-335%)	NMF	NIL	d1.65	NIL	57	12/31	d.65	d2.40	3/31	NIL	NIL	YES
	2553	Bill Holdings	(NYS)	BILL	47.37	3	4	4	1.55	65- 105	(35-120%)	64.9	NIL	.73	NIL	30	3/31	◆d.11	.04	3/31	NIL	NIL	YES
	203	Bio-Rad Labs. 'A'		BIO	256.68	4	3	3	1.00	440- 655	(70-155%)	27.0	NIL	9.50	NIL	50	3/31	2.29	2.29	3/31	NIL	NIL	YES
	204	Bio-Techne Corp.	(NDQ)	TECH	53.90	4	3	3	1.10	85- 125	(60-130%)	30.5	0.6	1.77	.32	50	3/31	◆.14	.31	3/31	.08	.08	YES
	833	Biogen	(NDQ)	BIIB	124.40	4	3	4	.90	200- 300	(60-140%)	11.1	NIL	11.25	NIL	90	3/31	1.64	2.70	3/31	NIL	NIL	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	834	BioMarin Pharmac.	(NDQ)	BMRN	61.37	3	3	3	.80	80- 120	(30- 95%)	24.5	NIL	2.50	NIL	90	3/31	.95	.46	3/31	NIL	NIL	YES
	835	BioNTech SE	(NDQ)	BNTX	97.27	5	4	2	1.05	80- 135	(N- 40%)	NMF	NIL	d6.00	NIL	90	3/31	d1.73	d1.36	3/31	NIL	NIL	YES
	2159	Birkenstock Holding		BIRK	53.28	–	3	–	NMF	55- 85	(5- 60%)	16.4	NIL	3.24	NIL	22	12/31	.19	.10	6/30	NIL	NIL	YES
	2201	Black Hills		BKH	58.07	▲3	2	2	.90	65- 90	(10- 55%)	14.2	4.6	4.10	2.70	63	3/31	◆1.87	1.87	6/30	.676	.65	YES
	2391	Black Stone Minerals		BSM	13.90	▼4	3	3	.95	15- 23	(10- 65%)	10.7	10.8	1.30	1.50	28	3/31	.02	.27	6/30	.375	.375	YES
	571	BlackBerry		BB	3.88	3	4	4	1.65	5- 8	(30-105%)	NMF	NIL	▼d.03	NIL	34	2/28	d.01	.03	3/31	NIL	NIL	YES
	2216	BlackRock, Inc.		BLK	958.03	▼4	2	2	1.25	1160-1570	(20- 65%)	20.0	2.2	47.80	21.48	51	3/31	11.30	9.81	3/31	▲5.21	5.10	YES
	2432	Blackstone Inc.		BX	149.00	4	3	2	1.45	120- 175	(N- 15%)	24.8	3.9	6.00	5.76	91	3/31	.80	1.11	6/30	▲.93	.83	YES
	2509	Block (H&R)		HRB	57.50	3	3	2	.90	50- 75	(N- 30%)	14.3	2.8	4.02	1.62	17	3/31	◆5.31	4.78	6/30	.375	.32	YES
442	2508	Block, Inc.		XYZ	55.02	4	4	3	1.85	115- 195	(110-255%)	31.4	NIL	1.75	NIL	17	3/31	.30	.74	3/31	NIL	NIL	YES
	1225	Bloom Energy		BE	18.91	3	5	1	2.00	25- 45	(30-140%)	47.3	NIL	.40	NIL	79	3/31	d.10	d.25	3/31	NIL	NIL	YES
	350	Bloomin' Brands	(NDQ)	BLMN	8.81	5	4	4	1.35	8- 14	(N- 60%)	3.8	6.8	2.30	.60	26	3/31	◆.59	.70	3/31	▼.15	.24	YES
	2433	Blue Owl Capital Inc	(NYSE)	OWL	19.64	5	3	2	1.70	20- 30	(N- 55%)	65.5	4.6	.30	.90	91	3/31	NIL	.05	3/31	.18	.14	YES
	706	Boeing		BA	198.53	5	3	5	1.55	255- 380	(30- 90%)	NMF	NIL	d1.50	NIL	31	3/31	d.16	d.56	3/31	NIL	NIL	YES
	1109	Boise Cascade		BCC	93.10	▼4	3	3	1.20	115- 175	(25- 90%)	10.3	0.9	9.00	.88	37	3/31	1.06	2.61	3/31	.21	.20	YES
	2604	Booking Holdings	(NDQ)	BKNG	5194.99	2	3	2	1.35	5140-7710	(N- 50%)	25.1	0.7	207.00	38.40	24	3/31	24.81	20.39	3/31	▲9.60	8.75	YES
	2189	Boot Barn Holdings		BOOT	133.30	3	3	4	1.50	160- 245	(20- 85%)	20.2	NIL	6.61	NIL	46	12/31	2.43	1.81	3/31	NIL	NIL	YES
	378	Booz Allen Hamilton		BAH	124.67	▼2	3	5	.75	160- 240	(30- 95%)	18.0	1.8	6.91	2.20	5	12/31	1.55	1.41	3/31	▲.55	.51	YES
	976	BorgWarner		BWA	32.63	–	3	–	1.20	50- 75	(55-130%)	7.8	1.3	4.20	.44	43	3/31	◆1.11	1.03	3/31	.11	.11	YES
	1962	Boston Beer 'A'		SAM	243.31	4	3	3	.65	265- 395	(10- 60%)	42.3	NIL	5.75	NIL	74	3/31	2.16	1.04	3/31	NIL	NIL	YES
	166	Boston Scientific		BSX	102.87	1	2	2	1.00	110- 145	(5- 40%)	35.5	NIL	2.90	NIL	68	3/31	.75	.56	3/31	NIL	NIL	YES
	2554	Box, Inc.		BOX	31.87	3	3	2	1.00	45- 65	(40-105%)	53.1	NIL	.60	NIL	30	1/31	1.12	.57	3/31	NIL	NIL	YES
	2350	Boyd Gaming		BYD	74.78	2	3	3	1.35	90- 135	(20- 80%)	11.3	1.0	6.60	.72	39	3/31	1.62	1.51	3/31	.17	.16	YES
	1748	Brady Corp.		BRC	75.16	2	2	3	1.00	95- 130	(25- 75%)	17.5	1.3	4.30	.96	15	1/31	.83	.90	3/31	▲.24	.235	YES
	2510	Bread Financial		BFH	54.00	3	3	3	1.50	55- 85	(N- 55%)	5.7	1.6	9.50	.84	17	3/31	2.78	2.73	6/30	.21	.21	YES
	1986	Bright Horizons Family		BFAM	122.96	4	3	2	1.20	180- 265	(45-115%)	30.4	NIL	4.05	NIL	2	3/31	.77	.51	3/31	NIL	NIL	YES
235	351	Brinker Int'l		EAT	145.60	2	4	2	1.35	140- 235	(N- 60%)	16.2	NIL	9.00	NIL	26	3/31	2.66	1.24	3/31	NIL	NIL	YES
	379	Brink's (The) Co.		BCO	94.40	3	3	4	1.20	105- 155	(10- 65%)	13.3	1.0	7.10	.97	5	3/31	◆1.62	1.65	3/31	.243	.22	YES
	1610	Bristol-Myers Squibb		BMY	48.18	2	1	1	.75	65- 75	(35- 55%)	13.8	5.1	3.50	2.48	62	3/31	1.20	d5.89	6/30	.62	.60	YES
	1979	Brit. Am. Tobacco ADR		BTI	40.98	3	2	2	.75	50- 65	(20- 60%)	8.8	7.3	4.65	3.00	10	6/30	2.14(p)	2.24(p)	3/31	.743	.732	YES
	1358	Broadcom Inc.	(NDQ)	AVGO	221.58	3	3	3	1.10	190- 285	(N- 30%)	47.1	1.1	4.70	2.36	76	1/31	1.14	.28	3/31	.59	.525	YES
	421	Broadridge Fin'l		BR	237.05	3	2	2	.95	250- 340	(5- 45%)	28.1	1.5	8.44	3.52	41	3/31	2.44	2.23	6/30	.88	.80	YES
	2434	Brookfield Corp.		BN	58.70	▼4	3	3	1.65	60- 85	(N- 45%)	NMF	0.6	.55	.36	91	3/31	◆.98	.04	3/31	.09	.08	YES
	1749	Brookfield Infrastruc.		BIP	31.97	4	3	5	1.10	35- 55	(10- 70%)	42.6	5.4	.75	1.72	15	3/31	.04	.10	3/31	▲.43	.405	YES
	2511	Brown & Brown		BRO	110.76	3	1	1	.95	110- 135	(N- 20%)	29.5	0.6	3.75	.64	17	3/31	1.15	1.02	3/31	.15	.13	YES
	1963	Brown-Forman 'B'		BFB	35.28	▼4	1	4	.75	55- 70	(55-100%)	17.3	2.8	2.04	1.00	74	1/31	.57	.60	6/30	.227	.218	YES
	205	Bruker Corp.	(NDQ)	BRKR	40.26	4	3	4	1.10	85- 125	(110-210%)	26.8	0.5	1.50	.20	50	3/31	◆.11	.35	3/31	.05	.05	YES
	2303	Brunswick Corp.		BC	52.44	3	3	3	1.25	60- 85	(15- 60%)	12.8	3.3	4.10	1.72	52	3/31	.56	1.35	3/31	▲.43	.42	YES
	2190	Buckle (The), Inc.		BKE	39.26	3	3	4	1.10	35- 50	(N- 25%)	11.5	3.6	3.40	1.40	46	1/31	1.53	1.59	6/30	.35	.35	YES
	1110	Builders FirstSource		BLDR	117.99	▼3	3	3	1.30	190- 290	(60-145%)	12.1	NIL	9.75	NIL	37	3/31	1.51	2.65	3/31	NIL	NIL	YES
	1906	Bunge Global SA		BG	80.15	▼3	3	4	.85	95- 145	(20- 80%)	10.7	3.5	7.50	2.80	57	3/31	◆1.48	1.68	3/31	.68	.663	YES
	2139	Burlington Stores		BURL	259.53	3	3	2	1.15	325- 485	(25- 85%)	27.8	NIL	9.35	NIL	21	1/31	3.69	3.69	3/31	NIL	NIL	YES
	380	**CACI Int'l**		CACI	475.79	2	3	5	.75	485- 730	(N- 55%)	21.2	NIL	22.44	NIL	5	3/31	5.00	5.13	3/31	NIL	NIL	YES
	707	CAE Inc.	(TSE)	CAE.TO	37.03b	3	3	2	1.20	40- 65	(10- 75%)	26.3	NIL	1.41	NIL	31	12/31	.29(b)	.24(b)	3/31	NIL(b)	NIL(b)	
	1778	Cboe Global Markets	(CBO)	CBOE	221.12	2	2	2	.60	215- 290	(N- 30%)	28.3	1.1	7.80	2.52	13	3/31	2.37	1.96	3/31	.63	.55	YES
	381	CBRE Group		CBRE	132.69	2	3	2	1.35	120- 180	(N- 35%)	22.1	NIL	6.00	NIL	5	3/31	.86	.78	3/31	NIL	NIL	YES
	1182	CCL Industries	(TSE)	CCL.B.TO	78.40	3	2	4	.70	85- 130	(10- 65%)	17.2	1.5	4.55	1.16	12	3/31	◆1.17	1.07	3/31	.29	.29	
	2590	CDW Corp.	(NDQ)	CDW	188.82	1	3	5	1.15	205- 310	(10- 65%)	19.8	1.3	9.55	2.50	14	3/31	◆1.69	1.59	3/31	.625	.62	YES
	1594	CF Industries		CF	84.39	▲1	3	5	.90	105- 160	(25- 90%)	14.1	2.4	6.00	2.05	45	3/31	◆1.85	1.03	3/31	.50	.50	YES
	2591	CGI Inc	(TSE)	GIBA.TO	151.00	▲1	1	3	.70	125- 190	(N- 25%)	19.4	NIL	7.80	NIL	14	3/31	1.89	1.83	3/31	NIL	NIL	
	316	C.H. Robinson	(NDQ)	CHRW	95.95	3	2	2	.85	130- 175	(35- 80%)	20.4	2.6	4.70	2.48	85	3/31	1.11	.78	6/30	.62	.61	YES
	1779	CME Group	(NDQ)	CME	270.47	2	1	2	.80	230- 280	(N- 5%)	27.0	1.8	10.00	5.00	13	3/31	2.62	2.34	3/31	▲1.25	1.15	YES
	906	CMS Energy Corp.		CMS	70.08	3	2	1	.70	70- 95	(N- 35%)	19.5	3.1	3.60	2.17	60	3/31	1.01	.96	6/30	.543	.515	YES
	756	CNA Fin'l		CNA	48.93	3	2	2	1.00	70- 90	(45- 85%)	9.3	3.8	5.25	1.84	11	3/31	1.03	1.30	3/31	▲.46	.44	YES
	145	CNH Industrial N.V.		CNH	13.30	3	3	3	1.35	14- 20	(5- 50%)	17.7	3.8	.75	.51	3	3/31	.10	.33	6/30	.25	.47	YES
	525	CNX Resources		CNX	30.95	3	3	3	1.00	30- 40	(N- 30%)	NMF	NIL	▼.15	NIL	84	3/31	d1.34	.04	3/31	NIL	NIL	YES
	1111	CRH plc		CRH	98.73	–	3	–	NMF	85- 125	(N- 25%)	18.0	0.7	5.50	.74	37	3/31	d.15	.16	6/30	.37	.35	YES
	2592	CSG Systems Int'l	(NDQ)	CSGS	66.01	2	3	2	.85	75- 110	(15- 65%)	19.7	1.8	3.35	1.20	14	3/31	◆.57	.68	6/30	.32	.30	YES
	1112	CSW Industrials	(NDQ)	CSWI	329.28	3	3	3	1.05	310- 420	(N- 30%)	NMF	0.3	.40	1.08	37	12/31	1.60	1.59	6/30	▲.27	.21	YES
	339	CSX Corp.	(NDQ)	CSX	30.31	3	2	4	.95	50- 65	(65-115%)	18.4	1.7	1.65	.52	66	3/31	.34	.46	3/31	▲.13	.12	YES
	1326	CTS Corp.		CTS	42.41	3	3	4	1.05	50- 70	(20- 65%)	18.8	0.4	2.25	.17	25	3/31	.44	.47	6/30	.04	.04	YES
	503	CVR Energy		CVI	22.05	5	4	5	1.25	30- 50	(35-125%)	36.8	NIL	▼.60	NIL	54	3/31	d1.22	.81	6/30	NIL	.50	YES
	794	CVS Health		CVS	64.81	2	3	1	.95	70- 105	(10- 60%)	11.1	4.4	5.85	2.85	19	3/31	2.25	1.31	6/30	.665	.665	YES
437	1004	Cable One		CABO	171.66	4	3	3	.90	275- 415	(60-140%)	4.3	6.9	40.00	11.80	67	3/31	.46	8.11	3/31	2.95	2.95	
	2424	Cabot Corp.		CBT	76.11	3	3	3	1.25	120- 175	(60-130%)	10.0	2.4	7.64	1.84	92	3/31	1.90	1.78	3/31	.43	.40	YES
	2407	Cactus, Inc.		WHD	44.18	4	4	4	1.50	65- 110	(45-150%)	15.0	1.2	2.95	.55	71	3/31	.73	.59	3/31	.13	.12	YES
	2555	Cadence Design Sys.	(NDQ)	CDNS	311.77	3	3	4	1.05	245- 365	(N- 15%)	46.5	NIL	6.70	NIL	30	3/31	1.57	1.17	3/31	NIL	NIL	YES
	2351	Caesars Entertainment	(NDQ)	CZR	30.08	3	4	3	1.90	45- 80	(50-165%)	26.2	NIL	1.15	NIL	39	3/31	d.54	d.51	3/31	NIL	NIL	YES
	1907	Cal-Maine Foods	(NDQ)	CALM	92.67	2	2	2	.65	35- 50	(N- N%)	5.3	14.9	17.53	13.82-.25	57	2/28	10.38	3.00	6/30	▲3.456	.997	YES
	1773	California Water		CWT	47.02	3	2	3	.80	70- 95	(50-100%)	15.7	2.6	3.00	1.20	61	3/31	.34	1.21	3/31	▲.30	.28	YES
	953	Calix, Inc.		CALX	44.19	2	4	5	1.40	40- 65	(N- 45%)	58.1	NIL	.76	NIL	35	3/31	.19	.21	3/31	NIL	NIL	YES
	1517	Camden Property Trust		CPT	118.95	4	3	3	.95	135- 205	(15- 70%)	91.5	3.6	1.30	4.23	89	3/31	.36	.77	6/30	▲1.05	1.03	YES
	1581	Cameco Corp.	(TSE)	CCO.TO	71.54b	3	3	4	1.05	65- 95	(N- 35%)	57.2	0.2	1.25	.16	81	3/31	.16(b)	d.02(b)	6/30	NIL(b)	NIL(b)	YES
	1908	**The Campbell's Company**		CPB	35.94	4	2	3	.40	55- 75	(55-110%)	11.7	4.6	3.07	1.66	57	1/31	.74	.80	6/30	.39	.37	YES
	2122	**Camping World Holdings**		CWH	16.47	5	5	3	1.35	14- 25	(N- 50%)	25.3	3.0	.65	.50	20	3/31	d.16	d.40	3/31	.125	.125	YES
	2102	Canada Goose Hldgs.	(TSE)	GOOS.TO	12.65	3	4	4	1.25	10- 16	(N- 25%)	12.5	NIL	1.01	NIL	80	12/31	1.51	1.37	3/31	NIL	NIL	
	606	Can. Imperial Bank	(TSE)	CM.TO	89.08b	3	1	3	.85	110- 135	(25- 50%)	11.3	4.4	7.90	3.93	65	1/31	2.20(b)	1.81(b)	6/30	.97(b)	.90(b)	YES
	340	Can. National Railway		CNI	104.70	4	1	3	.90	155- 190	(50- 80%)	18.1	2.5	5.80	2.64	66	3/31	1.30	1.26	3/31	▼.615	.627	YES
	2392	Can. Natural Res.	(TSE)	CNQ.TO	43.96b	3	3	2	1.15	55- 85	(25- 95%)	13.5	5.3	3.25	2.35	28	3/31	◆1.16(b)	.69(b)	3/31	▲.563(b)	.50(b)	YES
	341	Can. Pac. Kansas City		CP	76.60	4	2	4	.95	90- 120	(15- 55%)	21.9	0.8	3.50	.62	66	3/31	.68	.61	6/30	.19	.19	YES
	2140	Canadian Tire 'A'	(TSE)	CTC.A.TO	159.96b	3	3	3	.90	140- 205	(N- 30%)	12.5	4.4	12.80	7.10	21	3/31	◆.67(b)	1.38(b)	3/31	▲1.775(b)	1.75(b)	YES
	1327	Canon Inc. ADR(g)	(NDQ)	CAJPY	32.28	3	2	3	.80	40- 55	(25- 70%)	14.3	3.2	2.25	1.04	25	3/31	.52	.40	6/30	.518	.496	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

RANKS — Recent Price — Timeliness — Safety — Technical — Beta — 3-5 year Target Price Range and % appreciation potential — Current P/E Ratio — % Est'd Yield next 12 mos. — Est'd Earns. 12 mos. to 12-31-25 — (f) Est'd Div'd next 12 mos. — Industry Rank — LATEST RESULTS (Qtr. Ended, Earns. Per sh., Year Ago, Qtr. Ended, Latest Div'd, Year Ago) — Do Options Trade?

		NAME OF STOCK		Ticker Symbol	Recent Price	Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	2512	Capital One Fin'l		COF	199.95	3	3	2	1.45	245- 370 (25- 85%)	12.8	1.2	15.60	2.40	17	3/31	3.45	3.13	3/31	.60	.60	YES
	1503	Capitol Fed. Fin'l	(NDQ)	CFFN	5.76	3	3	4	.95	8- 12 (40-110%)	13.4	5.9	.43	.34	32	3/31	.12	.11	6/30	.085	.085	YES
	2103	Capri Holdings Ltd.		CPRI	18.45	4	4	4	1.75	18- 30 (N- 65%)	43.9	NIL	.42	NIL	80	12/31	d4.61	.88	3/31	NIL	NIL	YES
	206	Cardinal Health		CAH	148.62	3	3	3	.90	125- 190 (N- 30%)	17.4	1.4	8.52	2.02	50	3/31	2.35	2.08	6/30	.506	.501	YES
	1113	Carlisle Cos.		CSL	401.02	2	3	5	1.10	430- 650 (5- 60%)	17.8	1.1	22.50	4.40	37	3/31	3.61	3.72	3/31	1.00	.85	YES
	2435	Carlyle Group	(NDQ)	CG	45.62	4	3	3	1.50	85- 130 (85-185%)	16.3	3.1	2.80	1.40	91	3/31	◆.35	.18	3/31	.35	.35	YES
2441	2123	CarMax, Inc.		KMX	69.06	4	3	3	1.20	90- 125 (30- 80%)	21.2	NIL	3.26	NIL	20	2/28	.36	.32	3/31	NIL	NIL	YES
	2304	Carnival Corp.		CCL	22.13	3	4	3	2.05	30- 45 (35-105%)	12.0	NIL	1.85	NIL	52	2/28	.13	d.14	3/31	NIL	NIL	YES
	740	Carpenter Technology		CRS	216.71	2	3	3	1.60	165- 250 (N- 15%)	28.3	0.4	7.66	.80	23	3/31	1.88	1.19	6/30	.20	.20	YES
	1705	Carrier Global		CARR	73.44	3	3	3	1.25	75- 110 (N- 50%)	24.5	1.2	3.00	.90	38	3/31	.65	.62	3/31	▲.225	.19	YES
	2104	Carter's Inc.		CRI	35.86	▼4	3	3	1.05	50- 80 (40-125%)	9.6	8.9	3.75	3.20	80	3/31	.66	1.04	3/31	.80	.80	YES
	2124	Carvana Co.		CVNA	279.62	3	4	3	2.45	210- 350 (N- 25%)	NMF	NIL	1.75	NIL	20	12/31	.56	d1.00	3/31	NIL	NIL	YES
	405	Casella Waste Sys.	(NDQ)	CWST	113.24	4	2	2	.85	95- 130 (N- 15%)	NMF	NIL	.45	NIL	33	3/31	d.08	d.07	3/31	NIL	NIL	YES
	2174	Casey's Gen'l Stores	(NDQ)	CASY	436.80	▼2	2	2	.90	470- 635 (10- 45%)	27.8	0.5	15.74	2.15	4	1/31	2.33	2.33	6/30	.50	.43	YES
	165	Catalent, Inc.		CTLT	SEE FINAL SUPPLEMENT																	
	1611	Catalyst Pharmac.	(NDQ)	CPRX	23.83	2	4	2	1.20	30- 50 (25-110%)	16.4	NIL	1.45	NIL	62	3/31	◆.45	.19	3/31	NIL	NIL	YES
	146	Caterpillar Inc.		CAT	342.55	▼2	2	4	1.20	400- 540 (15- 60%)	17.3	1.6	19.75	5.64	3	3/31	4.25	5.60	6/30	1.41	1.30	YES
	352	CAVA Group Inc		CAVA	98.74	–	3	–	NMF	105- 160 (5- 60%)	NMF	NIL	.55	NIL	26	12/31	.05	.02	3/31	NIL	NIL	YES
	2425	Celanese Corp.		CE	54.53	4	3	4	1.30	75- 145 (40-165%)	9.5	0.2	5.75	.12	92	3/31	.57	2.08	12/31	.70	.70	YES
	1328	Celestica Inc.		CLS	100.32	1	3	2	1.45	140- 210 (40-110%)	20.1	NIL	5.00	NIL	25	3/31	1.20	.86	3/31	NIL	NIL	YES
1030	1964	Celsius Holdings	(NDQ)	CELH	37.32	3	4	3	1.45	40- 65 (5- 75%)	41.5	NIL	.90	NIL	74	3/31	◆.18	.27	3/31	NIL	NIL	YES
	1114	CEMEX ADS		CX	6.56	1	3	5	1.60	8- 12 (20- 85%)	6.9	1.2	.95	.08	37	3/31	.08	.17	3/31	.021	NIL	YES
	207	Cencora		COR	278.38	1	2	3	.70	295- 400 (5- 45%)	17.9	0.8	15.57	2.20	50	3/31	◆4.42	3.80	3/31	.55	.51	YES
	504	Cenovus Energy	(TSE)	CVE.TO	19.16b	3	3	3	1.20	▼ 20- 30 (5- 55%)	10.9	4.2	▼1.75	.80	54	3/31	◆.47(b)	.62(b)	3/31	.18(b)	.14(b)	
	795	Centene Corp.		CNC	62.87	2	3	3	.80	90- 130 (45-105%)	8.6	NIL	7.30	NIL	19	3/31	2.90	2.26	3/31	NIL	NIL	YES
	907	CenterPoint Energy		CNP	36.85	▼4	3	2	.85	30- 45 (N- 20%)	21.7	2.4	1.70	.88	60	3/31	.45	.55	6/30	.22	.20	YES
	415	Central & East. Europe		CEE	15.27	–	5	–	1.25	11- 20 (N- 30%)	NMF	2.3	NMF	.35	–	4/30	13.88(q)	9.85(q)	6/30	NIL	NIL	
	1194	Central Garden & Pet	(NDQ)	CENT	36.05	3	3	3	.90	45- 65 (25- 80%)	14.2	NIL	2.54	NIL	86	3/31	◆.98	.93	3/31	NIL	NIL	YES
	1582	Century Aluminum	(NDQ)	CENX	17.38	4	4	2	2.10	20- 35 (15-100%)	7.2	NIL	2.40	NIL	81	12/31	.49	.36	3/31	NIL	NIL	YES
2441	820	Certara, Inc.	(NDQ)	CERT	12.13	3	4	3	1.50	15- 25 (25-105%)	NMF	NIL	.05	NIL	47	3/31	.03	d.03	3/31	NIL	NIL	YES
	1134	Champion Homes, Inc.		SKY	92.58	3	3	2	1.25	100- 155 (10- 65%)	23.6	NIL	3.92	NIL	77	12/31	.96	.81	3/31	NIL	NIL	YES
	796	Charles River		CRL	143.08	▲2	3	4	1.20	205- 305 (45-115%)	31.1	NIL	4.60	NIL	19	3/31	◆.50	1.30	3/31	NIL	NIL	YES
	732	Chart Industries		GTLS	170.65	3	4	3	1.50	195- 325 (15- 90%)	14.7	NIL	11.60	NIL	8	3/31	1.86	1.49	3/31	NIL	NIL	YES
	1005	Charter Communic.	(NDQ)	CHTR	402.52	▼3	3	2	1.05	520- 780 (30- 95%)	10.8	NIL	37.30	NIL	67	3/31	8.42	7.55	3/31	NIL	NIL	YES
	2013	Check Point Software	(NDQ)	CHKP	217.23	1	1	2	.80	360- 440 (65-105%)	21.7	NIL	10.00	NIL	59	3/31	2.21	2.04	3/31	NIL	NIL	YES
	353	Cheesecake Factory	(NDQ)	CAKE	52.53	3	3	2	1.40	55- 85 (5- 60%)	14.2	2.1	3.70	1.08	26	3/31	.93	.73	3/31	.27	.27	YES
	1945	Chefs' Warehouse	(NDQ)	CHEF	61.79	2	4	3	1.60	45- 75 (N- 20%)	41.2	NIL	1.50	NIL	1	3/31	.25	.06	3/31	NIL	NIL	YES
	1750	Chemed Corp.		CHE	569.11	1	1	1	.65	705- 860 (25- 50%)	22.6	0.4	25.20	2.00	15	3/31	5.63	5.20	3/31	.50	.40	YES
	551	Chemours Co. (The)		CC	11.99	5	4	3	1.65	▼ 17- 30 (40-150%)	20.0	8.3	▼.60	1.00	72	3/31	◆d.03	.34	3/31	.25	.25	YES
	580	Cheniere Energy Inc.		LNG	230.48	2	3	2	1.00	200- 300 (N- 30%)	17.7	0.9	▼13.00	2.00	64	3/31	◆1.57	2.13	3/31	.50	.435	YES
	592	Cheniere Energy Part.		CQP	57.03	3	3	1	.95	65- 95 (15- 65%)	13.1	5.6	4.35	3.19	49	3/31	◆1.08	1.18	3/31	.775	.775	YES
	537	Chesapeake Utilities		CPK	122.91	3	2	1	.75	120- 160 (N- 30%)	21.6	2.3	5.70	2.78	58	3/31	◆2.21	2.07	6/30	.64	.59	YES
	505	Chevron Corp.		CVX	141.62	3	2	3	1.00	205- 275 (45- 95%)	16.7	4.9	▼8.50	6.93	54	3/31	2.00	2.97	3/31	▲1.71	1.63	YES
	2623	Chewy, Inc.		CHWY	39.48	1	4	3	1.30	45- 75 (15- 90%)	71.8	NIL	.55	NIL	18	1/31	.05	.07	3/31	NIL	NIL	YES
	354	Chipotle Mex. Grill		CMG	50.76	2	3	3	1.00	80- 125 (60-145%)	44.1	NIL	1.15	NIL	26	3/31	.29	.27	3/31	NIL	NIL	YES
	2352	Choice Hotels Int'l		CHH	126.53	2	3	2	1.10	170- 255 (35-100%)	17.9	0.9	7.05	1.15	39	3/31	◆.94	1.28	6/30	.288	.288	YES
	757	Chubb Ltd.		CB	289.65	3	2	2	.90	380- 515 (30- 80%)	12.8	1.3	22.55	3.79	11	3/31	3.68	5.41	6/30	.91	.86	YES
	1195	Church & Dwight		CHD	95.18	▼4	1	1	.50	115- 145 (20- 50%)	25.7	1.2	3.70	1.18	86	3/31	.91	.96	3/31	▲.295	.284	YES
	2353	Churchill Downs	(NDQ)	CHDN	98.16	3	3	3	1.20	180- 270 (85-175%)	15.1	0.4	6.50	.40	39	3/31	1.07	1.08	3/31	.409	.409	YES
	954	Ciena Corp.		CIEN	79.01	3	3	3	1.20	60- 90 (N- 15%)	31.4	NIL	2.52	NIL	35	1/31	.64	.66	3/31	NIL	NIL	YES
	797	Cigna Group		CI	315.74	2	3	3	.90	455- 685 (45-115%)	10.6	2.1	29.75	6.60	19	3/31	6.74	6.47	6/30	1.51	1.40	YES
	2374	Cimpress plc	(NDQ)	CMPR	45.85	3	4	3	1.45	90- 150 (95-225%)	20.5	NIL	2.24	NIL	29	3/31	d.33	d.15	3/31	NIL	NIL	YES
	758	Cincinnati Financial	(NDQ)	CINF	150.00	2	3	3	1.15	200- 300 (35-100%)	25.0	2.3	6.00	3.48	11	3/31	d.24	1.72	6/30	▲.87	.81	YES
	2305	Cinemark Hldgs.		CNK	30.32	3	4	3	1.30	35- 55 (15- 80%)	16.8	1.1	1.80	.32	52	3/31	d.32	.19	3/31	▲.08	NIL	YES
1826	382	Cintas Corp.	(NDQ)	CTAS	216.99	▼2	2	3	1.05	185- 250 (N- 15%)	47.1	0.8	4.61	1.80	5	2/28	1.13	.96	6/30	.39	.338	YES
	1359	Cirrus Logic	(NDQ)	CRUS	105.83	2	3	5	1.05	120- 185 (15- 75%)	16.0	NIL	6.62	NIL	76	6/30	NIL	1.12	3/31	NIL	NIL	YES
	955	Cisco Systems	(NDQ)	CSCO	61.67	2	1	2	.90	75- 95 (20- 55%)	16.1	2.7	3.82	1.64	35	1/31	.94	.87	6/30	▲.41	.40	YES
	607	Citigroup Inc.		C	74.91	3	3	3	1.40	80- 120 (5- 60%)	10.2	3.2	7.35	2.36	65	3/31	1.96	1.58	6/30	.56	.53	YES
	608	Citizens Fin'l Group		CFG	41.59	3	3	3	1.50	60- 85 (45-105%)	11.1	4.3	3.75	1.80	65	3/31	.77	.65	6/30	.42	.42	YES
	383	Clarivate Plc		CLVT	4.35	5	3	3	1.25	9- 13 (105-200%)	5.8	NIL	.75	NIL	5	3/31	.14	.14	3/31	NIL	NIL	YES
437		Clean Energy Fuels		CLNE	SEE FINAL SUPPLEMENT																	
	406	Clean Harbors		CLH	228.54	2	3	5	1.15	225- 335 (N- 45%)	30.3	NIL	7.55	NIL	33	3/31	1.09	1.29	3/31	NIL	NIL	YES
	956	Clearfield, Inc.	(NDQ)	CLFD	36.36	3	4	4	1.55	50- 85 (40-135%)	NMF	NIL	d.28	NIL	35	3/31	◆.09	d.40	3/31	NIL	NIL	YES
	741	Cleveland-Cliffs Inc.		CLF	7.51	5	4	3	1.70	30- 50 (300-565%)	NMF	NIL	d.35	NIL	23	3/31	◆d1.00	.18	3/31	NIL	NIL	YES
	1196	Clorox Co.		CLX	138.06	4	2	3	.50	195- 265 (40- 90%)	19.5	3.5	7.09	4.88	86	3/31	1.45	1.71	6/30	1.20	1.20	YES
	1803	Cloudflare, Inc.		NET	142.36	4	4	3	1.75	110- 180 (N- 25%)	NMF	NIL	d.15	NIL	69	3/31	◆d.11	d.10	3/31	NIL	NIL	YES
	332	CMB.TECH NV		CMBT	9.27	3	3	4	1.00	18- 25 (95-170%)	13.2	NIL	.70	NIL-.27	73	12/31	.48	2.01	3/31	NIL	NIL	YES
	1965	Coca-Cola		KO	69.53	▼4	1	2	.70	75- 90 (10- 30%)	23.6	2.9	2.95	2.04	74	3/31	.73	.72	6/30	▲.51	.485	YES
	1966	Coca-Cola Euro. Part.		CCEP	87.67	3	2	2	.95	110- 150 (25- 70%)	20.6	2.6	4.25	2.25	74	12/31	1.40	1.95	3/31	NIL	NIL	YES
	1568	Coeur Mining		CDE	7.66	▼3	4	2	1.45	8- 14 (5- 85%)	NMF	NIL	.05	NIL	7	3/31	◆.11	d.08	3/31	NIL	NIL	YES
	1006	Cogeco Communic.	(TSE)	CCA.TO	67.71b	3	2	2	.65	80- 110 (20- 60%)	8.5	5.4	7.92	3.69	67	11/30	2.38(b)	2.01(b)	6/30	.922(b)	.854(b)	YES
	921	Cogent Comms. Hldgs	(NDQ)	CCOI	50.54	5	3	3	.85	70- 105 (40-110%)	NMF	8.1	d4.20	4.08	53	3/31	◆d1.09	d1.38	3/31	1.01	.965	YES
	115	Cognex Corp.	(NDQ)	CGNX	31.62	▲3	3	5	1.25	45- 70 (40-120%)	38.6	0.9	.82	.30	40	3/31	.16	.11	3/31	.08	.075	YES
	2593	Cognizant Technology	(NDQ)	CTSH	81.81	2	1	3	1.05	110- 135 (35- 65%)	16.4	1.5	5.00	1.24	14	3/31	1.23	1.12	3/31	▲.31	.30	YES
	2217	Cohen & Steers		CNS	82.87	3	3	2	1.20	85- 125 (5- 50%)	25.1	3.0	3.30	2.48	51	3/31	.75	.68	3/31	▲.62	.59	YES
	116	Coherent Corp.		COHR	77.77	3	3	3	1.60	85- 130 (10- 65%)	60.3	NIL	1.29	NIL	40	3/31	◆d.11	d.29	3/31	NIL	NIL	YES
	1396	Cohu, Inc.	(NDQ)	COHU	17.62	5	3	3	1.40	25- 40 (40-125%)	NMF	NIL	d.05	NIL	78	3/31	d.02	.01	3/31	NIL	NIL	YES
★★	1780	Coinbase Global	(NDQ)	COIN	207.22	4	4	3	2.25	225- 375 (10- 80%)	82.9	NIL	2.50	NIL	13	3/31	◆.24	4.40	3/31	NIL	NIL	YES
	1197	Colgate-Palmolive		CL	89.14	3	1	1	.55	125- 155 (40- 75%)	24.4	2.3	3.65	2.08	86	3/31	.85	.83	6/30	▲.52	.50	YES
	1504	Columbia Banking	(NDQ)	COLB	25.63	4	3	3	1.30	30- 45 (15- 75%)	10.1	5.6	2.55	1.44	32	3/31	.41	.59	3/31	.36	.36	YES
	2105	Columbia Sportswear	(NDQ)	COLM	69.59	4	3	3	1.10	80- 120 (15- 70%)	16.8	1.9	4.15	1.30	80	3/31	.75	.71	6/30	.30	.30	YES
	1706	Columbus McKinnon	(NDQ)	CMCO	17.90	4	4	4	1.40	40- 70 (125-290%)	7.0	1.6	2.57	.28	38	12/31	.56	.74	6/30	.07	.07	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1007	Comcast Corp.	(NDQ)	CMCSA	34.72	3	1	4	.95	65- 80	(85-130%)		8.1	3.6	4.30	1.24	67	3/31	1.09	1.04	6/30	.33	.31	YES
	778	Comerica Inc.		CMA	58.39	4	3	2	1.50	65- 100	(10- 70%)		11.0	4.9	5.30	2.84	42	3/31	1.25	.98	6/30	.71	.71	YES
	384	Comfort Systems USA		FIX	451.86	2	3	3	1.30	445- 665	(N- 45%)		23.1	0.4	19.60	1.80	5	3/31	4.75	2.69	6/30	▲.45	.30	YES
	779	Commerce Bancshs.	(NDQ)	CBSH	65.62	2	2	3	1.05	65- 85	(N- 30%)		16.8	1.7	3.90	1.10	42	3/31	.98	.82	3/31	▲.275	.257	YES
	742	Commercial Metals		CMC	48.44	2	3	4	1.25	60- 85	(25- 75%)		14.6	1.5	3.32	.72	23	2/28	.26	.73	6/30	.18	.18	YES
	957	CommScope Holding	(NDQ)	COMM	5.50	4	5	3	1.80	7- 13	(25-135%)		13.8	NIL	.40	NIL	35	3/31	.14	d.08	3/31	NIL	NIL	YES
★★	2436	Compass Diversified		CODI	7.02	–	3	–	1.20	30- 45	(325-540%)		70.2	14.2	.10	1.00	91	12/31	d.06	d.74	6/30	.25	.25	YES
★★	1595	Compass Minerals Int'l		CMP	19.46	–	4	–	1.25	16- 25	(N- 30%)		97.3	NIL	.20	NIL	45	3/31	◆d.77	1.81	6/30	NIL	NIL	YES
	1909	Conagra Brands		CAG	23.31	4	2	3	.50	30- 45	(30- 95%)		9.9	6.3	2.36	1.46	57	2/28	.51	.69	6/30	.35	.35	YES
	2556	Confluent Inc	(NDQ)	CFLT	22.34	5	4	3	1.90	20- 35	(N- 55%)		55.9	NIL	.40	NIL	30	3/31	d.20	d.30	3/31	NIL	NIL	YES
	167	CONMED Corp.		CNMD	60.73	2	3	3	1.25	85- 130	(40-115%)		13.8	1.3	4.40	.80	68	3/31	.95	.79	6/30	.20	.20	YES
	2393	ConocoPhillips		COP	92.27	3	3	3	1.15	125- 185	(35-100%)		10.8	3.4	8.55	3.12	28	3/31	◆2.23	2.15	3/31	.78	.78	YES
	130	Consol. Edison		ED	103.54	3	1	2	.65	105- 125	(N- 20%)		18.3	3.3	5.65	3.45	88	3/31	2.26	2.14	6/30	.85	.83	YES
	1967	Constellation Brands		STZ	189.90	3	3	5	.80	270- 405	(40-115%)		13.6	2.3	13.98	4.31	74	2/28	2.63	2.26	6/30	▲1.02	1.01	YES
	1226	Constellation Energy	(NDQ)	CEG	285.28	3	3	3	1.25	265- 400	(N- 40%)		30.3	0.5	9.40	1.55	79	3/31	◆.38	2.78	3/31	▲.388	.353	YES
	1014	Construction Partners	(NDQ)	ROAD	100.02	3	3	3	1.30	85- 125	(N- 25%)		53.8	NIL	1.86	NIL	6	3/31	◆.08	d.02	3/31	NIL	NIL	YES
	208	Cooper Cos.		COO	84.44	4	2	4	1.10	115- 155	(35- 85%)		20.7	NIL	4.08	NIL	50	1/31	.92	.85	3/31	NIL	NIL	YES
	305	Copa Holdings, S.A.		CPA	99.13	2	3	4	1.35	145- 215	(45-115%)		6.9	6.5	14.40	6.44	44	3/31	◆4.28	4.19	3/31	NIL	1.61	YES
	2125	Copart, Inc.	(NDQ)	CPRT	62.16	2	2	3	.95	55- 75	(N- 20%)		38.1	NIL	1.63	NIL	20	1/31	.40	.33	3/31	NIL	NIL	YES
	1707	Core & Main		CNM	53.29	2	3	3	1.25	60- 90	(15- 70%)		23.2	NIL	2.30	NIL	38	1/31	.33	.34	3/31	NIL	NIL	YES
	385	CoreCivic, Inc.		CXW	21.64	2	4	3	1.00	20- 35	(N- 60%)		22.8	NIL	.95	NIL	5	3/31	◆.23	.08	3/31	NIL	NIL	YES
	2408	Core Laboratories		CLB	12.06	4	4	3	1.55	30- 50	(150-315%)		14.2	0.3	.85	.04	71	3/31	.14	.19	6/30	.01	.01	YES
	1306	Corning Inc.		GLW	46.97	3	3	2	1.20	45- 65	(N- 40%)		22.4	2.6	2.10	1.24	16	3/31	.18	.24	3/31	.28	.28	YES
	2513	Corpay		CPAY	349.67	3	3	2	1.25	435- 655	(25- 85%)		16.7	NIL	21.00	NIL	17	3/31	◆4.51	4.10	3/31	NIL	NIL	YES
	1995	Corsair Gaming	(NDQ)	CRSR	8.33	4	3	3	1.75	10- 15	(20- 80%)		NMF	NIL	.05	NIL	94	3/31	◆d.10	d.12	3/31	NIL	NIL	YES
	1596	Corteva, Inc.		CTVA	67.96	3	2	3	1.10	65- 95	(N- 40%)		22.7	1.0	3.00	.71	45	3/31	◆1.13	.89	3/31	.17	.16	YES
	422	CoStar Group	(NDQ)	CSGP	75.38	5	3	3	1.05	105- 155	(40-105%)		88.7	NIL	.85	NIL	41	3/31	.19	.10	3/31	NIL	NIL	YES
	2141	Costco Wholesale	(NDQ)	COST	1016.15	▼3	1	3	.75	1100-1345	(10- 30%)		55.3	0.5	18.37	5.20	21	2/28	4.02	3.92	6/30	▲1.30	1.16	YES
	526	Coterra Energy		CTRA	24.13	4	3	1	1.00	▼ 30- 45	(25- 85%)		8.3	3.6	2.90	.88	84	3/31	.68	.47	3/31	▲.22	.21	YES
	996	Coty Inc.		COTY	5.01	4	4	3	1.55	12- 20	(140-300%)		14.7	NIL	.34	NIL	93	3/31	◆.01	NIL	3/31	NIL	NIL	YES
	2624	Coupang Inc		CPNG	26.14	3	3	3	1.25	20- 30	(N- 15%)		65.4	NIL	.40	NIL	18	3/31	◆.06	.05	3/31	NIL	NIL	YES
	1987	Coursera, Inc.		COUR	8.95	3	3	5	1.35	12- 18	(35-100%)		25.6	NIL	.35	NIL	2	3/31	d.05	.07	3/31	NIL	NIL	YES
	355	Cracker Barrel	(NDQ)	CBRL	51.68	3	3	4	1.20	70- 110	(35-115%)		14.9	1.9	3.47	1.00	26	1/31	1.38	1.37	6/30	.25	1.30	YES
	1708	Crane Company		CR	175.35	–	3	–	NMF	155- 235	(N- 35%)		35.1	0.5	5.00	.92	38	3/31	1.83	1.02	3/31	▲.23	.205	YES
	1751	Crane NXT		CXT	55.24	–	3	–	NMF	65- 95	(20- 70%)		13.0	1.2	4.25	.68	15	3/31	◆.54	.85	3/31	▲.17	.16	YES
	2514	Credit Acceptance	(NDQ)	CACC	499.08	3	3	3	1.25	565- 845	(15- 70%)		12.1	NIL	41.40	NIL	17	3/31	9.35	5.08	3/31	NIL	NIL	YES
	1360	Credo Technology	(NDQ)	CRDO	55.23	▲3	4	3	1.50	45- 70	(N- 25%)		92.1	NIL	.60	NIL	76	1/31	.16	NIL	3/31	NIL	NIL	YES
848	2160	Crocs, Inc.	(NDQ)	CROX	118.85	1	3	4	1.55	140- 210	(20- 75%)		9.5	NIL	12.55	NIL	22	3/31	◆3.00	3.02	3/31	NIL	NIL	YES
	1635	Cross Country Health.	(NDQ)	CCRN	13.92	–	3	–	.70	19- 30	(35-115%)		39.8	NIL	.35	NIL	48	3/31	◆d.02	.08	3/31	NIL	NIL	YES
	2014	CrowdStrike Hldgs.	(NDQ)	CRWD	429.44	4	3	3	1.35	500- 755	(15- 75%)		NMF	NIL	3.45	NIL	59	1/31	d.37	.23	3/31	NIL	NIL	YES
	1518	Crown Castle Inc.		CCI	100.48	4	3	3	.85	120- 180	(20- 80%)		NMF	4.2	.45	4.25	89	3/31	d1.07	.71	3/31	1.565	1.565	YES
	1183	Crown Holdings		CCK	97.78	2	3	3	1.00	115- 170	(20- 75%)		14.3	1.1	6.85	1.04	12	3/31	1.67	1.02	6/30	.26	.25	YES
	1519	CubeSmart		CUBE	42.93	4	2	4	.95	50- 70	(15- 65%)		29.6	4.9	1.45	2.12	89	3/31	.39	.42	6/30	.52	.51	YES
	780	Cullen/Frost Bankers		CFR	130.02	▼4	3	3	1.25	155- 235	(20- 80%)		14.1	3.0	9.20	3.84	42	3/31	2.30	2.15	3/31	.95	.92	YES
	147	Cummins Inc.		CMI	330.59	3	2	3	1.05	385- 520	(15- 55%)		15.5	2.2	21.30	7.28	3	3/31	5.96	5.10	3/31	1.82	1.68	YES
	708	Curtiss-Wright		CW	387.37	1	3	3	1.15	280- 420	(N- 10%)		31.6	0.2	12.25	.84	31	3/31	◆2.68	1.99	6/30	.21	.21	YES
	2015	CyberArk Software	(NDQ)	CYBR	367.66	5	3	2	1.30	345- 515	(N- 40%)		NMF	NIL	1.00	NIL	59	12/31	d2.02	.20	3/31	NIL	NIL	YES
	1215	**DNP Select Inc. Fund**		DNP	9.65	–	2	–	.70	10- 13	(5- 35%)		NMF	2.6	NMF	.25	–	10/31	8.93(q)	7.40(q)	12/31	NIL	NIL	
	908	DTE Energy		DTE	133.10	3	2	1	.85	145- 200	(10- 50%)		18.5	3.3	7.20	4.36	60	3/31	2.14	1.51	6/30	1.09	1.02	YES
	581	DT Midstream		DTM	100.17	3	3	2	1.00	70- 105	(N- 5%)		24.1	3.3	▲4.15	3.28	64	3/31	1.06	.99	6/30	▲.82	.735	YES
	2594	DXC Technology		DXC	16.77	3	3	3	1.45	30- 45	(80-170%)		3.8	NIL	4.36	NIL	14	12/31	.92	.87	3/31	NIL	NIL	YES
	977	Dana Inc.		DAN	16.34	▲2	3	3	1.85	20- 30	(20- 85%)		9.9	2.4	1.65	.40	43	3/31	.13	.22	6/30	.10	.10	YES
	209	Danaher Corp.		DHR	200.83	–	2	–	.95	250- 340	(25- 70%)		36.5	0.6	5.50	1.28	50	3/31	1.32	1.45	6/30	▲.32	.27	YES
	356	Darden Restaurants		DRI	203.85	2	3	2	1.10	235- 355	(15- 75%)		20.7	2.8	9.87	5.70	26	2/28	2.80	2.62	6/30	1.40	1.31	YES
	1910	Darling Ingredients		DAR	35.51	3	3	4	1.25	50- 75	(40-110%)		18.2	NIL	1.95	NIL	57	3/31	d.16	.50	3/31	NIL	NIL	YES
	1804	Datadog, Inc.	(NDQ)	DDOG	113.42	4	3	4	1.35	130- 195	(15- 70%)		66.7	NIL	1.70	NIL	69	3/31	◆.46	.44	3/31	NIL	NIL	YES
	357	Dave & Buster's Ent.	(NDQ)	PLAY	22.12	3	5	5	1.65	20- 35	(N- 60%)		11.1	NIL	2.00	NIL	26	1/31	.24	.88	3/31	NIL	NIL	YES
	798	DaVita Inc.		DVA	144.43	2	3	2	.85	195- 290	(35-100%)		13.6	NIL	10.60	NIL	19	3/31	◆2.00	2.26	3/31	NIL	NIL	YES
	1636	Dayforce, Inc.		DAY	59.60	4	3	3	1.45	55- 85	(N- 45%)		54.2	NIL	1.10	NIL	48	3/31	◆.58	.16	3/31	NIL	NIL	YES
	2161	Deckers Outdoor		DECK	126.08	3	3	4	1.10	160- 240	(25- 90%)		19.5	NIL	6.46	NIL	22	12/31	3.00	2.52	3/31	NIL	NIL	YES
	148	Deere & Co.		DE	495.62	2	2	2	1.15	445- 605	(N- 20%)		24.4	1.5	20.31	7.28	3	1/31	3.19	6.23	6/30	1.62	1.47	YES
	506	Delek US Holdings		DK	16.33	5	4	5	1.40	▼ 20- 35	(20-115%)		NMF	6.2	▼d2.70	1.02	54	3/31	◆d2.78	d.51	3/31	.255	.245	YES
	1412	Dell Technologies		DELL	103.42	3	3	5	1.35	175- 265	(70-155%)		11.1	2.0	9.30	2.10	75	1/31	2.68	2.20	6/30	▲.525	.445	YES
1423	306	Delta Air Lines		DAL	51.14	3	3	3	1.55	55- 80	(10- 55%)		12.0	1.2	4.25	.60	44	3/31	.46	.45	6/30	.15	.10	YES
	2375	Deluxe Corp.		DLX	16.20	3	3	4	1.25	30- 50	(85-210%)		10.8	7.4	1.50	1.20	29	3/31	.31	.24	3/31	.30	.30	YES
	358	Denny's Corp.	(NDQ)	DENN	4.64	–	4	–	1.45	4- 6	(N- 30%)		10.3	NIL	.45	NIL	26	3/31	.08	.09	3/31	NIL	NIL	YES
	168	Dentsply Sirona	(NDQ)	XRAY	16.75	3	3	4	1.00	30- 45	(80-170%)		9.3	4.2	1.80	.70	68	3/31	◆.43	.42	6/30	.16	.16	YES
	2191	Designer Brands		DBI	3.79	–	5	–	1.70	6- 12	(60-215%)		9.5	5.3	.40	.20	46	1/31	d.44	d.44	6/30	.05	.10	YES
	923	Deutsche Telekom ADR	(NDQ)	DTEGY	35.16	2	2	1	.85	45- 60	(30- 70%)		17.6	2.9	2.00	1.02	53	12/31	.51	d.23	6/30	1.023	.82	
	527	Devon Energy		DVN	33.55	3	3	3	1.50	▼ 50- 75	(50-125%)		8.4	2.9	4.00	.96	84	3/31	◆1.21	1.16	3/31	▲.24	.22	YES
	210	DexCom Inc.	(NDQ)	DXCM	85.05	▲2	3	5	1.00	135- 200	(60-135%)		42.5	NIL	2.00	NIL	50	3/31	.27	.36	3/31	NIL	NIL	YES
	1968	Diageo plc		DEO	114.87	3	1	4	.90	160- 195	(40- 70%)		17.0	3.7	6.76	4.28	74	12/31	3.44(p)	3.20(p)	6/30	1.62	1.62	YES
	2394	Diamondback Energy	(NDQ)	FANG	142.92	–	3	–	1.45	205- 305	(45-115%)		12.4	2.8	11.55	4.00	28	3/31	4.83	4.28	3/31	▲1.00	.90	YES
	2175	Dick's Sporting Goods		DKS	212.42	2	3	2	1.05	210- 315	(N- 50%)		14.8	2.3	14.40	4.85	4	1/31	3.62	3.85	3/31	▲1.213	1.10	YES
	572	Digi Int'l	(NDQ)	DGII	33.92	▲2	3	3	1.30	45- 70	(35-105%)		30.0	NIL	▲1.13	NIL	34	3/31	◆.28	.11	3/31	NIL	NIL	YES
	1520	Digital Realty Trust		DLR	166.00	5	3	3	.85	165- 250	(N- 50%)		79.0	3.0	2.10	4.96	89	3/31	.27	.82	3/31	2.44	2.44	YES
	2142	Dillard's, Inc.		DDS	395.73	▲2	4	4	1.45	450- 750	(15- 90%)		12.0	0.3	33.00	1.10	21	1/31	13.48	15.44	3/31	.25	.25	
	359	Dine Brands Global		DIN	24.20	–	4	–	1.40	40- 70	(65-190%)		4.6	8.6	5.25	2.08	26	3/31	◆.53	1.13	6/30	.51	.51	YES
	1361	Diodes Inc.		DIOD	47.57	4	3	4	1.35	75- 110	(60-130%)		40.0	NIL	1.19	NIL	76	3/31	◆.19	.28	3/31	NIL	NIL	YES
	2515	Discover Fin'l Svcs.		DFS	202.47	–	3	–	1.45	125- 185	(N- N%)		15.0	1.4	13.50	2.80	17	3/31	4.25	3.25	6/30	.70	.70	YES
	2333	Disney (Walt)		DIS	110.49	▲2	2	4	1.15	135- 185	(20- 65%)		22.8	0.9	4.85	1.00	27	3/31	◆1.81	d.01	3/31	▲.50	.30	YES
	2557	DocuSign, Inc.	(NDQ)	DOCU	87.86	3	4	2	1.55	75- 125	(N- 40%)		NMF	NIL	.85	NIL	30	1/31	.14	.13	3/31	NIL	NIL	YES

(•) All data adjusted for announced stock split or stock dividend.
See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1996	Dolby Labs.		DLB	77.72	3	2	3	.95	85- 115	(10- 50%)		25.9	1.7	3.00	1.34	94	3/31	.94	1.01	3/31	▲.33	.30	YES
	2143	Dollar General		DG	89.49	2	3	3	.45	115- 175	(30- 95%)		16.1	2.6	5.55	2.36	21	1/31	.87	1.83	3/31	.59	.59	YES
	2144	Dollar Tree, Inc.	(NDQ)	DLTR	89.00	3	3	5	.75	115- 170	(30- 90%)		17.1	NIL	5.20	NIL	21	1/31	2.19	d7.85	3/31	NIL	NIL	YES
	2145	Dollarama Inc	(TSE)	DOL.TO	165.71	▼2	2	2	.60	175- 235	(5- 40%)		36.4	0.3	4.55	.42	21	1/31	1.40	1.15	6/30	▲.106	.092	
	131	Dominion Energy		D	54.85	3	2	2	.75	60- 80	(10- 45%)		16.1	4.9	3.40	2.67	88	3/31	.93	.55	3/31	.668	.668	YES
	360	Domino's Pizza	(NDQ)	DPZ	482.11	2	3	3	.80	630- 945	(30- 95%)		27.2	1.5	17.75	7.12	26	3/31	4.33	3.58	3/31	▲1.74	1.51	YES
	1709	Donaldson Co.		DCI	70.37	3	2	4	1.05	85- 115	(20- 65%)		18.8	1.6	3.74	1.12	38	1/31	.79	.81	3/31	.27	.25	YES
	2605	DoorDash, Inc.		DASH	192.10	3	4	3	1.60	150- 250	(N- 30%)		NMF	NIL	1.50	NIL	24	3/31	◆.44	d.06	3/31	NIL	NIL	YES
	978	Dorman Products	(NDQ)	DORM	130.24	▼3	3	2	.85	190- 280	(45-115%)		17.1	NIL	7.60	NIL	43	3/31	2.02	1.31	3/31	NIL	NIL	YES
	1710	Dover Corp.		DOV	183.59	3	2	3	1.15	165- 225	(N- 25%)		19.7	1.1	9.30	2.06	38	3/31	2.05	1.72	3/31	.515	.51	YES
	1597	Dow Inc.		DOW	30.98	4	3	3	1.20	55- 85	(80-175%)		18.2	9.2	1.70	2.85-1.42	45	3/31	.02	.56	6/30	.70	.70	YES
	821	Doximity, Inc.		DOCS	61.04	2	3	2	1.40	65- 95	(5- 55%)		58.1	NIL	1.05	NIL	47	12/31	.37	.24	3/31	NIL	NIL	YES
	2354	DraftKings Hldgs.	(NDQ)	DKNG	37.93	4	4	2	1.60	60- 100	(60-165%)		69.0	NIL	.55	NIL	39	3/31	◆d.07	d.30	3/31	NIL	NIL	YES
	1422	Dril-Quip, Inc.		DRQ	SEE FINAL SUPPLEMENT																			
	2126	Driven Brands	(NDQ)	DRVN	17.94	3	3	2	1.20	20- 35	(10- 95%)		15.0	NIL	1.20	NIL	20	3/31	◆.27	.23	3/31	NIL	NIL	YES
	2558	Dropbox, Inc.	(NDQ)	DBX	29.29	1	3	2	1.05	35- 50	(20- 70%)		11.7	NIL	2.50	NIL	30	3/31	◆.70	.58	3/31	NIL	NIL	YES
	132	Duke Energy		DUK	115.85	3	2	1	.65	115- 155	(N- 35%)		18.2	3.7	6.35	4.24	88	3/31	◆1.76	1.44	3/31	1.045	1.025	YES
1819	423	Dun & Bradstreet		DNB	8.98	–	3	–	1.05	12- 19	(35-110%)		8.6	NIL	1.05	NIL	41	3/31	.21	.20	3/31	.05	.05	YES
1243	1988	Duolingo, Inc.	(NDQ)	DUOL	517.83	▲2	3	3	1.45	460- 690	(N- 35%)		90.1	NIL	5.75	NIL	2	3/31	.72	.57	3/31	NIL	NIL	YES
	1598	DuPont de Nemours		DD	71.27	4	3	4	1.25	95- 145	(35-105%)		16.2	2.3	4.40	1.66	45	3/31	1.03	.79	3/31	▲.41	.38	YES
848	361	Dutch Bros Inc		BROS	69.86	1	4	2	1.70	65- 110	(N- 55%)		NMF	NIL	.60	NIL	26	12/31	.07	.04	3/31	NIL	NIL	YES
	1015	Dycom Inds.		DY	192.56	2	3	3	1.20	220- 330	(15- 70%)		18.9	NIL	10.20	NIL	6	1/31	1.17	.79	3/31	NIL	NIL	YES
	1805	Dynatrace Inc		DT	50.48	3	3	3	1.20	65- 95	(30- 90%)		74.2	NIL	.68	NIL	69	12/31	1.19	.14	3/31	NIL	NIL	YES
	1612	Dynavax Technologies	(NDQ)	DVAX	9.85	4	4	1	.95	15- 25	(50-155%)		39.4	NIL	.25	NIL	62	3/31	◆.01	d.07	3/31	NIL	NIL	YES
	997	**e.l.f. Beauty**		ELF	74.07	5	4	5	.95	140- 230	(90-210%)		20.6	NIL	3.59	NIL	93	12/31	.74	.74	3/31	NIL	NIL	YES
	528	EOG Resources		EOG	114.06	▼3	3	3	1.20	▼ 180- 270	(60-135%)		10.3	3.5	▼11.10	3.98	84	3/31	2.87	2.82	6/30	.975	.91	YES
	2595	EPAM Systems		EPAM	186.60	3	3	4	1.35	165- 250	(N- 35%)		17.9	NIL	10.40	NIL	14	3/31	◆2.41	2.46	3/31	NIL	NIL	YES
	529	EQT Corp.		EQT	54.49	4	3	2	1.25	55- 85	(N- 55%)		23.7	1.2	▼2.30	.63	84	3/31	.40	.23	6/30	.158	.158	YES
	1711	ESAB Corp.		ESAB	128.66	3	3	3	1.30	100- 150	(N- 15%)		23.8	0.2	5.40	.32	38	3/31	1.25	1.27	3/31	.08	.06	YES
	1115	Eagle Materials		EXP	239.56	3	3	4	1.20	255- 380	(5- 60%)		15.9	0.4	15.11	1.01	37	12/31	3.59	3.72	6/30	.25	.25	YES
	609	East West Bancorp	(NDQ)	EWBC	95.57	2	3	3	1.50	110- 165	(15- 75%)		10.9	2.6	8.75	2.50	65	3/31	2.08	2.03	6/30	.60	.55	YES
	2426	Eastman Chemical		EMN	82.77	4	3	3	1.25	105- 155	(25- 85%)		10.2	4.0	8.15	3.32	92	3/31	1.57	1.39	6/30	.83	.81	YES
	1752	Eaton Corp. plc		ETN	322.09	1	3	4	1.10	345- 515	(5- 60%)		26.8	1.3	12.00	4.16	15	3/31	2.72	2.40	6/30	1.04	.94	YES
	2625	eBay Inc.	(NDQ)	EBAY	69.16	2	3	2	1.00	75- 115	(10- 65%)		15.0	1.7	4.60	1.16	18	3/31	1.06	.85	3/31	▲.29	.27	YES
	922	EchoStar Corp.	(NDQ)	SATS	20.18	–	4	–	1.20	20- 35	(N- 75%)		NMF	NIL	d3.40	NIL	53	3/31	◆d.71	d.40	3/31	NIL	NIL	YES
	552	Ecolab Inc.		ECL	254.48	2	2	2	1.10	260- 350	(N- 40%)		36.9	1.0	6.90	2.60	72	3/31	1.41	1.43	6/30	.65	.57	YES
	553	Ecovyst Inc.		ECVT	7.36	3	3	4	1.30	6- 9	(N- 20%)		24.5	NIL	▼.30	NIL	72	3/31	d.03	.01	3/31	NIL	NIL	YES
	1198	Edgewell Personal Care		EPC	28.73	▼4	3	4	1.05	50- 70	(75-145%)		9.5	2.1	3.03	.60	86	3/31	◆.87	.88	6/30	.15	.15	YES
	2202	Edison Int'l		EIX	56.56	3	3	4	.90	80- 120	(40-110%)		9.8	6.0	5.75	3.41	63	3/31	1.37	1.13	6/30	.828	.78	YES
	169	Edwards Lifesciences		EW	74.80	2	3	3	1.05	90- 130	(20- 75%)		30.5	NIL	2.45	NIL	68	3/31	.64	.55	3/31	NIL	NIL	YES
	1613	Elanco Animal Health		ELAN	12.82	▲3	3	4	1.25	14- 20	(10- 55%)		NMF	NIL	NIL	NIL	62	3/31	◆.13	.06	3/31	NIL	NIL	YES
	1806	Elastic N.V.		ESTC	92.76	4	4	3	1.45	115- 190	(25-105%)		NMF	NIL	d.86	NIL	69	1/31	d.16	1.69	3/31	NIL	NIL	YES
	709	Elbit Systems	(NDQ)	ESLT	380.51	2	2	1	.70	345- 470	(N- 25%)		42.3	0.6	9.00	2.40	31	12/31	2.66	1.56	6/30	▲.60	.50	YES
	1997	Electronic Arts	(NDQ)	EA	149.27	3	1	3	.70	165- 205	(10- 35%)		33.6	0.5	4.44	.76	94	3/31	◆.98	.67	6/30	.19	.19	YES
	554	Element Solutions		ESI	22.84	4	3	4	1.25	30- 50	(30-120%)		18.3	1.4	▲1.25	.32	72	3/31	.40	.23	3/31	.08	.08	YES
	799	Elevance Health		ELV	416.69	3	3	3	.85	615- 920	(50-120%)		12.0	1.6	34.60	6.84	19	3/31	11.97	10.64	6/30	1.71	1.63	YES
849	1521	Elme Communities		ELME	16.10	5	3	2	1.00	17- 25	(5- 55%)		NMF	4.7	d.12	.75	89	3/31	d.05	d.04	6/30	.18	.18	YES
	710	Embraer SA		ERJ	48.05	2	3	3	1.75	45- 70	(N- 45%)		22.3	NIL	2.15	NIL	31	3/31	◆.36	.16	3/31	NIL	NIL	YES
	1016	EMCOR Group		EME	457.31	1	3	3	1.15	405- 605	(N- 30%)		19.3	0.3	23.70	1.15	6	3/31	5.26	4.17	6/30	.25	.25	YES
	1227	Emera Inc.	(TSE)	EMA.TO	60.22b	4	1	2	.55	75- 95	(25- 60%)		18.5	4.8	3.25	2.90	79	3/31	◆1.96(b)	.73(b)	3/31	.725(b)	.718(b)	YES
	1614	Emergent BioSolutions		EBS	5.84	–	4	–	1.35	5- 8	(N- 35%)		NMF	NIL	d1.00	NIL	62	3/31	◆1.19	.17	3/31	NIL	NIL	YES
	1307	Emerson Electric		EMR	119.41	3	2	3	1.15	170- 235	(40- 95%)		25.5	1.8	4.68	2.12	16	3/31	◆.86	.87	3/31	.527	.525	YES
	1946	Empire Company Ltd.	(TSE)	EMPA.TO	50.31b	1	2	3	.45	40- 55	(N- 10%)		17.7	1.7	2.85	.84	1	1/31	.62(b)	.54(b)	3/31	.20(b)	.183(b)	YES
	582	Enbridge Inc.	(TSE)	ENB.TO	62.29b	4	1	2	.75	60- 75	(N- 20%)		20.4	6.1	3.05	3.77	64	3/31	◆1.03(b)	.92(b)	6/30	.943(b)	.915(b)	
	800	Encompass Health		EHC	116.93	1	3	3	.95	120- 180	(5- 55%)		24.1	0.6	4.85	.68	19	3/31	1.37	1.12	6/30	.17	.15	YES
	1818	Endeavor Group		EDR	SEE FINAL SUPPLEMENT																			
	1199	Energizer Holdings		ENR	22.87	▼4	3	3	.90	45- 65	(95-185%)		6.5	5.2	3.53	1.20	86	3/31	◆.67	.72	3/31	.30	.30	YES
	593	Energy Transfer LP		ET	17.44	3	3	1	1.10	25- 40	(45-130%)		11.6	7.5	1.50	1.31	49	3/31	◆.36	.32	6/30	▲.34	.318	YES
	1712	Enerpac Tool Group		EPAC	45.51	3	3	3	1.05	40- 65	(N- 45%)		24.6	0.1	1.85	.04	38	2/28	.39	.36	6/30	NIL	NIL	YES
	1228	EnerSys		ENS	98.72	2	3	5	1.25	115- 175	(15- 75%)		11.7	1.0	8.45	.96	79	12/31	2.88	1.86	3/31	.24	.225	YES
		EnLink Midstream LLC		ENLC	SEE FINAL SUPPLEMENT																			
	170	Enovis Corp.		ENOV	36.57	4	3	3	1.30	50- 80	(35-120%)		11.4	NIL	3.20	NIL	68	3/31	◆.81	.50	3/31	NIL	NIL	YES
	1229	Enphase Energy	(NDQ)	ENPH	47.94	▼3	4	3	1.40	180- 300	(275-525%)		30.0	NIL	1.60	NIL	79	3/31	.22	d.12	3/31	NIL	NIL	YES
	1753	EnPro Inc.		NPO	181.99	▲3	3	2	1.35	155- 230	(N- 25%)		24.4	0.7	7.45	1.24	15	3/31	◆1.90	1.57	3/31	▲.31	.30	YES
	1397	Entegris, Inc.	(NDQ)	ENTG	82.39	4	3	4	1.45	145- 215	(75-160%)		25.4	0.5	3.25	.40	78	3/31	◆.67	.68	6/30	.10	.10	YES
	909	Entergy Corp.		ETR	81.27	3	1	1	.80	70- 85	(N- 5%)		24.3	3.0	3.35	2.40	60	3/31	.82	.18	6/30	.60	.565	YES
	594	Enterprise Products		EPD	31.40	3	3	2	1.00	45- 65	(45-105%)		11.0	6.9	2.85	2.16	49	3/31	.64	.66	6/30	.535	.515	YES
	407	Enviri Corp.		NVRI	7.46	4	4	5	1.65	7- 12	(N- 60%)		NMF	NIL	d.25	NIL	33	3/31	d.18	d.03	3/31	NIL	NIL	YES
	171	Envista Holdings		NVST	18.55	3	3	3	1.20	25- 35	(35- 90%)		30.9	NIL	.60	NIL	68	3/31	.10	.14	3/31	NIL	NIL	YES
	1329	ePlus Inc	(NDQ)	PLUS	65.72	3	3	4	1.10	85- 130	(30-100%)		15.3	NIL	4.30	NIL	25	12/31	.91	1.18	3/31	NIL	NIL	YES
2634	424	Equifax, Inc.		EFX	276.37	3	3	4	1.15	210- 315	(N- 15%)		37.3	0.7	7.40	2.00	41	3/31	1.53	1.50	3/31	.39	.39	YES
	1522	Equinix, Inc.	(NDQ)	EQIX	870.47	3	2	3	.90	770-1040	(N- 20%)		84.5	2.2	10.30	18.76	89	3/31	3.61	2.43	3/31	▲4.69	4.26	YES
	507	Equinor ASA		EQNR	23.11	2	3	3	.90	35- 50	(50-115%)		6.6	7.1	3.50	1.65	54	3/31	.96	.91	6/30	▲.37	.35	YES
	2516	Equitable Holdings		EQH	53.94	3	3	2	1.40	50- 75	(N- 40%)		7.9	1.8	6.85	.96	17	3/31	1.30	1.43	3/31	.24	.22	YES
	1523	Equity Lifestyle Propert	(NDQ)	ELS	63.59	4	2	3	.80	70- 95	(10- 50%)		31.8	3.3	2.00	2.10	89	3/31	.57	.59	6/30	.515	.478	YES
	1524	Equity Residential		EQR	70.90	3	3	3	1.05	80- 125	(15- 75%)		52.5	3.9	1.35	2.77	89	3/31	.67	.77	6/30	▲.693	.675	YES
	958	Ericsson ADR(g)	(NDQ)	ERIC	8.40	2	3	2	1.10	7- 11	(N- 30%)		24.0	3.4	.35	.29	35	3/31	.13	.07	6/30	.142	.128	YES
236	759	Erie Indemnity	(NDQ)	ERIE	357.47	3	3	1	.80	595- 890	(65-150%)		28.9	1.5	12.35	5.48	11	3/31	2.65	2.38	6/30	1.365	1.28	YES
	1754	ESCO Technologies		ESE	179.57	2	3	3	1.15	120- 180	(N- N%)		35.2	0.2	5.10	.32	15	3/31	◆1.20	.90	6/30	.08	.08	YES
	1774	Essential Utilities		WTRG	39.12	4	2	2	.85	55- 75	(40- 90%)		17.4	3.5	2.25	1.35	61	3/31	◆1.03	.97	3/31	.326	.307	YES
	1525	Essex Property Trust		ESS	286.30	4	3	2	1.05	285- 430	(N- 50%)		46.6	3.6	6.15	10.30	89	3/31	3.16	4.25	3/31	▲2.57	2.31	YES
	1158	Ethan Allen Interiors		ETD	27.46	3	3	4	1.10	35- 50	(25- 80%)		11.2	5.7	2.45	1.56	70	3/31	.38	.48	3/31	.39	.39	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	2626	Etsy, Inc.	(NDQ)	ETSY	47.59	3	4	4	1.25	70- 115	(45-140%)	19.4	NIL	2.45	NIL	18	3/31	d.49	.48	3/31	NIL	NIL	YES
	2517	Euronet Worldwide	(NDQ)	EEFT	111.32	1	3	4	1.45	175- 260	(55-135%)	14.4	NIL	7.75	NIL	17	3/31	.85	.55	3/31	NIL	NIL	YES
	2559	EverCommerce Inc.	(NDQ)	EVCM	11.37	3	3	4	1.25	14- 20	(25- 75%)	NMF	NIL	d.30	NIL	30	3/31	◆d.04	d.09	3/31	NIL	NIL	YES
	1792	Evercore Inc.		EVR	233.00	3	3	3	1.50	250- 380	(5- 65%)	17.9	1.4	13.00	3.36	83	3/31	3.49	2.09	3/31	.80	.76	YES
	2006	Everest Group		EG	347.80	▲1	3	3	1.05	425- 640	(20- 85%)	7.1	2.4	49.00	8.40	9	3/31	d4.90	16.90	3/31	2.00	1.75	YES
	910	Evergy, Inc.		EVRG	65.35	3	2	1	.75	75- 100	(15- 55%)	16.1	4.1	4.05	2.71	60	3/31	◆.54	.53	3/31	.668	.643	YES
	133	Eversource Energy		ES	62.25	5	2	4	.85	80- 110	(30- 75%)	13.1	4.9	4.75	3.05	88	3/31	1.50	1.49	3/31	▲.753	.715	YES
	822	Evolent Health		EVH	9.31	5	4	3	1.05	9- 16	(N- 70%)	NMF	NIL	d.40	NIL	47	3/31	◆d.63	d.22	3/31	NIL	NIL	YES
	801	Exact Sciences	(NDQ)	EXAS	53.40	5	4	5	1.05	70- 115	(30-115%)	NMF	NIL	d.55	NIL	19	3/31	d.54	d.60	3/31	NIL	NIL	YES
	836	Exelixis, Inc.	(NDQ)	EXEL	36.98	▼2	3	3	.70	50- 75	(35-105%)	18.5	NIL	2.00	NIL	90	12/31	.48	.27	3/31	NIL	NIL	YES
	134	Exelon Corp.	(NDQ)	EXC	43.61	–	3	–	NMF	50- 70	(15- 60%)	16.5	3.7	2.65	1.62	88	3/31	.92	.68	3/31	.40	.38	YES
	425	ExlService Holdings Inc	(NDQ)	EXLS	46.85	3	3	2	1.10	40- 65	(N- 40%)	33.9	NIL	1.38	NIL	41	3/31	.40	.29	3/31	NIL	NIL	YES
	386	eXp World Holdings	(NDQ)	EXPI	7.82	4	4	2	1.75	15- 25	(90-220%)	39.1	2.6	.20	.20	5	3/31	◆d.07	d.09	3/31	.05	.05	YES
	530	Expand Energy Corp.	(NDQ)	EXE	110.92	–	3	–	NMF	105- 155	(N- 40%)	NMF	2.1	d3.40	2.30	84	3/31	d1.06	.18	3/31	.575	.575	YES
	2606	Expedia Group	(NDQ)	EXPE	167.25	2	3	2	1.60	260- 390	(55-135%)	15.2	1.0	11.00	1.60	24	3/31	◆d1.56	d.99	3/31	▲.40	NIL	YES
	387	Expeditors Int'l		EXPD	116.08	▼3	1	4	.95	125- 150	(10- 30%)	21.1	1.3	5.50	1.46	5	3/31	◆1.47	1.17	12/31	▲.73	.69	YES
	426	Exponent, Inc.	(NDQ)	EXPO	79.58	3	3	3	1.00	65- 95	(N- 20%)	38.8	1.5	2.05	1.20	41	3/31	.52	.58	3/31	▲.30	.28	YES
	1526	Extra Space Storage		EXR	148.89	4	3	4	.95	150- 225	(N- 50%)	33.1	4.5	4.50	6.66	89	3/31	1.28	1.00	3/31	1.62	1.62	YES
	959	Extreme Networks	(NDQ)	EXTR	15.66	4	4	5	1.60	19- 30	(20- 90%)	NMF	NIL	.13	NIL	35	3/31	.03	d.50	3/31	NIL	NIL	YES
	508	Exxon Mobil Corp.		XOM	109.16	2	2	3	.95	105- 145	(N- 35%)	13.4	3.6	8.15	3.96	54	3/31	1.76	2.06	3/31	.99	.95	YES
	960	**F5, Inc.**	(NDQ)	FFIV	280.35	2	2	2	1.00	295- 400	(5- 45%)	28.1	NIL	9.98	NIL	35	3/31	2.48	2.00	3/31	NIL	NIL	YES
	117	FARO Technologies	(NDQ)	FARO	42.16	–	3	–	1.55	40- 55	(N- 30%)	NMF	NIL	d.10	NIL	40	3/31	.05	d.38	3/31	NIL	NIL	YES
	1599	FMC Corp.		FMC	38.22	3	3	3	1.00	70- 105	(85-175%)	10.6	6.2	3.60	2.37	45	3/31	.18	.36	6/30	.58	.58	YES
	388	FTI Consulting		FCN	164.81	2	2	4	.55	175- 235	(5- 45%)	18.2	NIL	9.05	NIL	5	3/31	2.29	2.23	3/31	NIL	NIL	YES
	1330	Fabrinet		FN	215.39	2	3	3	1.25	190- 290	(N- 35%)	21.9	NIL	9.84	NIL	25	3/31	2.25	2.21	3/31	NIL	NIL	YES
	427	FactSet Research		FDS	456.40	3	2	3	.90	500- 675	(10- 50%)	26.7	1.0	17.08	4.40	41	2/28	4.28	4.22	3/31	1.04	.98	YES
	428	Fair Isaac		FICO	2130.00	2	3	3	1.05	1890-2835	(N- 35%)	72.2	NIL	29.50	NIL	41	3/31	6.59	5.16	3/31	NIL	NIL	YES
	1146	Fastenal Co.	(NDQ)	FAST	80.15	▼2	1	2	.90	85- 105	(5- 30%)	35.6	2.2	2.25	1.76	55	3/31	.52	.52	6/30	▲.44	.39	YES
★★	1807	Fastly, Inc.		FSLY	8.10	▲4	4	4	1.65	5- 8	(N- N%)	NMF	NIL	d.10	NIL	69	3/31	◆d.27	d.05	3/31	NIL	NIL	YES
	1527	Federal Rlty. Inv. Trust		FRT	98.21	4	3	4	1.20	145- 215	(50-120%)	31.2	4.5	3.15	4.40	89	3/31	◆.72	.66	6/30	1.10	1.09	YES
	149	Federal Signal		FSS	93.63	1	2	4	1.05	105- 140	(10- 50%)	25.0	0.6	3.75	.56	3	3/31	.76	.64	3/31	▲.14	.12	YES
	2218	Federated Hermes		FHI	42.94	▲2	3	3	1.15	45- 70	(5- 65%)	10.3	2.9	4.15	1.24	51	3/31	1.25	.89	3/31	.31	.28	YES
1819	307	FedEx Corp.		FDX	232.95	2	3	4	1.15	290- 435	(25- 85%)	12.1	2.6	19.30	6.00	44	2/28	4.51	3.86	6/30	1.38	1.26	YES
	1147	Ferguson Enterprises Inc		FERG	176.61	3	3	5	NMF	205- 305	(15- 75%)	17.6	1.9	10.01	3.32	55	10/31	2.34	2.54	6/30	.83	.79	YES
	102	Ferrari N.V.		RACE	486.76	2	2	3	.95	440- 595	(N- 20%)	52.6	0.6	9.25	3.13	36	3/31	◆2.30	2.03	6/30	3.128	2.601	YES
	2518	Fidelity Nat'l Fin'l		FNF	57.73	3	3	1	1.25	55- 85	(N- 45%)	11.5	3.5	5.00	2.04	17	3/31	◆.30	.91	3/31	.50	.48	YES
	2519	Fidelity Nat'l Info.		FIS	78.88	–	3	–	1.05	80- 120	(N- 50%)	13.6	2.1	5.80	1.64	17	3/31	◆1.21	1.10	3/31	▲.40	.36	YES
	610	Fifth Third Bancorp	(NDQ)	FITB	39.24	▲3	3	3	1.45	50- 75	(25- 90%)	11.2	3.9	3.50	1.54	65	3/31	.71	.70	6/30	.37	.35	YES
	150	Finning Int'l	(TSE)	FTT.TO	42.46b	2	3	3	1.15	55- 85	(30-100%)	11.0	2.6	3.85	1.10	3	3/31	◆.77(b)	.84(b)	3/31	.275(b)	.25(b)	
	760	First American Fin'l		FAF	60.59	4	3	1	1.10	85- 130	(40-115%)	12.1	3.6	5.00	2.18	11	3/31	.71	.45	3/31	.54	.53	YES
	611	First Citzn BncSh-NC	(NDQ)	FCNCA	1940.30	3	3	3	1.25	2300-3450	(20- 80%)	12.0	0.4	162.00	8.10	65	3/31	34.47	49.26	6/30	1.95	1.64	YES
	781	First Horizon Corp.		FHN	20.06	3	3	3	1.35	25- 35	(25- 75%)	11.8	3.0	1.70	.60	42	3/31	.42	.35	6/30	.15	.15	YES
	1230	First Solar, Inc.	(NDQ)	FSLR	156.21	4	3	4	1.10	335- 505	(115-225%)	8.4	NIL	18.50	NIL	79	3/31	1.95	2.21	3/31	NIL	NIL	YES
	2520	FirstCash Holdings	(NDQ)	FCFS	132.16	1	3	2	.85	100- 150	(N- 15%)	19.6	1.2	6.75	1.52	17	3/31	1.87	1.35	3/31	.38	.35	YES
	135	FirstEnergy Corp.		FE	41.72	4	3	3	.75	45- 65	(10- 55%)	16.4	4.3	2.55	1.80	88	3/31	.67	.55	6/30	.425	.425	YES
	389	FirstService Corp.	(NDQ)	FSV	176.26	3	3	2	.90	230- 340	(30- 95%)	30.9	0.6	5.70	1.10	5	3/31	.92	.67	6/30	▲.275	.25	YES
236	2521	Fiserv Inc.		FI	186.82	2	2	2	1.00	180- 245	(N- 30%)	20.1	NIL	9.30	NIL	17	3/31	2.14	1.88	3/31	NIL	NIL	YES
★★	2146	Five Below, Inc.	(NDQ)	FIVE	103.49	3	3	5	1.10	75- 115	(N- 10%)	24.6	NIL	4.20	NIL	21	1/31	3.39	3.65	3/31	NIL	NIL	YES
	924	Five9, Inc.	(NDQ)	FIVN	28.05	4	4	3	1.30	65- 110	(130-290%)	10.8	NIL	2.60	NIL	53	3/31	.01	d.10	3/31	NIL	NIL	YES
	1505	Flagstar Financial Inc.		FLG	12.44	–	5	–	1.15	13- 25	(5-100%)	20.7	NIL	.60	NIL	32	3/31	d.23	d1.15	3/31	.01	.15	YES
	1331	Flex Ltd.	(NDQ)	FLEX	40.88	–	3	–	NMF	40- 55	(N- 35%)	14.7	NIL	2.78	NIL	25	3/31	◆.73	.57	3/31	NIL	NIL	YES
	1148	Floor & Decor Hldgs.		FND	83.80	4	3	4	1.30	125- 185	(50-120%)	41.9	NIL	2.00	NIL	55	3/31	.45	.46	3/31	NIL	NIL	YES
	1911	Flowers Foods		FLO	17.60	3	2	3	.55	35- 45	(100-155%)	13.5	5.5	1.30	.96	57	12/31	.22	.20	3/31	.24	.23	YES
	1713	Flowserve Corp.		FLS	50.83	3	3	3	1.40	70- 110	(40-115%)	16.1	1.7	3.15	.84	38	3/31	.72	.58	3/31	.21	.20	YES
	1231	Fluence Energy Inc	(NDQ)	FLNC	5.69	4	5	3	1.90	8- 16	(40-180%)	19.6	NIL	.29	NIL	79	3/31	◆d.24	d.07	3/31	NIL	NIL	YES
	1017	Fluor Corp.		FLR	37.53	▲3	3	3	1.30	35- 50	(N- 35%)	15.0	NIL	2.50	NIL	6	3/31	.73	.47	3/31	NIL	NIL	YES
	2355	Flutter Entertainment pl	(NYSE)	FLUT	247.23	–	3	–	NMF	210- 315	(N- 25%)	42.3	NIL	5.85	NIL	39	3/31	◆1.57	d.13	6/30	NIL	NIL	YES
	2192	Foot Locker		FL	13.28	5	4	3	1.35	20- 35	(50-165%)	8.9	NIL	1.50	NIL	46	1/31	.86	.38	6/30	NIL	NIL	YES
	103	Ford Motor		F	10.55	2	3	4	1.45	15- 25	(40-135%)	8.8	5.7	1.20	.60	36	3/31	.12	.33	3/31	.15	.33	YES
	1398	FormFactor, Inc.	(NDQ)	FORM	32.17	4	3	4	1.35	50- 80	(55-150%)	24.7	NIL	1.30	NIL	78	3/31	.08	.28	3/31	NIL	NIL	YES
	429	Forrester Research	(NDQ)	FORR	10.46	–	3	–	1.00	17- 25	(65-140%)	8.0	NIL	1.30	NIL	41	3/31	◆.11	.14	3/31	NIL	NIL	YES
★★	2016	Fortinet Inc.	(NDQ)	FTNT	102.04	1	3	2	1.20	120- 180	(20- 75%)	44.4	NIL	2.30	NIL	59	3/31	◆.56	.39	3/31	NIL	NIL	YES
	911	Fortis Inc.	(TSE)	FTS.TO	65.37b	3	1	2	.55	80- 95	(20- 45%)	19.2	3.8	3.40	2.49	60	3/31	◆1.00(b)	.93(b)	6/30	.615(b)	.59(b)	YES
	118	Fortive Corp.		FTV	73.74	▼4	3	4	1.10	85- 125	(15- 70%)	30.1	0.4	2.45	.32	40	3/31	.50	.58	6/30	.08	.08	YES
	1116	Fortune Brands Innovs.		FBIN	57.39	3	3	3	1.15	85- 125	(50-120%)	13.5	1.7	4.25	1.00	37	3/31	◆.66	.83	3/31	▲.25	.24	YES
	317	Forward Air	(NDQ)	FWRD	19.03	5	4	3	1.40	35- 60	(85-215%)	NMF	NIL	d.20	NIL	85	12/31	d2.96	.81	6/30	NIL	NIL	YES
	2334	Fox Corp. 'A'	(NDQ)	FOXA	52.42	2	3	2	.95	45- 70	(N- 35%)	13.3	1.0	3.94	.54	27	3/31	◆1.10	1.09	6/30	NIL	NIL	YES
	2306	Fox Factory Holding	(NDQ)	FOXF	25.76	3	3	3	1.35	45- 65	(75-150%)	42.9	NIL	.60	NIL	52	3/31	◆.23	d.08	3/31	NIL	NIL	YES
	1569	Franco-Nevada Corp.		FNV	158.67	3	2	2	.70	175- 235	(10- 50%)	38.2	1.0	4.15	1.52	7	3/31	◆1.09	.76	3/31	▲.38	.36	YES
	1308	Franklin Electric	(NDQ)	FELE	89.69	3	2	3	1.05	135- 180	(50-100%)	21.6	1.2	4.15	1.08	16	3/31	.67	.70	3/31	▲.265	.25	YES
	2219	Franklin Resources		BEN	21.69	4	3	5	1.35	20- 35	(N- 60%)	16.1	5.9	1.35	1.28	51	3/31	.26	.23	6/30	.32	.31	YES
	1583	Freep't-McMoRan Inc.		FCX	39.11	3	3	4	1.55	60- 85	(55-115%)	21.1	1.5	1.85	.60	81	3/31	.24	.32	6/30	.15	.15	YES
	802	Fresenius Medical ADR		FMS	28.11	3	3	2	.90	30- 45	(5- 60%)	15.2	2.5	1.85	.70	19	3/31	.26	.12	3/31	NIL	NIL	YES
	1912	Fresh Del Monte Prod.		FDP	32.76	2	3	1	.75	30- 45	(N- 35%)	10.2	3.8	3.20	1.25	57	3/31	.64	.55	3/31	▲.30	.25	YES
	1913	Freshpet, Inc.	(NDQ)	FRPT	79.62	4	3	3	1.25	115- 175	(45-120%)	59.0	NIL	1.35	NIL	57	3/31	d.26	.37	3/31	NIL	NIL	YES
	390	frontdoor, inc.	(NDQ)	FTDR	54.74	3	3	4	.95	65- 95	(20- 75%)	13.0	NIL	4.20	NIL	5	3/31	.64	.44	3/31	NIL	NIL	YES
	925	Frontier Commun. Parent	(NDQ)	FYBR	36.55	–	4	–	1.15	35- 55	(N- 50%)	NMF	NIL	d.40	NIL	53	3/31	d.26	NIL	3/31	NIL	NIL	YES
	333	Frontline plc		FRO	17.51	3	5	5	1.15	19- 35	(10-100%)	8.1	4.6	2.15	.80-NIL	73	12/31	.30	.53	3/31	.20	.37	YES
	1332	FUJIFILM Hldgs. ADR(g)	(NDQ)	FUJIY	11.53	3	1	3	.80	17- 20	(45- 75%)	15.2	1.7	.76	.20	25	3/31	◆.22	.17	6/30	NIL	NIL	
	555	Fuller (H.B.)		FUL	57.03	4	3	3	1.10	85- 125	(50-120%)	27.8	1.6	2.05	.89	72	2/28	.24	.55	6/30	▲.235	.223	YES
	2307	Funko, Inc.	(NDQ)	FNKO	5.14	–	4	–	1.55	6- 10	(15- 95%)	NMF	NIL	d.10	NIL	52	3/31	◆d.52	d.45	3/31	NIL	NIL	YES
	2106	**G-III Apparel Group**	(NDQ)	GIII	27.99	3	4	4	1.55	30- 55	(5- 95%)	7.2	NIL	3.90	NIL	80	1/31	1.07	.61	3/31	NIL	NIL	YES

(•) All data adjusted for announced stock split or stock dividend.
See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	342	GATX Corp.		GATX	148.84	3	3	2	1.10	175- 260 (20- 75%)	17.3	1.6	8.60	2.44	66	3/31	2.15	2.01	3/31	▲.61	.58	YES
2228	211	GE HealthCare	(NDQ)	GEHC	74.11	–	3	–	NMF	115- 175 (55-135%)	15.9	0.2	4.65	.14	50	3/31	1.23	.81	6/30	.035	.03	YES
	1232	GE Vernova Inc		GEV	416.63	–	3	–	NMF	335- 500 (N- 20%)	62.2	0.2	6.70	1.00	79	3/31	.91	d.47	6/30	.25	NIL	YES
	408	GFL Environmental Inc		GFL	48.68	–	3	–	1.10	40- 60 (N- 25%)	NMF	0.1	d.45	.06	33	3/31	d.44	d.37	6/30	▲.015	.014	YES
	1117	GMS Inc.		GMS	77.20	4	3	4	1.35	130- 195 (70-155%)	11.6	NIL	6.63	NIL	37	1/31	d.55	1.28	3/31	NIL	NIL	YES
	1615	GSK plc ADR(g)		GSK	37.37	3	1	3	.70	40- 50 (5- 35%)	24.1	4.7	1.55	1.76	62	3/31	.99	.32	6/30	.408	.405	YES
	1216	Gabelli Equity		GAB	5.73	–	3	–	1.05	6- 9 (5- 55%)	NMF	NIL	NMF	NIL	–	12/31	5.24(q)	5.19(q)	12/31	NIL	NIL	
	2522	Gallagher (Arthur J.)		AJG	331.28	3	1	2	.90	345- 420 (5- 25%)	44.2	0.8	7.50	2.60	17	3/31	2.72	2.73	3/31	▲.65	.60	YES
	2176	GameStop Corp.		GME	28.05	–	4	–	.95	20- 35 (N- 25%)	62.3	NIL	.45	NIL	4	1/31	.29	.21	3/31	NIL	NIL	YES
	1528	Gaming and Leisure	(NDQ)	GLPI	46.50	3	3	1	.95	50- 70 (10- 50%)	16.0	6.9	2.90	3.20	89	3/31	.60	.64	3/31	.76	.76	YES
	2193	Gap (The), Inc.		GAP	24.80	3	3	3	1.60	20- 35 (N- 40%)	9.7	2.7	2.55	.66	46	1/31	.54	.49	3/31	▲.165	.15	YES
	1333	Garmin Ltd.		GRMN	197.98	3	2	2	1.05	240- 330 (20- 65%)	26.1	1.8	7.60	3.60	25	3/31	1.62	1.43	6/30	▲.90	.75	YES
	979	Garrett Motion	(NDQ)	GTX	12.00	3	4	4	1.25	11- 19 (N- 60%)	10.0	2.0	1.20	.24	43	3/31	.30	.27	3/31	▲.06	NIL	YES
	430	Gartner Inc.		IT	446.95	3	3	4	1.20	420- 630 (N- 40%)	35.3	NIL	12.65	NIL	41	3/31	◆2.98	2.93	3/31	NIL	NIL	YES
	1714	Gates Industrial plc		GTES	22.00	2	3	3	1.30	25- 35 (15- 60%)	15.9	NIL	1.38	NIL	38	3/31	.36	.31	3/31	NIL	NIL	YES
	2017	Gen Digital Inc.	(NDQ)	GEN	29.06	3	3	3	.90	30- 50 (5- 70%)	12.4	2.0	2.35	.58	59	6/30	◆NIL	.53	6/30	.125	.125	YES
	1233	Generac Holdings		GNRC	127.21	3	3	4	1.30	260- 390 (105-205%)	17.0	NIL	7.50	NIL	79	3/31	.73	.36	3/31	NIL	NIL	YES
	1217	Gen'l Amer. Invest		GAM	52.79	–	3	–	1.00	55- 80 (5- 50%)	NMF	1.1	NMF	.60	–	12/31	57.78(q)	51.96(q)	12/31	NIL	NIL	
	712	Gen'l Dynamics		GD	276.24	3	1	4	.90	355- 435 (30- 55%)	18.2	2.2	15.15	6.00	31	3/31	3.66	2.87	6/30	▲1.50	1.42	YES
	711	Gen'l Electric		GE	218.95	–	3	–	NMF	185- 280 (N- 30%)	40.5	0.7	5.40	1.44	31	3/31	1.49	.82	6/30	▲.36	.28	YES
	1914	Gen'l Mills		GIS	54.84	3	1	3	.40	70- 85 (30- 55%)	13.5	4.4	4.06	2.43	57	2/28	1.00	1.17	3/31	.60	.59	YES
	104	Gen'l Motors		GM	49.61	2	3	3	1.35	60- 90 (20- 80%)	4.6	1.0	10.90	.48	36	3/31	3.35	2.56	3/31	.12	.12	YES
	391	Genpact Limited		G	43.54	▼2	2	1	1.05	70- 95 (60-120%)	12.3	1.6	3.55	.68	5	3/31	◆.84	.73	3/31	▲.17	.153	YES
	980	Gentex Corp.	(NDQ)	GNTX	23.37	4	2	4	1.00	40- 55 (70-135%)	12.3	2.1	1.90	.48	43	3/31	.42	.47	6/30	.12	.12	YES
	981	Gentherm Inc.	(NDQ)	THRM	27.94	4	3	4	1.20	30- 45 (5- 60%)	11.4	NIL	2.45	NIL	43	3/31	.51	.61	3/31	NIL	NIL	YES
	2127	Genuine Parts		GPC	121.99	▼3	2	4	1.00	145- 195 (20- 60%)	15.2	3.4	8.00	4.20	20	3/31	1.75	2.22	3/31	1.00	.95	YES
	1556	Genworth Fin'l		GNW	7.21	4	3	2	1.35	6- 10 (N- 40%)	7.6	NIL	.95	NIL	56	3/31	.13	.31	3/31	NIL	NIL	YES
	743	Gibraltar Inds.	(NDQ)	ROCK	61.94	3	3	4	1.30	75- 105 (20- 70%)	13.0	NIL	4.75	NIL	23	3/31	.69	.80	3/31	NIL	NIL	YES
	2560	GitLab Inc	(NDQ)	GTLB	52.06	3	4	3	1.75	55- 90 (5- 75%)	NMF	NIL	d.05	NIL	30	1/31	.06	d.23	3/31	NIL	NIL	YES
	2107	Gildan Activewear		GIL	48.42	3	3	3	1.30	60- 90 (25- 85%)	13.8	1.9	3.50	.90	80	3/31	.59	.59	6/30	▲.226	.205	YES
	1616	Gilead Sciences	(NDQ)	GILD	103.82	3	1	1	.75	115- 145 (10- 40%)	22.6	3.0	4.60	3.16	62	3/31	1.04	d3.34	6/30	.79	.77	YES
	172	Glaukos Corp.		GKOS	94.64	5	4	3	1.25	100- 165 (5- 75%)	NMF	NIL	d1.00	NIL	68	3/31	d.32	d.82	3/31	NIL	NIL	YES
2029	1362	GLOBALFOUNDRIES Inc	(NDQ)	GFS	39.02	4	3	3	1.40	65- 100 (65-155%)	27.9	NIL	1.40	NIL	76	3/31	◆.38	.24	3/31	NIL	NIL	YES
	2523	Global Payments		GPN	83.14	3	3	3	1.30	115- 170 (40-105%)	14.8	1.2	5.60	1.03	17	3/31	◆1.24	1.22	3/31	.25	.25	YES
	1557	Globe Life Inc.		GL	120.72	1	3	1	1.15	140- 210 (15- 75%)	8.8	0.9	13.70	1.08	56	3/31	3.07	2.78	6/30	.27	.24	YES
★★	173	Globus Medical		GMED	59.01	4	3	1	1.05	85- 125 (45-110%)	17.6	NIL	3.35	NIL	68	3/31	◆.54	d.05	3/31	NIL	NIL	YES
849	1808	GoDaddy Inc.		GDDY	187.01	3	3	1	1.05	240- 360 (30- 95%)	28.8	NIL	6.50	NIL	69	3/31	1.51	2.76	3/31	NIL	NIL	YES
	926	Gogo Inc.	(NDQ)	GOGO	12.36	▲1	5	3	1.45	11- 20 (N- 60%)	24.7	NIL	.50	NIL	53	3/31	◆.09	.16	3/31	NIL	NIL	YES
	334	Golar LNG Ltd.	(NDQ)	GLNG	37.95	3	4	2	1.40	30- 50 (N- 30%)	30.4	2.6	1.25	1.00	73	12/31	.03	d.32	3/31	.25	.25	YES
	2356	Golden Entertainment	(NDQ)	GDEN	28.48	4	4	3	1.50	20- 35 (N- 25%)	38.0	3.5	.75	1.00	39	3/31	◆.09	1.37	6/30	.25	.25	YES
	1793	Goldman Sachs		GS	591.34	2	2	3	1.35	610- 830 (5- 40%)	12.7	2.0	46.50	12.00	83	3/31	14.12	11.58	6/30	3.00	2.75	YES
	823	GoodRx Holdings	(NDQ)	GDRX	4.35	3	5	2	1.50	7- 13 (60-200%)	10.9	NIL	.40	NIL	47	3/31	◆.09	.08	3/31	NIL	NIL	YES
	982	Goodyear Tire	(NDQ)	GT	10.97	1	4	4	1.65	15- 25 (35-130%)	7.3	NIL	1.50	NIL	43	3/31	◆d.04	.10	3/31	NIL	NIL	YES
	2607	Grab Holdings Limited	(NDQ)	GRAB	4.99	▼4	4	4	1.45	6- 8 (20- 60%)	99.8	NIL	.05	NIL	24	3/31	.01	d.03	3/31	NIL	NIL	YES
	1715	Graco Inc.		GGG	86.44	3	2	3	1.05	85- 115 (N- 35%)	NMF	1.3	.75	1.10	38	3/31	.70	.71	6/30	.275	.255	YES
	1755	Graham Hldgs.		GHC	987.93	2	3	2	1.10	1015-1520 (5- 55%)	19.5	0.7	50.60	7.20	15	3/31	11.64	11.24	6/30	1.80	1.72	
	1309	Grainger (W.W.)		GWW	1067.45	2	2	3	.95	1010-1475 (N- 40%)	25.9	0.8	41.25	8.25	16	3/31	9.86	9.62	3/31	2.05	1.86	YES
	1989	Grand Canyon Educ.	(NDQ)	LOPE	195.73	1	3	3	.90	200- 300 (N- 55%)	22.4	NIL	8.75	NIL	2	3/31	◆2.57	2.35	3/31	NIL	NIL	YES
	1018	Granite Construction		GVA	84.03	3	3	3	1.25	90- 140 (5- 65%)	15.9	0.6	5.30	.52	6	3/31	.01	d.21	6/30	.13	.13	YES
	1184	Graphic Packaging		GPK	23.06	3	3	4	1.00	35- 55 (50-140%)	10.0	1.9	2.30	.44	12	3/31	.42	.53	3/31	.10	.10	YES
	2007	Great-West Lifeco	(TSE)	GWO.TO	51.26	3	2	1	.85	60- 85 (15- 65%)	10.5	4.8	4.90	2.45	9	3/31	◆.92	1.10	3/31	▲.61	.56	YES
	1241	Green Plains Inc.		GPRE	SEE FINAL SUPPLEMENT																	
	343	Greenbrier (The) Cos.		GBX	47.19	3	3	3	1.25	60- 95 (25-100%)	9.9	2.7	4.78	1.26	66	2/28	1.56	1.03	6/30	▲.32	.30	YES
	1185	Greif, Inc.		GEF	56.38	3	3	4	1.15	100- 150 (75-165%)	9.1	3.7	6.21	2.08	12	1/31	.39	1.17	6/30	.54	.52	YES
	1947	Grocery Outlet	(NDQ)	GO	14.18	3	3	3	.50	20- 30 (40-110%)	18.9	NIL	.75	NIL	1	3/31	◆.13	.09	3/31	NIL	NIL	YES
	2128	Group 1 Automotive		GPI	443.54	▲1	3	2	1.10	385- 580 (N- 30%)	10.7	0.5	41.35	2.00	20	3/31	10.20	9.49	3/31	▲.50	.47	YES
1423	803	Guardant Health	(NDQ)	GH	41.66	5	4	1	1.45	45- 70 (10- 70%)	NMF	NIL	d3.20	NIL	19	3/31	d.77	d.94	3/31	NIL	NIL	YES
1648	2108	Guess?, Inc.		GES	12.04	–	4	–	1.65	15- 25 (25-110%)	7.8	10.0	1.55	1.20	80	1/31	1.48	2.01	6/30	.30	.60	YES
	2561	Guidewire Software		GWRE	213.98	4	3	3	1.15	175- 265 (N- 25%)	NMF	NIL	.09	NIL	30	1/31	d.45	.12	3/31	NIL	NIL	YES
	1776	**H2O America**		HTO	51.95	3	2	3	.80	75- 100 (45- 90%)	16.2	3.2	3.20	1.68	61	3/31	.50	.36	3/31	▲.42	.40	YES
	804	HCA Healthcare		HCA	363.28	1	3	2	1.00	365- 545 (N- 50%)	14.7	0.8	24.65	2.88	19	3/31	6.45	5.36	3/31	▲.72	.66	YES
	509	HF Sinclair		DINO	35.40	▼3	3	5	1.15	55- 85 (55-140%)	16.5	5.8	▼2.15	2.05	54	3/31	d.27	.71	3/31	.50	.50	YES
	1159	HNI Corp.		HNI	48.91	3	3	3	1.10	70- 110 (45-125%)	14.2	2.7	3.45	1.32	70	3/31	◆.44	.37	3/31	.33	.32	YES
	1413	HP Inc.		HPQ	28.26	3	3	5	1.15	45- 65 (60-130%)	7.8	4.1	3.61	1.16	75	1/31	.74	.81	6/30	.289	.276	YES
	612	HSBC Holdings PLC		HSBC	58.24	2	2	3	1.10	45- 65 (N- 10%)	12.3	2.6	4.75	1.50	65	3/31	◆1.95	2.70	6/30	1.80	1.55	YES
	212	Haemonetics Corp.		HAE	70.23	3	3	3	.85	115- 170 (65-140%)	14.4	NIL	4.87	NIL	50	3/31	◆1.24	.40	3/31	NIL	NIL	YES
437	1915	Hain Celestial Group		HAIN	SEE FINAL SUPPLEMENT																	
	2409	Halliburton Co.		HAL	21.25	3	3	3	1.40	45- 65 (110-205%)	7.9	3.3	2.70	.70	71	3/31	.60	.76	3/31	.17	.17	YES
	2437	Hamilton Lane Inc.	(NDQ)	HLNE	172.95	3	3	3	1.30	155- 235 (N- 35%)	34.2	1.2	5.05	2.02	91	12/31	1.32	.51	3/31	.49	.445	YES
	782	Hancock Whitney Corp.	(NDQ)	HWC	57.58	3	3	3	1.45	50- 75 (N- 30%)	10.5	3.1	5.46	1.80	42	3/31	1.38	1.24	6/30	.45	.40	YES
	2109	Hanesbrands, Inc.		HBI	5.32	3	4	3	1.30	9- 14 (70-165%)	9.7	NIL	.55	NIL	80	3/31	◆.07	d.04	3/31	NIL	NIL	YES
	761	Hanover Insurance		THG	167.57	▲2	2	2	.95	235- 320 (40- 90%)	11.6	2.2	14.50	3.65	11	3/31	3.87	3.08	3/31	.90	.85	YES
	2308	Harley-Davidson		HOG	24.85	4	3	4	1.20	30- 45 (20- 80%)	7.8	2.9	3.20	.72	52	3/31	1.07	1.72	3/31	▲.18	.173	YES
	961	Harmonic Inc.	(NDQ)	HLIT	9.72	3	3	4	1.15	18- 25 (85-155%)	16.8	NIL	.58	NIL	35	3/31	.05	NIL	3/31	NIL	NIL	YES
		Hartford Fin'l Svcs.			NAME CHANGED TO HARTFORD INS. GROUP																	
	2524	Hartford Ins. Group		HIG	128.64	1	3	3	1.10	105- 160 (N- 25%)	11.6	1.6	11.10	2.08	17	3/31	2.20	2.34	6/30	.52	.47	YES
	2309	Hasbro, Inc.	(NDQ)	HAS	65.56	4	3	4	1.05	95- 145 (45-120%)	15.6	4.3	4.20	2.80	52	3/31	1.04	.61	6/30	.70	.70	YES
	2203	Hawaiian Elec.		HE	10.69	–	5	–	.95	11- 20 (5- 85%)	11.3	NIL	.95	NIL	63	3/31	◆.23	.38	3/31	NIL	NIL	YES
	1029	Haynes Int'l		HAYN	SEE FINAL REPORT																	
	1310	Hayward Holdings		HAYW	14.74	3	3	4	1.30	20- 35 (35-135%)	21.1	NIL	.70	NIL	16	3/31	.06	.04	3/31	NIL	NIL	YES
	1529	Healthcare Realty		HR	14.94	4	3	3	.85	30- 45 (100-200%)	NMF	8.3	d.40	1.24	89	3/31	d.13	d.82	3/31	.31	.31	YES
	392	Healthcare Svcs.	(NDQ)	HCSG	14.49	3	3	3	.95	19- 30 (30-105%)	17.0	NIL	.85	NIL	5	3/31	.23	.21	3/31	NIL	NIL	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	824	HealthEquity, Inc.	(NDQ)	HQY	96.66	3	3	3	1.00	155- 230	(60-140%)	26.5	NIL	3.65	NIL	47	1/31	.69	.62	3/31	NIL	NIL	YES
	1530	Healthpeak Properties		DOC	17.55	–	3	–	1.05	35- 50	(100-185%)	70.2	7.0	.25	1.22	89	3/31	.06	.01	6/30	.305	.30	YES
	318	Heartland Express	(NDQ)	HTLD	8.91	4	2	3	.85	12- 17	(35- 90%)	NMF	0.9	d.10	.08	85	3/31	d.18	d.19	6/30	.02	.02	YES
	1570	Hecla Mining		HL	4.99	▼3	4	2	1.25	7- 11	(40-120%)	17.2	0.4	.29	.02	7	3/31	.04	d.01	3/31	▼.004	.006	YES
1243	713	HEICO Corp.		HEI	268.48	2	2	2	1.10	230- 315	(N- 15%)	61.0	0.1	4.40	.22	31	1/31	1.20	.82	6/30	NIL	NIL	YES
	998	Helen of Troy Ltd.	(NDQ)	HELE	32.42	5	3	2	.80	135- 200	(315-515%)	4.2	NIL	7.68	NIL	93	2/28	2.33	2.45	3/31	NIL	NIL	YES
	1756	Helios Technologies		HLIO	32.82	4	3	4	1.25	60- 85	(85-160%)	14.9	1.1	2.20	.36	15	3/31	◆.44	.53	6/30	.09	.09	YES
	2410	Helix Energy Solutions		HLX	6.85	4	4	3	1.70	16- 25	(135-265%)	9.1	NIL	.75	NIL	71	3/31	.02	d.04	3/31	NIL	NIL	YES
	2411	Helmerich & Payne		HP	19.27	3	3	3	1.45	35- 50	(80-160%)	12.5	5.2	1.54	1.00	71	3/31	◆.04	.84	6/30	.25	.25	YES
	2525	Henry (Jack) & Assoc.	(NDQ)	JKHY	181.66	2	1	2	.75	170- 210	(N- 15%)	30.5	1.3	5.95	2.35	17	3/31	◆1.52	1.19	3/31	▲.58	.52	YES
	1916	Herbalife Nutrition		HLF	7.06	2	5	3	.85	12- 20	(70-185%)	3.7	NIL	1.90	NIL	57	3/31	.59	.49	3/31	NIL	NIL	YES
2631	1716	Herc Holdings		HRI	133.20	4	3	3	1.70	210- 320	(60-140%)	10.0	2.1	13.35	2.80	38	3/31	d.63	2.36	3/31	▲.70	.665	YES
	1917	Hershey Co.		HSY	167.58	4	1	3	.60	230- 280	(35- 65%)	19.0	3.4	8.80	5.63	57	3/31	1.10	3.89	3/31	1.37	1.37	YES
2027	2177	Hertz Global	(NDQ)	HTZ	6.94	–	4	–	1.30	4- 7	(N- N%)	NMF	NIL	d1.41	NIL	4	3/31	◆d1.44	d1.28	3/31	NIL	NIL	YES
	510	Hess Corp.		HES	135.21	–	3	–	1.30	130- 190	(N- 40%)	23.5	1.5	▼5.75	2.00	54	3/31	1.39	3.16	3/31	.50	.438	YES
	595	Hess Midstream LP		HESM	38.27	3	3	1	.95	50- 70	(30- 85%)	13.7	8.0	2.80	3.05	49	3/31	.65	.59	3/31	▲.701	.634	YES
	1414	Hewlett Packard Ent.		HPE	17.74	4	3	5	1.30	25- 35	(40- 95%)	10.7	2.9	1.66	.52	75	1/31	.49	.48	6/30	.13	.13	YES
	714	Hexcel Corp.		HXL	54.03	4	3	3	1.35	85- 130	(55-140%)	25.7	1.3	2.10	.68	31	3/31	.35	.43	6/30	.17	.15	YES
	1717	Hillenbrand, Inc.		HI	22.71	▼4	3	3	1.25	35- 50	(55-120%)	8.8	4.0	2.59	.90	38	3/31	.60	.76	3/31	.225	.223	YES
	1118	Hillman Solutions	(NDQ)	HLMN	8.43	3	3	3	1.30	12- 18	(40-115%)	56.2	NIL	.15	NIL	37	3/31	NIL	d.01	3/31	NIL	NIL	YES
	2357	Hilton Grand Vacations		HGV	41.14	4	3	3	1.45	45- 65	(10- 60%)	16.1	NIL	2.55	NIL	39	3/31	d.17	.67	3/31	NIL	NIL	YES
	2358	Hilton Worldwide		HLT	252.42	▼2	3	3	1.25	170- 255	(N- N%)	31.4	0.2	8.05	.60	39	3/31	1.23	1.53	6/30	.15	.15	YES
2234	1757	Hitachi, Ltd. ADR(g)	(NDQ)	HTHIY	26.86	3	2	4	1.10	30- 40	(10- 50%)	21.8	1.1	1.23	.30	15	3/31	.27	.17	6/30	NIL	NIL	
	213	Hologic, Inc.	(NDQ)	HOLX	58.81	3	3	3	.60	85- 130	(45-120%)	13.5	NIL	4.37	NIL	50	3/31	d.08	1.03	3/31	NIL	NIL	YES
	1149	Home Depot		HD	376.59	3	1	3	.90	420- 515	(10- 35%)	25.2	2.4	14.95	9.20	55	1/31	3.02	2.82	3/31	▲2.30	2.25	YES
	105	Honda Motor ADR(g)		HMC	30.93	▲3	2	5	.90	45- 60	(45- 95%)	7.1	4.3	4.38	1.34	36	12/31	1.46	1.03	6/30	NIL	NIL	YES
	1758	Honeywell Int'l	(NDQ)	HON	219.34	3	1	3	1.00	260- 315	(20- 45%)	21.2	2.1	10.35	4.52	15	3/31	2.51	2.25	3/31	1.13	1.08	YES
	1918	Hormel Foods		HRL	29.55	4	1	3	.50	45- 55	(50- 85%)	17.9	3.9	1.65	1.16	57	1/31	.35	.41	6/30	.29	.283	YES
	1135	Horton D.R.		DHI	126.14	3	3	4	.95	150- 220	(20- 75%)	9.8	1.3	12.89	1.64	77	3/31	2.58	3.52	6/30	.40	.30	YES
	1531	Host Hotels & Resorts	(NDQ)	HST	15.70	3	3	4	1.35	17- 25	(10- 60%)	17.4	5.1	.90	.80	89	3/31	.35	.38	6/30	.20	.20	YES
	1794	Houlihan Lokey		HLI	177.85	3	2	3	1.05	140- 190	(N- 5%)	26.9	1.3	6.60	2.32	83	3/31	◆1.76	1.18	3/31	.57	.55	YES
	393	Howard Hughes Hldgs.		HHH	73.55	–	3	–	1.45	105- 160	(45-120%)	26.7	NIL	2.75	NIL	5	12/31	3.27	.69	3/31	NIL	NIL	YES
	715	Howmet Aerospace		HWM	156.96	1	3	3	1.35	100- 150	(N- N%)	49.8	0.3	3.15	.40	31	3/31	.86	.59	6/30	.10	.05	YES
	319	Hub Group	(NDQ)	HUBG	35.84	3	2	3	1.05	50- 70	(40- 95%)	16.7	1.4	2.15	.50	85	3/31	◆.44	.44	3/31	.125	.125	YES
	1311	Hubbell Inc.		HUBB	378.41	2	2	4	1.00	425- 575	(10- 50%)	21.9	1.4	17.30	5.40	16	3/31	3.50	3.60	3/31	1.32	1.22	YES
	2562	HubSpot, Inc.		HUBS	662.63	3	3	3	1.50	515- 775	(N- 15%)	NMF	NIL	1.00	NIL	30	3/31	◆d.42	.12	3/31	NIL	NIL	YES
	1584	Hudbay Minerals		HBM	8.33	3	4	3	1.65	10- 16	(20- 90%)	13.4	0.2	.62	.02	81	3/31	◆.25	.05	6/30	NIL	NIL	YES
2228	805	Humana Inc.		HUM	252.86	3	3	3	.75	350- 525	(40-110%)	15.6	1.4	16.25	3.54	19	3/31	11.58	7.23	6/30	.885	.885	YES
	320	Hunt (J.B.)	(NDQ)	JBHT	148.72	3	2	3	1.05	210- 280	(40- 90%)	26.3	1.2	5.65	1.78	85	3/31	1.17	1.22	6/30	.44	.43	YES
	613	Huntington Bancshs.	(NDQ)	HBAN	15.93	3	3	3	1.40	▼ 20- 30	(25- 90%)	11.0	4.0	1.45	.63	65	3/31	.34	.26	6/30	.155	.155	YES
	716	Huntington Ingalls		HII	229.74	3	3	5	.90	340- 505	(50-120%)	13.9	2.4	16.50	5.40	31	3/31	3.79	3.87	3/31	1.35	1.30	YES
	2427	Huntsman Corp.		HUN	12.93	4	3	2	1.10	25- 40	(95-210%)	16.2	7.7	.80	1.00	92	3/31	d.03	d.22	3/31	.25	.25	YES
	394	Huron Consulting	(NDQ)	HURN	153.20	1	3	2	.85	170- 250	(10- 65%)	21.4	NIL	7.15	NIL	5	3/31	1.68	1.23	3/31	NIL	NIL	YES
	2359	Hyatt Hotels		H	134.91	3	3	4	1.45	160- 240	(20- 80%)	40.9	0.4	3.30	.60	39	3/31	.19	.71	6/30	.15	.15	YES
	136	Hydro One Limited	(TSE)	H.TO	49.81	3	3	3	NMF	40- 55	(N- 10%)	18.8	2.7	2.65	1.32	88	12/31	.33	.31	3/31	.314	.297	YES
	2608	**IAC Inc.**	(NDQ)	IAC	39.34	–	3	–	1.50	35- 55	(N- 40%)	NMF	NIL	d.05	NIL	24	3/31	d2.64	d.36	3/31	NIL	NIL	YES
	806	ICON plc	(NDQ)	ICLR	140.22	4	3	3	1.15	305- 455	(120-225%)	9.9	NIL	14.20	NIL	19	3/31	3.19	3.47	3/31	NIL	NIL	YES
	174	ICU Medical	(NDQ)	ICUI	144.34	5	3	1	1.00	155- 230	(5- 60%)	21.2	NIL	6.80	NIL	68	3/31	◆1.72	.96	3/31	NIL	NIL	YES
	927	IDT Corp.		IDT	57.80	3	3	2	1.05	45- 65	(N- 10%)	19.5	0.4	2.97	.24	53	1/31	.80	.67	3/31	▲.06	NIL	YES
	928	IHS Holding		IHS	5.97	–	4	–	1.50	5- 8	(N- 35%)	NMF	NIL	.05	NIL	53	12/31	.73	d1.36	3/31	NIL	NIL	YES
	1399	IPG Photonics	(NDQ)	IPGP	64.81	4	3	4	1.25	65- 95	(N- 45%)	64.8	NIL	1.00	NIL	78	3/31	◆.09	.52	3/31	NIL	NIL	YES
	807	IQVIA Holdings		IQV	156.13	▲2	3	3	1.20	300- 450	(90-190%)	13.2	NIL	11.85	NIL	19	3/31	◆2.70	2.54	3/31	NIL	NIL	YES
	1759	ITT Inc.		ITT	149.41	2	2	3	1.30	135- 180	(N- 20%)	23.3	0.9	6.40	1.40	15	3/31	1.45	1.42	3/31	▲.351	.319	YES
	2204	IDACORP, Inc.		IDA	112.20	4	1	1	.70	120- 150	(5- 35%)	19.3	3.1	5.80	3.44	63	3/31	1.10	.95	6/30	.86	.83	YES
	1718	IDEX Corp.		IEX	191.29	3	1	4	.95	275- 335	(45- 75%)	23.2	1.4	8.25	2.76	38	3/31	1.75	1.88	3/31	.69	.64	YES
	214	IDEXX Labs.	(NDQ)	IDXX	509.53	1	3	5	1.05	565- 850	(10- 65%)	42.5	NIL	12.00	NIL	50	3/31	2.96	2.81	3/31	NIL	NIL	YES
	1719	Illinois Tool Works		ITW	250.31	2	1	3	.95	315- 385	(25- 55%)	24.2	2.4	10.35	6.00	38	3/31	2.38	2.44	3/31	1.50	1.40	YES
	215	Illumina Inc.	(NDQ)	ILMN	81.57	4	3	3	1.25	115- 175	(40-115%)	18.1	NIL	4.50	NIL	50	3/31	◆.97	.98	3/31	NIL	NIL	YES
	2310	IMAX Corp.		IMAX	25.93	3	4	2	1.00	30- 50	(15- 95%)	20.7	NIL	1.25	NIL	52	3/31	.13	.15	3/31	NIL	NIL	YES
	1980	Imperial Brands PLC	(PNK)	IMBBY	38.94	2	2	3	.80	50- 80	(30-105%)	9.9	5.9	3.95	2.31	10	9/30	2.25	1.65	9/30	.512	.283	
	511	Imperial Oil Ltd.	(ASE)	IMO	72.47	2	3	3	1.15	85- 130	(15- 80%)	10.6	2.8	▲6.85	2.00	54	3/31	1.76	1.56	6/30	▲.72	.44	YES
	573	Impinj, Inc.	(NDQ)	PI	111.95	5	5	5	1.75	▼ 105- 195	(N- 75%)	NMF	NIL	▼.35	NIL	34	3/31	d.30	1.10	3/31	NIL	NIL	YES
	848	Inari Medical		NARI						SEE FINAL SUPPLEMENT													
	837	Incyte Corp.	(NDQ)	INCY	60.85	3	3	3	.70	90- 140	(50-130%)	11.5	NIL	5.30	NIL	90	3/31	.80	.75	3/31	NIL	NIL	YES
	416	India Fund (The)		IFN	16.17	–	3	–	.90	17- 25	(5- 55%)	NMF	NIL	NMF	NIL	–	6/30	19.93(q)	16.72(q)	12/31	NIL	NIL	
1242	962	Infinera Corp.		INFN						SEE FINAL SUPPLEMENT													
	2596	Infosys Ltd. ADR		INFY	18.65	3	2	4	.90	25- 35	(35- 90%)	19.8	2.8	.94	.52	14	3/31	.20	.23	9/30	.258	.336	YES
	1720	Ingersoll Rand Inc.		IR	84.22	3	3	4	1.35	85- 130	(N- 55%)	24.4	0.1	3.45	.08	38	3/31	.72	.78	6/30	.02	.02	YES
	556	Ingevity Corp.		NGVT	43.04	▲3	3	4	1.40	▲ 70- 110	(65-155%)	9.8	NIL	▲4.40	NIL	72	3/31	.99	.52	3/31	NIL	NIL	YES
	1948	Ingles Markets	(NDQ)	IMKTA	62.81	3	3	3	.65	65- 100	(5- 60%)	12.6	1.1	4.98	.66	1	12/31	.87	2.28	6/30	.165	.165	YES
	1919	Ingredion Inc.		INGR	137.23	3	2	3	.85	160- 215	(15- 55%)	12.4	2.3	11.10	3.22	57	3/31	◆3.00	3.23	6/30	.80	.78	YES
	557	Innospec Inc.	(NDQ)	IOSP	90.70	3	2	4	1.10	145- 195	(60-115%)	15.6	1.9	5.80	1.73	72	3/31	◆1.31	1.65	3/31	NIL	NIL	YES
	1334	Insight Enterprises	(NDQ)	NSIT	136.75	3	3	3	1.10	180- 270	(30- 95%)	17.1	NIL	8.00	NIL	25	3/31	.22	1.74	3/31	NIL	NIL	YES
237	1637	Insperity Inc.		NSP	69.00	3	3	3	1.05	85- 125	(25- 80%)	27.1	3.5	2.55	2.40	48	3/31	1.35	2.08	3/31	.60	.57	YES
	175	Inspire Medical Sys.		INSP	156.44	3	4	3	1.35	205- 340	(30-115%)	76.3	NIL	2.05	NIL	68	3/31	.10	d.34	3/31	NIL	NIL	YES
	1119	Installed Building Prod.		IBP	167.13	3	3	3	1.20	230- 345	(40-105%)	16.7	0.9	10.00	1.48	37	3/31	◆2.08	1.97	3/31	▲.37	.35	YES
	176	Insulet Corp.	(NDQ)	PODD	316.67	1	3	2	1.05	255- 385	(N- 20%)	76.3	NIL	4.15	NIL	68	3/31	◆.50	.73	3/31	NIL	NIL	YES
	177	Integer Holdings		ITGR	120.70	3	3	2	1.15	125- 190	(5- 55%)	19.6	NIL	6.15	NIL	68	3/31	1.31	1.14	3/31	NIL	NIL	YES
438	178	Integra LifeSciences	(NDQ)	IART	13.67	▼4	3	2	1.15	30- 45	(120-230%)	5.6	NIL	2.45	NIL	68	3/31	.41	.55	3/31	NIL	NIL	YES
236	1363	Intel Corp.	(NDQ)	INTC	22.18	5	3	3	1.20	35- 50	(60-125%)	44.4	NIL	.50	NIL	76	3/31	.13	.18	6/30	NIL	.125	YES
		Inter Parfums								NAME CHANGED TO INTERPARFUMS INC.													
	1781	Interactive Brokers	(NDQ)	IBKR	197.24	2	3	3	1.25	210- 320	(5- 60%)	26.3	0.6	7.50	1.28	13	3/31	1.94	1.61	6/30	▲.32	.25	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1782	Intercontinental Exch.		ICE	173.44	3	1	3	.95	150- 185 (N- 5%)	25.7	1.1	6.75	1.92	13	3/31	1.72	1.48	3/31	▲.48	.45	YES
	574	InterDigital Inc.	(NDQ)	IDCC	217.54	3	2	2	.95	155- 235 (N- 10%)	24.2	1.1	▲9.00	2.40	34	3/31	3.45	2.88	6/30	▲.60	.40	YES
	2563	Int'l Business Mach.		IBM	253.69	2	1	2	.85	220- 270 (N- 5%)	23.4	2.8	10.85	7.20	30	3/31	1.60	1.68	3/31	1.67	1.66	YES
	558	Int'l Flavors & Frag.		IFF	76.35	3	3	4	1.10	85- 130 (10- 70%)	17.4	2.1	4.40	1.60	72	3/31	◆1.20	1.13	6/30	.40	.40	YES
	2360	Int'l Game Tech. PLC		IGT	17.89	–	4	–	1.65	30- 50 (70-180%)	13.8	4.5	1.30	.80	39	12/31	.40	d.03	3/31	.20	.20	YES
	1169	Int'l Paper		IP	47.91	5	3	2	1.05	65- 100 (35-110%)	20.8	3.9	2.30	1.85	82	3/31	d.24	.16	3/31	.463	.463	YES
	999	Interparfums Inc.	(NDQ)	IPAR	122.85	3	3	4	1.15	150- 225 (20- 85%)	23.0	2.6	5.35	3.20	93	3/31	1.32	1.27	3/31	▲.80	.75	YES
	2381	Interpublic Group		IPG	25.65	–	3	–	1.20	45- 105 (75-310%)	11.4	5.1	2.25	1.32	87	3/31	.23	.29	3/31	.33	.33	YES
2027	1617	Intra-Cellular Ther.		ITCI	SEE FINAL SUPPLEMENT																	
	2564	Intuit Inc.	(NDQ)	INTU	662.30	3	3	4	1.15	805-1210 (20- 85%)	32.5	0.9	20.38	5.90	30	1/31	3.32	2.63	3/31	1.04	.90	YES
	179	Intuitive Surgical	(NDQ)	ISRG	561.43	3	3	3	1.20	450- 680 (N- 20%)	77.4	NIL	7.25	NIL	68	3/31	1.92	1.51	3/31	NIL	NIL	YES
	2220	Invesco Ltd.		IVZ	15.59	5	3	4	1.60	20- 30 (30- 90%)	10.4	5.4	1.50	.84	51	3/31	.38	.31	6/30	▲.21	.205	YES
	1532	Invitation Homes		INVH	34.49	3	3	3	.95	30- 50 (N- 45%)	43.1	3.4	.80	1.16	89	3/31	.27	.23	6/30	.29	.28	YES
	1415	IonQ Inc		IONQ	32.89	▲4	4	2	2.25	25- 40 (N- 20%)	NMF	NIL	d.55	NIL	75	12/31	d.93	d.20	3/31	NIL	NIL	YES
	838	Ionis Pharmac.	(NDQ)	IONS	33.53	5	3	5	.90	55- 80 (65-140%)	NMF	NIL	d3.50	NIL	90	3/31	d.93	d.98	3/31	NIL	NIL	YES
	216	iRhythm Technologies	(NDQ)	IRTC	137.80	3	4	3	1.25	85- 145 (N- 5%)	NMF	NIL	d2.00	NIL	50	3/31	d.97	d1.47	3/31	NIL	NIL	YES
	929	Iridium Communic.	(NDQ)	IRDM	26.98	3	3	3	1.10	65- 95 (140-250%)	25.7	2.1	1.05	.56	53	3/31	.27	.16	3/31	.14	.13	YES
	1335	iRobot Corp.	(NDQ)	IRBT	2.80	–	5	–	1.05	5- 9 (80-220%)	NMF	NIL	d1.50	NIL	25	3/31	◆d1.95	d1.53	3/31	NIL	NIL	YES
	1533	Iron Mountain		IRM	97.94	4	3	4	1.10	90- 130 (N- 35%)	57.6	3.2	1.70	3.14	89	3/31	.43	.43	6/30	▲.785	.65	YES
	626	Ironwood Pharmac.		IRWD	SEE FINAL SUPPLEMENT																	
	575	Itron Inc.	(NDQ)	ITRI	112.44	2	3	3	1.30	160- 235 (40-110%)	21.4	NIL	5.25	NIL	34	3/31	1.42	1.12	3/31	NIL	NIL	YES
	1920	**J&J Snack Foods**	(NDQ)	JJSF	119.31	4	2	3	.75	185- 250 (55-110%)	24.7	2.6	4.84	3.12	57	3/31	◆.25	.69	3/31	.78	.735	YES
	1760	JBT Marel Corp.		JBTM	117.67	–	3	–	1.20	145- 220 (25- 85%)	20.3	0.3	5.80	.40	15	3/31	.97	.85	6/30	.10	.10	YES
2441	614	JPMorgan Chase		JPM	260.05	▼3	1	3	1.25	260- 315 (N- 20%)	13.8	2.3	18.85	6.00	65	3/31	4.91	4.63	6/30	▲1.40	1.15	YES
	1336	Jabil Inc.		JBL	161.74	1	3	3	1.25	185- 280 (15- 75%)	17.4	0.2	9.29	.32	25	2/28	1.94	1.68	6/30	.08	.08	YES
	362	Jack in the Box	(NDQ)	JACK	28.80	4	4	4	1.00	50- 80 (75-180%)	5.6	NIL	5.13	NIL	26	12/31	1.92	1.95	6/30	.44	.44	YES
	1019	Jacobs Solutions		J	127.51	–	2	–	1.00	145- 195 (15- 55%)	20.3	1.0	6.27	1.28	6	3/31	◆1.43	1.91	3/31	▲.32	.242	YES
1818	1120	James Hardie ADS		JHX	25.45	3	3	3	1.25	45- 70 (75-175%)	17.6	NIL	1.45	NIL	37	12/31	.33	.33	12/31	NIL	NIL	YES
	2221	Janus Henderson plc		JHG	38.31	3	3	3	1.50	40- 60 (5- 55%)	10.5	4.1	3.65	1.56	51	3/31	.77	.81	3/31	.39	.39	YES
	839	Jazz Pharmac. plc	(NDQ)	JAZZ	103.58	▼3	3	2	.95	170- 250 (65-140%)	4.7	NIL	21.85	NIL	90	3/31	◆1.68	2.68	3/31	NIL	NIL	YES
	1795	Jefferies Fin'l Group		JEF	54.05	4	3	3	1.50	60- 85 (10- 55%)	13.6	3.0	3.97	1.60	83	2/28	.57	.68	6/30	.40	.30	YES
	1121	JELD-WEN Holding		JELD	4.36	5	4	3	1.50	10- 20 (130-360%)	NMF	NIL	d.40	NIL	37	3/31	d2.12	d.32	3/31	NIL	NIL	YES
	308	JetBlue Airways	(NDQ)	JBLU	4.84	5	4	3	1.75	8- 14 (65-190%)	NMF	NIL	d1.00	NIL	44	3/31	d.59	d.43	3/31	NIL	NIL	YES
		John Bean Tech.			NAME CHANGED TO JBT MAREL CORP.																	
2027	1618	Johnson & Johnson		JNJ	154.14	2	1	2	.65	200- 245 (30- 60%)	14.0	3.4	11.00	5.20	62	3/31	2.77	2.71	6/30	▲1.30	1.24	YES
	1721	Johnson Ctrls. Int'l plc		JCI	95.28	▲2	2	3	1.20	85- 115 (N- 20%)	26.1	1.6	3.65	1.48	38	3/31	◆.82	d.47	3/31	.37	.37	YES
	395	Jones Lang LaSalle		JLL	240.52	3	3	2	1.45	320- 480 (35-100%)	14.6	NIL	16.50	NIL	5	3/31	◆2.31	1.78	3/31	NIL	NIL	YES
	963	Juniper Networks		JNPR	36.58	–	2	–	.90	35- 50 (N- 35%)	17.8	2.5	2.05	.92	35	3/31	.43	.29	3/31	.22	.22	YES
1820	1136	**KB Home**		KBH	56.13	4	3	3	1.10	80- 115 (45-105%)	7.8	1.8	7.20	1.00	77	2/28	1.49	1.76	6/30	.25	.25	YES
	1020	KBR, Inc.		KBR	56.06	3	3	3	1.00	90- 130 (60-130%)	14.4	1.2	3.90	.66	6	3/31	◆.98	.77	6/30	▲.165	.15	YES
	2438	KKR & Co.		KKR	125.22	4	3	3	1.50	70- 110 (N- N%)	25.6	0.6	4.90	.70	91	3/31	1.15	.97	3/31	.175	.165	YES
	1400	KLA Corp.	(NDQ)	KLAC	760.47	2	3	3	1.30	685-1030 (N- 35%)	23.8	0.9	31.92	6.80	78	3/31	8.41	5.26	3/31	1.70	1.45	YES
	1761	Kadant Inc.		KAI	320.22	3	3	1	1.10	310- 465 (N- 45%)	32.2	0.4	9.95	1.36	15	3/31	2.10	2.38	3/31	.32	.29	YES
	1585	Kaiser Aluminum	(NDQ)	KALU	71.59	3	3	5	1.65	80- 120 (10- 70%)	22.7	4.3	3.15	3.08	81	3/31	1.44	1.51	6/30	.77	.77	YES
	1921	Kellanova		K	82.30	–	2	–	.45	70- 95 (N- 15%)	21.1	2.8	3.90	2.30	57	6/30	NIL	1.01	3/31	.57	.56	YES
	762	Kemper Corp.		KMPR	65.52	2	3	2	1.10	90- 135 (35-105%)	10.9	2.0	6.00	1.28	11	3/31	◆1.65	1.07	3/31	▲.32	.31	YES
	733	Kennametal Inc.		KMT	21.92	▲2	3	4	1.25	30- 45 (35-105%)	17.4	3.6	1.26	.80	8	3/31	◆.47	.30	3/31	.20	.20	YES
	1200	Kenvue Inc.		KVUE	24.00	–	3	–	NMF	30- 45 (25- 90%)	20.9	3.4	1.15	.82	86	3/31	◆.24	.28	6/30	.205	.20	YES
	1969	Keurig Dr Pepper		KDP	33.51	4	2	1	.65	45- 65 (35- 95%)	18.3	2.8	1.83	.95	74	3/31	.38	.33	6/30	.23	.215	YES
	615	KeyCorp		KEY	16.46	▼5	3	3	1.55	17- 25 (5- 50%)	11.4	5.0	1.45	.83	65	3/31	.33	.22	3/31	.205	.205	YES
	119	Keysight Technologies		KEYS	162.63	1	3	3	1.20	185- 275 (15- 70%)	23.0	NIL	7.08	NIL	40	1/31	1.82	1.63	3/31	NIL	NIL	YES
	1638	Kforce Inc.	(NDQ)	KFRC	41.64	4	3	3	1.00	60- 90 (45-115%)	15.7	3.7	2.65	1.56	48	3/31	.45	.58	3/31	▲.39	.38	YES
	2395	Kimbell Royalty Part.		KRP	13.55	4	3	3	1.10	19- 30 (40-120%)	27.1	11.8	.50	1.60	28	3/31	◆.20	.04	3/31	▼.40	.43	YES
	1201	Kimberly-Clark		KMB	136.67	3	1	1	.55	170- 210 (25- 55%)	17.9	3.7	7.65	5.04	86	3/31	1.93	2.01	6/30	▲1.26	1.22	YES
	1534	Kimco Realty		KIM	21.57	4	3	3	1.30	25- 35 (15- 60%)	30.8	4.7	.70	1.02	89	3/31	.18	d.03	3/31	.25	.24	YES
	1990	KinderCare Learning Co.		KLC	13.53	–	4	–	NMF	20- 30 (50-120%)	16.9	NIL	.80	NIL	2	12/31	.09	NA	6/30	NIL	NIL	YES
	583	Kinder Morgan Inc.		KMI	27.31	▼3	3	1	1.05	25- 40 (N- 45%)	21.0	4.3	1.30	1.17	64	3/31	.32	.33	6/30	▲.293	.288	YES
	584	Kinetik Holdings		KNTK	43.33	4	3	1	1.10 ▼	55- 85 (25- 95%)	45.6	7.2	▼.95	3.12	64	3/31	◆.05	.12	6/30	.78	.75	YES
	1571	Kinross Gold		KGC	13.70	▲1	3	2	.85	11- 17 (N- 25%)	13.7	0.9	1.00	.12	7	3/31	◆.30	.10	3/31	.03	.03	YES
	763	Kinsale Capital		KNSL	456.81	2	3	2	1.00	500- 750 (10- 65%)	25.4	0.1	18.00	.68	11	3/31	3.83	3.50	3/31	▲.17	.15	YES
	335	Kirby Corp.		KEX	108.81	3	3	4	1.25	105- 160 (N- 45%)	17.0	NIL	6.40	NIL	73	3/31	1.33	1.19	3/31	NIL	NIL	YES
	321	Knight-Swift Trans.		KNX	46.72	3	3	4	.90	55- 80 (20- 70%)	30.1	1.5	1.55	.72	85	3/31	.28	.12	3/31	▲.18	.16	YES
	1122	Knife River Corp.		KNF	99.56	–	3	–	NMF	110- 160 (10- 60%)	25.5	NIL	3.90	NIL	37	3/31	◆d1.21	d.84	3/31	NIL	NIL	YES
	964	Knowles Corp.		KN	17.25	3	3	5	1.15	20- 30 (15- 75%)	17.3	NIL	1.00	NIL	35	3/31	.18	.18	3/31	NIL	NIL	YES
1426	2147	Kohl's Corp.		KSS	7.57	5	4	3	1.50	8- 14 (5- 85%)	34.4	6.9	.22	.52	21	1/31	.95	1.67	3/31	▼.125	.50	YES
	180	Koninklijke Philips NV(g)		PHG	25.04	3	3	3	1.05	30- 45 (20- 80%)	22.8	3.7	1.10	.92	68	3/31	◆.08	d1.14	3/31	NIL	NIL	YES
	2110	Kontoor Brands	(NDQ)	KTB	72.66	3	3	4	1.35	75- 110 (5- 50%)	15.8	2.9	4.60	2.08	80	3/31	◆1.20	1.05	6/30	.52	.50	YES
	417	Korea Fund		KF	21.18	–	3	–	.90	25- 40 (20- 90%)	NMF	NIL	NMF	NIL	–	3/31	◆23.67(q)	28.87(q)	9/30	NIL	NIL	
	1639	Korn Ferry		KFY	68.02	2	3	3	1.15	70- 105 (5- 55%)	13.2	2.8	5.17	1.92	48	1/31	1.19	1.07	6/30	▲.48	.33	YES
	1722	Kornit Digital Ltd.	(NDQ)	KRNT	19.30	5	4	3	1.65	30- 50 (55-160%)	77.2	NIL	.25	NIL	38	12/31	.18	d.48	3/31	NIL	NIL	YES
	1922	Kraft Heinz Co.	(NDQ)	KHC	28.15	4	2	3	.60	40- 55 (40- 95%)	10.4	5.7	2.70	1.60	57	3/31	.62	.69	6/30	.40	.40	YES
	717	Kratos Defense & Sec.	(NDQ)	KTOS	33.93	4	4	2	1.20	30- 50 (N- 45%)	56.6	NIL	.60	NIL	31	3/31	◆.12	.07	3/31	NIL	NIL	YES
	1949	Kroger Co.		KR	69.04	2	2	2	.50	70- 95 (N- 40%)	14.7	2.0	4.70	1.37	1	1/31	1.14	1.34	6/30	.32	.29	YES
	559	Kronos Worldwide		KRO	7.55	3	3	4	1.20	16- 25 (110-230%)	13.7	2.6	▼.55	.20	72	3/31	◆.16	.07	3/31	.05	.19	YES
	1401	Kulicke & Soffa	(NDQ)	KLIC	33.96	4	3	3	1.25	70- 100 (105-195%)	21.5	2.5	1.58	.84	78	3/31	◆d.52	d.95	6/30	.205	.20	YES
	2597	Kyndryl Holdings		KD	39.02	2	3	3	1.50	35- 55 (N- 40%)	35.5	NIL	1.10	NIL	14	12/31	.89	d.05	3/31	NIL	NIL	YES
	718	**L3Harris Technologies**		LHX	218.96	4	2	4	.85	325- 440 (50-100%)	25.0	2.2	8.75	4.80	31	3/31	2.04	1.48	6/30	1.20	1.16	YES
	2311	LCI Industries		LCII	89.70	3	3	4	1.25	125- 185 (40-105%)	13.4	5.1	6.70	4.60	52	3/31	◆1.94	1.44	3/31	1.15	1.05	YES
	1137	LGI Homes	(NDQ)	LGIH	59.69	5	3	3	1.10	110- 170 (85-185%)	8.3	NIL	7.20	NIL	77	3/31	.17	.72	3/31	NIL	NIL	YES
	983	LKQ Corp.	(NDQ)	LKQ	42.00	2	3	4	1.00	55- 80 (30- 90%)	11.8	2.9	3.55	1.20	43	3/31	.79	.82	6/30	.30	.30	YES
	1783	LPL Financial Hldgs.	(NDQ)	LPLA	376.75	▲3	3	2	1.25	305- 455 (N- 20%)	23.2	0.3	16.25	1.20	13	3/31	◆4.24	3.83	3/31	.30	.30	YES
	1160	La-Z-Boy Inc.		LZB	43.58	3	3	3	1.15	55- 85 (25- 95%)	13.8	2.0	3.15	.88	70	1/31	.68	.67	3/31	.22	.20	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	808	Labcorp Holdings		LH	250.94	–	3	–	.80	260-	385	(5- 55%)	15.4	1.1	16.25	2.88	19	3/31	3.84	3.68	6/30	.72	.72	YES
	1402	Lam Research	(NDQ)	LRCX	82.25	2	3	4	1.45	85-	130	(5- 60%)	21.2	1.1	3.88	.90	78	3/31	1.03	.73	6/30	.23	.20	YES
	2382	Lamar Advertising	(NDQ)	LAMR	118.60	3	3	4	1.15	145-	220	(20- 85%)	22.8	5.3	5.20	6.23	87	3/31	◆1.35	.75	3/31	▲1.55	1.30	YES
	1923	Lamb Weston Holdings		LW	51.24	3	3	2	.90	80-	115	(55-125%)	15.6	2.9	3.28	1.50	57	2/28	1.03	1.01	6/30	.37	.36	YES
	1924	Lancaster Colony	(NDQ)	LANC	170.32	3	2	4	.60	175-	240	(5- 40%)	25.0	2.2	6.80	3.80	57	3/31	1.49	1.03	3/31	.95	.90	YES
	322	Landstar System	(NDQ)	LSTR	143.81	4	1	3	.85	205-	250	(45- 75%)	29.3	1.1	4.90	1.52	85	12/31	1.31	1.62	3/31	.36	.33	YES
	217	Lantheus Holdings	(NDQ)	LNTH	79.52	3	3	2	1.05	95-	145	(20- 80%)	15.3	NIL	5.20	NIL	50	3/31	◆1.02	1.87	3/31	NIL	NIL	YES
	2361	Las Vegas Sands		LVS	42.39	3	3	5	1.15	65-	100	(55-135%)	16.3	2.4	2.60	1.00	39	3/31	.59	.66	6/30	.25	.20	YES
	1364	Lattice Semiconductor	(NDQ)	LSCC	56.00	3	3	4	1.50	70-	100	(25- 80%)	53.3	NIL	1.05	NIL	76	3/31	.22	.29	3/31	NIL	NIL	YES
	1000	Lauder (Estee)		EL	65.36	3	3	3	1.20	95-	145	(45-120%)	41.9	2.1	1.56	1.40	93	3/31	.65	.97	3/31	.35	.66	YES
	1991	Laureate Education	(NDQ)	LAUR	22.51	3	3	3	.85	30-	45	(35-100%)	14.5	NIL	1.55	NIL	2	3/31	d.13	d.07	3/31	NIL	NIL	YES
	1796	Lazard Inc.		LAZ	45.98	4	3	3	1.45	40-	65	(N- 40%)	11.5	4.3	4.00	2.00	83	3/31	.56	.35	6/30	.50	.50	YES
	984	Lear Corp.		LEA	94.84	2	3	4	1.25	160-	240	(70-155%)	7.5	3.2	12.60	3.08	43	3/31	◆3.12	3.18	3/31	.77	.77	YES
237	1161	Leggett & Platt		LEG	9.61	2	3	4	1.05	25-	40	(160-315%)	8.7	2.1	1.10	.20	70	3/31	.24	.23	6/30	.05	.46	YES
	396	Leidos Hldgs.		LDOS	156.09	1	3	3	.90	200-	300	(30- 90%)	14.6	1.0	10.70	1.60	5	3/31	◆2.97	2.05	3/31	.40	.38	YES
	764	Lemonade, Inc.		LMND	31.97	4	5	3	2.35	35-	60	(10- 90%)	NMF	NIL	d2.45	NIL	11	3/31	◆d.86	d.67	3/31	NIL	NIL	YES
	1138	Lennar Corp.		LEN	112.55	4	3	3	1.00	155-	230	(40-105%)	11.3	1.8	10.00	2.03	77	2/28	1.96	2.57	6/30	.50	.50	YES
	1723	Lennox Int'l		LII	595.73	3	3	3	1.05	565-	850	(N- 45%)	25.9	0.8	23.00	4.60	38	3/31	3.37	3.47	3/31	1.15	1.10	YES
	181	LeMaitre Vascular	(NDQ)	LMAT	82.46	3	3	2	.95	75-	110	(N- 35%)	38.4	0.8	2.15	.68	68	3/31	.48	.44	3/31	▲.20	.16	YES
	2111	Levi Strauss & Co.		LEVI	17.74	3	3	4	1.30	25-	35	(40- 95%)	17.7	3.0	1.00	.54	80	2/28	.34	d.03	6/30	.13	.12	YES
	1218	Liberty All-Star		USA	6.66	–	3	–	1.15	6-	9	(N- 35%)	NMF	10.5	NMF	.70	–	12/31	6.95(q)	6.75(q)	9/30	.18	.16	
	2412	Liberty Energy		LBRT	12.68	4	4	3	1.60	25-	40	(95-215%)	23.1	2.5	.55	.32	71	3/31	.12	.48	6/30	.08	.07	YES
	1008	Liberty Global Ltd.	(NDQ)	LBTYA	9.23	–	3	–	NMF	19-	30	(105-225%)	NMF	NIL	d2.40	NIL	67	3/31	d3.84	1.60	3/31	NIL	NIL	YES
	930	Liberty Latin Amer.	(NDQ)	LILA	4.52	▼4	4	2	1.30	11-	16	(145-255%)	NMF	NIL	d.50	NIL	53	3/31	◆d.69	NIL	3/31	NIL	NIL	YES
	2312	Life Time Group		LTH	29.61	1	3	2	1.45	28-	40	(N- 35%)	25.7	NIL	1.15	NIL	52	3/31	◆.34	.12	3/31	NIL	NIL	YES
	2362	Light & Wonder	(NDQ)	LNW	86.13	3	4	3	1.50	120-	200	(40-130%)	15.1	NIL	5.70	NIL	39	3/31	◆.94	.88	3/31	NIL	NIL	YES
2631	1619	Lilly (Eli)		LLY	755.57	3	1	2	.85	930-	1140	(25- 50%)	32.4	0.8	23.30	6.00	62	3/31	3.34	2.58	3/31	▲1.50	1.30	YES
	985	Linamar Corp.	(TSE)	LNR.TO	61.04b	3	3	5	1.25	100-	155	(65-155%)	6.2	1.6	9.85	1.00	43	3/31	◆2.76(b)	2.90(b)	6/30	.25	.25	
	1724	Lincoln Elec Hldgs.	(NDQ)	LECO	194.89	▼3	2	3	1.10	185-	250	(N- 30%)	20.7	1.5	9.40	3.00	38	3/31	2.16	2.23	6/30	.75	.71	YES
	1558	Lincoln Nat'l Corp.		LNC	35.00	5	3	2	1.70	45-	65	(30- 85%)	4.7	5.2	7.45	1.83	56	3/31	◆1.60	1.22	6/30	.45	.45	YES
	560	Linde plc		LIN	454.42	2	1	2	1.00	500-	610	(10- 35%)	27.5	1.3	16.50	6.00	72	3/31	3.95	3.75	3/31	▲1.50	1.39	YES
	151	Lindsay Corp.		LNN	137.81	2	3	3	1.05	150-	225	(10- 65%)	20.2	1.1	6.83	1.47	3	2/28	2.44	1.64	6/30	.36	.35	YES
437	2335	Lions Gate 'A'		LGFA						SEE FINAL SUPPLEMENT														
	2129	Lithia Motors		LAD	321.79	2	3	3	1.20	315-	470	(N- 45%)	9.6	0.7	33.50	2.20	20	3/31	7.94	5.89	6/30	▲.55	.53	YES
	1312	Littelfuse Inc.	(NDQ)	LFUS	217.72	3	3	5	1.25	280-	420	(30- 95%)	23.4	1.3	9.30	2.90	16	3/31	2.19	1.76	3/31	.70	.65	YES
	182	LivaNova PLC	(NDQ)	LIVN	45.23	▼4	3	3	1.25	60-	85	(35- 90%)	22.1	NIL	2.05	NIL	68	3/31	◆d6.01	d.78	3/31	NIL	NIL	YES
	2336	Live Nation Entertain.		LYV	140.83	3	3	3	1.35	170-	260	(20- 85%)	49.4	NIL	2.85	NIL	27	3/31	d.32	d.53	3/31	NIL	NIL	YES
	2598	LiveRamp Holdings		RAMP	29.27	3	3	4	1.30	35-	55	(20- 90%)	71.4	NIL	.41	NIL	14	12/31	.17	.20	3/31	NIL	NIL	YES
	1950	Loblaw Cos. Ltd.	(TSE)	L.TO	213.89b	1	1	3	.50	155-	185	(N- N%)	29.5	1.0	7.25	2.15	1	3/31	1.66(b)	1.46(b)	6/30	.513(b)	.446(b)	YES
	719	Lockheed Martin		LMT	473.16	3	1	3	.70	680-	830	(45- 75%)	17.4	2.8	27.25	13.20	31	3/31	7.28	6.39	3/31	3.30	3.15	YES
	2526	Loews Corp.		L	89.27	1	2	2	1.10	130-	175	(45- 95%)	12.8	0.3	7.00	.25	17	12/31	.86	1.98	3/31	.063	.063	YES
	1416	Logitech Int'l	(NDQ)	LOGI	86.23	2	3	4	1.05	105-	160	(20- 85%)	20.2	1.7	4.26	1.50	75	3/31	.96	1.07	6/30	NIL	NIL	YES
	1170	Louisiana-Pacific		LPX	94.50	3	3	2	1.30	105-	155	(10- 65%)	17.5	1.2	5.40	1.12	82	3/31	◆1.27	1.53	3/31	▲.28	.26	YES
	1150	Lowe's Cos.		LOW	232.78	2	2	3	.90	280-	375	(20- 60%)	18.8	2.0	12.35	4.70	55	1/31	1.93	1.77	6/30	1.15	1.10	YES
	106	Lucid Group	(NDQ)	LCID	2.62	–	5	–	1.35	3-	5	(15- 90%)	NMF	NIL	d.90	NIL	36	3/31	◆d.24	d.30	3/31	NIL	NIL	YES
2027	2194	lululemon athletica	(NDQ)	LULU	304.20	2	3	4	1.10	360-	540	(20- 80%)	20.3	NIL	14.98	NIL	46	1/31	6.14	5.28	3/31	NIL	NIL	YES
	931	Lumen Technologies		LUMN	4.40	–	5	–	1.35	2-	3	(N- N%)	NMF	NIL	d1.00	NIL	53	3/31	d.20	.06	3/31	NIL	NIL	YES
	120	Lumentum Holdings	(NDQ)	LITE	71.73	5	4	3	1.30	65-	105	(N- 45%)	NMF	NIL	d.31	NIL	40	3/31	◆d.64	d1.88	3/31	NIL	NIL	YES
		Luminar Technologies		LAZR						SEE FINAL SUPPLEMENT														
	1586	Lundin Mining	(TSE)	LUN.TO	12.44	▼5	3	4	1.30	14-	20	(15- 60%)	27.6	2.9	.45	.36	81	3/31	◆.15	.12	3/31	NIL	NIL	YES
	2609	Lyft, Inc.	(NDQ)	LYFT	17.21	3	4	5	1.80	18-	30	(5- 75%)	NMF	NIL	.15	NIL	24	3/31	◆.01	d.08	3/31	NIL	NIL	YES
	561	LyondellBasell Inds.		LYB	60.68	3	3	3	1.20	85-	125	(40-105%)	22.9	8.8	▼2.65	5.36	72	3/31	.54	1.44	3/31	1.34	1.25	YES
	616	**M&T Bank Corp.**		MTB	184.70	3	3	3	1.20	200-	300	(10- 60%)	11.5	2.9	16.05	5.40	65	3/31	3.32	3.02	3/31	1.35	1.30	YES
	531	MDU Resources		MDU	16.71	–	3	–	NMF	15-	25	(N- 50%)	17.6	3.1	.95	.52	84	3/31	◆.40	.49	6/30	.13	.125	YES
	1219	MFS Multimarket		MMT	4.65	–	4	–	.70	4-	6	(N- 30%)	NMF	9.0	NMF	.42	–	10/31	5.08(q)	4.66(q)	3/31	.101	.101	
	912	MGE Energy	(NDQ)	MGEE	90.30	3	3	2	.80	75-	110	(N- 20%)	23.5	2.0	3.85	1.80	60	3/31	◆1.14	.93	3/31	.45	.428	YES
	2527	MGIC Investment		MTG	26.58	2	3	3	1.25	25-	35	(N- 30%)	8.6	2.2	3.10	.58	17	3/31	.75	.64	6/30	.13	.115	YES
	2363	MGM Resorts Int'l		MGM	34.66	2	4	5	1.65	40-	65	(15- 90%)	15.1	NIL	2.30	NIL	39	3/31	.69	.74	3/31	NIL	NIL	YES
	1970	MGP Ingredients	(NDQ)	MGPI	33.56	5	3	5	.90	50-	75	(50-125%)	13.2	1.4	2.55	.48	74	3/31	.36	.92	6/30	.12	.12	YES
	1403	MKS Instruments	(NDQ)	MKSI	90.75	4	3	4	1.55	130-	195	(45-115%)	13.0	1.0	7.00	.88	78	3/31	◆1.71	1.18	6/30	.22	.22	YES
2442	1587	MP Materials		MP	21.14	4	4	1	1.70	30-	50	(40-135%)	84.6	NIL	.25	NIL	81	3/31	◆d.14	d.04	3/31	NIL	NIL	YES
	596	MPLX LP		MPLX	48.96	3	3	2	.95	65-	95	(35- 95%)	10.9	7.8	4.50	3.83	49	3/31	◆1.10	.98	3/31	.957	.85	YES
	1725	MSA Safety		MSA	161.57	3	2	5	1.00	220-	295	(35- 85%)	20.2	1.4	8.00	2.20	38	3/31	1.68	1.61	3/31	.51	.47	YES
	1726	MSC Industrial Direct		MSM	78.83	3	2	4	1.00	100-	135	(25- 70%)	22.0	4.3	3.59	3.40	38	2/28	.72	1.18	6/30	.85	.83	YES
	431	MSCI Inc.		MSCI	568.97	1	3	3	1.10	505-	755	(N- 35%)	35.3	1.3	16.10	7.20	41	3/31	4.00	3.52	3/31	▲1.80	1.60	YES
	1021	MYR Group	(NDQ)	MYRG	159.79	1	3	4	1.35	180-	270	(15- 70%)	24.4	NIL	6.55	NIL	6	3/31	1.45	1.12	3/31	NIL	NIL	YES
	1535	Macerich Comp. (The)		MAC	16.54	4	5	2	1.80	16-	30	(N- 80%)	NMF	4.1	d.45	.68	89	3/31	◆d.20	d.59	3/31	.17	.17	YES
	1365	MACOM Tech. Solutions	(NDQ)	MTSI	122.61	3	3	3	1.25	140-	210	(15- 70%)	34.1	NIL	3.60	NIL	76	3/31	◆.85	.59	3/31	NIL	NIL	YES
	2148	Macy's Inc.		M	12.34	3	4	4	1.70	18-	30	(45-145%)	5.9	5.7	2.10	.70	21	1/31	1.80	2.45	3/31	.174	.165	YES
	2162	Madden (Steven) Ltd.	(NDQ)	SHOO	26.41	4	3	3	1.25	40-	60	(50-125%)	12.6	3.2	2.10	.84	22	3/31	◆.60	.65	6/30	.21	.21	YES
	2337	Madison Sq. Sports		MSGS	195.13	3	3	2	.95	240-	360	(25- 85%)	NMF	NIL	1.11	NIL	27	3/31	d.59	1.57	3/31	NIL	NIL	YES
	986	Magna Int'l 'A'		MGA	36.35	4	3	3	1.35	60-	80	(65-120%)	7.3	5.3	5.00	1.94(h)	43	3/31	.78	1.08	3/31	▲.485	.475	YES
	2383	Magnite, Inc.	(NDQ)	MGNI	16.13	4	4	3	2.00	15-	25	(N- 55%)	53.8	NIL	.30	NIL	87	12/31	.24	.16	3/31	NIL	NIL	YES
	2396	Magnolia Oil & Gas		MGY	23.00	3	4	3	1.40	25-	40	(10- 75%)	10.5	2.6	2.20	.60	28	3/31	.54	.46	3/31	▲.15	.13	YES
	2439	Main Street Capital		MAIN	53.89	4	3	2	1.05	45-	70	(N- 30%)	13.8	5.6	3.90	3.00	91	3/31	◆1.01	1.05	3/31	.80	.72	YES
	2313	Malibu Boats	(NDQ)	MBUU	32.63	4	3	4	1.20	45-	65	(40-100%)	14.4	NIL	2.26	NIL	52	3/31	◆.72	.63	3/31	NIL	NIL	YES
	2599	Manhattan Assoc.	(NDQ)	MANH	196.00	3	3	5	1.25	300-	450	(55-130%)	59.4	NIL	3.30	NIL	14	3/31	.85	.86	3/31	NIL	NIL	YES
	152	Manitowoc Co.		MTW	11.02	–	4	–	1.65	13-	20	(20- 80%)	20.0	NIL	.55	NIL	3	3/31	◆d.16	.14	3/31	NIL	NIL	YES
	1640	ManpowerGroup Inc.		MAN	44.18	4	3	2	1.15	85-	125	(90-185%)	15.8	7.3	2.80	3.24	48	3/31	.12	.81	3/31	NIL	NIL	YES
	1559	Manulife Fin'l		MFC	31.60	3	3	3	1.20	25-	40	(N- 25%)	11.1	3.9	2.85	1.23	56	3/31	◆.99	.65	3/31	.306	.295	YES
	2610	Maplebear Inc.	(NDQ)	CART	43.61	–	4	–	NMF	60-	100	(40-130%)	26.4	NIL	1.65	NIL	24	3/31	.37	.43	3/31	NIL	NIL	YES
	1925	Maple Leaf Foods	(TSE)	MFI.TO	26.99	3	3	3	.65	25-	40	(N- 50%)	24.5	3.6	1.10	.96	57	3/31	◆.40	.42	3/31	▲.24	.22	YES

(•) All data adjusted for announced stock split or stock dividend.
See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

	NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
2397	Marathon Oil Corp.		MRO						SEE FINAL SUPPLEMENT													
512	Marathon Petroleum		MPC	158.14	1	3	5	1.15	170- 255	(5- 60%)	21.1	2.3	▼7.50	3.64	54	3/31	◆d.24	2.58	3/31	.91	.825	YES
218	Maravai LifeSciences	(NDQ)	MRVI	2.12	–	4	–	.90	3- 4	(40- 90%)	NMF	NIL	d.50	NIL	50	3/31	◆d.21	d.09	3/31	NIL	NIL	YES
765	Markel Group		MKL	1918.71	1	2	3	1.05	2975-4025	(55-110%)	9.1	NIL	210.00	NIL	11	3/31	12.08	75.43	3/31	NIL	NIL	YES
1784	MarketAxess Holdings	(NDQ)	MKTX	218.09	3	3	4	.75	340- 510	(55-135%)	28.7	1.4	7.60	3.04	13	3/31	◆1.87	1.92	3/31	▲.76	.74	YES
2364	Marriott Int'l	(NDQ)	MAR	271.96	2	3	3	1.35	275- 415	(N- 55%)	26.7	0.9	10.20	2.52	39	3/31	◆2.39	2.13	3/31	.63	.52	YES
2365	Marriott Vacations		VAC	69.93	3	3	4	1.50	80- 120	(15- 70%)	11.9	4.5	5.90	3.16	39	3/31	◆1.46	1.81	3/31	▲1.58	1.55	YES
2528	Marsh & McLennan		MMC	227.03	▼3	1	2	.90	300- 365	(30- 60%)	25.8	1.5	8.80	3.36	17	3/31	2.79	2.82	6/30	.815	.71	YES
1123	Martin Marietta		MLM	553.06	2	3	5	1.10	525- 785	(N- 40%)	29.5	0.6	18.75	3.16	37	3/31	1.90	1.93	3/31	.79	.74	YES
1366	Marvell Technology	(NDQ)	MRVL	64.50	4	3	3	1.45	95- 145	(45-125%)	23.0	0.4	2.80	.24	76	1/31	.60	.46	6/30	.06	.06	YES
1124	Masco Corp.		MAS	69.16	3	3	3	1.00	90- 135	(30- 95%)	16.1	1.8	4.30	1.24	37	3/31	.87	.93	3/31	▲.31	.29	YES
219	Masimo Corp.	(NDQ)	MASI	163.56	▼4	3	1	.95	160- 240	(N- 45%)	54.5	NIL	3.00	NIL	50	3/31	◆.86	.35	3/31	NIL	NIL	YES
1022	MasTec		MTZ	152.74	3	3	3	1.30	145- 215	(N- 40%)	29.7	NIL	5.15	NIL	6	3/31	.51	d.13	3/31	NIL	NIL	YES
2529	Mastercard Inc.		MA	578.27	1	2	3	1.10	585- 790	(N- 35%)	35.0	0.5	16.50	3.14	17	3/31	3.73	3.31	6/30	.76	.66	YES
2397	Matador Resources		MTDR	44.69	▲1	4	3	1.65	66- 110	(50-145%)	7.8	2.8	5.75	1.25	28	3/31	1.99	1.71	6/30	.313	.20	YES
2611	Match Group	(NDQ)	MTCH	28.40	1	3	3	1.15	45- 65	(60-130%)	13.9	2.8	2.05	.80	24	3/31	◆.44	.44	6/30	.19	NIL	YES
1588	Materion Corp.		MTRN	77.83	4	3	3	1.25	115- 170	(50-120%)	14.7	0.7	5.30	.54	81	3/31	1.13	.96	3/31	.135	.13	YES
336	Matson, Inc.		MATX	113.94	3	3	2	1.20	150- 220	(30- 95%)	10.1	1.2	11.25	1.36	73	3/31	2.18	1.04	3/31	.34	.32	YES
2314	Mattel, Inc.	(NDQ)	MAT	19.00	2	3	3	1.05	35- 50	(85-165%)	11.5	NIL	1.65	NIL	52	3/31	d.03	d.08	3/31	NIL	NIL	YES
397	MAXIMUS Inc.		MMS	76.80	1	2	3	.80	125- 165	(65-115%)	12.7	1.6	6.04	1.20	5	3/31	◆2.01	1.57	6/30	.30	.30	YES
1367	MaxLinear, Inc.		MXL	12.24	5	4	3	1.45	18- 30	(45-145%)	30.6	NIL	.40	NIL	76	3/31	d.05	d.21	3/31	NIL	NIL	YES
1926	McCormick & Co.		MKC	76.49	3	2	2	.65	85- 115	(10- 50%)	25.1	2.4	3.05	1.80	57	2/28	.60	.63	6/30	.45	.42	YES
363	McDonald's Corp.		MCD	311.92	2	1	2	.75	410- 500	(30- 60%)	25.3	2.3	12.35	7.28	26	3/31	2.67	2.70	3/31	1.77	1.67	YES
220	McKesson Corp.		MCK	687.52	1	1	2	.75	675- 825	(N- 20%)	19.1	0.5	35.97	3.11	50	3/31	◆10.12	6.18	6/30	.71	.62	YES
1927	Medifast, Inc.		MED	13.12	–	4	–	.95	15- 25	(15- 90%)	NMF	NIL	d.45	NIL	57	3/31	d.07	.76	6/30	NIL	NIL	YES
809	Medpace Holdings	(NDQ)	MEDP	313.74	1	3	3	1.25	390- 585	(25- 85%)	24.1	NIL	13.00	NIL	19	3/31	3.67	3.20	3/31	NIL	NIL	YES
183	Medtronic plc		MDT	85.81	2	1	2	.90	130- 160	(50- 85%)	15.0	3.3	5.73	2.82	68	1/31	1.38	1.30	6/30	.70	.69	YES
2366	Melco Resorts & Entert.	(NDQ)	MLCO	6.25	4	4	4	1.45	9- 12	(45- 90%)	17.9	NIL	.35	NIL	39	3/31	◆.08	.04	3/31	NIL	NIL	YES
2627	MercadoLibre, Inc.	(NDQ)	MELI	2504.61	2	3	3	1.40	2820-4220	(15- 70%)	53.3	NIL	47.00	NIL	18	3/31	◆9.74	6.78	3/31	NIL	NIL	YES
107	Mercedes-Benz AG	(NDQ)	MBGAF	58.52	▲1	3	4	1.15	85- 130	(45-120%)	6.5	7.6	9.00	4.44	36	12/31	2.72	3.29	6/30	4.436	5.72	
1620	Merck & Co.		MRK	80.43	2	1	3	.70	140- 170	(75-110%)	9.0	4.0	8.95	3.24	62	3/31	2.22	2.07	6/30	.81	.77	YES
766	Mercury General		MCY	60.51	▼2	3	3	1.00	55- 85	(N- 40%)	17.5	2.1	3.45	1.27	11	3/31	◆d2.29	.78	3/31	.318	.318	YES
720	Mercury Systems	(NDQ)	MRCY	46.48	4	3	2	1.05	50- 80	(10- 70%)	86.1	NIL	.54	NIL	31	3/31	◆.06	d.26	3/31	NIL	NIL	YES
221	Merit Medical Systems	(NDQ)	MMSI	98.73	3	3	2	1.00	135- 200	(35-105%)	43.9	NIL	2.25	NIL	50	3/31	.49	.48	3/31	NIL	NIL	YES
1139	Meritage Homes		MTH	70.85	3	3	4	1.15	85- 125	(20- 75%)	7.3	2.4	9.75	1.72	77	3/31	1.69	2.53	3/31	▼.43	.75	YES
438 2612	Meta Platforms	(NDQ)	META	639.43	2	3	3	1.05	640- 960	(N- 50%)	25.2	0.3	25.40	2.15	24	3/31	6.43	4.71	3/31	.525	.50	YES
562	Methanex Corp.	(NDQ)	MEOH	34.48	4	3	4	1.45	50- 75	(45-120%)	11.3	2.1	3.05	.74	72	3/31	1.44	.77	3/31	.185	.185	YES
1337	Methode Electronics		MEI	7.72	–	5	–	1.40	9- 15	(15- 95%)	23.4	7.4	.33	.57	25	1/31	d.21	d.33	6/30	.14	.14	YES
1560	MetLife Inc.		MET	80.64	3	3	3	1.25	90- 135	(10- 65%)	8.8	2.8	9.20	2.27	56	3/31	1.96	1.83	6/30	▲.568	.545	YES
1951	Metro Inc.	(TSE)	MRU.TO	102.65b	2	2	2	.50	90- 125	(N- 20%)	21.1	1.4	4.86	1.48	1	3/31	1.02(b)	.91(b)	6/30	.37(b)	.335(b)	YES
121	Mettler-Toledo Int'l		MTD	1174.59	3	3	3	1.15	1580-2370	(35-100%)	28.1	NIL	41.75	NIL	40	3/31	7.81	8.24	3/31	NIL	NIL	YES
418	Mexico Fund		MXF	15.82	–	4	–	1.00	19- 30	(20- 90%)	NMF	3.2	NMF	.50	–	4/30	19.46(q)	22.62(q)	6/30	.22	.22	
★★ 1368	Microchip Technology	(NDQ)	MCHP	60.96	▲4	3	4	1.45	70- 110	(15- 80%)	55.4	3.0	1.10	1.82	76	3/31	◆.11	.58	3/31	.455	.45	YES
1369	Micron Technology	(NDQ)	MU	92.29	4	3	4	1.40	115- 175	(25- 90%)	11.9	0.5	7.77	.47	76	2/28	1.56	.42	3/31	.115	.115	YES
438 2565	Microsoft Corp.	(NDQ)	MSFT	449.26	1	1	5	.90	625- 765	(40- 70%)	32.6	0.8	13.77	3.50	30	3/31	3.46	2.94	6/30	.83	.75	YES
1536	Mid-America Apt.		MAA	163.63	3	3	2	.95	180- 270	(10- 65%)	43.6	3.7	3.75	6.06	89	3/31	1.54	1.22	6/30	1.515	1.47	YES
1727	Middleby Corp. (The)	(NDQ)	MIDD	146.90	3	3	2	1.30	230- 345	(55-135%)	14.6	NIL	10.05	NIL	38	3/31	◆2.08	1.89	3/31	NIL	NIL	YES
1775	Middlesex Water	(NDQ)	MSEX	59.24	3	2	2	.75	80- 110	(35- 85%)	21.5	2.2	2.75	1.30	61	3/31	.53	.59	3/31	.34	.325	YES
1162	MillerKnoll, Inc.	(NDQ)	MLKN	17.86	▲4	3	3	1.25	40- 55	(125-210%)	10.6	4.2	1.69	.75	70	2/28	.44	.45	6/30	.188	.188	YES
932	Millicom Int'l Cellular	(NDQ)	TIGO	34.46	▲1	3	2	1.15	35- 50	(N- 45%)	15.3	8.7	2.25	3.00	53	12/31	.18	d.37	6/30	▼.75	NIL	YES
563	Minerals Techn.		MTX	58.32	3	3	3	1.15	85- 125	(45-115%)	10.1	0.8	5.80	.45	72	3/31	1.14	1.49	3/31	.11	.10	YES
122	Mirion Technologies Inc		MIR	16.95	3	3	2	1.30	25- 35	(45-105%)	NMF	NIL	d.05	NIL	40	3/31	NIL	d.13	3/31	NIL	NIL	YES
987	Mobileye Global Inc	(NDQ)	MBLY	16.61	4	4	4	1.20	25- 40	(50-140%)	59.3	NIL	.28	NIL	43	12/31	.13	.08	3/31	NIL	NIL	YES
2028 840	Moderna, Inc.	(NDQ)	MRNA	25.70	5	4	4	1.05	45- 75	(75-190%)	NMF	NIL	d8.45	NIL	90	3/31	d2.52	d3.07	3/31	NIL	NIL	YES
1728	Modine Mfg.		MOD	101.43	3	4	4	1.65	100- 165	(N- 65%)	23.5	NIL	4.32	NIL	38	12/31	.92	.74	3/31	NIL	NIL	YES
1797	Moelis & Company		MC	60.72	4	3	3	1.45	60- 90	(N- 50%)	24.3	4.3	2.50	2.60	83	3/31	.64	.22	6/30	.65	.60	YES
1163	Mohawk Inds.		MHK	110.94	4	3	3	1.35	155- 235	(40-110%)	11.6	NIL	9.60	NIL	70	3/31	1.52	1.86	3/31	NIL	NIL	YES
810	Molina Healthcare		MOH	327.69	2	3	3	.75	460- 695	(40-110%)	12.6	NIL	26.00	NIL	19	3/31	6.08	5.73	3/31	NIL	NIL	YES
1971	Molson Coors Beverage		TAP	54.95	▼3	3	1	.85	70- 110	(25-100%)	9.6	3.4	5.70	1.88	74	3/31	◆.59	.97	3/31	▲.47	.44	YES
2367	Monarch Casino	(NDQ)	MCRI	82.01	2	4	2	1.15	90- 150	(10- 85%)	16.1	1.5	5.10	1.24	39	3/31	1.05	.93	3/31	.30	.30	YES
2566	monday.com	(NDQ)	MNDY	279.17	3	4	2	1.70	220- 365	(N- 30%)	NMF	NIL	1.20	NIL	30	12/31	.43	.24	3/31	NIL	NIL	YES
1928	Mondelez Int'l	(NDQ)	MDLZ	65.83	3	1	3	.65	85- 105	(30- 60%)	22.3	2.9	2.95	1.88	57	3/31	.31	1.04	3/31	.47	.425	YES
1809	MongoDB, Inc.	(NDQ)	MDB	191.61	5	4	3	1.65	165- 270	(N- 40%)	NMF	NIL	d2.00	NIL	69	1/31	.19	d.77	3/31	NIL	NIL	YES
1370	Monolithic Power Sys.	(NDQ)	MPWR	709.23	3	3	5	1.35	800-1200	(15- 70%)	42.3	0.9	16.75	6.24	76	3/31	4.04	2.81	6/30	▲1.56	1.25	YES
2130	Monro, Inc.	(NDQ)	MNRO	13.07	5	3	2	.80	40- 60	(205-360%)	18.2	8.6	.72	1.12	20	12/31	.15	.38	6/30	.28	.28	YES
1972	Monster Beverage	(NDQ)	MNST	61.36	1	1	2	.70	85- 105	(40- 70%)	34.1	NIL	1.80	NIL	74	3/31	◆.47	.42	3/31	NIL	NIL	YES
432	Moody's Corp.		MCO	487.06	3	3	3	1.10	340- 505	(N- 5%)	39.8	0.8	12.25	3.76	41	3/31	3.43	3.14	3/31	▲.94	.85	YES
721	Moog Inc. 'A'		MOGA	184.35	3	3	3	1.20	230- 345	(25- 85%)	20.8	0.6	8.85	1.16	31	3/31	1.92	2.19	3/31	▲.29	.28	YES
1798	Morgan Stanley		MS	127.06	▼4	2	3	1.35	140- 190	(10- 50%)	14.5	2.9	8.75	3.70	83	3/31	2.60	2.02	6/30	.925	.85	YES
1600	Mosaic Company		MOS	32.95	▲2	3	5	1.25	35- 50	(5- 50%)	18.3	2.7	1.80	.88	45	3/31	◆.49	.65	6/30	.22	.21	YES
965	Motorola Solutions		MSI	412.91	▼3	2	1	1.00	530- 715	(30- 75%)	28.1	1.1	14.70	4.36	35	3/31	3.18	2.81	6/30	1.09	.98	YES
734	Mueller Inds.		MLI	78.21	2	3	2	1.15	115- 175	(45-125%)	13.8	1.2	5.65	.95	8	3/31	1.26	1.21	3/31	.25	.20	YES
1729	Mueller Water Prod.		MWA	25.40	1	3	2	1.25	30- 45	(20- 75%)	20.0	1.1	1.27	.27	38	3/31	.34	.30	3/31	.067	.064	YES
2398	Murphy Oil Corp.		MUR	22.98	3	4	3	1.50	45- 80	(95-250%)	7.2	5.7	3.20	1.30	28	3/31	◆.50	.60	6/30	.325	.30	YES
2178	Murphy USA Inc.		MUSA	439.48	▼2	3	2	.75	545- 820	(25- 85%)	16.9	0.5	26.00	2.06	4	3/31	◆2.63	3.12	3/31	▲.49	.42	YES
811	Myriad Genetics	(NDQ)	MYGN	4.25	5	4	2	1.50	15- 25	(255-490%)	NMF	NIL	d1.00	NIL	19	3/31	NIL	d.29	3/31	NIL	NIL	YES
1338	**NCR Voyix**		VYX	11.09	–	4	–	NMF	15- 25	(35-125%)	14.8	NIL	.75	NIL	25	3/31	◆.09	NA	3/31	NIL	NIL	YES
437 767	NMI Holdings		NMIH						SEE FINAL SUPPLEMENT													
2413	NOV Inc.		NOV	12.94	3	3	3	1.40	18- 25	(40- 95%)	21.6	2.3	.60	.30	71	3/31	.19	.30	3/31	.075	.05	YES
★★ 1234	NRG Energy		NRG	150.61	2	3	3	1.10	85- 125	(N- N%)	30.1	1.2	5.00	1.76	79	3/31	◆3.61	2.31	6/30	.44	.408	YES
1023	NV5 Global	(NDQ)	NVEE	19.85	▲3	3	3	1.10	30- 40	(50-100%)	33.1	NIL	.60	NIL	6	3/31	.01	.01	3/31	NIL	NIL	YES
1140	NVR, Inc.		NVR	7382.37	3	3	4	.90	4940-7410	(N- N%)	15.4	NIL	480.00	NIL	77	3/31	94.83	NA	3/31	NIL	NIL	

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1371	NXP Semi. NV	(NDQ)	NXPI	207.03	3	3	4	1.25	290- 430	(40-110%)	17.7	2.0	11.70	4.06	76	3/31	2.64	3.24	6/30	1.014	1.014	YES
	1785	Nasdaq, Inc.	(NDQ)	NDAQ	80.75	2	1	3	1.00	65- 80	(N- N%)	25.2	1.3	3.20	1.08	13	3/31	.79	.63	6/30	▲.27	.24	YES
	617	Nat'l Bank of Canada	(TSE)	NA.TO	126.02b	5	1	3	.85	135- 165	(5- 30%)	11.1	3.8	11.35	4.80	65	1/31	2.78(b)	2.59(b)	6/30	1.14(b)	1.06(b)	YES
	1973	National Beverage	(NDQ)	FIZZ	43.94	3	3	3	.65	50- 75	(15- 70%)	21.2	NIL	2.07	NIL	74	1/31	.42	.42	3/31	NIL	NIL	YES
	532	National Fuel Gas		NFG	80.41	3	2	2	.90	90- 125	(10- 55%)	13.2	2.6	6.11	2.06	84	3/31	2.37	1.79	6/30	.515	.495	YES
	2179	National Vision Hldgs.	(NDQ)	EYE	18.76	▲1	4	4	1.20	20- 35	(5- 85%)	31.3	NIL	.60	NIL	4	3/31	◆.18	.30	3/31	NIL	NIL	YES
	2530	Navient Corp.	(NDQ)	NAVI	13.87	5	3	4	1.40	17- 25	(25- 80%)	8.7	4.6	1.60	.64	17	3/31	d.02	.64	3/31	.16	.16	YES
	222	Neogen Corp.	(NDQ)	NEOG	6.50	–	3	–	1.00	7- 10	(10- 55%)	28.3	NIL	.23	NIL	50	2/28	.10	d.01	3/31	NIL	NIL	YES
	1929	Nestle SA ADS	(NDQ)	NSRGY	102.19	3	1	3	.60	120- 150	(15- 45%)	21.1	3.3	4.85	3.40	57	12/31	2.25(p)	2.68(p)	6/30	3.396	3.28	
1243	1417	NetApp, Inc.	(NDQ)	NTAP	98.43	3	3	5	1.20	140- 205	(40-110%)	13.2	2.2	7.47	2.14	75	1/31	1.91	1.94	6/30	.52	.50	YES
	2338	Netflix, Inc.	(NDQ)	NFLX	1110.00	1	3	3	1.15	1240-1860	(10- 70%)	44.8	NIL	24.75	NIL	27	3/31	6.61	5.28	3/31	NIL	NIL	YES
	966	NETGEAR	(NDQ)	NTGR	29.37	3	3	2	1.10	30- 45	(N- 55%)	NMF	NIL	d.50	NIL	35	3/31	d.21	d.28	3/31	NIL	NIL	YES
	2018	NetScout Systems	(NDQ)	NTCT	23.09	3	3	4	1.05	30- 45	(30- 95%)	23.1	NIL	1.00	NIL	59	3/31	◆.25	d.46	3/31	NIL	NIL	YES
	841	Neurocrine Biosci.	(NDQ)	NBIX	120.43	3	3	5	.80	145- 215	(20- 80%)	19.6	NIL	6.15	NIL	90	3/31	.08	.42	3/31	NIL	NIL	YES
	2227	Nevro Corp.		NVRO						SEE FINAL SUPPLEMENT													
	533	New Fortress Energy	(NDQ)	NFE	6.86	5	4	3	1.45	▼ 10- 17	(45-150%)	3.4	NIL	2.00	NIL	84	12/31	d1.11	1.06	3/31	NIL	.10	YES
	419	New Germany Fund		GF	10.84	–	3	–	1.05	10- 16	(N- 50%)	NMF	0.7	NMF	.08	–	6/30	9.86(q)	10.57(q)	6/30	NIL	NIL	
	538	New Jersey Resources		NJR	46.29	4	2	1	.85	55- 75	(20- 60%)	14.9	3.9	▲3.11	1.80	58	3/31	1.78	1.22	9/30	.45	.42	YES
	2376	New York Times		NYT	54.24	2	3	3	.90	65- 95	(20- 75%)	27.1	1.3	2.00	.72	29	3/31	◆.30	.24	3/31	.13	.11	YES
	1202	Newell Brands	(NDQ)	NWL	6.01	4	5	3	1.30	10- 18	(65-200%)	NMF	4.7	d.25	.28	86	3/31	d.09	d.02	3/31	.07	.07	YES
	564	NewMarket Corp.		NEU	636.65	2	1	3	.75	630- 770	(N- 20%)	12.2	1.7	▲52.25	11.00	72	3/31	13.26	11.23	6/30	▲2.75	2.50	YES
	1572	Newmont Corp.		NEM	50.78	2	3	2	.75	60- 85	(20- 65%)	12.2	2.0	4.15	1.00	7	3/31	1.25	.55	6/30	.25	.25	YES
	2377	News Corp. 'A'	(NDQ)	NWSA	28.28	3	3	3	1.25	35- 55	(25- 95%)	28.0	0.7	1.01	.20	29	3/31	◆.18	.05	6/30	.10	.10	YES
	2339	Nexstar Media Group	(NDQ)	NXST	169.65	2	3	3	1.15	215- 325	(25- 90%)	11.3	4.4	15.00	7.44	27	3/31	◆3.37	5.16	3/31	▲1.86	1.69	YES
	137	NextEra Energy		NEE	69.69	4	2	3	.90	85- 115	(20- 65%)	18.8	3.3	3.70	2.33	88	3/31	.99	.91	3/31	▲.567	.515	YES
	123	Nextracker Inc.	(NDQ)	NXT	50.63	–	3	–	NMF	70- 105	(40-105%)	12.5	NIL	4.04	NIL	40	12/31	1.03	.96	3/31	NIL	NIL	YES
	933	NICE Ltd. ADR	(NDQ)	NICE	164.00	2	3	4	1.05	225- 335	(35-105%)	13.4	NIL	12.25	NIL	53	12/31	3.02	2.36	3/31	NIL	NIL	YES
	2163	NIKE, Inc. 'B'		NKE	62.58	2	3	3	1.05	75- 110	(20- 75%)	35.4	2.6	1.77	1.60	22	2/28	.54	.77	6/30	.40	.37	YES
	539	NiSource Inc.		NI	38.32	4	2	1	.85	40- 55	(5- 45%)	17.4	3.0	▲2.20	1.14	58	3/31	◆.98	.85	6/30	.28	.265	YES
	108	Nissan Motor ADR(g)	(NDQ)	NSANY	4.85	–	3	–	1.05	8- 12	(65-145%)	NMF	NIL	d3.87	NIL	36	12/31	d.03	.10	6/30	NIL	NIL	
	967	Nokia Corp. ADR		NOK	5.20	–	3	–	1.05	5- 8	(N- 55%)	14.9	2.9	.35	.15	35	3/31	d.01	.09	3/31	.031	.032	YES
	1730	Nordson Corp.	(NDQ)	NDSN	203.00	3	2	4	1.05	285- 385	(40- 90%)	20.2	1.5	10.04	3.12	38	1/31	2.06	2.21	3/31	.78	.68	YES
	2149	Nordstrom, Inc.		JWN	24.55	–	4	–	1.55	25- 40	(N- 65%)	11.7	3.1	2.10	.76	21	1/31	1.10	.96	6/30	.19	.19	YES
	344	Norfolk Southern		NSC	239.11	3	2	3	1.00	290- 395	(20- 65%)	19.1	2.3	12.50	5.40	66	3/31	3.31	.23	3/31	1.35	1.35	YES
	2222	Northern Trust Corp.	(NDQ)	NTRS	105.65	3	3	3	1.30	110- 165	(5- 55%)	13.0	2.8	8.15	3.00	51	3/31	1.90	.96	3/31	.75	.75	YES
	1235	Northland Power	(TSE)	NPI.TO	19.74b	4	3	3	.65	35- 50	(75-155%)	15.2	6.1	1.30	1.20	79	12/31	.49(b)	d1.13(b)	3/31	.10(b)	.30(b)	YES
2631	722	Northrop Grumman		NOC	479.16	▼3	1	3	.60	590- 720	(25- 50%)	17.1	1.8	28.10	8.84	31	3/31	6.06	6.32	3/31	2.06	1.87	YES
	1506	Northwest Bancshares	(NDQ)	NWBI	12.67	▲2	3	4	.95	15- 25	(20- 95%)	11.5	6.3	1.10	.80	32	3/31	.35	.23	6/30	.20	.20	YES
	540	Northwest Natural		NWN	41.22	3	2	2	.80	60- 80	(45- 95%)	13.7	4.8	3.00	1.96	58	3/31	◆2.28	1.69	6/30	.49	.488	YES
	2205	NorthWestern Corp.		NWE	55.74	3	2	2	.80	55- 75	(N- 35%)	15.7	4.8	3.55	2.65	63	3/31	1.25	1.08	3/31	▲.66	.65	YES
	2315	Norwegian Cruise Line		NCLH	19.15	4	5	3	2.05	25- 45	(30-135%)	9.1	NIL	2.10	NIL	52	3/31	.07	.16	3/31	NIL	NIL	YES
	1404	Nova, Ltd.	(NDQ)	NVMI	195.64	2	3	2	1.25	290- 430	(50-120%)	27.9	NIL	7.00	NIL	78	3/31	◆2.03	1.15	3/31	NIL	NIL	YES
	124	Novanta Inc.	(NDQ)	NOVT	131.68	3	3	3	1.35	155- 230	(20- 75%)	54.9	NIL	2.40	NIL	40	3/31	◆.59	.41	3/31	NIL	NIL	YES
	1621	Novartis AG ADR		NVS	108.95	–	1	–	.75	140- 170	(30- 55%)	16.8	3.6	6.50	3.87	62	3/31	1.83	1.31	6/30	NIL	NIL	YES
1031	1622	Novo Nordisk ADR(g)		NVO	67.74	▲3	3	4	.85	100- 155	(50-130%)	18.8	2.5	3.60	1.66	62	3/31	◆6.53	.79	6/30	1.143	.93	YES
	223	NovoCure Limited	(NDQ)	NVCR	18.57	5	3	3	1.50	30- 50	(60-170%)	NMF	NIL	d1.10	NIL	50	3/31	d.31	d.36	3/31	NIL	NIL	YES
	618	Nu Holdings Ltd		NU	12.95	3	3	3	1.55	20- 30	(55-130%)	25.9	NIL	.50	NIL	65	12/31	.11	.08	3/31	NIL	NIL	YES
	1001	Nu Skin Enterprises		NUS	7.44	4	3	3	.95	20- 30	(170-305%)	7.1	3.2	1.05	.24	93	12/31	.38	.37	3/31	.06	.06	YES
	744	Nucor Corp.		NUE	120.12	3	3	4	1.35	150- 225	(25- 85%)	16.9	1.9	7.10	2.23	23	3/31	.77	3.46	6/30	.55	.54	YES
1244	1810	Nutanix, Inc.	(NDQ)	NTNX	76.85	3	4	3	1.30	70- 115	(N- 50%)	NMF	NIL	.41	NIL	69	1/31	.19	.12	3/31	NIL	NIL	YES
	1601	Nutrien Ltd.		NTR	56.20	3	3	4	.95	65- 100	(15- 80%)	22.5	3.9	2.50	2.19	45	3/31	◆.02	.32	6/30	▲.545	.54	YES
	1220	Nuveen Muni Value Fund		NUV	8.68	–	1	–	.55	8- 10	(N- 15%)	NMF	4.5	NMF	.39	–	10/31	9.30(q)	8.69(q)	3/31	.065	.058	
	1313	nVent Electric plc		NVT	66.54	2	3	5	1.30	70- 105	(5- 60%)	21.8	1.2	3.05	.80	16	3/31	.67	.61	6/30	.20	.19	YES
2631	1372	NVIDIA Corp.	(NDQ)	NVDA	123.00	3	3	3	1.40	160- 245	(30-100%)	28.0	0.1	4.39	.08	76	1/31	.89	.52	6/30	.01	.01	YES
	1186	O-I Glass		OI	13.79	1	4	5	1.50	15- 25	(10- 80%)	NMF	NIL	d.20	NIL	12	3/31	d.10	.45	3/31	NIL	NIL	YES
	2150	ODP Corp.	(NDQ)	ODP	19.08	4	4	4	1.00	20- 35	(5- 85%)	7.5	NIL	2.55	NIL	21	3/31	◆1.06	1.05	3/31	NIL	NIL	YES
	913	OGE Energy		OGE	43.56	▼4	3	1	.90	35- 50	(N- 15%)	18.9	4.0	2.30	1.76	60	3/31	.31	.09	6/30	.421	.418	YES
	125	OSI Systems	(NDQ)	OSIS	226.99	▲2	3	3	1.00	235- 315	(5- 40%)	27.6	NIL	8.23	NIL	40	3/31	2.40	1.95	3/31	NIL	NIL	YES
	513	Occidental Petroleum		OXY	43.86	4	3	3	1.35	70- 105	(60-140%)	16.9	2.2	▼2.60	.98	54	3/31	◆.87	.57	6/30	▲.24	.22	YES
	2414	Oceaneering Int'l		OII	19.86	3	4	4	1.80	25- 40	(25-100%)	15.9	NIL	1.25	NIL	71	3/31	.49	.14	3/31	NIL	NIL	YES
1244	1811	Okta, Inc.	(NDQ)	OKTA	124.17	4	3	2	1.35	150- 225	(20- 80%)	39.4	NIL	3.15	NIL	69	1/31	.78	.63	3/31	NIL	NIL	YES
	323	Old Dominion Freight	(NDQ)	ODFL	176.07	3	2	3	1.05	185- 255	(5- 45%)	33.9	0.6	5.20	1.14	85	3/31	1.19	1.34	3/31	▲.28	.26	YES
	784	Old Nat'l Bancorp	(NDQ)	ONB	22.13	3	3	2	1.20	25- 35	(15- 60%)	10.8	2.5	2.05	.56	42	3/31	.44	.40	3/31	.14	.14	YES
	768	Old Republic		ORI	37.90	1	3	1	1.05	55- 80	(45-110%)	11.8	3.1	3.20	1.16	11	3/31	.81	.67	3/31	▲.29	.265	YES
	1602	Olin Corp.		OLN	22.86	3	3	3	1.50	40- 55	(75-140%)	28.6	3.5	.80	.80	45	3/31	.05	.46	6/30	.20	.20	YES
	2151	Ollie's Bargain Outlet	(NDQ)	OLLI	113.91	3	3	2	.80	135- 200	(20- 75%)	30.4	NIL	3.75	NIL	21	1/31	1.19	1.23	3/31	NIL	NIL	YES
	224	Omnicell, Inc.	(NDQ)	OMCL	27.46	3	3	2	.85	45- 70	(65-155%)	15.3	NIL	1.80	NIL	50	3/31	◆.26	.03	3/31	NIL	NIL	YES
	2384	Omnicom Group		OMC	77.60	3	3	4	1.10	120- 180	(55-130%)	9.9	3.6	7.85	2.80	87	3/31	1.45	1.59	6/30	.70	.70	YES
	2164	On Holding AG		ONON	51.31	3	3	3	1.55	45- 70	(N- 35%)	51.3	NIL	1.00	NIL	22	12/31	.30	d.09	3/31	NIL	NIL	YES
	1373	ON Semiconductor	(NDQ)	ON	44.62	4	3	4	1.45	75- 110	(70-145%)	17.5	NIL	2.55	NIL	76	3/31	.55	1.04	3/31	NIL	NIL	YES
	541	ONE Gas, Inc.		OGS	74.60	▲3	2	2	.80	80- 110	(5- 45%)	17.3	3.6	4.30	2.70	58	3/31	1.98	1.75	3/31	▲.67	.66	YES
	585	ONEOK Inc.		OKE	85.04	▼4	3	2	1.40	130- 195	(55-130%)	16.2	4.9	5.25	4.16	64	3/31	1.04	1.09	6/30	1.03	.99	YES
★★	1405	Onto Innovation		ONTO	93.49	▼4	3	3	1.40	180- 270	(95-190%)	14.5	NIL	6.45	NIL	78	3/31	◆1.51	1.18	3/31	NIL	NIL	YES
	2131	OPENLANE, Inc.		KAR	22.19	3	4	3	1.25	17- 30	(N- 35%)	49.3	NIL	.45	NIL	20	3/31	◆.18	.05	3/31	NIL	NIL	YES
	2567	Open Text Corp.	(NDQ)	OTEX	27.94	3	3	4	1.10	45- 65	(60-135%)	10.1	3.8	2.76	1.05	30	3/31	.35	.36	3/31	.263	.25	YES
	812	Option Care Health	(NDQ)	OPCH	31.86	1	3	1	1.10	35- 55	(10- 75%)	24.5	NIL	1.30	NIL	19	3/31	.28	.26	3/31	NIL	NIL	YES
	2568	Oracle Corp.		ORCL	157.22	4	3	3	1.00	155- 235	(N- 50%)	25.2	1.2	6.24	1.90	30	2/28	1.47	1.41	3/31	.40	.40	YES
	2132	O'Reilly Automotive	(NDQ)	ORLY	1339.61	2	2	1	.75	1280-1730	(N- 30%)	30.2	NIL	44.40	NIL	20	3/31	9.35	9.20	3/31	NIL	NIL	YES
	1623	Organon & Co.		OGN	8.71	4	3	3	1.10	18- 25	(105-185%)	2.2	0.9	4.03	.08	62	3/31	1.02	1.22	6/30	.28	.28	YES
	1236	Ormat Technologies		ORA	74.07	4	3	4	.95	100- 150	(35-105%)	34.5	0.6	2.15	.48	79	3/31	◆.66	.64	3/31	.12	.12	YES
	153	Oshkosh Corp.		OSK	97.74	3	3	3	1.30	145- 215	(50-120%)	8.5	2.1	11.55	2.04	3	3/31	1.92	2.89	3/31	▲.51	.46	YES
	1731	Otis Worldwide		OTIS	98.00	3	2	3	.90	130- 175	(35- 80%)	23.7	1.7	4.13	1.68	38	3/31	.92	.88	6/30	▲.42	.39	YES

(•) All data adjusted for announced stock split or stock dividend.
See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	914	Otter Tail Corp.	(NDQ)	OTTR	78.28	2	2	3	.90	60- 85	(N- 10%)	12.6	2.7	6.20	2.10	60	3/31	1.62	1.77	3/31	▲.525	.468	YES
	2385	OUTFRONT Media		OUT	16.28	4	3	3	1.65	20- 35	(25-115%)	19.2	7.4	.85	1.20	87	3/31	◆d.14	d.18	3/31	▼.30	.307	YES
	534	Ovintiv Inc.		OVV	38.10	2	3	3	1.60	▼ 50- 75	(30- 95%)	7.8	3.1	4.90	1.20	84	3/31	◆1.42	1.43	3/31	.30	.30	YES
	1125	Owens Corning		OC	143.25	3	3	3	1.25	210- 310	(45-115%)	10.2	1.9	14.00	2.76	37	3/31	◆d1.08	3.40	6/30	.69	.60	YES
	2112	Oxford Inds.		OXM	58.24	4	3	4	1.35	65- 100	(10- 70%)	16.6	4.7	3.51	2.76	80	1/31	1.37	1.91	6/30	▲.69	.67	YES
	514	**PBF Energy**		PBF	20.79	5	5	5	1.45	▼ 30- 55	(45-165%)	NMF	5.3	▼d1.15	1.10	54	3/31	d3.53	.86	3/31	.275	.25	YES
	2206	PG&E Corp.		PCG	17.22	3	3	4	.95	25- 35	(45-105%)	11.5	0.7	1.50	.12	63	3/31	.33	.37	3/31	▲.025	.01	YES
	619	PNC Financial Serv.		PNC	175.00	3	3	3	1.25	225- 335	(30- 90%)	11.5	3.9	15.25	6.80	65	3/31	3.51	3.10	6/30	1.60	1.55	YES
	2428	PPG Inds.		PPG	114.21	3	2	4	1.15	125- 165	(10- 45%)	17.6	2.4	6.50	2.72	92	3/31	1.63	1.61	3/31	.68	.65	YES
	138	PPL Corp.		PPL	34.57	4	2	1	.90	35- 45	(N- 30%)	18.7	3.2	1.85	1.09	88	3/31	.60	.54	6/30	▲.273	.258	YES
	2569	PTC Inc.	(NDQ)	PTC	170.51	3	3	4	1.15	175- 260	(5- 50%)	31.3	NIL	5.45	NIL	30	3/31	1.79	1.46	3/31	NIL	NIL	YES
2028	2113	PVH Corp.		PVH	78.94	3	3	4	1.60	110- 165	(40-110%)	6.2	0.2	12.65	.15	80	1/31	3.27	3.72	6/30	.038	.038	YES
	154	PACCAR Inc.	(NDQ)	PCAR	95.74	3	2	3	.95	110- 150	(15- 55%)	14.3	4.8	6.70	4.60	3	3/31	.96	2.25	3/31	3.33	3.47	YES
	1187	Packaging Corp.		PKG	190.39	3	2	2	1.00	240- 325	(25- 70%)	17.9	2.6	10.65	5.00	12	3/31	2.31	1.72	6/30	1.25	1.25	YES
2027	1188	Pactiv Evergreen Inc		PTVE	SEE FINAL SUPPLEMENT																		
439	2570	Palantir Technologies		PLTR	118.46	1	3	3	1.90	70- 105	(N- N%)	NMF	NIL	.35	NIL	30	3/31	.08	.04	3/31	NIL	NIL	YES
	2019	Palo Alto Networks		PANW	193.50	▼2	3	2	1.10	180- 270	(N- 40%)	NMF	NIL	1.92	NIL	59	1/31	.38	.35	3/31	NIL	NIL	YES
	1573	Pan Amer. Silver		PAAS	22.82	3	3	1	1.00	35- 50	(55-120%)	16.3	1.8	1.40	.40	7	3/31	◆.42	.01	6/30	.10	.10	YES
	364	Papa John's Int'l	(NDQ)	PZZA	41.05	3	5	3	.95	30- 50	(N- 20%)	22.8	4.5	1.80	1.84	26	3/31	◆.36	.67	3/31	.46	.46	YES
	2340	Paramount Global	(NDQ)	PARA	11.95	–	4	–	1.25	20- 35	(65-195%)	7.7	1.7	1.55	.20	27	3/31	◆.29	.62	3/31	.05	.05	YES
	1537	Park Hotels & Resorts		PK	11.17	4	4	4	1.60	20- 35	(80-215%)	13.1	9.0	.85	1.00	89	3/31	d.29	.13	6/30	.25	.25	YES
	785	Park National	(ASE)	PRK	167.60	3	3	3	.95	135- 200	(N- 20%)	19.0	2.6	8.80	4.28	42	3/31	2.60	2.17	3/31	▲1.07	1.06	YES
	1762	Parker-Hannifin		PH	668.76	▲2	3	3	1.25	645- 965	(N- 45%)	23.7	1.0	28.27	6.70	15	3/31	6.94	6.51	6/30	▲1.80	1.63	YES
	515	Par Pacific Holdings		PARR	18.38	4	4	5	1.30	30- 50	(65-170%)	7.4	NIL	▼2.50	NIL	54	3/31	◆d.57	d.06	3/31	NIL	NIL	YES
	723	Parsons Corp.		PSN	65.09	3	3	4	.85	140- 205	(115-215%)	20.3	NIL	3.20	NIL	31	3/31	.60	.37	3/31	NIL	NIL	YES
	2316	Patrick Inds.	(NDQ)	PATK	87.06	3	3	1	1.15	95- 135	(10- 55%)	17.4	1.8	5.00	1.60	52	3/31	1.11	1.06	3/31	▲.40	.367	YES
	2631	Patterson Cos.		PDCO	SEE FINAL SUPPLEMENT																		
	2415	Patterson-UTI Energy	(NDQ)	PTEN	6.32	3	4	3	1.80	12- 20	(90-215%)	NMF	5.1	NIL	.32	71	3/31	NIL	.17	6/30	.08	.08	YES
	1641	Paychex, Inc.	(NDQ)	PAYX	151.69	2	2	2	.95	150- 200	(N- 30%)	29.3	2.6	5.18	3.92	48	2/28	1.43	1.38	3/31	.98	.89	YES
	1642	Paycom Software		PAYC	258.38	1	3	2	1.25	340- 505	(30- 95%)	28.6	0.6	9.05	1.50	48	3/31	◆2.80	2.59	3/31	.375	.375	YES
	1643	Paylocity Holding	(NDQ)	PCTY	198.76	3	3	1	1.20	215- 320	(10- 60%)	49.6	NIL	4.01	NIL	48	3/31	1.61	1.50	3/31	NIL	NIL	YES
	2531	PayPal Holdings	(NDQ)	PYPL	72.31	2	3	4	1.25	90- 135	(25- 85%)	15.1	NIL	4.80	NIL	17	3/31	1.29	.83	3/31	NIL	NIL	YES
	438	Pediatrix Medical		MD	SEE FINAL SUPPLEMENT																		
	2317	Peloton Interactive	(NDQ)	PTON	6.64	3	5	3	1.75	8- 14	(20-110%)	NMF	NIL	d.21	NIL	52	3/31	◆d.12	d.45	3/31	NIL	NIL	YES
	586	Pembina Pipeline	(TSE)	PPL.TO	51.77b	4	2	2	.80	80- 110	(55-110%)	15.5	5.3	3.35	2.76	64	3/31	◆.80(b)	.73(b)	3/31	.69(b)	.668(b)	
	2368	PENN Entertainment	(NDQ)	PENN	15.97	4	5	3	1.60	18- 35	(15-120%)	26.6	NIL	.60	NIL	39	3/31	◆.68	d.79	3/31	NIL	NIL	YES
	2133	Penske Auto		PAG	165.52	2	3	3	1.05	120- 180	(N- 10%)	12.0	2.9	13.85	4.88	20	3/31	3.39	3.21	3/31	▲1.22	.87	YES
	1763	Pentair plc		PNR	98.16	3	2	3	1.15	110- 150	(10- 55%)	20.7	1.0	4.75	1.00	15	3/31	.93	1.22	6/30	.25	.23	YES
	184	Penumbra Inc.		PEN	297.55	2	3	1	1.05	325- 490	(10- 65%)	82.7	NIL	3.60	NIL	68	3/31	.83	.41	3/31	NIL	NIL	YES
	1974	PepsiCo, Inc.	(NDQ)	PEP	131.68	4	1	3	.55	240- 295	(80-125%)	15.5	4.1	8.50	5.42	74	3/31	1.48	1.61	3/31	1.355	1.265	YES
	1952	Performance Food		PFGC	87.52	▼3	4	3	1.35	70- 115	(N- 30%)	18.4	NIL	4.75	NIL	1	3/31	◆.79	.80	3/31	NIL	NIL	YES
	2399	Permian Resources Corpor		PR	13.63	▲3	4	4	1.70	14- 25	(5- 85%)	8.8	4.8	1.55	.65	28	12/31	.29	.51	3/31	.15	.15	YES
	1624	Perrigo Co. plc		PRGO	26.99	2	3	3	.80	40- 60	(50-120%)	9.0	4.3	3.00	1.16	62	3/31	◆.60	.29	3/31	▲.29	.276	YES
	516	Petroleo Brasileiro ADR		PBR	12.07	3	3	3	1.15	16- 25	(35-105%)	3.1	17.7	3.90	2.14	54	3/31	◆.92	.74	6/30	.25	.345	YES
	1625	Pfizer, Inc.		PFE	23.09	3	2	3	.80	40- 50	(75-115%)	9.2	7.4	2.50	1.72	62	3/31	.52	.55	6/30	.43	.42	YES
	1981	Philip Morris Int'l		PM	164.83	2	2	2	.80	145- 195	(N- 20%)	23.2	3.3	7.10	5.48	10	3/31	1.69	1.50	3/31	1.35	1.30	YES
	517	Phillips 66		PSX	118.68	4	3	4	1.25	135- 200	(15- 70%)	18.0	4.1	▼6.60	4.85	54	3/31	1.18	1.73	6/30	▲1.20	1.15	YES
	988	PHINIA Inc.		PHIN	43.42	–	3	–	NMF	80- 120	(85-175%)	10.1	2.5	4.30	1.08	43	3/31	.63	1.08	3/31	▲.27	.25	YES
	1406	Photronics Inc.	(NDQ)	PLAB	20.61	3	4	4	1.40	30- 50	(45-145%)	10.3	NIL	2.01	NIL	78	1/31	.52	.48	3/31	NIL	NIL	YES
	1930	Pilgrim's Pride Corp.	(NDQ)	PPC	46.31	2	3	1	.85	40- 60	(N- 30%)	9.7	NIL	4.75	NIL	57	3/31	1.31	.77	3/31	NIL	NIL	YES
	2207	Pinnacle West Capital		PNW	90.07	3	2	1	.80	95- 130	(5- 45%)	18.8	4.0	4.80	3.61	63	3/31	d.04	.15	6/30	.895	.88	YES
	2613	Pinterest, Inc.		PINS	32.84	3	3	4	1.30	35- 55	(5- 65%)	54.7	NIL	.60	NIL	24	3/31	◆.01	d.04	3/31	NIL	NIL	YES
	1799	Piper Sandler Cos.		PIPR	265.05	3	3	3	1.40	190- 290	(N- 10%)	18.9	2.1	14.00	5.60	83	3/31	4.09	2.79	3/31	▲3.65	1.60	YES
	597	Plains All Amer. Pipe.	(NDQ)	PAA	17.13	3	3	1	1.25	▼ 19- 30	(10- 75%)	11.4	8.9	1.50	1.52	49	3/31	◆.49	.29	6/30	.38	.318	YES
	598	Plains GP Hldgs. L.P.	(NDQ)	PAGP	18.42	2	3	1	1.25	30- 40	(65-115%)	14.7	9.0	1.25	1.65	49	3/31	◆.42	.20	6/30	.38	.318	YES
	2318	Planet Fitness		PLNT	94.23	1	3	2	1.20	145- 215	(55-130%)	32.5	NIL	2.90	NIL	52	3/31	◆.59	.53	3/31	NIL	NIL	YES
	1998	Playtika Holding	(NDQ)	PLTK	5.29	4	3	4	1.25	13- 20	(145-280%)	6.6	7.6	.80	.40	94	3/31	◆.10	.14	6/30	.10	.10	YES
	1339	Plexus Corp.	(NDQ)	PLXS	131.36	2	3	3	1.05	150- 225	(15- 70%)	18.8	NIL	6.97	NIL	25	3/31	1.66	1.19	3/31	NIL	NIL	YES
237	1237	Plug Power	(NDQ)	PLUG	0.90	–	5	–	1.95	2- 5	(120-455%)	NMF	NIL	d.60	NIL	79	3/31	◆d.21	d.46	3/31	NIL	NIL	YES
	2319	Polaris Inc.		PII	38.89	5	3	3	1.10	50- 75	(30- 95%)	35.4	6.9	1.10	2.69	52	3/31	d.90	.23	3/31	.67	.66	YES
	1151	Pool Corp.	(NDQ)	POOL	319.02	4	3	4	.90	420- 630	(30- 95%)	28.1	1.6	11.35	5.10	55	3/31	1.42	2.04	3/31	1.20	1.10	YES
	786	Popular Inc.	(NDQ)	BPOP	103.61	2	3	3	1.25	115- 170	(10- 65%)	10.9	2.7	9.50	2.80	42	3/31	2.56	1.88	6/30	.70	.62	YES
	2208	Portland General		POR	42.62	3	2	3	.80	55- 75	(30- 75%)	13.1	5.0	3.25	2.12	63	3/31	.91	1.21	3/31	.50	.475	YES
	1931	Post Holdings		POST	109.01	1	3	1	.75	130- 195	(20- 80%)	17.0	NIL	6.42	NIL	57	3/31	◆1.41	1.51	3/31	NIL	NIL	YES
	1171	PotlatchDeltic Corp.	(NDQ)	PCH	40.35	3	3	3	1.00	50- 70	(25- 75%)	57.6	4.5	.70	1.80	82	3/31	.33	NIL	3/31	.45	.45	YES
	1314	Powell Industries	(NDQ)	POWL	187.90	3	3	2	1.10	225- 340	(20- 80%)	13.3	0.6	14.14	1.07	16	12/31	2.86	1.98	3/31	▲.268	.265	YES
	1374	Power Integrations	(NDQ)	POWI	59.01	▲3	3	4	1.25	65- 100	(10- 70%)	53.6	1.4	1.10	.84	76	3/31	◆.15	.07	3/31	.21	.20	YES
	825	Premier, Inc.	(NDQ)	PINC	23.01	3	2	5	.75	35- 45	(50- 95%)	15.8	3.7	1.46	.84	47	3/31	◆.44	.55	6/30	.21	.21	YES
	1203	Prestige Consumer		PBH	88.04	3	2	2	.75	80- 110	(N- 25%)	18.5	NIL	4.76	NIL	86	3/31	◆1.32	1.02	3/31	NIL	NIL	YES
	2223	Price (T. Rowe) Group	(NDQ)	TROW	97.09	4	2	4	1.25	145- 195	(50-100%)	10.2	5.3	9.50	5.15	51	3/31	2.15	2.49	3/31	▲1.27	1.24	YES
	2152	PriceSmart	(NDQ)	PSMT	103.89	2	3	3	.90	85- 130	(N- 25%)	21.3	1.2	4.87	1.26	21	2/28	1.45	1.31	9/30	.63	.58	YES
	1561	Primerica, Inc.		PRI	273.29	2	3	2	1.20	285- 430	(5- 55%)	13.0	1.6	21.00	4.32	56	3/31	◆5.05	3.93	3/31	▲1.04	.75	YES
		Primo Water Corp.			NAMED CHANGED TO PRIMO BRANDS CORP.																		
	1975	Primo Brands Corp.		PRMB	31.80	–	3	–	.95	55- 80	(75-150%)	21.9	1.3	1.45	.40	74	3/31	◆.08	.12	3/31	▲.10	.09	YES
	1024	Primoris Services		PRIM	70.85	▲1	3	3	1.30	80- 120	(15- 70%)	18.6	0.4	3.80	.28	6	3/31	.98	.35	3/31	▲.08	.06	YES
	2532	Principal Fin'l Group	(NDQ)	PFG	81.70	3	3	3	1.40	80- 115	(N- 40%)	10.1	3.7	8.10	3.00	17	3/31	1.81	1.65	3/31	▲.75	.69	YES
	826	Privia Health	(NDQ)	PRVA	25.06	▼2	3	2	1.10	35- 55	(40-120%)	71.6	NIL	.35	NIL	47	3/31	◆.03	.02	3/31	NIL	NIL	YES
	847	ProAssurance Corp.		PRA	SEE FINAL SUPPLEMENT																		
	185	PROCEPT BioRobotics	(NDQ)	PRCT	54.44	5	4	3	1.50	90- 130	(65-140%)	NMF	NIL	d1.45	NIL	68	3/31	d.45	d.51	3/31	NIL	NIL	YES
	2571	Procore Technologies Inc		PCOR	72.21	4	3	3	1.45	75- 115	(5- 60%)	NMF	NIL	d.40	NIL	30	3/31	d.22	d.08	3/31	NIL	NIL	YES
	1204	Procter & Gamble		PG	160.90	▼4	1	2	.60	180- 220	(10- 35%)	22.4	2.6	7.19	4.23	86	3/31	1.54	1.52	6/30	▲1.057	1.007	YES
	769	Progressive Corp.		PGR	280.25	2	1	2	.80	365- 445	(30- 60%)	19.6	0.1	14.30	.40	11	3/31	4.65	3.76	6/30	.10	.10	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1538	Prologis		PLD	110.33	4	3	4	1.10	125- 190	(15- 70%)	33.2	3.7	3.32	4.10	89	3/31	.63	.63	3/31	▲1.01	.96	YES
	2416	ProPetro Holding		PUMP	6.00	4	5	3	1.55	11- 20	(85-235%)	20.0	NIL	.30	NIL	71	3/31	.09	.18	3/31	NIL	NIL	YES
	735	Proto Labs, Inc.		PRLB	41.64	2	3	3	1.25	40- 60	(N- 45%)	33.3	NIL	1.25	NIL	8	3/31	.15	.20	3/31	NIL	NIL	YES
	1507	Provident Fin'l Svcs.		PFS	17.81	4	3	3	1.15	20- 35	(10- 95%)	12.3	5.4	1.45	.96	32	3/31	.49	.43	6/30	.24	.24	YES
	1562	Prudential Fin'l		PRU	107.35	4	2	3	1.35	120- 180	(10- 70%)	7.7	5.0	13.90	5.40	56	3/31	3.29	3.12	3/31	▲1.35	1.30	YES
	139	Public Serv. Enterprise		PEG	79.01	4	1	1	.85	85- 105	(10- 35%)	19.8	3.2	4.00	2.56	88	3/31	1.43	1.31	3/31	▲.63	.60	YES
	1539	Public Storage		PSA	305.18	▼4	2	4	.85	395- 535	(30- 75%)	30.5	3.9	10.00	12.00	89	3/31	2.04	2.61	6/30	3.00	3.00	YES
	1141	PulteGroup, Inc.		PHM	106.54	3	3	4	1.10	125- 185	(15- 75%)	8.8	0.8	12.15	.90	77	3/31	2.57	3.10	6/30	.22	.20	YES
	1418	Pure Storage		PSTG	53.34	3	3	3	1.20	70- 105	(30- 95%)	31.4	NIL	1.70	NIL	75	1/31	.12	.20	3/31	NIL	NIL	YES
	2572	**Q2 Holdings**		QTWO	91.83	4	4	3	1.60	65- 105	(N- 15%)	NMF	NIL	d.25	NIL	30	3/31	◆.07	d.23	3/31	NIL	NIL	YES
	225	QIAGEN N.V.		QGEN	42.96	3	3	4	.70	50- 80	(15- 85%)	23.9	NIL	1.80	NIL	50	3/31	◆.41	.37	3/31	NIL	NIL	YES
	1375	Qorvo Inc.	(NDQ)	QRVO	78.42	3	3	5	1.30	115- 175	(45-125%)	16.6	NIL	4.72	NIL	76	3/31	.33	1.42	3/31	NIL	NIL	YES
	565	Quaker Chemical		KWR	109.61	4	3	3	1.35	230- 340	(110-210%)	14.6	1.8	▼7.50	1.94	72	3/31	1.58	2.09	6/30	.485	.455	YES
	1376	Qualcomm Inc.	(NDQ)	QCOM	152.12	2	3	4	1.20	210- 315	(40-105%)	12.8	2.4	11.86	3.60	76	3/31	2.85	2.44	6/30	▲.89	.85	YES
	2020	Qualys, Inc.	(NDQ)	QLYS	136.48	2	3	3	1.00	175- 265	(30- 95%)	26.2	NIL	5.20	NIL	59	3/31	◆1.29	1.05	3/31	NIL	NIL	YES
	1025	Quanta Services		PWR	332.79	▲2	3	3	1.20	395- 590	(20- 75%)	32.6	0.1	10.20	.41	6	3/31	1.78	1.41	6/30	.10	.09	YES
	989	QuantumScape Corp.		QS	4.28	5	5	3	2.05	5- 9	(15-110%)	NMF	NIL	d.90	NIL	43	3/31	d.21	d.24	6/30	NIL	NIL	YES
	813	Quest Diagnostics		DGX	175.90	3	2	1	.60	165- 225	(N- 30%)	18.1	1.8	9.70	3.20	19	3/31	2.21	2.04	6/30	▲.80	.75	YES
★★	226	QuidelOrtho Corp.	(NDQ)	QDEL	37.42	▲4	4	3	.60	30- 50	(N- 35%)	NMF	NIL	d1.00	NIL	50	3/31	◆d.19	.56	3/31	NIL	NIL	YES
	155	**RB Global**		RBA	104.17	–	3	–	1.00	100- 150	(N- 45%)	28.2	1.1	3.70	1.16	3	3/31	◆.89	.90	3/31	.29	.27	YES
	1732	RBC Bearings		RBC	364.25	3	3	3	1.25	290- 435	(N- 20%)	34.3	NIL	10.63	NIL	38	12/31	2.34	1.85	3/31	NIL	NIL	YES
	156	REV Group Inc		REVG	37.36	2	3	3	1.40	40- 65	(5- 75%)	15.6	0.6	2.40	.24	3	1/31	.35	3.06	6/30	.06	.05	YES
	1164	RH		RH	226.04	4	4	4	1.70	375- 625	(65-175%)	20.5	NIL	11.00	NIL	70	1/31	1.58	.72	3/31	NIL	NIL	YES
	770	RLI Corp.		RLI	74.81	2	2	2	.85	105- 140	(40- 85%)	24.1	0.8	3.10	.60	11	3/31	.92	.95	3/31	▲.15	.135	YES
	2417	RPC Inc.		RES	4.96	3	4	3	1.30	7- 12	(40-140%)	14.2	3.2	.35	.16	71	3/31	.06	.13	6/30	.04	.04	YES
	566	RPM Int'l		RPM	114.27	4	2	3	.95	120- 160	(5- 40%)	21.9	1.8	5.21	2.04	72	2/28	.40	.47	6/30	.51	.46	YES
	724	RTX Corp.		RTX	130.56	3	2	2	1.00	160- 215	(25- 65%)	21.2	1.9	6.15	2.52	31	3/31	1.47	1.34	3/31	.63	.59	YES
	324	RXO, Inc.		RXO	16.16	–	3	–	NMF	20- 30	(25- 85%)	NMF	NIL	.05	NIL	85	12/31	d.17	.02	3/31	NIL	NIL	YES
	438	Radius Recycling		RDUS	SEE FINAL SUPPLEMENT																		
	2114	Ralph Lauren		RL	264.51	2	3	3	1.40	240- 360	(N- 35%)	19.9	1.2	13.29	3.30	80	12/31	4.82	4.17	6/30	.825	.75	YES
	1377	Rambus Inc.	(NDQ)	RMBS	54.11	2	3	3	1.30	75- 115	(40-115%)	22.5	NIL	2.40	NIL	76	3/31	.56	.44	3/31	NIL	NIL	YES
	2400	Range Resources		RRC	39.00	2	4	2	1.35	50- 85	(30-120%)	8.7	0.9	4.50	.36	28	3/31	.96	.69	6/30	.08	.08	YES
	2021	Rapid7, Inc.	(NDQ)	RPD	26.74	4	3	3	1.40	40- 55	(50-105%)	14.9	NIL	1.80	NIL	59	3/31	◆.49	.55	3/31	NIL	NIL	YES
	2224	Raymond James Fin'l		RJF	151.58	3	3	3	1.30	160- 240	(5- 60%)	13.4	1.4	11.27	2.05	51	3/31	2.42	2.31	6/30	.50	.45	YES
	1172	Rayonier Inc.		RYN	24.12	▼4	3	2	1.05	25- 35	(5- 45%)	40.2	4.5	.60	1.09	82	3/31	d.02	.05	3/31	.273	.285	YES
	1540	Realty Income Corp.		O	55.94	5	3	3	.90	85- 125	(50-125%)	37.3	5.9	1.50	3.29	89	3/31	.28	.16	3/31	▲.796	.769	YES
	2369	Red Rock Resorts	(NDQ)	RRR	46.92	3	4	5	1.45	50- 85	(5- 80%)	26.8	2.1	1.75	1.00	39	3/31	.75	.68	6/30	.25	.25	YES
	2614	Reddit Inc		RDDT	111.21	–	4	–	NMF	110- 205	(N- 85%)	NMF	NIL	1.10	NIL	24	3/31	.13	d3.79	6/30	NIL	NIL	YES
	1733	Regal Rexnord		RRX	145.05	4	3	5	1.20	155- 235	(5- 60%)	14.9	1.0	9.75	1.40	38	3/31	2.15	2.00	6/30	.35	.35	YES
	1541	Regency Centers Corp.		REG	73.83	4	3	2	1.10	55- 80	(N- 10%)	33.6	3.8	2.20	2.82	89	3/31	.58	.58	6/30	.705	.67	YES
	842	Regeneron Pharmac.	(NDQ)	REGN	575.63	4	2	4	.80	920-1240	(60-115%)	13.4	0.6	43.00	3.52	90	3/31	7.27	9.55	3/31	▲.88	NIL	YES
	620	Regions Financial		RF	22.25	3	3	3	1.40	25- 40	(10- 80%)	10.1	5.0	2.20	1.12	65	3/31	.51	.37	9/30	.25	.24	YES
	2008	Reinsurance Group		RGA	207.73	3	3	3	1.20	280- 420	(35-100%)	9.1	1.8	22.95	3.68	9	3/31	5.66	6.02	3/31	.89	.85	YES
	745	Reliance, Inc.		RS	304.45	2	3	4	1.05	325- 490	(5- 60%)	18.1	1.6	16.80	4.80	23	3/31	3.77	5.30	6/30	1.20	1.10	YES
	2009	RenaissanceRe Hldgs.		RNR	248.22	3	3	3	.90	380- 570	(55-130%)	9.9	0.6	25.00	1.61	9	3/31	d1.49	12.18	3/31	▲.40	.39	YES
	227	Repligen Corp.	(NDQ)	RGEN	133.72	▼4	3	3	1.25	130- 200	(N- 50%)	79.1	NIL	1.69	NIL	50	3/31	.39	.28	3/31	NIL	NIL	YES
	409	Republic Services		RSG	241.46	1	1	1	.75	230- 285	(N- 20%)	35.1	1.0	6.88	2.32	33	3/31	1.58	1.44	6/30	.58	.535	YES
	1340	Resideo Technologies		REZI	21.13	4	4	5	1.60	30- 50	(40-135%)	9.4	NIL	2.25	NIL	25	3/31	◆d.02	.47	3/31	NIL	NIL	YES
	228	ResMed Inc.		RMD	247.66	2	3	3	.85	275- 415	(10- 70%)	25.3	0.9	9.77	2.22	50	3/31	2.37	2.13	3/31	.53	.48	YES
	365	Restaurant Brands Int'l		QSR	68.79	3	3	5	.90	70- 105	(N- 55%)	19.4	3.5	3.55	2.44	26	3/31	◆.75	.72	6/30	▲.62	.58	YES
	2628	Revolve Group		RVLV	19.79	4	4	2	1.65	25- 40	(25-100%)	26.4	NIL	.75	NIL	18	3/31	◆.16	.15	3/31	NIL	NIL	YES
	229	Revvity, Inc.		RVTY	98.50	4	3	3	1.00	125- 185	(25- 90%)	19.9	0.3	4.95	.28	50	3/31	1.01	.98	6/30	.07	.07	YES
	1205	Reynolds Consumer	(NDQ)	REYN	23.50	3	2	4	.55	40- 55	(70-135%)	12.1	3.9	1.95	.92	86	3/31	.15	.23	6/30	.23	.23	YES
	934	RingCentral, Inc.		RNG	28.36	▲3	4	4	1.40	45- 75	(60-165%)	6.8	NIL	4.20	NIL	53	3/31	◆1.00	.87	3/31	NIL	NIL	YES
	1589	Rio Tinto plc		RIO	61.41	3	2	4	1.00	80- 105	(30- 70%)	8.2	6.9	7.50	4.22	81	12/31	3.52(p)	2.64(p)	6/30	2.25	2.04	YES
	109	Rivian Automotive	(NDQ)	RIVN	14.64	5	5	4	1.90	15- 30	(N-105%)	NMF	NIL	d3.20	NIL	36	3/31	◆d.48	d1.48	3/31	NIL	NIL	YES
	1644	Robert Half Inc.		RHI	48.19	4	2	2	1.15	95- 125	(95-160%)	19.3	4.9	2.50	2.36	48	3/31	.17	.61	3/31	▲.59	.53	YES
	1786	Robinhood Markets	('DQ)	HOOD	57.43	3	4	3	2.10	75- 125	(30-120%)	31.9	NIL	1.80	NIL	13	3/31	.37	.18	3/31	NIL	NIL	YES
	1999	Roblox Corp.		RBLX	73.49	5	4	3	1.55	70- 120	(N- 65%)	NMF	NIL	d1.40	NIL	94	3/31	d.32	d.43	3/31	NIL	NIL	YES
	2533	Rocket Companies		RKT	11.67	5	4	2	1.30	10- 17	(N- 45%)	25.9	NIL	.45	NIL	17	3/31	◆.04	.04	3/31	NIL	NIL	YES
2442	725	Rocket Lab USA Inc	(NDQ)	RKLB	21.26	3	4	2	1.75	25- 40	(20- 90%)	NMF	NIL	d.31	NIL	31	12/31	d.10	d.10	3/31	NIL	NIL	YES
	1315	Rockwell Automation		ROK	299.78	2	3	5	1.10	290- 440	(N- 45%)	30.8	1.7	9.72	5.20	16	3/31	◆2.45	2.50	6/30	1.31	1.25	YES
	935	Rogers Communications	(TSE)	RCIB.TO	36.05b	4	2	4	.65	85- 115	(135-220%)	7.3	5.5	4.95	2.00	53	3/31	.99(b)	.99(b)	6/30	.50(b)	.50(b)	YES
	1341	Rogers Corp.		ROG	70.26	4	3	4	.90	100- 150	(40-115%)	29.9	NIL	2.35	NIL	25	3/31	.27	.58	3/31	NIL	NIL	YES
439	2000	Roku, Inc.	(NDQ)	ROKU	68.78	5	4	3	1.60	90- 150	(30-120%)	NMF	NIL	d.35	NIL	94	3/31	d.19	d.35	3/31	NIL	NIL	YES
	398	Rollins, Inc.		ROL	55.73	2	2	3	.85	60- 80	(10- 45%)	50.7	1.2	1.10	.66	5	3/31	.22	.19	3/31	.165	.15	YES
	2573	Roper Tech.		ROP	575.84	3	1	2	.90	690- 845	(20- 45%)	28.9	0.6	19.90	3.47	30	3/31	4.78	4.41	6/30	.825	.75	YES
	2153	Ross Stores	(NDQ)	ROST	149.26	1	3	5	1.05	155- 230	(5- 55%)	23.3	1.1	6.40	1.66	21	1/31	1.79	1.82	3/31	▲.405	.368	YES
	621	Royal Bank of Canada	(TSE)	RY.TO	169.01b	4	1	3	.80	175- 210	(5- 25%)	11.8	3.6	▲14.31	6.16	65	1/31	3.54(b)	2.58(b)	6/30	1.48(b)	1.38(b)	YES
	2320	Royal Caribbean		RCL	242.18	2	4	2	1.85	230- 380	(N- 55%)	16.3	0.7	14.90	1.60	52	3/31	2.71	1.77	3/31	▲.55	NIL	YES
	1574	Royal Gold	(NDQ)	RGLD	170.87	2	2	2	.70	255- 345	(50-100%)	24.6	1.1	6.95	1.80	7	3/31	◆1.51	.91	6/30	.45	.40	YES
	1221	Royce Small-Cap Trust		RVT	14.99	–	3	–	1.25	15- 20	(N- 35%)	NMF	0.7	NMF	.10	–	12/31	16.99(q)	16.42(q)	12/31	NIL	NIL	
	2022	Rubrik Inc		RBRK	78.61	–	3	–	NMF	80- 115	(N- 45%)	NMF	NIL	d1.10	NIL	59	1/31	d.61	NA	6/30	NIL	NIL	YES
	2134	Rush Enterprises 'A'	(NDQ)	RUSHA	50.74	▲2	3	1	1.00	50- 75	(N- 50%)	13.2	1.4	3.85	.72	20	3/31	.73	.88	3/31	.18	.17	YES
	746	Russel Metals	(TSE)	RUS.TO	41.20b	3	3	4	1.15	60- 90	(45-120%)	10.7	4.1	3.85	1.68	23	3/31	◆.75(b)	.82(b)	3/31	.42(b)	.40(b)	YES
	771	Ryan Specialty Grp		RYAN	69.13	4	3	2	.85	70- 110	(N- 60%)	69.1	0.7	1.00	.48	11	3/31	d.22	.13	3/31	▲.12	.11	YES
	309	Ryanair Hldgs plc ADS	(NDQ)	RYAAY	49.60	3	3	3	1.25	60- 90	(20- 80%)	13.1	4.0	3.78	2.00	44	12/31	.29	.03	6/30	NIL	NIL	YES
	325	Ryder System		R	156.56	2	3	2	1.25	165- 245	(5- 55%)	12.2	2.1	12.85	3.24	85	3/31	2.46	2.14	3/31	.81	.71	YES
	1542	Ryman Hospitality		RHP	101.30	3	4	5	1.45	100- 170	(N- 70%)	22.3	4.6	4.55	4.65	89	3/31	1.00	.67	6/30	1.15	1.10	YES
	433	**S&P Global**		SPGI	518.36	3	2	3	1.05	485- 660	(N- 25%)	30.5	0.7	17.00	3.84	41	3/31	4.37	4.01	3/31	▲.96	.91	YES
	2574	SAP SE		SAP	293.51	3	2	2	1.10	205- 280	(N- N%)	44.5	0.9	6.60	2.54	30	3/31	1.51	d.73	6/30	2.542	2.288	YES
	1543	SBA Communications	(NDQ)	SBAC	229.67	3	3	3	.75	285- 430	(25- 85%)	27.0	2.0	8.50	4.51	89	3/31	1.77	1.42	3/31	▲1.11	.98	YES

(•) All data adjusted for announced stock split or stock dividend.
See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential	Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	2225	SEI Investments	(NDQ)	SEIC	83.66	2	2	3	1.15	100- 135 (20- 60%)	17.6	1.2	4.75	.98	51	3/31	1.17	.99	3/31	.49	.46	YES
	337	SFL Corp. Ltd		SFL	8.57	5	3	5	.95	7- 10 (N- 15%)	NMF	12.6	.05	1.08	73	12/31	.15	.25	3/31	.27	.26	YES
		SJW Group				NAME CHANGED TO H2O AMERICA																
	1544	SL Green Realty		SLG	59.09	▼5	4	3	1.65	65- 105 (10- 80%)	NMF	5.2	d1.75	3.09-2.00	89	3/31	d.30	.20	6/30	▲.773	.75	YES
	2534	SLM Corporation	(NDQ)	SLM	33.31	3	3	3	1.30	25- 40 (N- 20%)	74.0	1.6	.45	.52	17	3/31	1.40	1.27	6/30	.13	.11	YES
	2575	SPS Commerce	(NDQ)	SPSC	151.87	3	3	4	1.15	190- 285 (25- 90%)	69.0	NIL	2.20	NIL	30	3/31	.58	.48	3/31	NIL	NIL	YES
	1734	SPX Technologies		SPXC	154.23	3	3	3	1.20	140- 210 (N- 35%)	25.1	NIL	6.15	NIL	38	3/31	1.38	1.25	3/31	NIL	NIL	YES
	2576	SS&C Techn. Hldgs	(NDQ)	SSNC	79.87	2	3	1	1.10	105- 160 (30-100%)	13.9	1.3	5.75	1.00	30	3/31	1.44	1.28	3/31	.25	.24	YES
	1575	SSR Mining Inc.	(NDQ)	SSRM	10.57	▲3	5	2	.75	20- 40 (90-280%)	6.8	NIL	1.55	NIL	7	3/31	◆.28	.11	6/30	NIL	NIL	YES
	2577	Sabre Corp.	(NDQ)	SABR	2.86	–	4	–	1.95	4- 6 (40-110%)	28.6	NIL	.10	NIL	30	3/31	NIL	d.02	3/31	NIL	NIL	YES
	1626	Sage Therapeutics	(NDQ)	SAGE	6.75	–	5	–	1.25	8- 14 (20-105%)	NMF	NIL	d5.60	NIL	62	3/31	d1.01	d1.80	3/31	NIL	NIL	YES
237	326	Saia, Inc.	(NDQ)	SAIA	292.91	3	3	3	1.10	345- 520 (20- 80%)	28.3	NIL	10.35	NIL	85	3/31	1.86	3.38	3/31	NIL	NIL	YES
	1026	St. Joe Corp.		JOE	46.64	3	3	4	1.25	60- 90 (30- 95%)	31.1	1.2	1.50	.56	6	3/31	.30	.24	6/30	.14	.12	YES
	2578	Salesforce, Inc.		CRM	288.82	1	3	2	1.15	385- 575 (35-100%)	42.8	0.6	6.75	1.60	30	1/31	1.75	1.47	3/31	.40	NIL	YES
	2180	Sally Beauty		SBH	9.98	3	3	4	1.20	15- 25 (50-150%)	5.5	NIL	1.82	NIL	4	3/31	◆.42	.35	3/31	NIL	NIL	YES
	2579	Samsara Inc		IOT	45.25	3	4	3	1.75	35- 55 (N- 20%)	NMF	NIL	.10	NIL	30	1/31	d.02	d.14	3/31	NIL	NIL	YES
	1342	Sanmina Corp.	(NDQ)	SANM	83.46	2	3	2	1.15	85- 130 (N- 55%)	13.7	NIL	6.11	NIL	25	3/31	1.41	1.30	3/31	NIL	NIL	YES
	1627	Sanofi ADR	(NDQ)	SNY	51.06	3	1	1	.75	60- 75 (20- 45%)	18.6	4.3	2.75	2.20	62	3/31	.80	.49	6/30	2.212	2.037	YES
	1932	Saputo Inc.	(TSE)	SAP.TO	26.03b	4	2	4	.65	45- 60 (75-130%)	12.4	2.9	2.10	.76	57	12/31	.39(b)	.38(b)	3/31	.19(b)	.185(b)	YES
1650	843	Sarepta Therapeutics	(NDQ)	SRPT	36.37	5	4	3	.80	165- 275 (355-655%)	3.5	NIL	10.50	NIL	90	3/31	◆d4.60	.37	3/31	NIL	NIL	YES
	230	Schein (Henry)	(NDQ)	HSIC	70.47	3	3	4	.90	85- 125 (20- 75%)	14.7	NIL	4.80	NIL	50	3/31	.88	.72	3/31	NIL	NIL	YES
	2418	Schlumberger Ltd.		SLB	35.85	3	3	3	1.40	65- 100 (80-180%)	10.2	3.2	3.50	1.15	71	3/31	.58	.75	3/31	.275	.25	YES
	327	Schneider National		SNDR	24.75	4	2	4	.80	40- 50 (60-100%)	29.1	1.6	.85	.40	85	3/31	.16	.11	6/30	.10	.10	YES
1821	2378	Scholastic Corp.	(NDQ)	SCHL	18.85	▲3	3	4	1.05	25- 35 (35- 85%)	11.0	4.2	1.71	.80	29	2/28	d.13	d.80	6/30	.20	.20	YES
	1787	Schwab (Charles)		SCHW	85.37	3	3	3	1.35	105- 155 (25- 80%)	20.6	1.3	4.15	1.08	13	3/31	.99	.68	6/30	.27	.25	YES
	399	Science Applications		SAIC	119.68	1	3	4	.85	170- 255 (40-115%)	12.9	1.2	9.30	1.48	5	1/31	2.57	1.42	6/30	.37	.37	YES
	1206	Scotts Miracle-Gro		SMG	57.00	4	3	4	1.15	95- 145 (65-155%)	15.7	4.6	3.64	2.64	86	3/31	3.98	3.69	6/30	.66	.66	YES
	2629	Sea Limited ADS		SE	142.45	2	4	3	1.55	120- 195 (N- 35%)	NMF	NIL	1.40	NIL	18	12/31	.39	d.19	3/31	NIL	NIL	YES
	1419	Seagate Technology plc	(NDQ)	STX	101.95	3	3	5	1.25	120- 180 (20- 75%)	12.5	2.8	8.14	2.88	75	3/31	1.90	.33	6/30	.72	.70	YES
	1189	Sealed Air		SEE	32.22	2	3	3	1.20	65- 95 (100-195%)	12.9	2.5	2.50	.80	12	3/31	◆.77	.57	3/31	.20	.20	YES
	814	Select Med. Hldgs.		SEM	15.24	–	3	–	1.20	25- 35 (65-130%)	12.7	1.6	1.20	.25	19	3/31	.44	.75	3/31	▲.063	.125	YES
	772	Selective Ins. Group	(NDQ)	SIGI	90.23	2	2	3	.95	130- 175 (45- 95%)	11.7	1.8	7.70	1.65	11	3/31	1.76	1.33	6/30	.38	.35	YES
1032	2209	Sempra Energy		SRE	75.67	▲3	2	5	.90	90- 120 (20- 60%)	16.6	3.4	4.55	2.58	63	3/31	◆1.44	1.34	3/31	▲.645	.595	YES
	1378	Semtech Corp.	(NDQ)	SMTC	38.22	▼5	4	3	1.50	55- 90 (45-135%)	25.7	NIL	1.49	NIL	76	1/31	.40	d.06	3/31	NIL	NIL	YES
	126	Sensata Techn. plc		ST	27.67	▲3	3	3	1.30	40- 60 (45-115%)	8.8	1.7	3.15	.48	40	3/31	◆.78	.89	6/30	.12	.12	YES
	1933	Sensient Techn.		SXT	94.94	3	2	3	1.05	50- 70 (N- N%)	30.1	1.7	3.15	1.64	57	3/31	.86	.73	6/30	.41	.41	YES
	2023	SentinelOne, Inc.		S	20.12	5	4	4	1.60	30- 50 (50-150%)	NMF	NIL	d.75	NIL	59	1/31	d.22	d.23	3/31	NIL	NIL	YES
	400	Service Corp. Int'l		SCI	76.56	3	3	2	.90	95- 140 (25- 85%)	19.6	1.7	3.90	1.28	5	3/31	.96	.89	3/31	▲.32	.30	YES
	1543	Service Properties		SVC		SEE FINAL SUPPLEMENT																
	2580	ServiceNow, Inc.		NOW	1015.60	2	3	3	1.20	885-1325 (N- 30%)	NMF	NIL	8.70	NIL	30	3/31	2.20	1.67	3/31	NIL	NIL	YES
	2581	ServiceTitan Inc	(NDQ)	TTAN	121.88	–	4	–	NMF	125- 185 (5- 50%)	NMF	NIL	.45	NIL	30	1/31	d2.80	NA	3/31	NIL	NIL	YES
	366	Shake Shack		SHAK	113.01	3	3	3	1.40	110- 165 (N- 45%)	NMF	NIL	1.10	NIL	26	3/31	.14	.13	3/31	NIL	NIL	YES
	1207	SharkNinja Inc		SN	98.99	–	3	–	NMF	130- 200 (30-100%)	24.7	NIL	4.00	NIL	86	3/31	◆.87	.78	3/31	NIL	NIL	YES
	518	Shell plc		SHEL	66.38	3	2	3	1.05	75- 110 (15- 65%)	10.0	4.3	6.65	2.86	54	3/31	1.58	2.28	3/31	▲.716	.688	YES
	936	Shenandoah Telecom.	(NDQ)	SHEN	12.03	5	3	3	.85	11- 19 (N- 60%)	NMF	0.9	d.45	.11	53	3/31	d.19	d.08	6/30	NIL	NIL	YES
	1152	Sherwin-Williams		SHW	357.15	3	2	2	.90	430- 580 (20- 60%)	29.5	0.9	12.10	3.16	55	3/31	2.25	2.17	6/30	.79	.715	YES
	2535	Shift4 Payments Inc		FOUR	90.07	2	4	3	1.85	105- 155 (15- 70%)	21.2	NIL	4.25	NIL	17	3/31	.20	.31	3/31	NIL	NIL	YES
	1316	Shoals Technologies	(NDQ)	SHLS	5.36	–	5	–	1.45	7- 13 (30-145%)	21.4	NIL	.25	NIL	16	3/31	NIL	.03	3/31	NIL	NIL	YES
	1812	Shopify Inc.	(NDQ)	SHOP	104.34	3	3	2	1.65	145- 220 (40-110%)	72.0	NIL	1.45	NIL	69	3/31	◆.25	.20	3/31	NIL	NIL	YES
	157	Shyft Group	(NDQ)	SHYF	9.84	–	3	–	1.45	17- 25 (75-155%)	12.3	2.0	.80	.20	3	3/31	.07	d.04	3/31	.05	.05	YES
	186	SI-BONE, Inc.	(NDQ)	SIBN	18.78	4	4	4	1.10	20- 35 (5- 85%)	NMF	NIL	d.60	NIL	68	3/31	d.15	d.27	3/31	NIL	NIL	YES
	1764	Siemens AG (ADS)	(NDQ)	SIEGY	123.76	3	2	3	1.20	135- 180 (10- 45%)	13.5	2.2	9.19	2.72	15	12/31	4.88	2.99	6/30	NIL	NIL	
	2181	Signet Jewelers Ltd.		SIG	69.82	3	4	4	1.55	70- 115 (N- 65%)	8.4	1.8	8.36	1.28	4	1/31	6.62	6.73	6/30	▲.32	.29	YES
	1190	Silgan Holdings		SLGN	54.57	2	2	3	.90	80- 110 (45-100%)	13.1	1.5	4.15	.80	12	3/31	.82	.69	3/31	▲.20	.19	YES
	1379	Silicon Labs.	(NDQ)	SLAB	126.31	5	3	4	1.35	110- 165 (N- 30%)	NMF	NIL	d1.70	NIL	76	12/31	d.72	d2.17	3/31	NIL	NIL	YES
	1545	Simon Property Group		SPG	171.44	3	3	3	1.50	170- 250 (N- 45%)	24.5	5.0	7.00	8.65	89	3/31	◆1.27	2.25	3/31	2.10	1.95	YES
	1934	Simply Good Foods	(NDQ)	SMPL	35.96	2	3	2	.95	45- 65 (25- 80%)	18.3	NIL	1.96	NIL	57	2/28	.46	.40	3/31	NIL	NIL	YES
	1126	Simpson Manufacturing		SSD	164.37	3	3	4	1.15	180- 270 (10- 65%)	19.9	0.7	8.25	1.12	37	3/31	1.85	1.77	6/30	.28	.27	YES
	2341	Sinclair, Inc.	(NDQ)	SBGI	15.90	3	4	3	1.50	15- 25 (N- 55%)	31.8	6.3	.50	1.00	27	3/31	◆d2.30	.35	6/30	.25	.25	YES
	2342	Sirius XM Holdings	(NDQ)	SIRI	21.94	–	4	–	1.10	40- 70 (80-220%)	6.3	4.9	3.50	1.08	27	3/31	.59	.70	6/30	.27	.27	YES
	2010	SiriusPoint Ltd.		SPNT	19.60	3	3	3	1.10	25- 35 (30- 80%)	9.8	NIL	2.00	NIL	9	3/31	.49	.49	3/31	NIL	NIL	YES
	1545	SITE Centers		SITC		SEE FINAL SUPPLEMENT																
	1153	SiteOne Landscape		SITE	127.30	3	3	3	1.30	155- 230 (20- 80%)	41.1	NIL	3.10	NIL	55	3/31	d.61	d.43	3/31	NIL	NIL	YES
	1380	SiTime Corp.	(NDQ)	SITM	204.63	4	4	3	1.80	195- 325 (N- 60%)	NMF	NIL	1.50	NIL	76	3/31	◆d1.01	d.08	3/31	NIL	NIL	YES
	2321	Six Flags Ent. Corp.		FUN	38.13	–	3	–	1.25	45- 65 (20- 70%)	21.8	NIL	1.75	NIL	52	3/31	◆d2.20	d2.11	6/30	NIL	.30	YES
439	2165	Skechers U.S.A.		SKX	62.50	–	3	–	1.30	80- 120 (30- 90%)	16.7	NIL	3.75	NIL	22	3/31	1.34	1.33	3/31	NIL	NIL	YES
	310	SkyWest	(NDQ)	SKYW	101.96	3	3	3	1.60	100- 150 (N- 45%)	11.3	NIL	9.00	NIL	44	3/31	2.42	1.45	3/31	NIL	NIL	YES
	1381	Skyworks Solutions	(NDQ)	SWKS	73.04	3	3	5	1.20	70- 105 (N- 45%)	15.2	3.9	4.80	2.86	76	3/31	◆1.24	1.55	3/31	.70	.68	YES
	2630	Smartsheet Inc.		SMAR		SEE FINAL SUPPLEMENT																
	2322	Smith & Wesson Brands	(NDQ)	SWBI	9.67	–	3	–	.95	12- 18 (25- 85%)	22.0	5.8	.44	.56	52	1/31	.02	.19	6/30	.13	.12	YES
	1735	Smith (A.O.)		AOS	70.46	3	2	5	1.00	95- 130 (35- 85%)	18.8	1.9	3.75	1.36	38	3/31	.95	1.00	6/30	.34	.32	YES
	1935	Smithfield Foods Inc	(NDQ)	SFD	22.58	–	3	–	NMF	20- 30 (N- 35%)	10.5	4.4	2.15	1.00	57	3/31	.58	NA	6/30	▲.25	NIL	
	1936	Smucker (J.M.)		SJM	112.50	3	2	3	.50	145- 195 (30- 75%)	13.4	3.9	8.39	4.44	57	1/31	2.10	1.84	6/30	1.08	1.06	YES
	1191	Smurfit Westrock plc	(NDQ)	SW	45.00	–	3	–	NMF	70- 100 (55-120%)	14.1	3.6	3.20	1.62	12	3/31	.73	NA	3/31	.431	NIL	YES
	2615	Snap Inc.		SNAP	9.21	5	5	4	1.45	7- 13 (N- 40%)	NMF	NIL	d.35	NIL	24	3/31	d.08	d.19	3/31	NIL	NIL	YES
	1736	Snap-on Inc.		SNA	326.99	3	2	2	1.00	295- 400 (N- 20%)	16.5	2.8	19.80	9.20	38	3/31	4.51	4.91	6/30	2.14	1.86	YES
1245	1813	Snowflake Inc.		SNOW	180.54	4	4	3	1.50	160- 265 (N- 45%)	NMF	NIL	d2.50	NIL	69	1/31	d.99	d.51	3/31	NIL	NIL	YES
	2536	SoFi Technologies Inc	(NDQ)	SOFI	14.04	2	4	3	1.95	15- 25 (5- 80%)	46.8	NIL	.30	NIL	17	3/31	.06	.02	3/31	NIL	NIL	YES
	1238	SolarEdge Tech.	(NDQ)	SEDG	19.16	5	4	4	1.60	20- 35 (5- 85%)	NMF	NIL	d5.40	NIL	79	3/31	◆d1.70	d2.75	3/31	NIL	NIL	YES
2441	1814	SolarWinds Corp.		SWI		SEE FINAL SUPPLEMENT																
	187	Solventum Corp		SOLV	74.80	–	3	–	NMF	85- 125 (15- 65%)	13.6	NIL	5.51	NIL	68	3/31	◆.78	2.08	6/30	NIL	NIL	YES
	1165	Somnigroup Int'l		SGI	64.23	▼4	3	2	1.20	70- 110 (10- 70%)	22.9	0.9	2.80	.60	70	3/31	◆d.17	.43	3/31	▲.15	.13	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	2135	Sonic Automotive		SAH	68.19	3	3	3	1.10	60- 90	(N- 30%)		11.0	2.1	6.20	1.40	20	3/31	1.48	1.36	6/30	.35	.30	YES
	1192	Sonoco Products		SON	45.89	2	2	4	1.00	90- 125	(95-170%)		9.0	4.6	5.10	2.12	12	3/31	.55	.66	6/30	▲.53	.52	YES
	1343	Sonos, Inc.	(NDQ)	SONO	11.25	▲4	4	3	1.30	14- 25	(25-120%)		NMF	NIL	d.70	NIL	25	3/31	◆d.58	d.56	3/31	NIL	NIL	YES
	1344	Sony Group ADR(g)		SONY	24.74	1	2	2	1.05	30- 40	(20- 60%)		16.2	0.5	1.53	.13	25	12/31	.39	.42	3/31	NIL	NIL	YES
	140	Southern Co.		SO	87.78	▼4	2	2	.75	80- 105	(N- 20%)		20.4	3.4	4.30	2.96	88	3/31	1.23	1.03	6/30	▲.74	.72	YES
	1590	Southern Copper		SCCO	92.26	3	3	4	1.15	85- 130	(N- 40%)		19.4	2.8	4.75	2.56	81	12/31	1.03	.56	3/31	.689	.785	YES
	311	Southwest Airlines		LUV	31.27	▲2	3	4	1.35	40- 60	(30- 90%)		31.3	2.3	1.00	.72	44	3/31	d.13	d.36	6/30	NIL	.18	YES
	542	Southwest Gas		SWX	69.80	–	2	–	.80	75- 105	(5- 50%)		19.8	3.6	3.53	2.48	58	3/31	◆1.58	1.22	6/30	.62	.62	YES
	1953	SpartanNash Co.	(NDQ)	SPTN	19.10	2	3	3	.75	25- 40	(30-110%)		11.2	4.7	1.70	.90	1	12/31	d1.04	.30	3/31	▲.22	.218	YES
	1208	Spectrum Brands		SPB	66.06	4	3	4	1.15	120- 180	(80-170%)		11.9	2.8	5.53	1.88	86	3/31	◆.68	1.21	3/31	▲.47	.42	YES
	543	Spire Inc.		SR	72.19	▲3	2	1	.80	80- 105	(10- 45%)		17.4	4.4	4.14	3.20	58	3/31	3.51	3.58	6/30	.785	.755	YES
	726	Spirit AeroSystems		SPR	36.89	–	5	–	1.70	30- 50	(N- 35%)		NMF	NIL	d.85	NIL	31	3/31	d5.21	d3.93	3/31	NIL	NIL	YES
	2343	Spotify Tech. S.A.		SPOT	620.81	3	3	2	1.25	560- 835	(N- 35%)		77.6	NIL	8.00	NIL	27	3/31	1.22	1.05	3/31	NIL	NIL	YES
1031	1954	Sprouts Farmers Market	(NDQ)	SFM	156.99	1	3	3	.75	125- 190	(N- 20%)		34.1	NIL	4.60	NIL	1	3/31	1.81	1.12	6/30	NIL	NIL	YES
	188	STAAR Surgical	(NDQ)	STAA	20.27	4	4	4	1.20	25- 40	(25- 95%)		NMF	NIL	d1.00	NIL	68	3/31	◆d1.10	d.07	3/31	NIL	NIL	YES
	990	Standard Motor Prod.		SMP	30.14	3	3	4	.90	45- 65	(50-115%)		8.7	4.1	3.45	1.24	43	3/31	.56	.44	3/31	▲.31	.29	YES
	1765	Standex Int'l		SXI	157.14	3	3	3	1.10	220- 335	(40-115%)		17.8	0.8	8.83	1.28	15	3/31	1.95	1.75	6/30	.32	.30	YES
	1737	Stanley Black & Decker		SWK	72.53	4	3	3	1.25	130- 195	(80-170%)		13.8	4.5	5.25	3.30	38	3/31	.75	.56	3/31	.82	.81	YES
	1027	Stantec Inc.	(TSE)	STN.TO	130.77b	2	1	3	.65	145- 175	(10- 35%)		25.4	0.6	5.15	.84	6	12/31	1.11(b)	.82(b)	6/30	.225(b)	.21(b)	YES
	367	Starbucks Corp.	(NDQ)	SBUX	85.67	3	3	2	1.10	80- 120	(N- 40%)		33.5	2.9	2.56	2.48	26	3/31	.41	.68	6/30	.61	.57	YES
	622	State Street Corp.		STT	96.00	3	3	3	1.40	110- 160	(15- 65%)		10.2	3.4	9.45	3.31	65	3/31	2.04	1.69	6/30	.76	.69	YES
	747	Steel Dynamics	(NDQ)	STLD	136.53	▼2	3	3	1.35	180- 275	(30-100%)		14.7	1.5	9.30	2.00	23	3/31	1.44	3.67	6/30	▲.50	.46	YES
	1166	Steelcase, Inc. 'A'		SCS	10.82	3	3	3	1.25	18- 25	(65-130%)		9.8	3.7	1.10	.40	70	2/28	.26	.23	6/30	.10	.10	YES
	110	Stellantis N.V.		STLA	10.47	4	3	4	1.30	14- 20	(35- 90%)		2.8	6.8	3.75	.71	36	6/30	NA	NA	12/31	NIL	NIL	YES
	567	Stepan Company		SCL	55.86	4	2	3	1.05	▼ 90- 125	(60-125%)		17.2	2.8	▼3.25	1.57	72	3/31	.86	.61	3/31	.385	.375	YES
		Stericycle Inc.		SRCL						SEE FINAL REPORT														
	189	STERIS plc		STE	233.10	3	2	3	.90	240- 325	(5- 40%)		23.9	1.0	9.76	2.28	68	12/31	2.32	2.09	3/31	.57	.52	YES
	1028	Sterling Infrastruc.	(NDQ)	STRL	183.27	1	3	3	1.35	155- 235	(N- 30%)		26.2	NIL	7.00	NIL	6	3/31	1.28	1.00	3/31	NIL	NIL	YES
	1800	Stifel Financial Corp.		SF	98.35	4	3	3	1.45	115- 175	(15- 80%)		12.3	1.9	8.00	1.84	83	3/31	.49	1.49	3/31	▲.46	.42	YES
	1382	STMicroelectronics		STM	25.42	3	3	4	1.35	35- 50	(40- 95%)		37.9	1.4	.67	.36	76	3/31	.07	.54	6/30	.09	.09	YES
	1345	Stratasys Ltd.	(NDQ)	SSYS	11.04	–	4	–	1.50	13- 22	(20-100%)		NMF	NIL	d1.15	NIL	25	3/31	◆d.18	d.37	3/31	NIL	NIL	YES
	1992	Strategic Education	(NDQ)	STRA	89.02	2	3	4	1.05	125- 190	(40-115%)		16.3	2.7	5.45	2.40	2	3/31	1.30	1.11	6/30	.60	.60	YES
	1993	Stride, Inc.		LRN	149.30	2	3	3	.85	135- 200	(N- 35%)		20.8	NIL	7.18	NIL	2	3/31	2.02	1.60	3/31	NIL	NIL	YES
	190	Stryker Corp.		SYK	388.08	3	2	3	1.05	445- 600	(15- 55%)		28.9	0.9	13.45	3.42	68	3/31	2.84	2.50	6/30	.84	.80	YES
	2323	Sturm, Ruger & Co.		RGR	36.39	3	3	3	.70	55- 85	(50-135%)		14.3	2.8	2.55	1.02	52	3/31	.46	.40	3/31	▲.24	.23	YES
	599	Suburban Propane		SPH	19.17	4	3	1	.80	20- 35	(5- 85%)		9.1	6.8	▲2.10	1.30	49	3/31	◆2.11	1.73	6/30	.325	.325	YES
	626	Summit Materials		SUM						SEE FINAL SUPPLEMENT														
	1546	Sun Communities Inc.		SUI	125.06	5	3	3	.90	105- 160	(N- 30%)		96.2	3.0	1.30	3.80	89	3/31	d.34	d.22	6/30	.94	.94	YES
	2537	Sun Life Fin'l Svcs.	(TSE)	SLF.TO	87.38b	3	2	3	.85	75- 100	(N- 15%)		15.5	3.8	5.65	3.36	17	3/31	◆1.62(b)	1.40(b)	3/31	.84(b)	.78(b)	YES
	519	Suncor Energy	(TSE)	SU.TO	50.17b	3	3	2	1.05	60- 90	(20- 80%)		8.4	4.5	6.00	2.28	54	3/31	◆1.36(b)	1.25(b)	3/31	.57(b)	.545(b)	YES
	2182	Sunoco LP		SUN	55.53	▲2	3	1	.90	65- 95	(15- 70%)		7.5	6.5	7.40	3.59	4	3/31	◆1.51	2.26	6/30	.898	.876	YES
	1239	Sunrun Inc.	(NDQ)	RUN	10.96	5	5	5	1.75	11- 20	(N- 80%)		NMF	NIL	d.40	NIL	79	3/31	◆.20	d.40	3/31	NIL	NIL	YES
858	1420	Super Micro Computer	(NDQ)	SMCI	33.52	4	4	3	1.35	60- 95	(80-185%)		11.3	NIL	2.97	NIL	75	3/31	◆.17	.67	3/31	NIL	NIL	YES
	1173	Sylvamo Corp.		SLVM	52.90	3	3	2	1.20	80- 115	(50-115%)		7.8	3.6	6.75	1.90	82	3/31	◆.65	1.02	6/30	.45	.30	YES
	1738	Symbotic Inc.	(NDQ)	SYM	26.00	3	4	5	1.45	30- 55	(15-110%)		NMF	NIL	.03	NIL	38	12/31	d.03	d.03	3/31	NIL	NIL	YES
	1383	Synaptics	(NDQ)	SYNA	65.00	3	3	5	1.55	95- 145	(45-125%)		17.3	NIL	3.75	NIL	76	3/31	◆.90	.53	3/31	NIL	NIL	YES
	2538	Synchrony Financial		SYF	60.36	▲1	3	3	1.50	70- 105	(15- 75%)		7.4	2.0	8.16	1.20	17	3/31	1.89	3.14	6/30	▲.30	.25	YES
	2582	Synopsys, Inc.	(NDQ)	SNPS	505.59	3	3	5	1.15	710- 965	(40- 90%)		32.8	NIL	15.42	NIL	30	1/31	3.03	3.56	3/31	NIL	NIL	YES
	787	Synovus Financial		SNV	49.35	1	3	3	1.55	65- 95	(30- 95%)		10.3	3.2	4.80	1.56	42	3/31	1.30	.78	6/30	▲.39	.38	YES
	1955	Sysco Corp.		SYY	71.93	▼3	3	3	1.05	95- 145	(30-100%)		15.0	2.9	4.78	2.10	1	3/31	.96	.96	6/30	.51	.50	YES
237	937	**T-Mobile US**	(NDQ)	TMUS	240.32	1	1	1	.75	365- 445	(50- 85%)		21.0	1.5	11.45	3.64	53	3/31	2.58	2.00	6/30	.88	.65	YES
	587	TC Energy Corp.		TRP	48.12	3	2	2	.95	70- 95	(45- 95%)		14.2	5.1	3.40	2.45	64	3/31	.66	.85	6/30	.591	.712	YES
2029	1346	TD SYNNEX Corp.		SNX	123.17	4	2	3	1.15	175- 235	(40- 90%)		9.7	1.5	12.75	1.81	25	2/28	2.80	2.99	6/30	.44	.40	YES
	1317	TE Connectivity		TEL	160.98	2	2	5	1.20	195- 265	(20- 65%)		19.5	1.8	8.25	2.84	16	3/31	2.10	1.87	6/30	▲.71	.59	YES
	2154	TJX Companies		TJX	131.49	2	2	2	.95	125- 165	(N- 25%)		28.6	1.3	4.60	1.70	21	1/31	1.23	1.22	6/30	▲.425	.375	YES
	2344	TKO Group		TKO	160.60	–	3	–	NMF	260- 385	(60-140%)		63.0	NIL	2.55	NIL	27	3/31	◆.69	d1.26	6/30	NIL	NIL	YES
	1788	TMX Group Ltd	(TSE)	X.TO	54.94	2	2	2	.60	40- 55	(N- N%)		28.9	1.5	1.90	.80	13	3/31	.38	.50	3/31	.20	.18	YES
	2440	TPG Inc	(NDQ)	TPG	52.50	5	3	3	1.65	75- 115	(45-120%)		NMF	3.3	.30	1.75	91	3/31	◆.07	d.11	3/31	▲.53	.44	YES
	1142	TRI Pointe Homes		TPH	32.25	3	3	4	1.10	45- 65	(40-100%)		7.4	NIL	4.35	NIL	77	3/31	.70	1.03	3/31	NIL	NIL	YES
	235	TTEC Holdings		TTEC						SEE FINAL SUPPLEMENT														
440	1347	TTM Technologies	(NDQ)	TTMI	28.90	▲2	3	3	1.20	35- 50	(20- 75%)		15.2	NIL	1.90	NIL	25	3/31	.50	.31	3/31	NIL	NIL	YES
	2210	TXNM Energy, Inc.		TXNM	53.00	4	2	1	.70	50- 70	(N- 30%)		18.9	3.1	2.80	1.65	63	3/31	◆.19	.41	3/31	▲.408	.388	YES
	1384	Taiwan Semic. ADR		TSM	186.98	▼3	2	3	1.10	245- 330	(30- 75%)		20.5	1.4	9.10	2.71	76	3/31	2.12	1.38	6/30	.678	.546	YES
	2001	Take-Two Interactive	(NDQ)	TTWO	226.25	5	3	2	.85	155- 230	(N- N%)		NMF	NIL	.46	NIL	94	12/31	d.71	d.54	3/31	NIL	NIL	YES
	1628	Takeda Pharmaceutical AD		TAK	14.19	3	1	2	.60	20- 25	(40- 75%)		24.5	4.6	.58	.65	62	9/30	NA	NA	12/31	NIL	NIL	YES
1250	191	Tandem Diabetes Care	(NDQ)	TNDM	23.45	5	4	4	1.15	30- 50	(30-115%)		NMF	NIL	d1.25	NIL	68	3/31	d1.97	d.65	3/31	NIL	NIL	YES
	2183	Tapestry Inc.		TPR	82.66	2	3	3	1.40	65- 95	(N- 15%)		16.2	1.7	5.09	1.40	4	3/31	◆1.03	.81	3/31	.35	.35	YES
	588	Targa Resources		TRGP	166.19	3	4	1	1.45	180- 300	(10- 80%)		25.6	2.4	▼6.50	1.00	64	3/31	.91	1.22	6/30	▲1.00	.75	YES
	2155	Target Corp.		TGT	101.08	3	3	4	.95	165- 250	(65-145%)		11.0	4.4	9.15	4.48	21	1/31	2.41	2.98	3/31	1.12	1.10	YES
	1143	Taylor Morrison Home		TMHC	60.77	3	3	2	1.20	60- 85	(N- 40%)		8.4	NIL	7.25	NIL	77	3/31	2.07	1.75	3/31	NIL	NIL	YES
	2419	TechnipFMC plc		FTI	30.75	2	3	3	1.35	40- 60	(30- 95%)		14.3	0.8	2.15	.26	71	3/31	.33	.22	3/31	.005	NIL	YES
	1591	Teck Resources 'B'	(TSE)	TECK.B.TO	52.72b	–	3	–	1.25	60- 85	(15- 60%)		18.5	1.0	2.85	.53	81	3/31	.73(b)	d.05(b)	6/30	.125(b)	.125(b)	YES
	1127	Tecnoglass Inc.		TGLS	86.76	2	4	3	1.50	80- 130	(N- 50%)		20.4	0.7	4.25	.63	37	3/31	◆.90	.63	6/30	.15	.11	YES
	2345	TEGNA Inc.		TGNA	17.20	3	3	2	.95	20- 35	(15-105%)		10.1	3.1	1.70	.53	27	3/31	◆.37	.59	3/31	.125	.114	YES
	827	Teladoc Health		TDOC	7.35	4	4	3	1.50	9- 14	(20- 90%)		NMF	NIL	d1.10	NIL	47	3/31	d.53	d.49	3/31	NIL	NIL	YES
	727	Teledyne Technologies		TDY	493.92	2	2	2	1.10	630- 850	(30- 70%)		23.0	NIL	21.50	NIL	31	3/31	4.95	4.55	3/31	NIL	NIL	YES
	192	Teleflex Inc.		TFX	129.24	4	3	3	1.05	200- 300	(55-130%)		14.4	1.1	9.00	1.36	68	3/31	2.07	.33	3/31	.34	.34	YES
	938	Telefonica SA ADR(g)		TEF	4.84	–	3	–	.95	4- 7	(N- 45%)		16.1	6.6	.30	.32	53	12/31	d.25	.14	3/31	.158	.165	YES
	939	Telephone & Data		TDS	33.75	–	4	–	1.05	20- 35	(N- 5%)		NMF	0.5	d.20	.16	53	3/31	d.09	.10	3/31	.04	.19	YES
	940	TELUS Corporation	(TSE)	T.TO	22.33b	4	2	4	.65	25- 35	(10- 55%)		29.8	7.3	.75	1.63	53	3/31	◆.21(b)	.09(b)	6/30	.402(b)	.376(b)	YES
		Tempur Sealy Int'l		TPX						NAME CHANGED TO SOMNIGROUP INT'L														
	2024	Tenable Holdings	(NDQ)	TENB	33.48	4	3	3	1.15	50- 80	(50-140%)		20.9	NIL	1.60	NIL	59	3/31	d.19	d.12	3/31	NIL	NIL	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential		Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	736	Tenaris S.A. ADS		TS	34.73	2	3	2	1.25	35- 55	(N- 60%)	11.2	2.6	3.10	.90	8	3/31	.94	1.27	3/31	NIL	NIL	YES
	815	Tenet Healthcare		THC	154.57	1	4	2	1.35	140- 235	(N- 50%)	12.4	NIL	12.50	NIL	19	3/31	4.36	3.22	3/31	NIL	NIL	YES
	1739	Tennant Co.		TNC	76.12	3	3	3	1.10	130- 195	(70-155%)	12.7	1.6	6.00	1.18	38	3/31	1.12	1.81	3/31	.295	.28	YES
	1815	Teradata Corp.		TDC	23.59	3	4	4	1.20	35- 60	(50-155%)	10.7	NIL	2.20	NIL	69	3/31	◆.45	.57	3/31	NIL	NIL	YES
	1407	Teradyne Inc.	(NDQ)	TER	83.06	4	3	3	1.30	155- 235	(85-185%)	20.8	0.6	4.00	.49	78	3/31	.61	.51	3/31	.12	.12	YES
	158	Terex Corp.		TEX	44.79	2	3	4	1.65	55- 80	(25- 80%)	9.1	1.5	4.90	.68	3	3/31	.83	1.60	3/31	.17	.17	YES
2632	111	Tesla, Inc.	(NDQ)	TSLA	318.38	3	3	2	1.50	330- 495	(5- 55%)	NMF	NIL	2.05	NIL	36	3/31	.12	.34	3/31	NIL	NIL	YES
	410	Tetra Tech	(NDQ)	TTEK	34.99	3	2	2	1.05	45- 60	(30- 70%)	25.0	0.7	1.40	.23	33	3/31	◆.33	.28	3/31	.058	.052	YES
	1629	Teva Pharmac. ADR		TEVA	17.96	4	3	3	1.20	20- 30	(10- 65%)	7.2	NIL	2.50	NIL	62	3/31	◆.52	.48	3/31	NIL	NIL	YES
	1385	Texas Instruments	(NDQ)	TXN	187.28	3	1	4	1.05	260- 315	(40- 70%)	35.9	2.9	5.22	5.44	76	3/31	1.28	1.20	6/30	1.36	1.30	YES
	2401	Texas Pacif. Land Corp.		TPL	1341.12	2	3	2	1.30	1205-1810	(N- 35%)	65.4	0.5	20.50	6.55	28	12/31	5.14	4.91	3/31	1.60	1.17	YES
	368	Texas Roadhouse	(NDQ)	TXRH	189.96	3	3	3	1.10	215- 320	(15- 70%)	26.8	1.4	7.10	2.72	26	3/31	◆1.70	1.69	6/30	.68	.61	YES
	1766	Textron, Inc.		TXT	76.80	3	3	5	1.30	115- 175	(50-130%)	12.6	0.1	6.10	.08	15	3/31	1.28	1.03	6/30	.02	.02	YES
	231	Thermo Fisher Sci.		TMO	432.59	▼3	1	3	.90	775- 950	(80-120%)	24.3	0.4	17.80	1.72	50	3/31	3.98	3.46	6/30	▲.43	.39	YES
	434	Thomson Reuters	(TSE)	TRI.TO	258.29b	3	1	3	.65	240- 295	(N- 15%)	64.6	0.9	4.00	2.38	41	3/31	1.12(b)	1.11(b)	3/31	▲.595(b)	.54(b)	
	2324	Thor Inds.		THO	80.75	4	3	4	1.20	110- 170	(35-110%)	21.6	2.5	3.74	2.02	52	1/31	d.01	.13	6/30	.50	.48	YES
	1348	3D Systems		DDD	2.55	–	5	–	2.00	4- 8	(55-215%)	NMF	NIL	d.26	NIL	25	3/31	◆d.21	d.17	3/31	NIL	NIL	YES
	1767	3M Company		MMM	150.33	–	2	–	NMF	150- 205	(N- 35%)	18.3	1.9	8.20	2.92	15	3/31	2.04	1.27	3/31	▲.73	1.51	YES
	737	Timken Co.		TKR	72.81	3	3	4	1.20	90- 140	(25- 90%)	12.3	1.9	5.90	1.36	8	3/31	1.40	1.77	3/31	.34	.33	YES
	991	Titan Int'l		TWI	7.61	–	4	–	1.80	10- 16	(30-110%)	50.7	NIL	.15	NIL	43	3/31	d.01	.14	3/31	NIL	NIL	YES
	2539	Toast, Inc.		TOST	42.87	3	4	2	1.70	40- 70	(N- 65%)	NMF	NIL	.25	NIL	17	3/31	◆.09	d.15	3/31	NIL	NIL	YES
	1144	Toll Brothers		TOL	108.51	3	3	4	1.20	125- 185	(15- 70%)	7.6	0.9	14.25	1.00	77	1/31	1.75	2.25	6/30	▲.25	.23	YES
	1937	Tootsie Roll		TR	32.34	3	1	2	.60	40- 50	(25- 55%)	27.0	1.1	1.20	.35	57	3/31	.25	.21	3/31	.174	.168	YES
	1128	TopBuild Corp.		BLD	312.10	2	3	3	1.15	420- 625	(35-100%)	14.9	NIL	21.00	NIL	37	3/31	◆4.23	4.77	3/31	NIL	NIL	YES
	2325	Topgolf Callaway		MODG	7.90	4	4	4	1.40	10- 17	(25-115%)	NMF	NIL	d.45	NIL	52	3/31	◆.11	.09	3/31	NIL	NIL	YES
	159	Toro Co.		TTC	75.80	2	3	3	1.05	105- 155	(40-105%)	17.2	2.0	4.40	1.52	3	1/31	.65	.64	6/30	.38	.36	YES
	160	Toromont Inds.	(TSE)	TIH.TO	116.76	▼3	1	3	.75	140- 170	(20- 45%)	18.4	1.8	6.35	2.08	3	3/31	.91	1.01	6/30	▲.52	.48	YES
	623	Toronto-Dominion	(TSE)	TD.TO	88.52b	4	1	3	.85	95- 115	(5- 30%)	14.3	4.8	6.20	4.26	65	1/31	1.55(b)	1.72(b)	6/30	1.05(b)	1.02(b)	YES
	520	TotalEnergies SE ADR		TTE	58.70	2	2	4	1.00	80- 120	(35-105%)	8.4	6.0	6.95	3.50	54	3/31	1.68	2.40	3/31	.812	.811	YES
	1386	Tower Semiconductor	(NDQ)	TSEM	39.64	3	3	3	1.00	55- 80	(40-100%)	19.3	NIL	2.05	NIL	76	12/31	.59	.55	3/31	NIL	NIL	YES
	112	Toyota Motor ADR(g)		TM	192.32	3	2	4	.90	260- 350	(35- 80%)	8.4	2.7	22.89	5.20	36	9/30	2.97	6.48	6/30	NIL	NIL	YES
	1154	Tractor Supply	(NDQ)	TSCO	52.72	3	2	2	.85	70- 95	(35- 80%)	24.0	1.7	2.20	.92	55	3/31	.34	.37	3/31	▲.23	.22	YES
★★	2386	Trade Desk (The)	(NDQ)	TTD	79.40	4	3	4	1.65	155- 200	(95-150%)	83.6	NIL	.95	NIL	87	3/31	◆.10	.06	3/31	NIL	NIL	YES
	1789	Tradeweb Markets Inc	(NDQ)	TW	141.55	3	2	2	.90	130- 175	(N- 25%)	52.4	0.3	2.70	.48	13	3/31	.69	.59	3/31	▲.12	.10	YES
	1740	Trane Technologies plc		TT	416.15	2	3	3	1.15	360- 540	(N- 30%)	32.5	0.9	12.80	3.76	38	3/31	2.67	1.92	6/30	.94	.84	YES
	728	TransDigm Group		TDG	1417.18	1	3	3	1.15	1540-2310	(10- 65%)	40.1	NIL	35.38	NIL	31	3/31	◆8.24	6.97	3/31	NIL	NIL	YES
	232	TransMedics Group	(NDQ)	TMDX	118.73	3	4	5	1.30	105- 175	(N- 45%)	79.2	NIL	1.50	NIL	50	3/31	◆.70	.35	3/31	NIL	NIL	YES
	435	TransUnion		TRU	91.71	4	3	3	1.30	120- 175	(30- 90%)	22.4	0.5	4.10	.46	41	3/31	1.05	.92	3/31	▲.115	.105	YES
	2370	Travel + Leisure		TNL	50.35	2	3	3	1.55	60- 85	(20- 70%)	9.2	4.4	5.45	2.24	39	3/31	1.07	.91	3/31	▲.56	.50	YES
	773	Travelers Cos.		TRV	268.06	2	1	2	.95	335- 410	(25- 55%)	14.4	1.6	18.60	4.40	11	3/31	1.91	4.69	6/30	▲1.10	1.05	YES
	1938	TreeHouse Foods		THS	23.07	3	3	3	.60	45- 65	(95-180%)	13.2	NIL	1.75	NIL	57	3/31	◆.03	d.03	3/31	NIL	NIL	YES
	1129	Trex Co.		TREX	61.77	3	3	4	1.25	105- 155	(70-150%)	28.1	NIL	2.20	NIL	37	3/31	◆.61	.82	3/31	NIL	NIL	YES
	1768	TriMas Corp.	(NDQ)	TRS	24.54	2	3	4	1.10	35- 50	(45-105%)	35.1	0.7	.70	.16	15	3/31	.30	.12	6/30	.04	.04	YES
	127	Trimble Inc.	(NDQ)	TRMB	70.54	▲3	3	3	1.35	75- 115	(5- 65%)	24.3	NIL	2.90	NIL	40	3/31	◆.61	.64	3/31	NIL	NIL	YES
	1645	TriNet Group		TNET	84.47	2	3	4	1.10	75- 110	(N- 30%)	24.8	1.3	3.40	1.10	48	3/31	1.71	1.78	6/30	▲.275	.25	YES
	345	Trinity Inds.		TRN	26.49	4	3	3	1.25	30- 50	(15- 90%)	17.7	4.5	1.50	1.20	66	3/31	.29	.33	3/31	.31	.28	YES
	2616	TripAdvisor, Inc.	(NDQ)	TRIP	15.30	3	4	4	1.70	25- 40	(65-160%)	25.5	NIL	.60	NIL	24	3/31	◆d.08	d.43	3/31	NIL	NIL	YES
	568	Tronox Holding plc		TROX	5.77	5	4	3	1.75	17- 30	(195-420%)	NMF	8.7	▼d.57	.50	72	3/31	d.70	d.06	3/31	.125	.125	YES
	624	Truist Fin'l		TFC	41.12	3	3	3	1.40	45- 70	(10- 70%)	10.8	5.1	3.80	2.08	65	3/31	.87	.80	3/31	.52	.52	YES
	1982	Turning Point Brands		TPB	69.97	2	3	2	.95	55- 85	(N- 20%)	20.0	0.4	3.50	.30	10	3/31	◆.91	.80	6/30	▲.075	.07	YES
850	941	Twilio Inc.		TWLO	111.19	3	4	2	1.40	120- 205	(10- 85%)	26.2	NIL	4.25	NIL	53	3/31	1.14	.80	3/31	NIL	NIL	YES
	2583	Tyler Technologies		TYL	565.19	3	1	2	.95	610- 745	(10- 30%)	55.4	NIL	10.20	NIL	30	3/31	2.78	2.20	3/31	NIL	NIL	YES
	1939	Tyson Foods 'A'		TSN	55.99	3	3	1	.80	55- 80	(N- 45%)	15.3	3.6	3.66	2.00	57	3/31	.92	.62	6/30	.50	.49	YES
	1547	**UDR, Inc.**		UDR	42.57	4	3	2	1.10	50- 75	(15- 75%)	65.5	4.1	.65	1.75	89	3/31	.23	.13	6/30	▲.43	.425	YES
	1130	UFP Industries	(NDQ)	UFPI	103.38	3	3	3	1.15	115- 175	(10- 70%)	13.2	1.4	7.85	1.40	37	3/31	1.30	1.94	3/31	▲.35	.33	YES
	544	UGI Corp.		UGI	34.48	2	3	3	1.10	▲ 45- 65	(30- 90%)	10.2	4.4	▲3.38	1.53	58	3/31	◆2.21	1.97	6/30	.375	.375	YES
	401	UL Solutions Inc		ULS	70.35	–	3	–	NMF	70- 105	(N- 50%)	41.4	0.7	1.70	.52	5	3/31	◆.33	.28	3/31	▲.13	.125	YES
	1956	US Foods Hldg.		USFD	73.54	1	3	3	1.45	85- 125	(15- 70%)	19.6	NIL	3.75	NIL	1	3/31	◆.68	.54	3/31	NIL	NIL	YES
	1940	USANA Health Sciences		USNA	30.02	4	3	4	.85	45- 70	(50-135%)	11.5	NIL	2.60	NIL	57	3/31	.73	.86	3/31	NIL	NIL	YES
	2617	Uber Technologies		UBER	88.10	▲2	3	3	1.45	85- 125	(N- 40%)	40.0	NIL	2.20	NIL	24	3/31	◆.83	d.32	3/31	NIL	NIL	YES
	576	Ubiquiti Inc.		UI	434.21	▲2	3	3	1.20	▲ 340- 510	(N- 15%)	45.9	0.6	▲9.47	2.55	34	6/30	NIL	1.72	3/31	.60	.60	YES
	328	U-Haul Holding 'B'		UHALB	59.49	▲4	3	3	1.00	50- 75	(N- 25%)	37.4	0.3	1.59	.20	85	12/31	.30	.51	3/31	.05	.05	YES
	2584	UiPath, Inc.		PATH	13.09	2	4	5	1.50	25- 40	(90-205%)	23.8	NIL	.55	NIL	30	1/31	.26	.22	3/31	NIL	NIL	YES
	2184	Ulta Beauty	(NDQ)	ULTA	412.38	1	3	4	1.05	440- 660	(5- 60%)	18.0	NIL	22.90	NIL	4	1/31	8.46	8.08	3/31	NIL	NIL	YES
	1408	Ultra Clean Hldgs.	(NDQ)	UCTT	22.24	4	3	4	1.65	45- 65	(100-190%)	11.7	NIL	1.90	NIL	78	3/31	.28	.27	3/31	NIL	NIL	YES
	2115	Under Armour 'A'		UAA	6.21	4	4	4	1.55	9- 16	(45-160%)	18.8	NIL	.33	NIL	80	12/31	.08	.19	3/31	NIL	NIL	YES
1826	402	UniFirst Corp.		UNF	185.40	3	2	4	.90	225- 335	(20- 80%)	22.3	0.8	8.30	1.40	5	2/28	1.40	1.22	6/30	.35	.33	YES
	1209	Unilever PLC ADR(g)		UL	61.44	3	1	2	.65	65- 80	(5- 30%)	19.5	3.1	3.15	1.91	86	12/31	.88(p)	1.29(p)	6/30	.515	.456	YES
	346	Union Pacific		UNP	230.87	3	1	3	1.00	300- 370	(30- 60%)	19.7	2.3	11.70	5.36	66	3/31	2.70	2.69	3/31	1.34	1.30	YES
	312	United Airlines Hldgs.	(NDQ)	UAL	78.62	3	4	3	1.75	100- 170	(25-115%)	6.7	NIL	11.75	NIL	44	3/31	.91	d.15	3/31	NIL	NIL	YES
	1957	United Natural Foods		UNFI	28.24	2	4	2	1.45	20- 35	(N- 25%)	70.6	NIL	.40	NIL	1	1/31	d.05	d.25	3/31	NIL	NIL	YES
2029	1387	United Microelectronics		UMC	7.71	–	3	–	1.05	12- 18	(55-135%)	11.0	6.0	.70	.46	76	3/31	.09	.13	6/30	NIL	NIL	YES
	313	United Parcel Serv.		UPS	101.21	4	2	3	1.00	135- 185	(35- 85%)	14.5	6.5	7.00	6.56	44	3/31	1.49	1.43	3/31	▲1.64	1.63	YES
	2326	United Parks & Resorts		PRKS	49.35	2	4	4	1.40	55- 95	(10- 95%)	10.2	NIL	4.85	NIL	52	12/31	.93	.62	3/31	NIL	NIL	YES
	1741	United Rentals		URI	711.83	3	3	4	1.50	645- 965	(N- 35%)	16.1	0.9	44.30	6.52	38	3/31	8.86	9.15	6/30	1.79	1.63	YES
	625	U.S. Bancorp		USB	44.01	4	3	4	1.30	60- 85	(35- 95%)	10.2	4.7	4.30	2.06	65	3/31	1.03	.78	6/30	.50	.49	YES
	942	U.S. Cellular		USM	60.11	–	4	–	.80	40- 70	(N- 15%)	70.7	NIL	.85	NIL	53	3/31	.21	.20	3/31	NIL	NIL	YES
	748	U.S. Steel Corp.		X	42.02	–	3	–	1.40	45- 65	(5- 55%)	24.7	0.5	1.70	.20	23	3/31	d.52	.68	3/31	.05	.05	YES
	844	United Therapeutics	(NDQ)	UTHR	310.80	3	3	2	.80	510- 765	(65-145%)	11.3	NIL	27.60	NIL	90	3/31	6.63	6.17	3/31	NIL	NIL	YES
★★	816	UnitedHealth Group		UNH	378.75	3	3	1	.80	640- 785	(70-105%)	12.7	2.2	29.80	8.40	19	3/31	7.20	6.91	3/31	2.10	1.88	YES
	2002	Unity Software		U	21.84	5	5	3	1.85	25- 45	(15-105%)	NMF	NIL	d1.15	NIL	94	3/31	◆d.19	d.75	6/30	NIL	NIL	YES
	1983	Universal Corp.		UVV	56.75	3	2	1	.90	65- 90	(15- 60%)	8.5	5.8	6.70	3.27	10	12/31	2.37	2.12	3/31	.81	.80	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

KPSC Case No. 2025-00257
AG-KIUC's First Set of Data Requests
Dated September 29, 2025
Item No. 88
October 15, 2025 Supplemental Response
Supplemental Attachment 1
Page 157 of 598

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	1319	Universal Display	(NDQ)	OLED	154.95	2	3	5	1.30	230-	340	(50-120%)	32.8	1.2	4.72	1.85	16	3/31	1.35	1.19	3/31	▲.45	.40	YES
	817	Universal Health 'B'		UHS	191.55	2	3	3	1.05	250-	375	(30- 95%)	10.6	0.4	18.15	.80	19	3/31	4.84	3.82	3/31	.20	.20	YES
	1563	Unum Group		UNM	80.86	2	3	2	1.10	85-	125	(5- 55%)	8.6	2.2	9.40	1.74	56	3/31	2.04	2.04	6/30	.42	.365	YES
	2156	Upbound Group	(NDQ)	UPBD	26.08	3	3	4	1.20	25-	35	(N- 35%)	6.2	10.6	4.19	2.76	21	3/31	1.00	.79	6/30	.39	.37	YES
	2196	Urban Outfitters	(NDQ)	URBN	57.26	2	3	3	1.20	55-	80	(N- 40%)	12.7	NIL	4.50	NIL	46	1/31	1.28	.50	3/31	NIL	NIL	YES
	1941	Utz Brands		UTZ	12.38	▼3	3	3	.80	14-	20	(15- 60%)	41.3	NIL	.30	NIL	57	3/31	.09	d.05	3/31	▲.061	.057	YES
	2116	**V.F. Corp.**		VFC	14.44	4	3	3	1.40	14-	20	(N- 40%)	21.9	2.5	.66	.36	80	12/31	.62	.57	3/31	.09	.09	YES
	2327	Vail Resorts		MTN	148.80	3	3	3	1.15	265-	395	(80-165%)	19.0	6.0	7.85	8.88	52	1/31	6.56	5.76	3/31	2.22	2.06	YES
	1592	Vale S.A. ADR		VALE	9.60	3	3	3	1.15	15-	25	(55-160%)	4.1	9.3	2.35	.89	81	3/31	.33	.39	6/30	NIL	NIL	YES
	521	Valero Energy		VLO	130.49	3	3	5	1.20	120-	180	(N- 40%)	30.7	3.5	▼4.25	4.57	54	3/31	d1.90	3.75	3/31	▲1.13	1.07	YES
	1769	Valmont Inds.		VMI	321.64	3	3	3	1.15	335-	505	(5- 55%)	17.7	0.8	18.20	2.72	15	3/31	4.32	4.32	3/31	.60	.60	YES
	2136	Valvoline Inc.		VVV	34.98	2	3	4	1.00	50-	75	(45-115%)	20.9	NIL	1.67	NIL	20	3/31	◆.34	.37	3/31	NIL	NIL	YES
	2025	Varonis Systems	(NDQ)	VRNS	45.84	5	4	5	1.30	60-	95	(30-105%)	NMF	NIL	d.60	NIL	59	3/31	◆d.32	d.37	3/31	NIL	NIL	YES
2028	845	Vaxcyte Inc	(NDQ)	PCVX	31.59	5	4	3	1.05	105-	160	(230-405%)	NMF	NIL	d4.90	NIL	90	3/31	◆d1.04	d.85	3/31	NIL	NIL	YES
	1409	Veeco Instruments	(NDQ)	VECO	21.05	4	3	4	1.20	30-	50	(45-140%)	26.3	NIL	.80	NIL	78	3/31	◆.20	.37	3/31	NIL	NIL	YES
	828	Veeva Systems		VEEV	241.44	1	3	2	1.10	275-	415	(15- 70%)	34.5	NIL	7.00	NIL	47	1/31	1.74	1.38	3/31	NIL	NIL	YES
	1548	Ventas, Inc.		VTR	65.13	▼5	3	1	1.05	65-	95	(N- 45%)	NMF	3.0	.50	1.94	89	3/31	.10	d.04	6/30	▲.48	.45	YES
	589	Venture Global Inc		VG	9.91	–	4	–	NMF	14-	25	(40-150%)	13.2	0.8	1.20	.08	64	12/31	.33	NA	3/31	.016	NIL	YES
	1742	Veralto Corp.		VLTO	100.33	–	3	–	NMF	125-	185	(25- 85%)	25.4	0.4	3.95	.44	38	3/31	.90	.74	3/31	▲.11	.09	YES
★★	2402	Veren Inc.		VRN.TO					SEE FINAL SUPPLEMENT															
	943	Verint Systems	(NDQ)	VRNT	18.69	4	3	4	1.10	40-	65	(115-250%)	6.0	NIL	3.10	NIL	53	1/31	.99	.37	3/31	NIL	NIL	YES
	1549	Veris Residential		VRE	15.60	▼5	3	2	1.15	17-	25	(10- 60%)	NMF	2.1	d.25	.32	89	3/31	d.12	d.04	6/30	.08	.053	YES
	1816	VeriSign Inc.	(NDQ)	VRSN	279.59	1	2	2	.85	265-	360	(N- 30%)	32.0	1.1	8.75	3.08	69	3/31	2.10	1.92	6/30	.77	NIL	YES
	436	Verisk Analytics	(NDQ)	VRSK	303.65	2	2	2	.85	295-	400	(N- 30%)	43.1	0.6	7.05	1.80	41	3/31	◆1.73	1.52	3/31	▲.45	.39	YES
	944	Verizon Communic.		VZ	43.00	3	1	2	.65	60-	70	(40- 65%)	9.1	6.3	4.70	2.72	53	3/31	1.19	1.15	6/30	.678	.665	YES
440	846	Vertex Pharmac.	(NDQ)	VRTX	439.37	▼5	1	2	.75	560-	685	(25- 55%)	30.5	NIL	14.40	NIL	90	3/31	2.49	4.21	3/31	NIL	NIL	YES
	1320	Vertiv Holdings		VRT	101.05	3	4	3	1.55	95-	155	(N- 55%)	43.0	0.1	2.35	.15	16	3/31	.42	d.02	3/31	.038	.025	YES
	945	Viasat, Inc.	(NDQ)	VSAT	10.29	▲3	4	4	1.35	11-	19	(5- 85%)	NMF	NIL	d1.74	NIL	53	12/31	d1.23	d.99	3/31	NIL	NIL	YES
	1630	Viatris Inc.	(NDQ)	VTRS	8.96	5	3	5	1.15	14-	20	(55-125%)	4.1	5.4	2.20	.48	62	3/31	◆.50	.67	6/30	.12	.12	YES
	1349	Viavi Solutions	(NDQ)	VIAV	9.48	▲3	3	1	1.05	13-	19	(35-100%)	16.9	NIL	.56	NIL	25	3/31	.15	.06	3/31	NIL	NIL	YES
	1550	VICI Properties		VICI	31.52	3	3	1	.95	50-	70	(60-120%)	11.7	5.5	2.70	1.73	89	3/31	.51	.57	6/30	.433	.415	YES
	1321	Vicor Corp.	(NDQ)	VICR	43.91	4	4	2	1.45	60-	100	(35-130%)	46.2	NIL	.95	NIL	16	3/31	.06	d.33	3/31	NIL	NIL	YES
	2197	Victoria's Secret & Co.		VSCO	21.92	3	4	4	1.50	25-	40	(15- 80%)	11.5	NIL	1.90	NIL	46	1/31	2.33	2.32	3/31	NIL	NIL	YES
	2328	Viking Holdings Ltd		VIK	45.57	–	3	–	NMF	40-	55	(N- 20%)	19.8	NIL	2.30	NIL	52	12/31	.45	NA	6/30	NIL	NIL	YES
2450	847	Viking Therapeutics Inc	(NDQ)	VKTX	28.30	5	4	4	1.35	45-	75	(60-165%)	NMF	NIL	d1.45	NIL	90	3/31	d.41	d.26	3/31	NIL	NIL	YES
	2403	Viper Energy Part.	(NDQ)	VNOM	42.19	▼5	3	2	1.20	50-	70	(20- 65%)	13.2	8.1	3.20	3.40	28	3/31	◆.54	.49	3/31	▲.65	.56	YES
	1790	Virtu Financial	(NDQ)	VIRT	42.53	▲1	3	3	.80	30-	40	(N- N%)	13.7	2.3	3.10	.96	13	3/31	1.08	.59	6/30	.24	.24	YES
	2540	Visa Inc.		V	355.85	1	1	3	1.05	390-	475	(10- 35%)	31.5	0.7	11.30	2.50	17	3/31	2.32	2.51	6/30	.59	.52	YES
	1350	Vishay Intertechnology		VSH	14.74	3	3	3	1.25	30-	40	(105-170%)	24.6	2.7	.60	.40	25	3/31	◆d.03	.22	6/30	.10	.10	YES
	992	Visteon Corp.		VC	88.34	3	3	5	1.25	115-	170	(30- 90%)	9.9	NIL	8.95	NIL	43	3/31	2.36	1.50	3/31	NIL	NIL	YES
	1240	Vistra Corp.		VST	146.09	2	3	3	1.15	125-	190	(N- 30%)	21.3	0.6	6.85	.89	79	3/31	◆d.93	d.24	3/31	▲.224	.215	YES
	1976	Vita Coco Company	(NDQ)	COCO	32.71	3	3	3	1.00	40-	60	(20- 85%)	28.4	NIL	1.15	NIL	74	3/31	.31	.24	3/31	NIL	NIL	YES
	946	Vodafone Group ADR(g)	(NDQ)	VOD	9.07	2	3	3	1.00	12-	17	(30- 85%)	9.5	5.2	.95	.47	53	9/30	.42(p)	.36(p)	3/31	.235	.489	YES
	128	Vontier Corp.		VNT	36.63	3	3	5	1.15	45-	65	(25- 75%)	12.6	0.3	2.90	.10	40	3/31	.59	.88	3/31	.025	.025	YES
	1551	Vornado R'lty Trust		VNO	40.19	5	3	3	1.45	30-	45	(N- 10%)	NMF	2.0	d.10	.80	89	12/31	.01	d.32	6/30	NIL	NIL	YES
	2226	Voya Financial		VOYA	69.78	3	3	4	1.25	80-	120	(15- 70%)	8.8	2.6	7.90	1.80	51	3/31	◆1.42	2.24	3/31	.45	.40	YES
	1131	Vulcan Materials		VMC	272.36	3	3	3	1.00	205-	310	(N- 15%)	35.6	0.7	7.65	1.96	37	3/31	.97	.78	3/31	.49	.46	YES
	1210	**WD-40 Co.**	(NDQ)	WDFC	237.21	2	2	4	.70	235-	355	(N- 50%)	37.4	1.5	6.35	3.52	86	2/28	2.19	1.14	6/30	.94	.88	YES
	915	WEC Energy Group		WEC	104.97	3	1	1	.70	125-	155	(20- 50%)	20.0	3.4	5.25	3.57	60	3/31	◆2.27	1.97	6/30	.893	.835	YES
	1942	WK Kellogg		KLG	17.55	–	3	–	NMF	19-	30	(10- 70%)	12.1	3.8	1.45	.67	57	12/31	.33	.18	3/31	.165	.16	YES
	1552	W.P. Carey Inc.		WPC	61.01	▼3	3	2	.85	75-	110	(25- 80%)	24.4	5.8	2.50	3.56	89	3/31	.57	.72	6/30	▲.89	.865	YES
1245	2387	WPP PLC ADR		WPP	40.14	▲3	3	5	1.30	60-	90	(50-125%)	13.2	3.8	3.05	1.54	87	12/31	1.95(p)	d1.37(p)	9/30	1.538	1.546	YES
	1508	WSFS Financial	(NDQ)	WSFS	54.93	3	3	3	1.25	55-	80	(N- 45%)	12.3	1.2	4.45	.68	32	3/31	1.12	1.11	6/30	▲.17	.15	YES
	1029	WSP Global Inc	(TSE)	WSP.TO	260.17	3	2	2	.80	280-	380	(10- 45%)	27.5	0.6	9.45	1.50	6	9/30	2.24	1.98	6/30	.375	.375	
	347	Wabtec Corp.		WAB	200.99	2	3	3	1.25	225-	335	(10- 65%)	23.1	0.5	8.70	1.00	66	3/31	2.28	1.89	3/31	▲.25	.20	YES
	1509	WaFd, Inc.	(NDQ)	WAFD	29.91	3	3	4	1.15	30-	45	(N- 50%)	12.4	3.6	2.41	1.08	32	3/31	.65	.17	3/31	▲.27	.26	YES
1424	818	Walgreens Boots	(NDQ)	WBA	11.40	–	4	–	1.00	11-	17	(N- 50%)	7.0	NIL	1.63	NIL	19	2/28	.63	1.20	6/30	NIL	.25	YES
1032	2157	Walmart Inc.		WMT	96.75	2	1	3	.70	110-	130	(15- 35%)	37.5	1.0	2.58	.94	21	1/31	.66	.60	3/31	.208	.208	YES
	2185	Warby Parker		WRBY	18.88	▲3	5	2	1.65	20-	40	(5-110%)	NMF	NIL	.10	NIL	4	3/31	◆.03	d.02	3/31	NIL	NIL	YES
	2346	Warner Bros. Discovery	(NDQ)	WBD	9.23	4	3	3	1.45	14-	20	(50-115%)	NMF	NIL	d.35	NIL	27	3/31	◆d.18	d.40	3/31	NIL	NIL	YES
	2347	Warner Music Group	(NDQ)	WMG	27.48	▼4	3	2	1.00	65-	95	(135-245%)	17.5	2.6	1.57	.72	27	3/31	◆.07	.18	3/31	.18	.17	YES
	411	Waste Connections		WCN	186.58	3	1	1	.75	225-	275	(20- 45%)	40.1	0.7	4.65	1.26	33	3/31	.93	.89	6/30	.315	.285	YES
	412	Waste Management		WM	225.57	3	1	2	.75	235-	285	(5- 25%)	29.5	1.5	7.65	3.30	33	3/31	1.67	1.75	3/31	▲.825	.75	YES
	233	Waters Corp.		WAT	366.67	2	2	3	1.00	385-	520	(5- 40%)	30.8	NIL	11.90	NIL	50	3/31	◆2.03	1.72	3/31	NIL	NIL	YES
	1155	Watsco, Inc.		WSO	484.84	4	1	3	.95	570-	700	(20- 45%)	32.6	2.5	14.85	12.00	55	3/31	1.93	2.17	6/30	▲3.00	2.70	YES
	1743	Watts Water Techn.		WTS	245.88	▲1	2	3	1.10	235-	315	(N- 30%)	26.9	0.8	9.15	1.88	38	3/31	◆2.37	2.33	3/31	.43	.36	YES
2229	2630	Wayfair Inc.		W	39.56	4	5	4	1.65	45-	85	(15-115%)	NMF	NIL	d1.75	NIL	18	3/31	d.89	d2.06	3/31	NIL	NIL	YES
	2420	Weatherford Internationa	(NDQ)	WFRD	48.88	▲3	4	4	1.45	65-	95	(35- 95%)	8.3	2.0	5.90	1.00	71	3/31	1.03	1.50	3/31	.25	NIL	YES
	788	Webster Fin'l		WBS	52.90	3	3	3	1.50	70-	110	(30-110%)	9.0	3.0	5.85	1.60	42	3/31	1.30	1.35	3/31	.40	.40	YES
	1958	Weis Markets		WMK	78.46	1	3	2	.50	75-	110	(N- 40%)	19.4	1.7	4.05	1.36	1	12/31	1.29	.76	6/30	.34	.34	YES
	626	Wells Fargo		WFC	74.88	2	3	3	1.35	75-	115	(N- 55%)	12.8	2.4	5.85	1.80	65	3/31	1.39	1.20	3/31	.40	.35	YES
	1553	Welltower Inc.		WELL	145.63	4	3	1	1.05	130-	195	(N- 35%)	NMF	2.0	.50	2.98	89	3/31	.40	.22	3/31	.67	.61	YES
	369	Wendy's Company	(NDQ)	WEN	12.30	4	3	3	.80	12-	18	(N- 45%)	13.4	4.6	.92	.56	26	3/31	.20	.20	3/31	.25	.25	YES
	329	Werner Enterprises	(NDQ)	WERN	28.18	5	2	3	.80	45-	60	(60-115%)	25.2	2.0	1.12	.56	85	3/31	d.12	.14	3/31	.14	.14	YES
	1322	WESCO Int'l		WCC	171.70	▼3	3	3	1.60	220-	330	(30- 90%)	11.8	1.1	14.50	1.82	16	3/31	2.10	1.95	3/31	▲.454	.413	YES
	1174	West Fraser Timber		WFG	75.88	3	3	4	1.20	95-	140	(25- 85%)	16.7	1.7	4.55	1.28	82	3/31	.46	.42	6/30	.32	.30	YES
850	234	West Pharmac. Svcs.		WST	219.46	3	3	3	.90	305-	460	(40-110%)	35.1	0.4	6.25	.84	50	3/31	1.45	1.56	6/30	.21	.20	YES
	1421	Western Digital	(NDQ)	WDC	46.57	–	3	–	1.45	55-	80	(20- 70%)	8.1	NIL	5.75	NIL	75	3/31	1.36	.63	3/31	NIL	NIL	YES
	600	Western Midstream		WES	38.23	3	3	1	1.35	35-	55	(N- 45%)	11.1	9.6	3.45	3.66	49	3/31	◆.79	1.47	6/30	▲.91	.875	YES
	2541	Western Union		WU	9.99	3	3	3	.95	14-	20	(40-100%)	5.6	9.4	1.80	.94	17	3/31	.41	.45	3/31	.235	.235	YES
	569	Westlake Corp.		WLK	85.66	4	3	3	1.25	▼ 105-	155	(25- 80%)	22.8	2.5	▼3.75	2.10	72	3/31	d.31	1.34	3/31	.525	.50	YES
	1959	Weston (George)	(TSE)	WN.TO	257.92b	2	2	2	.50	225-	300	(N- 15%)	24.6	1.3	10.50	3.43	1	3/31	◆.62(b)	1.73(b)	6/30	.82(b)	.713(b)	YES

(•) All data adjusted for announced stock split or stock dividend. See back page of Ratings & Reports.
◆ New figure this week.
(b) Canadian Dollars.
(d) Deficit.
(f) The estimate may reflect a probable increase or decrease. If a dividend boost or cut is possible but not probable, two figures are shown, the first is the more likely.
(g) Dividends subject to foreign withholding tax for U.S. residents.
(h) Est'd Earnings & Est'd Dividends after conversion to U.S. dollars at Value Line estimated translation rate.
(j) All Index data expressed in hundreds.
(p) 6 months (q) Asset Value
N=Negative figure NA=Not available NMF=No meaningful figure

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

PAGE NUMBERS
Bold type refers to full report.
The number on the left signifies a Supplement (if available).

		NAME OF STOCK		Ticker Symbol	Recent Price	RANKS Timeliness	Safety	Technical	Beta	3-5 year Target Price Range and % appreciation potential			Current P/E Ratio	% Est'd Yield next 12 mos.	Est'd Earns. 12 mos. to 12-31-25	(f) Est'd Div'd next 12 mos.	Industry Rank	LATEST RESULTS Qtr. Ended	Earns. Per sh.	Year Ago	Qtr. Ended	Latest Div'd	Year Ago	Do Options Trade?
	2542	WEX Inc.		WEX	135.19	5	3	3	1.50	140-	210	(5- 55%)	9.0	NIL	15.00	NIL	17	3/31	3.51	3.46	3/31	NIL	NIL	YES
	1175	Weyerhaeuser Co.		WY	26.97	3	3	3	1.10	40-	60	(50-120%)	36.0	3.1	.75	.84	82	3/31	.11	.16	3/31	▲.21	.20	YES
	1576	Wheaton Precious Met.		WPM	78.98	2	3	3	.75	75-	115	(N- 45%)	38.5	0.8	2.05	.66	7	3/31	◆.55	.36	3/31	NIL	NIL	YES
	1211	Whirlpool Corp.		WHR	83.57	4	3	3	1.05	140-	210	(70-150%)	8.4	8.4	10.00	7.00	86	3/31	1.70	1.79	6/30	1.75	1.75	YES
	1009	WideOpenWest, Inc.		WOW	4.42	–	4	–	1.35	5-	8	(15- 80%)	NMF	NIL	d.60	NIL	67	3/31	◆d.17	d.18	3/31	NIL	NIL	YES
	2379	Wiley (John) & Sons		WLY	43.51	3	3	2	1.00	50-	70	(15- 60%)	22.7	3.2	1.92	1.41	29	1/31	d.43	d2.08	3/31	.353	.35	YES
	590	Williams Cos.		WMB	57.13	3	3	1	.95	55-	85	(N- 50%)	24.3	3.5	2.35	2.00	64	3/31	.57	.59	3/31	▲.50	.475	YES
	1167	Williams-Sonoma		WSM	173.80	2	3	3	1.15	130-	195	(N- 10%)	20.4	1.5	8.50	2.64	70	1/31	3.28	2.72	6/30	▲.66	.565	YES
	2543	Willis Towers Wat. plc	(NDQ)	WTW	307.46	▼4	2	1	.85	335-	455	(10- 50%)	18.1	1.2	17.00	3.78	17	3/31	3.13	3.29	3/31	.88	.84	YES
	403	WillScot Holdings Corp.	(NDQ)	WSC	29.65	2	3	4	1.30	35-	50	(20- 70%)	24.7	NIL	1.20	NIL	5	3/31	.23	.29	3/31	NIL	NIL	YES
	370	Wingstop Inc.	(NDQ)	WING	285.96	3	4	4	1.05	300-	500	(5- 75%)	69.7	0.4	4.10	1.20	26	3/31	.99	.98	3/31	.27	.22	YES
	2329	Winnebago		WGO	36.70	3	3	4	1.15	70-	110	(90-200%)	13.9	3.9	2.64	1.42	52	2/28	d.02	d.43	6/30	.34	.31	YES
	789	Wintrust Financial	(NDQ)	WTFC	121.68	▲2	3	3	1.35	105-	160	(N- 30%)	11.7	1.6	10.40	2.00	42	3/31	2.69	2.89	6/30	.50	.45	YES
	2600	Wipro Limited		WIT	2.99	3	2	3	1.00	4-	5	(35- 65%)	19.9	NIL	.15	NIL	14	3/31	.04	.04	9/30	NIL	NIL	YES
	1817	Wix.com Ltd.	(NDQ)	WIX	179.71	3	3	2	1.35	170-	255	(N- 40%)	52.1	NIL	3.45	NIL	69	12/31	.80	.05	3/31	NIL	NIL	YES
2034	1388	Wolfspeed, Inc.		WOLF	3.34	–	5	–	1.70	3-	5	(N- 50%)	NMF	NIL	d7.00	NIL	76	3/31	◆d1.86	d1.18	3/31	NIL	NIL	YES
	2166	Wolverine World Wide		WWW	16.67	3	3	3	1.40	20-	30	(20- 80%)	13.9	2.4	1.20	.40	22	3/31	◆.18	.05	6/30	.10	.10	YES
	729	Woodward, Inc.	(NDQ)	WWD	201.47	2	3	3	1.30	205-	310	(N- 55%)	31.8	0.6	6.33	1.12	31	3/31	1.78	1.56	6/30	.28	.25	YES
	1646	Workday, Inc.		WDAY	266.57	3	3	4	1.15	375-	565	(40-110%)	NMF	NIL	2.50	NIL	48	1/31	.35	4.52	3/31	NIL	NIL	YES
	2585	Workiva Inc.		WK	70.85	5	4	3	1.25	75-	125	(5- 75%)	NMF	NIL	d.80	NIL	30	3/31	d.38	d.21	3/31	NIL	NIL	YES
	522	World Kinect		WKC	27.23	3	3	3	1.35 ▼	35-	50	(30- 85%)	18.8	2.5	▼1.45	.68	54	3/31	d.37	.45	6/30	.17	.17	YES
	749	Worthington Steel Inc		WS	27.35	–	3	–	NMF	45-	70	(65-155%)	12.5	2.3	2.19	.64	23	2/28	.35	.98	6/30	.16	.16	YES
	2371	Wyndham Hotels		WH	86.80	3	3	1	1.20	110-	165	(25- 90%)	17.9	1.9	4.85	1.64	39	3/31	.78	.78	3/31	▲.41	.38	YES
	2372	Wynn Resorts	(NDQ)	WYNN	95.16	3	3	4	1.45	120-	180	(25- 90%)	18.3	1.1	5.20	1.00	39	3/31	◆.69	1.30	3/31	.25	.25	YES
	993	**XPEL, Inc.**	(NDQ)	XPEL	38.32	▲2	4	3	1.50	50-	85	(30-120%)	12.8	NIL	3.00	NIL	43	3/31	◆.31	.24	3/31	NIL	NIL	YES
	1241	XPLR Infra.		XIFR	9.23	5	4	3	1.10	25-	40	(170-335%)	11.5	NIL	.80	NIL	79	12/31	d1.08	d.35	6/30	NIL	.893	YES
	330	XPO Inc.		XPO	126.51	3	3	3	1.40	130-	195	(5- 55%)	34.2	NIL	3.70	NIL	85	3/31	.73	.81	3/31	NIL	NIL	YES
	2211	Xcel Energy Inc.	(NDQ)	XEL	67.78	3	2	1	.75	75-	100	(10- 50%)	17.8	3.4	3.80	2.32	63	3/31	.84	.89	3/31	▲.57	.52	YES
	1422	Xerox Holdings		XRX	5.71	4	3	5	1.40	14-	20	(145-250%)	5.4	9.1	1.05	.52	75	3/31	d.06	.06	6/30	▼.125	.25	YES
	1389	Xperi Inc.		XPER	8.36	3	3	3	1.25	13-	20	(55-140%)	NMF	NIL	d.95	NIL	76	3/31	◆d.41	d.29	3/31	NIL	NIL	YES
	1744	Xylem Inc.		XYL	127.25	2	3	4	1.20	160-	240	(25- 90%)	27.4	1.3	4.65	1.60	38	3/31	1.03	.90	3/31	▲.40	.36	YES
	2618	**Yelp, Inc.**		YELP	40.30	2	3	3	1.30	60-	90	(50-125%)	18.3	NIL	2.20	NIL	24	3/31	◆.36	.20	3/31	NIL	NIL	YES
	2330	YETI Holdings		YETI	31.71	▼4	3	3	1.35	50-	75	(60-135%)	11.1	NIL	2.85	NIL	52	3/31	◆.31	.34	3/31	NIL	NIL	YES
	371	Yum! Brands		YUM	146.80	3	3	1	.85	165-	250	(10- 70%)	24.5	1.9	6.00	2.84	26	3/31	1.30	1.15	3/31	▲.71	.67	YES
	372	Yum China Holdings		YUMC	46.11	2	3	1	1.05	60-	90	(30- 95%)	18.1	2.1	2.55	.96	26	3/31	.77	.71	3/31	▲.24	.16	YES
	577	**Zebra Techn. 'A'**	(NDQ)	ZBRA	300.11	3	3	4	1.45 ▼	380-	570	(25- 90%)	20.7	NIL	14.50	NIL	34	3/31	4.02	2.84	3/31	NIL	NIL	YES
	2388	Ziff Davis, Inc.	(NDQ)	ZD	34.70	3	3	3	1.20	60-	95	(75-175%)	8.9	NIL	3.90	NIL	87	3/31	◆.56	.23	3/31	NIL	NIL	YES
	2619	Zillow Group 'C'	(NDQ)	Z	71.21	4	4	2	1.50	60-	95	(N- 35%)	NMF	NIL	.10	NIL	24	3/31	◆.03	d.10	3/31	NIL	NIL	YES
	193	Zimmer Biomet Hldgs.		ZBH	98.22	3	3	2	.95	130-	190	(30- 95%)	11.8	1.0	8.30	.96	68	3/31	1.81	1.94	6/30	.24	.24	YES
	790	Zions Bancorp.	(NDQ)	ZION	49.46	4	3	3	1.55	65-	95	(30- 90%)	9.4	3.5	5.25	1.72	42	3/31	1.13	.96	3/31	.43	.41	YES
	1647	ZipRecruiter, Inc.		ZIP	4.94	5	4	3	1.50	6-	9	(20- 80%)	NMF	NIL	d.60	NIL	48	3/31	◆d.13	d.07	3/31	NIL	NIL	YES
	1631	Zoetis Inc.		ZTS	161.92	2	2	4	.95	210-	285	(30- 75%)	26.5	1.2	6.10	2.00	62	3/31	◆1.48	1.38	6/30	.50	.432	YES
	947	Zoom Communications	(NDQ)	ZM	82.67	2	3	3	1.00	70-	105	(N- 25%)	26.7	NIL	3.10	NIL	53	1/31	1.16	.53	3/31	NIL	NIL	YES
	2026	Zscaler, Inc.	(NDQ)	ZS	241.48	3	3	3	1.40	295-	440	(20- 80%)	77.9	NIL	3.10	NIL	59	1/31	.78	.76	3/31	NIL	NIL	YES
	2198	Zumiez Inc.	(NDQ)	ZUMZ	13.31	–	4	–	1.35	15-	25	(15- 90%)	33.3	NIL	.40	NIL	46	1/31	.78	d1.73	3/31	NIL	NIL	YES
	1132	Zurn Elkay Water		ZWS	37.20	3	3	3	1.10	35-	55	(N- 50%)	27.6	1.0	1.35	.36	37	3/31	.26	.19	3/31	.09	.08	YES

★★ Supplementary Report in this week's issue.
▲ Arrow indicates the direction of a change. When it appears with the Latest Dividend, the arrow signals that a change in the regular payment rate has occurred in the latest quarter.

For Timeliness, 3-5 year Target Price Range, or Estimated Earnings 12 months to 12-31-25, the arrow indicates a change since the preceding week. When a diamond ◆ (indicating a new figure) appears alongside the latest quarterly earnings results, the rank change probably was primarily caused by the earnings report. In other cases, the change is due to the dynamics of the ranking system and could simply be the result of the improvement or weakening of other stocks.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

Also available from Value Line…

Visit our product page at https://investors.valueline.com or call 1-800-VALUELINE

The Value Line INFORMATION YOU SHOULD KNOW — Wealth Newsletter - No matter where you are in life, you can successfully plan and save for the retirement you want. We can help. Each month, you will learn the answers you need to know to basic planning questions.

Special Situations - *The Value Line Special Situations Service* is designed for those seeking investment ideas in the small-cap arena that span the range from aggressive to income oriented.

Select - Once a month, subscribers receive a detailed report by *Value Line* senior analysts, recommending one stock that has the best upside and risk/reward ratio.

Value Line Select: Dividend Income & Growth - A monthly, in-depth report recommending one dividend-paying stock, providing extensive information about the company's finances, prospects, and projected earnings. One alternative selection is also evaluated.

Value Line Select: ETFs - Once a month, subscribers receive a thorough report by Value Line senior analysts, recommending one ETF that is expected to outperform the broader market.

Fund Advisor Plus - An essential, one-of-a-kind investment guide that recommends a model portfolio of mutual funds based on risk tolerance and time horizon. The service also includes data and analysis on 20,000 mutual funds.

Options Survey - Interactive daily analysis and rankings of more than 200,000 Stock and Stock Index Options—now with Bid and Ask Prices and Evaluations.

The Value Line Climate Change Investing Service – Subscribers receive an insightful monthly report by *Value Line* analysts that is designed for the climate-conscious, profit-oriented investor. It also includes a managed portfolio of twenty stocks that stand to benefit from business opportunities related to Climate Change.

The Value Line Mergers & Acquisitions Service - This service is designed for investors who are interested in mergers & acquisitions. The objective of the publication is to identify companies (one per month) that offer characteristics that would interest larger corporations or private equity firms.

For fastest service order online at https://investors.valueline.com or call 1-800-VALUELINE
(Monday – Friday, 8:00 a.m. – Midnight EST).

THE VALUE LINE INVESTMENT SURVEY®—RATINGS AND REPORTS
551 Fifth Avenue
New York, NY 10176
Phone: 212-907-1500

INDUSTRIES, IN ORDER OF TIMELINESS RANK*

Arrow (▲▼) before name indicates that a **significant change in Rank** has occurred since the preceding week.

1	Retail/Wholesale Food	**26**	Restaurant	**51**	Asset Management	**76**	Semiconductor
2	Educational Services	**27**	Entertainment	**52**	Recreation	**77**	Homebuilding
3	Heavy Truck & Equip	**28**	Petroleum (Producing)	**53**	Telecom. Services	**78**	Semiconductor Equip
4	Retail (Hardlines)	**29**	Publishing	**54**	Petroleum (Integrated)	**79**	Power
5	Industrial Services	**30**	Computer Software	**55**	Retail Building Supply	**80**	Apparel
6	Engineering & Const	**31**	Aerospace/Defense	**56**	Insurance (Life)	**81**	Metals & Mining (Div.)
7	Precious Metals	**32**	Thrift	**57**	Food Processing	**82**	Paper/Forest Products
8	Metal Fabricating	**33**	Environmental	**58▲**	Natural Gas Utility	**83**	Investment Banking
9	Reinsurance	**34▲**	Wireless Networking	**59**	Cyber Security	**84**	Natural Gas (Div.)
10	Tobacco	**35**	Telecom. Equipment	**60▼**	Electric Util. (Central)	**85**	Trucking
11	Insurance (Prop/Cas.)	**36**	Automotive	**61▼**	Water Utility	**86**	Household Products
12	Packaging & Container	**37**	Building Materials	**62**	Drug	**87**	Advertising
13	Brokers & Exchanges	**38**	Machinery	**63**	Electric Utility (West)	**88**	Electric Utility (East)
14	IT Services	**39**	Hotel/Gaming	**64**	Oil/Gas Distribution	**89**	R.E.I.T.
15	Diversified Co.	**40▲**	Precision Instrument	**65**	Bank	**90**	Biotechnology
16	Electrical Equipment	**41**	Information Services	**66**	Railroad	**91**	Public/Private Equity
17	Financial Svcs. (Div.)	**42**	Bank (Regional)	**67**	Cable TV	**92**	Chemical (Diversified)
18	E-Commerce	**43**	Auto Parts	**68**	Med Supp Invasive	**93**	Toiletries/Cosmetics
19	Medical Services	**44▲**	Air Transport	**69**	Digital Infrastructure	**94**	Entertainment Tech
20	Retail Automotive	**45**	Chemical (Basic)	**70**	Furn/Home Furnishings		
21	Retail Store	**46**	Retail (Softlines)	**71**	Oilfield Svcs/Equip.		
22	Shoe	**47▼**	Healthcare Information	**72**	Chemical (Specialty)		
23	Steel	**48**	Human Resources	**73**	Maritime		
24	Internet	**49**	Pipeline MLPs	**74**	Beverage		
25	Electronics	**50**	Med Supp Non-Invasive	**75**	Computers/Peripherals		

***Based on the Timeliness™ ranks of the stocks in the industry**

Noteworthy Rank Changes

Listed below are some of the stocks whose Timeliness ranks have changed this week. We include mostly rank changes caused by fundamentals such as new earnings reports. Even when a significant change in earnings momentum has been forecast, the stock's rank will not be affected until the actual results, confirming that forecast, are reported. In most cases, we omit stocks that have been bumped up or down in rank by the dynamism of the ranking system.

STOCKS MOVING UP IN TIMELINESS RANK

Stock Name	Old Rank	New Rank	Reason for Change	Earnings Est. 12 months to 12-31-25
Alamo Group	3	2	Improving profit growth. Mar. period $2.64 vs. year ago $2.67. Our estimate was $2.60.	$10.25
Appian Corp.	4	3	Surprise factor, earnings turnaround. Mar. quarter d2¢ vs. year ago d45¢. Our estimate was d20¢.	Under Review
Avis Budget Group	2	1	Dynamism of the ranking system.	
CF Industries	2	1	Dynamism of the ranking system.	
CGI Inc	2	1	Dynamism of the ranking system.	
Everest Group	2	1	Dynamism of the ranking system.	
Gogo Inc.	2	1	Dynamism of the ranking system.	
Group 1 Automotive	2	1	Dynamism of the ranking system.	
IonQ Inc	5	4	Earnings turnaround. Mar. period d14¢ vs. year ago d19¢. Our estimate was d15¢.	d.55
Kinross Gold	2	1	Dynamism of the ranking system.	
Matador Resources	2	1	Dynamism of the ranking system.	
Mercedes-Benz AG	2	1	Dynamism of the ranking system.	
Millicom Int'l Cellular	2	1	Dynamism of the ranking system.	
National Vision Hldgs.	2	1	Dynamism of the ranking system.	
Novo Nordisk ADR	4	3	Surprise factor, greater than average gain. Mar. quarter $6.53 vs. year ago 79¢. Our estimate was 89¢.	Under Review
Permian Resources Corpor	4	3	Earnings turnaround. Mar. quarter 44¢ vs. year ago 25¢. Our estimate was 45¢.	1.55
Primoris Services	2	1	Dynamism of the ranking system.	
Synchrony Financial	2	1	Dynamism of the ranking system.	
Virtu Financial	2	1	Dynamism of the ranking system.	
Watts Water Techn.	2	1	Dynamism of the ranking system.	

STOCKS MOVING DOWN IN TIMELINESS RANK

Stock Name	Old Rank	New Rank	Reason for Change	Earnings Est. 12 months to 12-31-25
Amer. States Water	2	3	Decreasing profit growth. Mar. quarter 70¢ vs. year ago 62¢. Our estimate was 68¢.	$3.30
Avnet, Inc.	1	2	Dynamism of the ranking system.	
Booz Allen Hamilton	1	2	Dynamism of the ranking system.	
Casey's Gen'l Stores	1	2	Dynamism of the ranking system.	
Caterpillar Inc.	1	2	Dynamism of the ranking system.	
Cintas Corp.	1	2	Dynamism of the ranking system.	

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

KPSC Case No. 2025-00257
AG-KIUC's First Set of Data Requests
Dated September 29, 2025
Item No. 88
October 15, 2025 Supplemental Response
Supplemental Attachment 1
Page 161 of 598

STOCKS MOVING DOWN IN TIMELINESS RANK

Stock Name	Old Rank	New Rank	Reason for Change	Earnings Est. 12 months to 12-31-25
Dollarama Inc	1	2	Dynamism of the ranking system.	
Exelixis, Inc.	1	2	Dynamism of the ranking system.	
Fastenal Co.	1	2	Dynamism of the ranking system.	
Genpact Limited	1	2	Dynamism of the ranking system.	
Hilton Worldwide	1	2	Dynamism of the ranking system.	
Mercury General	1	2	Dynamism of the ranking system.	
Murphy USA Inc.	1	2	Dynamism of the ranking system.	
Palo Alto Networks	1	2	Dynamism of the ranking system.	
Privia Health	1	2	Dynamism of the ranking system.	
Steel Dynamics	1	2	Dynamism of the ranking system.	

TIMELY STOCKS IN TIMELY INDUSTRIES

Page No.	Industry (Industry Rank)	Recent Price	RANKS Timeliness	Technical	Safety	Beta	Current P/E Ratio	% Est'd Yield	Est'd 3-5 Year Price Apprec.
	Retail/Wholesale Food (INDUSTRY RANK 1)								
1944	Albertsons Companies	22.30	2	3	1	0.65	10.8	2.7	10- 80%
1945	Chefs' Warehouse	61.79	2	4	3	1.60	41.2	NIL	N- 20%
1946	Empire Company Ltd.	50.31	1	2	3	0.45	17.7	1.7	N- 10%
1949	Kroger Co.	69.04	2	2	2	0.50	14.7	2.0	N- 40%
1950	Loblaw Cos. Ltd.	213.89	1	1	3	0.50	29.5	1.0	N- N%
1951	Metro Inc.	102.65	2	2	2	0.50	21.1	1.4	N- 20%
1953	SpartanNash Co.	19.10	2	3	3	0.75	11.2	4.7	30-110%
1954	Sprouts Farmers Market	156.99	1	3	3	0.75	34.1	NIL	N- 20%
1956	US Foods Hldg.	73.54	1	3	3	1.45	19.6	NIL	15- 70%
1957	United Natural Foods	28.24	2	4	2	1.45	70.6	NIL	N- 25%
1958	Weis Markets	78.46	1	3	2	0.50	19.4	1.7	N- 40%
1959	Weston (George)	257.92	2	2	2	0.50	24.6	1.3	N- 15%
	Educational Services (INDUSTRY RANK 2)								
1985	Adtalem Global Educ.	131.89	1	3	3	1.05	20.0	NIL	N- 20%
1988	Duolingo, Inc.	517.83	2	3	3	1.45	90.1	NIL	N- 35%
1989	Grand Canyon Educ.	195.73	1	3	3	0.90	22.4	NIL	N- 55%
1992	Strategic Education	89.02	2	3	4	1.05	16.3	2.7	40-115%
1993	Stride, Inc.	149.30	2	3	3	0.85	20.8	NIL	N- 35%
	Heavy Truck & Equip (INDUSTRY RANK 3)								
142	AGCO Corp.	105.44	2	3	4	1.30	23.4	1.1	20- 80%
143	Alamo Group	199.76	2	3	3	1.10	19.5	0.6	N- 45%
144	Astec Inds.	41.64	1	3	4	1.35	14.9	1.2	20- 80%
146	Caterpillar Inc.	342.55	2	2	4	1.20	17.3	1.6	15- 60%
148	Deere & Co.	495.62	2	2	2	1.15	24.4	1.5	N- 20%
149	Federal Signal	93.63	1	2	4	1.05	25.0	0.6	10- 50%
150	Finning Int'l	42.46	2	3	3	1.15	11.0	2.6	30-100%
151	Lindsay Corp.	137.81	2	3	3	1.05	20.2	1.1	10- 65%
156	REV Group Inc	37.36	2	3	3	1.40	15.6	0.6	5- 75%
158	Terex Corp.	44.79	2	3	4	1.65	9.1	1.5	25- 80%
159	Toro Co.	75.80	2	3	3	1.05	17.2	2.0	40-105%
	Retail (Hardlines) (INDUSTRY RANK 4)								
2171	Avis Budget Group	103.76	1	4	5	1.80	11.9	NIL	N- 40%
2172	Bath & Body Works	33.43	2	4	3	1.25	9.6	2.4	5- 80%
2173	Best Buy Co.	73.37	2	3	5	1.05	12.7	5.2	N- 55%
2174	Casey's Gen'l Stores	436.80	2	2	2	0.90	27.8	0.5	10- 45%
2175	Dick's Sporting Goods	212.42	2	3	2	1.05	14.8	2.3	N- 50%
2178	Murphy USA Inc.	439.48	2	3	2	0.75	16.9	0.5	25- 85%
2179	National Vision Hldgs.	18.76	1	4	4	1.20	31.3	NIL	5- 85%
2182	Sunoco LP	55.53	2	3	1	0.90	7.5	6.5	15- 70%
2183	Tapestry Inc.	82.66	2	3	3	1.40	16.2	1.7	N- 15%
2184	Ulta Beauty	412.38	1	3	4	1.05	18.0	NIL	5- 60%
	Industrial Services (INDUSTRY RANK 5)								
375	ADT Inc.	8.41	1	4	3	1.20	9.9	2.6	20-100%
378	Booz Allen Hamilton	124.67	2	3	5	0.75	18.0	1.8	30- 95%
380	CACI Int'l	475.79	2	3	5	0.75	21.2	NIL	N- 55%
381	CBRE Group	132.69	2	3	2	1.35	22.1	NIL	N- 35%
382	Cintas Corp.	216.99	2	2	3	1.05	47.1	0.8	N- 15%
384	Comfort Systems USA	451.86	2	3	3	1.30	23.1	0.4	N- 45%
385	CoreCivic, Inc.	21.64	2	4	3	1.00	22.8	NIL	N- 60%
388	FTI Consulting	164.81	2	2	4	0.55	18.2	NIL	5- 45%
391	Genpact Limited	43.54	2	2	1	1.05	12.3	1.6	60-120%
394	Huron Consulting	153.20	1	3	2	0.85	21.4	NIL	10- 65%
396	Leidos Hldgs.	156.09	1	3	3	0.90	14.6	1.0	30- 90%
397	MAXIMUS Inc.	76.80	1	2	3	0.80	12.7	1.6	65-115%
398	Rollins, Inc.	55.73	2	2	3	0.85	50.7	1.2	10- 45%
399	Science Applications	119.68	1	3	4	0.85	12.9	1.2	40-115%
403	WillScot Holdings Corp.	29.65	2	3	4	1.30	24.7	NIL	20- 70%
	Engineering & Const (INDUSTRY RANK 6)								
1012	AECOM	106.33	2	3	3	1.15	20.3	1.0	20- 75%
1015	Dycom Inds.	192.56	2	3	3	1.20	18.9	NIL	15- 70%
1016	EMCOR Group	457.31	1	3	3	1.15	19.3	0.3	N- 30%
1021	MYR Group	159.79	1	3	4	1.35	24.4	NIL	15- 70%
1024	Primoris Services	70.85	1	3	3	1.30	18.6	0.4	15- 70%
1025	Quanta Services	332.79	2	3	3	1.20	32.6	0.1	20- 75%
1027	Stantec Inc.	130.77	2	1	3	0.65	25.4	0.6	10- 35%
1028	Sterling Infrastruc.	183.27	1	3	3	1.35	26.2	NIL	N- 30%
	Precious Metals (INDUSTRY RANK 7)								
1565	Agnico Eagle Mines	106.46	2	3	2	0.75	22.9	1.5	N- 30%
1566	AngloGold Ashanti plc	40.16	2	3	3	0.85	12.4	6.9	25- 75%
1571	Kinross Gold	13.70	1	3	2	0.85	13.7	0.9	N- 25%
1572	Newmont Corp.	50.78	2	3	2	0.75	12.2	2.0	20- 65%
1574	Royal Gold	170.87	2	2	2	0.70	24.6	1.1	50-100%
1576	Wheaton Precious Met.	78.98	2	3	3	0.75	38.5	0.8	N- 45%
	Metal Fabricating (INDUSTRY RANK 8)								
733	Kennametal Inc.	21.92	2	3	4	1.25	17.4	3.6	35-105%
734	Mueller Inds.	78.21	2	3	2	1.15	13.8	1.2	45-125%
735	Proto Labs, Inc.	41.64	2	3	3	1.25	33.3	NIL	N- 45%
736	Tenaris S.A. ADS	34.73	2	3	2	1.25	11.2	2.6	N- 60%
	Reinsurance (INDUSTRY RANK 9)								
2005	AXIS Capital Hldgs.	100.54	1	2	3	1.00	8.8	1.8	25- 70%
2006	Everest Group	347.80	1	3	3	1.05	7.1	2.4	20- 85%
	Tobacco (INDUSTRY RANK 10)								
1980	Imperial Brands PLC	38.94	2	2	3	0.80	9.9	5.9	30-105%
1981	Philip Morris Int'l	164.83	2	2	2	0.80	23.2	3.3	N- 20%
1982	Turning Point Brands	69.97	2	3	2	0.95	20.0	0.4	N- 20%
	Insurance (Prop/Cas.) (INDUSTRY RANK 11)								
754	Berkley (W.R.)	72.20	2	2	2	0.95	16.4	0.4	20- 65%
758	Cincinnati Financial	150.00	2	3	3	1.15	25.0	2.3	35-100%
761	Hanover Insurance	167.57	2	2	2	0.95	11.6	2.2	40- 90%
762	Kemper Corp.	65.52	2	3	2	1.10	10.9	2.0	35-105%
763	Kinsale Capital	456.81	2	3	2	1.00	25.4	0.1	10- 65%
765	Markel Group	1918.71	1	2	3	1.05	9.1	NIL	55-110%
766	Mercury General	60.51	2	3	3	1.00	17.5	2.1	N- 40%
768	Old Republic	37.90	1	3	1	1.05	11.8	3.1	45-110%
769	Progressive Corp.	280.25	2	1	2	0.80	19.6	0.1	30- 60%
770	RLI Corp.	74.81	2	2	2	0.85	24.1	0.8	40- 85%
772	Selective Ins. Group	90.23	2	2	3	0.95	11.7	1.8	45- 95%
773	Travelers Cos.	268.06	2	1	2	0.95	14.4	1.6	25- 55%
	Packaging & Container (INDUSTRY RANK 12)								
1178	AptarGroup	155.52	2	1	3	0.90	27.8	1.2	20- 50%
1183	Crown Holdings	97.78	2	3	3	1.00	14.3	1.1	20- 75%
1186	O-I Glass	13.79	1	4	5	1.50	NMF	NIL	10- 80%
1189	Sealed Air	32.22	2	3	3	1.20	12.9	2.5	100-195%
1190	Silgan Holdings	54.57	2	2	3	0.90	13.1	1.5	45-100%
1192	Sonoco Products	45.89	2	2	4	1.00	9.0	4.6	95-170%
	Brokers & Exchanges (INDUSTRY RANK 13)								
1778	Cboe Global Markets	221.12	2	2	2	0.60	28.3	1.1	N- 30%
1779	CME Group	270.47	2	1	2	0.80	27.0	1.8	N- 5%
1781	Interactive Brokers	197.24	2	3	3	1.25	26.3	0.6	5- 60%
1785	Nasdaq, Inc.	80.75	2	1	3	1.00	25.2	1.3	N- N%
1788	TMX Group Ltd	54.94	2	2	2	0.60	28.9	1.5	N- N%
1790	Virtu Financial	42.53	1	3	3	0.80	13.7	2.3	N- N%

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

TIMELY STOCKS IN TIMELY INDUSTRIES

Page No.	Industry (Industry Rank)	Recent Price	RANKS Timeliness	Technical	Safety	Beta	Current P/E Ratio	% Est'd Yield	Est'd. 3-5 Year Price Apprec.
	IT Services (INDUSTRY RANK 14)								
2589	Amdocs Ltd.	92.30	2	1	3	0.80	17.3	2.1	15- 40%
2590	CDW Corp.	188.82	1	3	5	1.15	19.8	1.3	10- 65%
2591	CGI Inc	151.00	1	1	3	0.70	19.4	NIL	N- 25%
2592	CSG Systems Int'l	66.01	2	3	2	0.85	19.7	1.8	15- 65%
2593	Cognizant Technology	81.81	2	1	3	1.05	16.4	1.5	35- 65%
2597	Kyndryl Holdings	39.02	2	3	3	1.50	35.5	NIL	N- 40%
	Diversified Co. (INDUSTRY RANK 15)								
1747	AMETEK, Inc.	179.38	2	2	3	1.05	28.0	0.7	10- 55%
1748	Brady Corp.	75.16	2	2	3	1.00	17.5	1.3	25- 75%
1750	Chemed Corp.	569.11	1	1	1	0.65	22.6	0.4	25- 50%
1752	Eaton Corp. plc	322.09	1	3	4	1.10	26.8	1.3	5- 60%
1754	ESCO Technologies	179.57	2	3	3	1.15	35.2	0.2	N- N%
1755	Graham Hldgs.	987.93	2	3	2	1.10	19.5	0.7	5- 55%
1759	ITT Inc.	149.41	2	2	3	1.30	23.3	0.9	N- 20%
1762	Parker-Hannifin	668.76	2	3	3	1.25	23.7	1.0	N- 45%
1768	TriMas Corp.	24.54	2	3	4	1.10	35.1	0.7	45-105%
	Electrical Equipment (INDUSTRY RANK 16)								
1302	AZZ Inc.	93.44	2	3	3	1.20	22.6	0.8	20- 70%
1304	Amphenol Corp.	84.46	1	1	3	1.15	36.7	0.8	5- 30%
1309	Grainger (W.W.)	1067.45	2	2	3	0.95	25.9	0.8	N- 40%
1311	Hubbell Inc.	378.41	2	2	4	1.00	21.9	1.4	10- 50%
1313	nVent Electric plc	66.54	2	3	5	1.30	21.8	1.2	5- 60%
1315	Rockwell Automation	299.78	2	3	5	1.10	30.8	1.7	N- 45%
1317	TE Connectivity	160.98	2	2	5	1.20	19.5	1.8	20- 65%
1319	Universal Display	154.95	2	3	5	1.30	32.8	1.2	50-120%
	Financial Svcs. (Div.) (INDUSTRY RANK 17)								
2504	Amer. Express	298.92	2	3	3	1.40	20.9	1.1	N- 20%
2505	Amer. Int'l Group	83.47	1	3	2	1.25	13.7	2.1	25- 90%
2506	Aon plc	353.57	2	1	1	0.85	20.5	0.8	35- 65%
2507	Assurant Inc.	202.07	2	2	2	0.95	12.7	1.6	25- 55%
2517	Euronet Worldwide	111.32	1	3	4	1.45	14.4	NIL	55-135%
2520	FirstCash Holdings	132.16	1	3	2	0.85	19.6	1.2	N- 15%
2521	Fiserv Inc.	186.82	2	2	2	1.00	20.1	NIL	N- 30%
2524	Hartford Ins. Group	128.64	1	3	3	1.10	11.6	1.6	N- 25%
2525	Henry (Jack) & Assoc.	181.66	2	1	2	0.75	30.5	1.3	N- 15%
2526	Loews Corp.	89.27	1	2	2	1.10	12.8	0.3	45- 95%
2527	MGIC Investment	26.58	2	3	3	1.25	8.6	2.2	N- 30%
2529	Mastercard Inc.	578.27	1	2	3	1.10	35.0	0.5	N- 35%
2531	PayPal Holdings	72.31	2	3	4	1.25	15.1	NIL	25- 85%
2535	Shift4 Payments Inc	90.07	2	4	3	1.85	21.2	NIL	15- 70%
2536	SoFi Technologies Inc	14.04	2	4	3	1.95	46.8	NIL	5- 80%
2538	Synchrony Financial	60.36	1	3	3	1.50	7.4	2.0	15- 75%
2540	Visa Inc.	355.85	1	1	3	1.05	31.5	0.7	10- 35%
	E-Commerce (INDUSTRY RANK 18)								
2621	Alibaba Group ADS	132.55	2	3	3	1.10	11.3	NIL	10- 65%
2623	Chewy, Inc.	39.48	1	4	3	1.30	71.8	NIL	15- 90%
2625	eBay Inc.	69.16	2	3	2	1.00	15.0	1.7	10- 65%
2627	MercadoLibre, Inc.	2504.61	2	3	3	1.40	53.3	NIL	15- 70%
2629	Sea Limited ADS	142.45	2	4	3	1.55	NMF	NIL	N- 35%
	Medical Services (INDUSTRY RANK 19)								
794	CVS Health	64.81	2	3	1	0.95	11.1	4.4	10- 60%
795	Centene Corp.	62.87	2	3	3	0.80	8.6	NIL	45-105%
796	Charles River	143.08	2	3	4	1.20	31.1	NIL	45-115%
797	Cigna Group	315.74	2	3	3	0.90	10.6	2.1	45-115%
798	DaVita Inc.	144.43	2	3	2	0.85	13.6	NIL	35-100%
800	Encompass Health	116.93	1	3	3	0.95	24.1	0.6	5- 55%
804	HCA Healthcare	363.28	1	3	2	1.00	14.7	0.8	N- 50%
807	IQVIA Holdings	156.13	2	3	3	1.20	13.2	NIL	90-190%
809	Medpace Holdings	313.74	1	3	3	1.25	24.1	NIL	25- 85%
810	Molina Healthcare	327.69	2	3	3	0.75	12.6	NIL	40-110%
812	Option Care Health	31.86	1	3	1	1.10	24.5	NIL	10- 75%
815	Tenet Healthcare	154.57	1	4	2	1.35	12.4	NIL	N- 50%
817	Universal Health 'B'	191.55	2	3	3	1.05	10.6	0.4	30- 95%
	Retail Automotive (INDUSTRY RANK 20)								
2119	Asbury Automotive	235.96	2	3	2	1.10	8.8	NIL	N- 45%
2120	AutoNation, Inc.	188.65	2	3	3	0.95	10.4	NIL	N- 35%
2121	AutoZone Inc.	3664.25	1	3	2	0.75	24.2	NIL	N- 20%
2125	Copart, Inc.	62.16	2	2	3	0.95	38.1	NIL	N- 20%
2128	Group 1 Automotive	443.54	1	3	2	1.10	10.7	0.5	N- 30%
2129	Lithia Motors	321.79	2	3	3	1.20	9.6	0.7	N- 45%
2132	O'Reilly Automotive	1339.61	2	2	1	0.75	30.2	NIL	N- 30%
2133	Penske Auto	165.52	2	3	3	1.05	12.0	2.9	N- 10%
2134	Rush Enterprises 'A'	50.74	2	3	1	1.00	13.2	1.4	N- 50%
2136	Valvoline Inc.	34.98	2	3	4	1.00	20.9	NIL	45-115%
	Retail Store (INDUSTRY RANK 21)								
2138	BJ's Wholesale Club	111.71	1	3	2	0.50	25.7	NIL	5- 60%
2142	Dillard's, Inc.	395.73	2	4	4	1.45	12.0	0.3	15- 90%
2143	Dollar General	89.49	2	3	3	0.45	16.1	2.6	30- 95%
2145	Dollarama Inc	165.71	2	2	2	0.60	36.4	0.3	5- 40%
2152	PriceSmart	103.89	2	3	3	0.90	21.3	1.2	N- 25%
2153	Ross Stores	149.26	1	3	5	1.05	23.3	1.1	5- 55%
2154	TJX Companies	131.49	2	2	2	0.95	28.6	1.3	N- 25%
2157	Walmart Inc.	96.75	2	1	3	0.70	37.5	1.0	15- 35%
	Shoe (INDUSTRY RANK 22)								
2160	Crocs, Inc.	118.85	1	3	4	1.55	9.5	NIL	20- 75%
2163	NIKE, Inc. 'B'	62.58	2	3	3	1.05	35.4	2.6	20- 75%
	Steel (INDUSTRY RANK 23)								
739	ArcelorMittal	31.20	2	3	2	1.45	8.8	1.8	10- 75%
740	Carpenter Technology	216.71	2	3	3	1.60	28.3	0.4	N- 15%
742	Commercial Metals	48.44	2	3	4	1.25	14.6	1.5	25- 75%
745	Reliance, Inc.	304.45	2	3	4	1.05	18.1	1.6	5- 60%
747	Steel Dynamics	136.53	2	3	3	1.35	14.7	1.5	30-100%
	Internet (INDUSTRY RANK 24)								
2603	Alphabet Inc.	159.58	1	1	2	0.95	17.9	0.6	70-105%
2604	Booking Holdings	5194.99	2	3	2	1.35	25.1	0.7	N- 50%
2606	Expedia Group	167.25	2	3	2	1.60	15.2	1.0	55-135%
2611	Match Group	28.40	1	3	3	1.15	13.9	2.8	60-130%
2612	Meta Platforms	639.43	2	3	3	1.05	25.2	0.3	N- 50%
2617	Uber Technologies	88.10	2	3	3	1.45	40.0	NIL	N- 40%
2618	Yelp, Inc.	40.30	2	3	3	1.30	18.3	NIL	50-125%
	Electronics (INDUSTRY RANK 25)								
1325	Avnet, Inc.	52.33	2	3	5	1.10	14.5	2.5	15- 70%
1328	Celestica Inc.	100.32	1	3	2	1.45	20.1	NIL	40-110%
1330	Fabrinet	215.39	2	3	3	1.25	21.9	NIL	N- 35%
1336	Jabil Inc.	161.74	1	3	3	1.25	17.4	0.2	15- 75%
1339	Plexus Corp.	131.36	2	3	3	1.05	18.8	NIL	15- 70%
1342	Sanmina Corp.	83.46	2	3	2	1.15	13.7	NIL	N- 55%
1344	Sony Group ADR	24.74	1	2	2	1.05	16.2	0.5	20- 60%
1347	TTM Technologies	28.90	2	3	3	1.20	15.2	NIL	20- 75%
	Restaurant (INDUSTRY RANK 26)								
349	BJ's Restaurants	41.55	2	4	3	1.50	23.7	NIL	10- 80%
351	Brinker Int'l	145.60	2	4	2	1.35	16.2	NIL	N- 60%
354	Chipotle Mex. Grill	50.76	2	3	3	1.00	44.1	NIL	60-145%
356	Darden Restaurants	203.85	2	3	2	1.10	20.7	2.8	15- 75%
360	Domino's Pizza	482.11	2	3	3	0.80	27.2	1.5	30- 95%
361	Dutch Bros Inc	69.86	1	4	2	1.70	NMF	NIL	N- 55%
363	McDonald's Corp.	311.92	2	1	2	0.75	25.3	2.3	30- 60%
372	Yum China Holdings	46.11	2	3	1	1.05	18.1	2.1	30- 95%
	Entertainment (INDUSTRY RANK 27)								
2333	Disney (Walt)	110.49	2	2	4	1.15	22.8	0.9	20- 65%
2334	Fox Corp. 'A'	52.42	2	3	2	0.95	13.3	1.0	N- 35%
2338	Netflix, Inc.	1110.00	1	3	3	1.15	44.8	NIL	10- 70%
2339	Nexstar Media Group	169.65	2	3	3	1.15	11.3	4.4	25- 90%
	Petroleum (Producing) (INDUSTRY RANK 28)								
2390	APA Corp.	17.71	1	4	3	1.50	5.2	5.6	70-180%
2397	Matador Resources	44.69	1	4	3	1.65	7.8	2.8	50-145%
2400	Range Resources	39.00	2	4	2	1.35	8.7	0.9	30-120%
2401	Texas Pacif. Land Corp.	1341.12	2	3	2	1.30	65.4	0.5	N- 35%
	Publishing (INDUSTRY RANK 29)								
2376	New York Times	54.24	2	3	3	0.90	27.1	1.3	20- 75%
	Computer Software (INDUSTRY RANK 30)								
2545	Adobe Inc.	395.94	1	3	5	1.10	24.7	NIL	40-110%
2549	AppLovin Corp.	347.90	2	4	2	2.00	43.5	NIL	N- 55%
2551	Autodesk, Inc.	293.20	2	3	3	1.30	52.4	NIL	10- 65%
2558	Dropbox, Inc.	29.29	1	3	2	1.05	11.7	NIL	20- 70%
2563	Int'l Business Mach.	253.69	2	1	2	0.85	23.4	2.8	N- 5%
2565	Microsoft Corp.	449.26	1	1	5	0.90	32.6	0.8	40- 70%
2570	Palantir Technologies	118.46	1	3	3	1.90	NMF	NIL	N- N%
2576	SS&C Techn. Hldgs	79.87	2	3	1	1.10	13.9	1.3	30-100%
2578	Salesforce, Inc.	288.82	1	3	2	1.15	42.8	0.6	35-100%
2580	ServiceNow, Inc.	1015.60	2	3	3	1.20	NMF	NIL	N- 30%
2584	UiPath, Inc.	13.09	2	4	5	1.50	23.8	NIL	90-205%
	Aerospace/Defense (INDUSTRY RANK 31)								
703	AerCap Hldgs. NV	111.34	2	4	3	1.55	9.1	1.0	15-100%
708	Curtiss-Wright	387.37	1	3	3	1.15	31.6	0.2	N- 10%
709	Elbit Systems	380.51	2	2	1	0.70	42.3	0.6	N- 25%
710	Embraer SA	48.05	2	3	3	1.75	22.3	NIL	N- 45%
713	HEICO Corp.	268.48	2	2	2	1.10	61.0	0.1	N- 15%
715	Howmet Aerospace	156.96	1	3	3	1.35	49.8	0.3	N- N%
727	Teledyne Technologies	493.92	2	2	2	1.10	23.0	NIL	30- 70%
728	TransDigm Group	1417.18	1	3	3	1.15	40.1	NIL	10- 65%
729	Woodward, Inc.	201.47	2	3	3	1.30	31.8	0.6	N- 55%

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

Timely Stocks

Stocks Ranked 1 (Highest) for Relative Price Performance (Next 12 Months)

Page No.	Stock Name	Ticker	Recent Price	Ranks Technical	Ranks Safety	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
375	ADT Inc.	ADT	8.41	4	3	9.9	2.6	Industrial Services	5
2390	APA Corp.	APA	17.71	4	3	5.2	5.6	Petroleum (Producing)	28
2545	Adobe Inc.	ADBE	395.94	3	5	24.7	NIL	Computer Software	30
1985	Adtalem Global Educ.	ATGE	131.89	3	3	20.0	NIL	Educational Services	2
1103	Allegion plc	ALLE	143.80	3	3	18.7	1.4	Building Materials	37
2603	Alphabet Inc.	GOOG	159.58	1	2	17.9	0.6	Internet	24
2505	Amer. Int'l Group	AIG	83.47	3	2	13.7	2.1	Financial Svcs. (Div.)	17
1304	Amphenol Corp.	APH	84.46	1	3	36.7	0.8	Electrical Equipment	16
144	Astec Inds.	ASTE	41.64	3	4	14.9	1.2	Heavy Truck & Equip	3
2121	AutoZone Inc.	AZO	3664.25	3	2	24.2	NIL	Retail Automotive	20
2171	Avis Budget Group ■	CAR	103.76	4	5	11.9	NIL	Retail (Hardlines)	4
2005	AXIS Capital Hldgs.	AXS	100.54	2	3	8.8	1.8	Reinsurance	9
1502	Axos Financial	AX	72.23	3	3	9.2	NIL	Thrift	32
2138	BJ's Wholesale Club	BJ	111.71	3	2	25.7	NIL	Retail Store	21
166	Boston Scientific	BSX	102.87	2	2	35.5	NIL	Med Supp Invasive	68
2590	CDW Corp.	CDW	188.82	3	5	19.8	1.3	IT Services	14
1594	CF Industries ■	CF	84.39	3	5	14.1	2.4	Chemical (Basic)	45
2591	CGI Inc ■	GIBA.TO	151.00	1	3	19.4	NIL	IT Services	14
1328	Celestica Inc.	CLS	100.32	3	2	20.1	NIL	Electronics	25
1114	CEMEX ADS	CX	6.56	3	5	6.9	1.2	Building Materials	37
207	Cencora	COR	278.38	2	3	17.9	0.8	Med Supp Non-Invasive	50
2013	Check Point Software	CHKP	217.23	1	2	21.7	NIL	Cyber Security	59
1750	Chemed Corp.	CHE	569.11	1	1	22.6	0.4	Diversified Co.	15
2623	Chewy, Inc.	CHWY	39.48	4	3	71.8	NIL	E-Commerce	18
2160	Crocs, Inc.	CROX	118.85	3	4	9.5	NIL	Shoe	22
708	Curtiss-Wright	CW	387.37	3	3	31.6	0.2	Aerospace/Defense	31
2558	Dropbox, Inc.	DBX	29.29	3	2	11.7	NIL	Computer Software	30
361	Dutch Bros Inc	BROS	69.86	4	2	NMF	NIL	Restaurant	26
1752	Eaton Corp. plc	ETN	322.09	3	4	26.8	1.3	Diversified Co.	15
1016	EMCOR Group	EME	457.31	3	3	19.3	0.3	Engineering & Const	6
1946	Empire Company Ltd.	EMPA.TO	50.31	2	3	17.7	1.7	Retail/Wholesale Food	1
800	Encompass Health	EHC	116.93	3	3	24.1	0.6	Medical Services	19
2517	Euronet Worldwide	EEFT	111.32	3	4	14.4	NIL	Financial Svcs. (Div.)	17
2006	Everest Group ■	EG	347.80	3	3	7.1	2.4	Reinsurance	9
149	Federal Signal	FSS	93.63	2	4	25.0	0.6	Heavy Truck & Equip	3
2520	FirstCash Holdings	FCFS	132.16	3	2	19.6	1.2	Financial Svcs. (Div.)	17
2016	Fortinet Inc.	FTNT	102.04	3	2	44.4	NIL	Cyber Security	59
1557	Globe Life Inc.	GL	120.72	3	1	8.8	0.9	Insurance (Life)	56
926	Gogo Inc. ■	GOGO	12.36	5	3	24.7	NIL	Telecom. Services	53
982	Goodyear Tire	GT	10.97	4	4	7.3	NIL	Auto Parts	43
1989	Grand Canyon Educ.	LOPE	195.73	3	3	22.4	NIL	Educational Services	2
2128	Group 1 Automotive ■	GPI	443.54	3	2	10.7	0.5	Retail Automotive	20
804	HCA Healthcare	HCA	363.28	3	2	14.7	0.8	Medical Services	19
2524	Hartford Ins. Group	HIG	128.64	3	3	11.6	1.6	Financial Svcs. (Div.)	17
715	Howmet Aerospace	HWM	156.96	3	3	49.8	0.3	Aerospace/Defense	31
394	Huron Consulting	HURN	153.20	3	2	21.4	NIL	Industrial Services	5
214	IDEXX Labs.	IDXX	509.53	3	5	42.5	NIL	Med Supp Non-Invasive	50
176	Insulet Corp.	PODD	316.67	3	2	76.3	NIL	Med Supp Invasive	68
1336	Jabil Inc.	JBL	161.74	3	3	17.4	0.2	Electronics	25
119	Keysight Technologies	KEYS	162.63	3	3	23.0	NIL	Precision Instrument	40
1571	Kinross Gold ■	KGC	13.70	3	2	13.7	0.9	Precious Metals	7
396	Leidos Hldgs.	LDOS	156.09	3	3	14.6	1.0	Industrial Services	5
2312	Life Time Group	LTH	29.61	3	2	25.7	NIL	Recreation	52
1950	Loblaw Cos. Ltd.	L.TO	213.89	1	3	29.5	1.0	Retail/Wholesale Food	1
2526	Loews Corp.	L	89.27	2	2	12.8	0.3	Financial Svcs. (Div.)	17
431	MSCI Inc.	MSCI	568.97	3	3	35.3	1.3	Information Services	41
1021	MYR Group	MYRG	159.79	3	4	24.4	NIL	Engineering & Const	6
512	Marathon Petroleum	MPC	158.14	3	5	21.1	2.3	Petroleum (Integrated)	54
765	Markel Group	MKL	1918.71	2	3	9.1	NIL	Insurance (Prop/Cas.)	11
2529	Mastercard Inc.	MA	578.27	2	3	35.0	0.5	Financial Svcs. (Div.)	17
2397	Matador Resources ■	MTDR	44.69	4	3	7.8	2.8	Petroleum (Producing)	28
2611	Match Group	MTCH	28.40	3	3	13.9	2.8	Internet	24
397	MAXIMUS Inc.	MMS	76.80	2	3	12.7	1.6	Industrial Services	5
220	McKesson Corp.	MCK	687.52	1	2	19.1	0.5	Med Supp Non-Invasive	50
809	Medpace Holdings	MEDP	313.74	3	3	24.1	NIL	Medical Services	19
107	Mercedes-Benz AG ■	MBGAF	58.52	3	4	6.5	7.6	Automotive	36
2565	Microsoft Corp.	MSFT	449.26	1	5	32.6	0.8	Computer Software	30
932	Millicom Int'l Cellular ■	TIGO	34.46	3	2	15.3	8.7	Telecom. Services	53
1972	Monster Beverage	MNST	61.36	1	2	34.1	NIL	Beverage	74
1729	Mueller Water Prod.	MWA	25.40	3	2	20.0	1.1	Machinery	38
2179	National Vision Hldgs. ■	EYE	18.76	4	4	31.3	NIL	Retail (Hardlines)	4
2338	Netflix, Inc.	NFLX	1110.00	3	3	44.8	NIL	Entertainment	27
1186	O-I Glass	OI	13.79	4	5	NMF	NIL	Packaging & Container	12
768	Old Republic	ORI	37.90	3	1	11.8	3.1	Insurance (Prop/Cas.)	11
812	Option Care Health	OPCH	31.86	3	1	24.5	NIL	Medical Services	19
2570	Palantir Technologies	PLTR	118.46	3	3	NMF	NIL	Computer Software	30
1642	Paycom Software	PAYC	258.38	3	2	28.6	0.6	Human Resources	48
2318	Planet Fitness	PLNT	94.23	3	2	32.5	NIL	Recreation	52
1931	Post Holdings	POST	109.01	3	1	17.0	NIL	Food Processing	57
1024	Primoris Services ■	PRIM	70.85	3	3	18.6	0.4	Engineering & Const	6
409	Republic Services	RSG	241.46	1	1	35.1	1.0	Environmental	33
2153	Ross Stores	ROST	149.26	3	5	23.3	1.1	Retail Store	21
2578	Salesforce, Inc.	CRM	288.82	3	2	42.8	0.6	Computer Software	30
399	Science Applications	SAIC	119.68	3	4	12.9	1.2	Industrial Services	5
1344	Sony Group ADR	SONY	24.74	2	2	16.2	0.5	Electronics	25
1954	Sprouts Farmers Market	SFM	156.99	3	3	34.1	NIL	Retail/Wholesale Food	1
1028	Sterling Infrastruc.	STRL	183.27	3	3	26.2	NIL	Engineering & Const	6
2538	Synchrony Financial ■	SYF	60.36	3	3	7.4	2.0	Financial Svcs. (Div.)	17
787	Synovus Financial	SNV	49.35	3	3	10.3	3.2	Bank (Regional)	42
937	T-Mobile US	TMUS	240.32	1	1	21.0	1.5	Telecom. Services	53
815	Tenet Healthcare	THC	154.57	4	2	12.4	NIL	Medical Services	19
728	TransDigm Group	TDG	1417.18	3	3	40.1	NIL	Aerospace/Defense	31
1956	US Foods Hldg.	USFD	73.54	3	3	19.6	NIL	Retail/Wholesale Food	1
2184	Ulta Beauty	ULTA	412.38	3	4	18.0	NIL	Retail (Hardlines)	4
828	Veeva Systems	VEEV	241.44	3	2	34.5	NIL	Healthcare Information	47
1816	VeriSign Inc.	VRSN	279.59	2	2	32.0	1.1	Digital Infrastructure	69
1790	Virtu Financial ■	VIRT	42.53	3	3	13.7	2.3	Brokers & Exchanges	13
2540	Visa Inc.	V	355.85	1	3	31.5	0.7	Financial Svcs. (Div.)	17
1743	Watts Water Techn. ■	WTS	245.88	2	3	26.9	0.8	Machinery	38
1958	Weis Markets	WMK	78.46	3	2	19.4	1.7	Retail/Wholesale Food	1

■ **Newly added this week.**

Rank 1 Deletions:
Avnet, Inc.; Booz Allen Hamilton; Casey's Gen'l Stores; Caterpillar Inc.; Cintas Corp.; Dollarama Inc; Exelixis, Inc.; Fastenal Co.; Genpact Limited; Hilton Worldwide; Mercury General; Murphy USA Inc.; Palo Alto Networks; Privia Health; Steel Dynamics.

Rank removed–see supplement or report:
None.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

Continued from preceding page

TIMELY STOCKS

Stocks Ranked 2 (Above Average) for Relative Price Performance in the Next 12 Months

Page No.	Stock Name	Ticker	Recent Price	Ranks Technical	Ranks Safety	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
142	AGCO Corp. ▲	AGCO	105.44	3	4	23.4	1.1	Heavy Truck & Equip	3
1391	ASML Holding N.V.	ASML	750.20	3	4	32.0	0.9	Semiconductor Equip	78
1302	AZZ Inc.	AZZ	93.44	3	3	22.6	0.8	Electrical Equipment	16
195	Abbott Labs.	ABT	131.99	1	2	25.6	1.8	Med Supp Non-Invasive	50
1012	AECOM	ACM	106.33	3	3	20.3	1.0	Engineering & Const	6
703	AerCap Hldgs. NV	AER	111.34	4	3	9.1	1.0	Aerospace/Defense	31
2213	Affiliated Managers ▲	AMG	183.83	3	3	10.8	NIL	Asset Management	51
1565	Agnico Eagle Mines	AEM	106.46	3	2	22.9	1.5	Precious Metals	7
1802	Akamai Technologies	AKAM	78.79	3	3	16.9	NIL	Digital Infrastructure	69
143	Alamo Group ▲	ALG	199.76	3	3	19.5	0.6	Heavy Truck & Equip	3
2012	Alarm.com Holdings	ALRM	59.97	3	4	25.0	NIL	Cyber Security	59
1944	Albertsons Companies	ACI	22.30	3	1	10.8	2.7	Retail/Wholesale Food	1
2621	Alibaba Group ADS	BABA	132.55	3	3	11.3	NIL	E-Commerce	18
199	Align Techn.	ALGN	189.00	3	5	19.0	NIL	Med Supp Non-Invasive	50
830	Alkermes plc ▲	ALKS	31.27	3	2	17.4	NIL	Biotechnology	90
970	Allison Transmission ▲	ALSN	103.29	3	3	12.2	1.0	Auto Parts	43
2589	Amdocs Ltd.	DOX	92.30	1	3	17.3	2.1	IT Services	14
2504	Amer. Express	AXP	298.92	3	3	20.9	1.1	Financial Svcs. (Div.)	17
1747	AMETEK, Inc.	AME	179.38	2	3	28.0	0.7	Diversified Co.	15
1566	AngloGold Ashanti plc	AU	40.16	3	3	12.4	6.9	Precious Metals	7
579	Antero Midstream Corp.	AM	18.19	3	3	17.3	4.9	Oil/Gas Distribution	64
2506	Aon plc	AON	353.57	1	1	20.5	0.8	Financial Svcs. (Div.)	17
1704	Applied Ind'l Techn.	AIT	233.65	3	2	23.2	0.8	Machinery	38
2549	AppLovin Corp.	APP	347.90	4	2	43.5	NIL	Computer Software	30
1178	AptarGroup	ATR	155.52	1	3	27.8	1.2	Packaging & Container	12
972	Aptiv PLC	APTV	66.93	3	4	12.1	NIL	Auto Parts	43
739	ArcelorMittal	MT	31.20	3	2	8.8	1.8	Steel	23
951	Arista Networks	ANET	92.32	3	3	36.2	NIL	Telecom. Equipment	35
2119	Asbury Automotive	ABG	235.96	3	2	8.8	NIL	Retail Automotive	20
2507	Assurant Inc.	AIZ	202.07	2	2	12.7	1.6	Financial Svcs. (Div.)	17
2551	Autodesk, Inc.	ADSK	293.20	3	3	52.4	NIL	Computer Software	30
975	Autoliv, Inc.	ALV	101.01	3	5	10.9	2.8	Auto Parts	43
1634	Automatic Data Proc.	ADP	309.38	1	3	30.0	2.0	Human Resources	48
2120	AutoNation, Inc.	AN	188.65	3	3	10.4	NIL	Retail Automotive	20
1325	Avnet, Inc. ▼	AVT	52.33	3	5	14.5	2.5	Electronics	25
349	BJ's Restaurants	BJRI	41.55	4	3	23.7	NIL	Restaurant	26
1224	BWX Technologies	BWXT	107.09	3	2	30.6	0.9	Power	79
114	Badger Meter	BMI	235.45	3	3	49.6	0.6	Precision Instrument	40
602	Bank of America	BAC	43.36	3	3	11.9	2.6	Bank	65
2172	Bath & Body Works	BBWI	33.43	4	3	9.6	2.4	Retail (Hardlines)	4
754	Berkley (W.R.)	WRB	72.20	2	2	16.4	0.4	Insurance (Prop/Cas.)	11
2173	Best Buy Co.	BBY	73.37	3	5	12.7	5.2	Retail (Hardlines)	4
2604	Booking Holdings	BKNG	5194.99	3	2	25.1	0.7	Internet	24
378	Booz Allen Hamilton ▼	BAH	124.67	3	5	18.0	1.8	Industrial Services	5
2350	Boyd Gaming	BYD	74.78	3	3	11.3	1.0	Hotel/Gaming	39
1748	Brady Corp.	BRC	75.16	2	3	17.5	1.3	Diversified Co.	15
351	Brinker Int'l	EAT	145.60	4	2	16.2	NIL	Restaurant	26
1610	Bristol-Myers Squibb	BMY	48.18	1	1	13.8	5.1	Drug	62
380	CACI Int'l	CACI	475.79	3	5	21.2	NIL	Industrial Services	5
1778	Cboe Global Markets	CBOE	221.12	2	2	28.3	1.1	Brokers & Exchanges	13
381	CBRE Group	CBRE	132.69	3	2	22.1	NIL	Industrial Services	5
1779	CME Group	CME	270.47	1	2	27.0	1.8	Brokers & Exchanges	13
2592	CSG Systems Int'l	CSGS	66.01	3	2	19.7	1.8	IT Services	14
794	CVS Health	CVS	64.81	3	1	11.1	4.4	Medical Services	19
1907	Cal-Maine Foods	CALM	92.67	2	2	5.3	14.9	Food Processing	57
953	Calix, Inc.	CALX	44.19	4	5	58.1	NIL	Telecom. Equipment	35
1113	Carlisle Cos.	CSL	401.02	3	5	17.8	1.1	Building Materials	37
740	Carpenter Technology	CRS	216.71	3	3	28.3	0.4	Steel	23
2174	Casey's Gen'l Stores ▼	CASY	436.80	2	2	27.8	0.5	Retail (Hardlines)	4
1611	Catalyst Pharmac.	CPRX	23.83	4	2	16.4	NIL	Drug	62
146	Caterpillar Inc. ▼	CAT	342.55	2	4	17.3	1.6	Heavy Truck & Equip	3
795	Centene Corp.	CNC	62.87	3	3	8.6	NIL	Medical Services	19
796	Charles River ▲	CRL	143.08	3	4	31.1	NIL	Medical Services	19
1945	Chefs' Warehouse	CHEF	61.79	4	3	41.2	NIL	Retail/Wholesale Food	1
580	Cheniere Energy Inc.	LNG	230.48	3	2	17.7	0.9	Oil/Gas Distribution	64
354	Chipotle Mex. Grill	CMG	50.76	3	3	44.1	NIL	Restaurant	26
2352	Choice Hotels Int'l	CHH	126.53	3	2	17.9	0.9	Hotel/Gaming	39
797	Cigna Group	CI	315.74	3	3	10.6	2.1	Medical Services	19
758	Cincinnati Financial	CINF	150.00	3	3	25.0	2.3	Insurance (Prop/Cas.)	11
382	Cintas Corp. ▼	CTAS	216.99	2	3	47.1	0.8	Industrial Services	5
1359	Cirrus Logic	CRUS	105.83	3	5	16.0	NIL	Semiconductor	76
955	Cisco Systems	CSCO	61.67	1	2	16.1	2.7	Telecom. Equipment	35
406	Clean Harbors	CLH	228.54	3	5	30.3	NIL	Environmental	33
2593	Cognizant Technology	CTSH	81.81	1	3	16.4	1.5	IT Services	14
384	Comfort Systems USA	FIX	451.86	3	3	23.1	0.4	Industrial Services	5
779	Commerce Bancshs.	CBSH	65.62	2	3	16.8	1.7	Bank (Regional)	42
742	Commercial Metals	CMC	48.44	3	4	14.6	1.5	Steel	23
167	CONMED Corp.	CNMD	60.73	3	3	13.8	1.3	Med Supp Invasive	68
305	Copa Holdings, S.A.	CPA	99.13	3	4	6.9	6.5	Air Transport	44
2125	Copart, Inc.	CPRT	62.16	2	3	38.1	NIL	Retail Automotive	20
1707	Core & Main	CNM	53.29	3	3	23.2	NIL	Machinery	38
385	CoreCivic, Inc.	CXW	21.64	4	3	22.8	NIL	Industrial Services	5
1183	Crown Holdings	CCK	97.78	3	3	14.3	1.1	Packaging & Container	12
977	Dana Inc. ▲	DAN	16.34	3	3	9.9	2.4	Auto Parts	43
356	Darden Restaurants	DRI	203.85	3	2	20.7	2.8	Restaurant	26
798	DaVita Inc.	DVA	144.43	3	2	13.6	NIL	Medical Services	19
148	Deere & Co.	DE	495.62	2	2	24.4	1.5	Heavy Truck & Equip	3
923	Deutsche Telekom ADR	DTEGY	35.16	2	1	17.6	2.9	Telecom. Services	53
210	DexCom Inc. ▲	DXCM	85.05	3	5	42.5	NIL	Med Supp Non-Invasive	50
2175	Dick's Sporting Goods	DKS	212.42	3	2	14.8	2.3	Retail (Hardlines)	4
572	Digi Int'l ▲	DGII	33.92	3	3	30.0	NIL	Wireless Networking	34
2142	Dillard's, Inc. ▲	DDS	395.73	4	4	12.0	0.3	Retail Store	21
2333	Disney (Walt) ▲	DIS	110.49	2	4	22.8	0.9	Entertainment	27
2143	Dollar General	DG	89.49	3	3	16.1	2.6	Retail Store	21
2145	Dollarama Inc ▼	DOL.TO	165.71	2	2	36.4	0.3	Retail Store	21
360	Domino's Pizza	DPZ	482.11	3	3	27.2	1.5	Restaurant	26
821	Doximity, Inc.	DOCS	61.04	3	2	58.1	NIL	Healthcare Information	47
1988	Duolingo, Inc. ▲	DUOL	517.83	3	3	90.1	NIL	Educational Services	2
1015	Dycom Inds.	DY	192.56	3	3	18.9	NIL	Engineering & Const	6
609	East West Bancorp	EWBC	95.57	3	3	10.9	2.6	Bank	65
2625	eBay Inc.	EBAY	69.16	3	2	15.0	1.7	E-Commerce	18
552	Ecolab Inc.	ECL	254.48	2	2	36.9	1.0	Chemical (Specialty)	72
169	Edwards Lifesciences	EW	74.80	3	3	30.5	NIL	Med Supp Invasive	68
709	Elbit Systems	ESLT	380.51	2	1	42.3	0.6	Aerospace/Defense	31
710	Embraer SA	ERJ	48.05	3	3	22.3	NIL	Aerospace/Defense	31
1228	EnerSys	ENS	98.72	3	5	11.7	1.0	Power	79
507	Equinor ASA	EQNR	23.11	3	3	6.6	7.1	Petroleum (Integrated)	54
958	Ericsson ADR	ERIC	8.40	3	2	24.0	3.4	Telecom. Equipment	35
1754	ESCO Technologies	ESE	179.57	3	3	35.2	0.2	Diversified Co.	15
836	Exelixis, Inc. ▼	EXEL	36.98	3	3	18.5	NIL	Biotechnology	90
2606	Expedia Group	EXPE	167.25	3	2	15.2	1.0	Internet	24
508	Exxon Mobil Corp.	XOM	109.16	2	3	13.4	3.6	Petroleum (Integrated)	54
960	F5, Inc.	FFIV	280.35	2	2	28.1	NIL	Telecom. Equipment	35
388	FTI Consulting	FCN	164.81	2	4	18.2	NIL	Industrial Services	5
1330	Fabrinet	FN	215.39	3	3	21.9	NIL	Electronics	25
428	Fair Isaac	FICO	2130.00	3	3	72.2	NIL	Information Services	41
1146	Fastenal Co. ▼	FAST	80.15	1	2	35.6	2.2	Retail Building Supply	55
2218	Federated Hermes ▲	FHI	42.94	3	3	10.3	2.9	Asset Management	51
307	FedEx Corp.	FDX	232.95	3	4	12.1	2.6	Air Transport	44
102	Ferrari N.V.	RACE	486.76	2	3	52.6	0.6	Automotive	36
150	Finning Int'l	FTT.TO	42.46	3	3	11.0	2.6	Heavy Truck & Equip	3
2521	Fiserv Inc.	FI	186.82	2	2	20.1	NIL	Financial Svcs. (Div.)	17
103	Ford Motor	F	10.55	3	4	8.8	5.7	Automotive	36
2334	Fox Corp. 'A'	FOXA	52.42	3	2	13.3	1.0	Entertainment	27
1912	Fresh Del Monte Prod.	FDP	32.76	3	1	10.2	3.8	Food Processing	57
1714	Gates Industrial plc	GTES	22.00	3	3	15.9	NIL	Machinery	38
104	Gen'l Motors	GM	49.61	3	3	4.6	1.0	Automotive	36
391	Genpact Limited ▼	G	43.54	2	1	12.3	1.6	Industrial Services	5
1793	Goldman Sachs	GS	591.34	2	3	12.7	2.0	Investment Banking	83
1755	Graham Hldgs.	GHC	987.93	3	2	19.5	0.7	Diversified Co.	15
1309	Grainger (W.W.)	GWW	1067.45	2	3	25.9	0.8	Electrical Equipment	16
612	HSBC Holdings PLC	HSBC	58.24	2	3	12.3	2.6	Bank	65
761	Hanover Insurance ▲	THG	167.57	2	2	11.6	2.2	Insurance (Prop/Cas.)	11
713	HEICO Corp.	HEI	268.48	2	2	61.0	0.1	Aerospace/Defense	31
2525	Henry (Jack) & Assoc.	JKHY	181.66	1	2	30.5	1.3	Financial Svcs. (Div.)	17
1916	Herbalife Nutrition	HLF	7.06	5	3	3.7	NIL	Food Processing	57
2358	Hilton Worldwide ▼	HLT	252.42	3	3	31.4	0.2	Hotel/Gaming	39
1311	Hubbell Inc.	HUBB	378.41	2	4	21.9	1.4	Electrical Equipment	16
807	IQVIA Holdings ▲	IQV	156.13	3	3	13.2	NIL	Medical Services	19
1759	ITT Inc.	ITT	149.41	2	3	23.3	0.9	Diversified Co.	15
1719	Illinois Tool Works	ITW	250.31	1	3	24.2	2.4	Machinery	38
1980	Imperial Brands PLC	IMBBY	38.94	2	3	9.9	5.9	Tobacco	10
511	Imperial Oil Ltd.	IMO	72.47	3	3	10.6	2.8	Petroleum (Integrated)	54
1781	Interactive Brokers	IBKR	197.24	3	3	26.3	0.6	Brokers & Exchanges	13
2563	Int'l Business Mach.	IBM	253.69	1	2	23.4	2.8	Computer Software	30
575	Itron Inc.	ITRI	112.44	3	3	21.4	NIL	Wireless Networking	34
1618	Johnson & Johnson	JNJ	154.14	1	2	14.0	3.4	Drug	62
1721	Johnson Ctrls. Int'l plc ▲	JCI	95.28	2	3	26.1	1.6	Machinery	38
1400	KLA Corp.	KLAC	760.47	3	3	23.8	0.9	Semiconductor Equip	78
762	Kemper Corp.	KMPR	65.52	3	2	10.9	2.0	Insurance (Prop/Cas.)	11
733	Kennametal Inc. ▲	KMT	21.92	3	4	17.4	3.6	Metal Fabricating	8
763	Kinsale Capital	KNSL	456.81	3	2	25.4	0.1	Insurance (Prop/Cas.)	11
1639	Korn Ferry	KFY	68.02	3	3	13.2	2.8	Human Resources	48
1949	Kroger Co.	KR	69.04	2	2	14.7	2.0	Retail/Wholesale Food	1
2597	Kyndryl Holdings	KD	39.02	3	3	35.5	NIL	IT Services	14
983	LKQ Corp.	LKQ	42.00	3	4	11.8	2.9	Auto Parts	43
1402	Lam Research	LRCX	82.25	3	4	21.2	1.1	Semiconductor Equip	78
984	Lear Corp.	LEA	94.84	3	4	7.5	3.2	Auto Parts	43
1161	Leggett & Platt	LEG	9.61	3	4	8.7	2.1	Furn/Home Furnishings	70
560	Linde plc	LIN	454.42	1	2	27.5	1.3	Chemical (Specialty)	72
151	Lindsay Corp.	LNN	137.81	3	3	20.2	1.1	Heavy Truck & Equip	3
2129	Lithia Motors	LAD	321.79	3	3	9.6	0.7	Retail Automotive	20
1416	Logitech Int'l	LOGI	86.23	3	4	20.2	1.7	Computers/Peripherals	75
1150	Lowe's Cos.	LOW	232.78	2	3	18.8	2.0	Retail Building Supply	55
2194	lululemon athletica	LULU	304.20	3	4	20.3	NIL	Retail (Softlines)	46
2527	MGIC Investment	MTG	26.58	3	3	8.6	2.2	Financial Svcs. (Div.)	17
2363	MGM Resorts Int'l	MGM	34.66	4	5	15.1	NIL	Hotel/Gaming	39
2364	Marriott Int'l	MAR	271.96	3	3	26.7	0.9	Hotel/Gaming	39
1123	Martin Marietta	MLM	553.06	3	5	29.5	0.6	Building Materials	37
2314	Mattel, Inc.	MAT	19.00	3	3	11.5	NIL	Recreation	52

▲ Arrow indicates the direction of a change in Timeliness. ■ Newly added this week.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

Continued from preceding page

TIMELY STOCKS

Stocks Ranked 2 (Above Average) for Relative Price Performance in the Next 12 Months

Page No.	Stock Name	Ticker	Recent Price	Ranks Technical	Ranks Safety	Current P/E Ratio	Est'd % Yield	Industry Group	Industry Rank
363	McDonald's Corp.	MCD	311.92	1	2	25.3	2.3	Restaurant	26
183	Medtronic plc	MDT	85.81	1	2	15.0	3.3	Med Supp Invasive	68
2627	MercadoLibre, Inc.	MELI	2504.61	3	3	53.3	NIL	E-Commerce	18
1620	Merck & Co.	MRK	80.43	1	3	9.0	4.0	Drug	62
766	Mercury General ▼	MCY	60.51	3	3	17.5	2.1	Insurance (Prop/Cas.)	11
2612	Meta Platforms	META	639.43	3	3	25.2	0.3	Internet	24
1951	Metro Inc.	MRU.TO	102.65	2	2	21.1	1.4	Retail/Wholesale Food	1
810	Molina Healthcare	MOH	327.69	3	3	12.6	NIL	Medical Services	19
2367	Monarch Casino	MCRI	82.01	4	2	16.1	1.5	Hotel/Gaming	39
1600	Mosaic Company ▲	MOS	32.95	3	5	18.3	2.7	Chemical (Basic)	45
734	Mueller Inds.	MLI	78.21	3	2	13.8	1.2	Metal Fabricating	8
2178	Murphy USA Inc. ▼	MUSA	439.48	3	2	16.9	0.5	Retail (Hardlines)	4
1234	NRG Energy	NRG	150.61	3	3	30.1	1.2	Power	79
1785	Nasdaq, Inc.	NDAQ	80.75	1	3	25.2	1.3	Brokers & Exchanges	13
2376	New York Times	NYT	54.24	3	3	27.1	1.3	Publishing	29
564	NewMarket Corp.	NEU	636.65	1	3	12.2	1.7	Chemical (Specialty)	72
1572	Newmont Corp.	NEM	50.78	3	2	12.2	2.0	Precious Metals	7
2339	Nexstar Media Group	NXST	169.65	3	3	11.3	4.4	Entertainment	27
933	NICE Ltd. ADR	NICE	164.00	3	4	13.4	NIL	Telecom. Services	53
2163	NIKE, Inc. 'B'	NKE	62.58	3	3	35.4	2.6	Shoe	22
1506	Northwest Bancshares ▲	NWBI	12.67	3	4	11.5	6.3	Thrift	32
1404	Nova, Ltd.	NVMI	195.64	3	2	27.9	NIL	Semiconductor Equip	78
1313	nVent Electric plc	NVT	66.54	3	5	21.8	1.2	Electrical Equipment	16
125	OSI Systems ▲	OSIS	226.99	3	3	27.6	NIL	Precision Instrument	40
2132	O'Reilly Automotive	ORLY	1339.61	2	1	30.2	NIL	Retail Automotive	20
914	Otter Tail Corp.	OTTR	78.28	2	3	12.6	2.7	Electric Util. (Central)	60
534	Ovintiv Inc.	OVV	38.10	3	3	7.8	3.1	Natural Gas (Div.)	84
2019	Palo Alto Networks ▼	PANW	193.50	3	2	NMF	NIL	Cyber Security	59
1762	Parker-Hannifin ▲	PH	668.76	3	3	23.7	1.0	Diversified Co.	15
1641	Paychex, Inc.	PAYX	151.69	2	2	29.3	2.6	Human Resources	48
2531	PayPal Holdings	PYPL	72.31	3	4	15.1	NIL	Financial Svcs. (Div.)	17
2133	Penske Auto	PAG	165.52	3	3	12.0	2.9	Retail Automotive	20
184	Penumbra Inc.	PEN	297.55	3	1	82.7	NIL	Med Supp Invasive	68
1624	Perrigo Co. plc	PRGO	26.99	3	3	9.0	4.3	Drug	62
1981	Philip Morris Int'l	PM	164.83	2	2	23.2	3.3	Tobacco	10
1930	Pilgrim's Pride Corp.	PPC	46.31	3	1	9.7	NIL	Food Processing	57
598	Plains GP Hldgs. L.P.	PAGP	18.42	3	1	14.7	9.0	Pipeline MLPs	49
1339	Plexus Corp.	PLXS	131.36	3	3	18.8	NIL	Electronics	25
786	Popular Inc.	BPOP	103.61	3	3	10.9	2.7	Bank (Regional)	42
2152	PriceSmart	PSMT	103.89	3	3	21.3	1.2	Retail Store	21
1561	Primerica, Inc.	PRI	273.29	3	2	13.0	1.6	Insurance (Life)	56
826	Privia Health ▼	PRVA	25.06	3	2	71.6	NIL	Healthcare Information	47
769	Progressive Corp.	PGR	280.25	1	2	19.6	0.1	Insurance (Prop/Cas.)	11
735	Proto Labs, Inc.	PRLB	41.64	3	3	33.3	NIL	Metal Fabricating	8
1376	Qualcomm Inc.	QCOM	152.12	3	4	12.8	2.4	Semiconductor	76
2020	Qualys, Inc.	QLYS	136.48	3	3	26.2	NIL	Cyber Security	59
1025	Quanta Services ▲	PWR	332.79	3	3	32.6	0.1	Engineering & Const	6
156	REV Group Inc	REVG	37.36	3	3	15.6	0.6	Heavy Truck & Equip	3
770	RLI Corp.	RLI	74.81	2	2	24.1	0.8	Insurance (Prop/Cas.)	11
2114	Ralph Lauren	RL	264.51	3	3	19.9	1.2	Apparel	80
1377	Rambus Inc.	RMBS	54.11	3	3	22.5	NIL	Semiconductor	76
2400	Range Resources	RRC	39.00	4	2	8.7	0.9	Petroleum (Producing)	28
745	Reliance, Inc.	RS	304.45	3	4	18.1	1.6	Steel	23
228	ResMed Inc.	RMD	247.66	3	3	25.3	0.9	Med Supp Non-Invasive	50
1315	Rockwell Automation	ROK	299.78	3	5	30.8	1.7	Electrical Equipment	16
398	Rollins, Inc.	ROL	55.73	2	3	50.7	1.2	Industrial Services	5
2320	Royal Caribbean	RCL	242.18	4	2	16.3	0.7	Recreation	52
1574	Royal Gold	RGLD	170.87	2	2	24.6	1.1	Precious Metals	7
2134	Rush Enterprises 'A' ▲	RUSHA	50.74	3	1	13.2	1.4	Retail Automotive	20
325	Ryder System	R	156.56	3	2	12.2	2.1	Trucking	85
2225	SEI Investments	SEIC	83.66	2	3	17.6	1.2	Asset Management	51
2576	SS&C Techn. Hldgs	SSNC	79.87	3	1	13.9	1.3	Computer Software	30
1342	Sanmina Corp.	SANM	83.46	3	2	13.7	NIL	Electronics	25
2629	Sea Limited ADS	SE	142.45	4	3	NMF	NIL	E-Commerce	18
1189	Sealed Air	SEE	32.22	3	3	12.9	2.5	Packaging & Container	12
772	Selective Ins. Group	SIGI	90.23	2	3	11.7	1.8	Insurance (Prop/Cas.)	11
2580	ServiceNow, Inc.	NOW	1015.60	3	3	NMF	NIL	Computer Software	30
2535	Shift4 Payments Inc	FOUR	90.07	4	3	21.2	NIL	Financial Svcs. (Div.)	17
1190	Silgan Holdings	SLGN	54.57	2	3	13.1	1.5	Packaging & Container	12
1934	Simply Good Foods	SMPL	35.96	3	2	18.3	NIL	Food Processing	57
2536	SoFi Technologies Inc	SOFI	14.04	4	3	46.8	NIL	Financial Svcs. (Div.)	17
1192	Sonoco Products	SON	45.89	2	4	9.0	4.6	Packaging & Container	12
311	Southwest Airlines ▲	LUV	31.27	3	4	31.3	2.3	Air Transport	44
1953	SpartanNash Co.	SPTN	19.10	3	3	11.2	4.7	Retail/Wholesale Food	1
1027	Stantec Inc.	STN.TO	130.77	1	3	25.4	0.6	Engineering & Const	6
747	Steel Dynamics ▼	STLD	136.53	3	3	14.7	1.5	Steel	23
1992	Strategic Education	STRA	89.02	3	4	16.3	2.7	Educational Services	2
1993	Stride, Inc.	LRN	149.30	3	3	20.8	NIL	Educational Services	2
2182	Sunoco LP ▲	SUN	55.53	3	1	7.5	6.5	Retail (Hardlines)	4
1317	TE Connectivity	TEL	160.98	2	5	19.5	1.8	Electrical Equipment	16
2154	TJX Companies	TJX	131.49	2	2	28.6	1.3	Retail Store	21
1788	TMX Group Ltd	X.TO	54.94	2	2	28.9	1.5	Brokers & Exchanges	13
1347	TTM Technologies ▲	TTMI	28.90	3	3	15.2	NIL	Electronics	25
2183	Tapestry Inc.	TPR	82.66	3	3	16.2	1.7	Retail (Hardlines)	4
2419	TechnipFMC plc	FTI	30.75	3	3	14.3	0.8	Oilfield Svcs/Equip.	71
1127	Tecnoglass Inc.	TGLS	86.76	4	3	20.4	0.7	Building Materials	37
727	Teledyne Technologies	TDY	493.92	2	2	23.0	NIL	Aerospace/Defense	31
736	Tenaris S.A. ADS	TS	34.73	3	2	11.2	2.6	Metal Fabricating	8
158	Terex Corp.	TEX	44.79	3	4	9.1	1.5	Heavy Truck & Equip	3
2401	Texas Pacif. Land Corp.	TPL	1341.12	3	2	65.4	0.5	Petroleum (Producing)	28
1128	TopBuild Corp.	BLD	312.10	3	3	14.9	NIL	Building Materials	37
159	Toro Co.	TTC	75.80	3	3	17.2	2.0	Heavy Truck & Equip	3
520	TotalEnergies SE ADR	TTE	58.70	2	4	8.4	6.0	Petroleum (Integrated)	54
1740	Trane Technologies plc	TT	416.15	3	3	32.5	0.9	Machinery	38
2370	Travel + Leisure	TNL	50.35	3	3	9.2	4.4	Hotel/Gaming	39
773	Travelers Cos.	TRV	268.06	1	2	14.4	1.6	Insurance (Prop/Cas.)	11
1768	TriMas Corp.	TRS	24.54	3	4	35.1	0.7	Diversified Co.	15
1645	TriNet Group	TNET	84.47	3	4	24.8	1.3	Human Resources	48
1982	Turning Point Brands	TPB	69.97	3	2	20.0	0.4	Tobacco	10
544	UGI Corp.	UGI	34.48	3	3	10.2	4.4	Natural Gas Utility	58
2617	Uber Technologies ▲	UBER	88.10	3	3	40.0	NIL	Internet	24
576	Ubiquiti Inc. ▲	UI	434.21	3	3	45.9	0.6	Wireless Networking	34
2584	UiPath, Inc.	PATH	13.09	4	5	23.8	NIL	Computer Software	30
1957	United Natural Foods	UNFI	28.24	4	2	70.6	NIL	Retail/Wholesale Food	1
2326	United Parks & Resorts	PRKS	49.35	4	4	10.2	NIL	Recreation	52
1319	Universal Display	OLED	154.95	3	5	32.8	1.2	Electrical Equipment	16
817	Universal Health 'B'	UHS	191.55	3	3	10.6	0.4	Medical Services	19
1563	Unum Group	UNM	80.86	3	2	8.6	2.2	Insurance (Life)	56
2196	Urban Outfitters	URBN	57.26	3	3	12.7	NIL	Retail (Softlines)	46
2136	Valvoline Inc.	VVV	34.98	3	4	20.9	NIL	Retail Automotive	20
436	Verisk Analytics	VRSK	303.65	2	2	43.1	0.6	Information Services	41
1240	Vistra Corp.	VST	146.09	3	3	21.3	0.6	Power	79
946	Vodafone Group ADR	VOD	9.07	3	3	9.5	5.2	Telecom. Services	53
1210	WD-40 Co.	WDFC	237.21	2	4	37.4	1.5	Household Products	86
347	Wabtec Corp.	WAB	200.99	3	3	23.1	0.5	Railroad	66
2157	Walmart Inc.	WMT	96.75	1	3	37.5	1.0	Retail Store	21
233	Waters Corp.	WAT	366.67	2	3	30.8	NIL	Med Supp Non-Invasive	50
626	Wells Fargo	WFC	74.88	3	3	12.8	2.4	Bank	65
1959	Weston (George)	WN.TO	257.92	2	2	24.6	1.3	Retail/Wholesale Food	1
1576	Wheaton Precious Met.	WPM	78.98	3	3	38.5	0.8	Precious Metals	7
1167	Williams-Sonoma	WSM	173.80	3	3	20.4	1.5	Furn/Home Furnishings	70
403	WillScot Holdings Corp.	WSC	29.65	3	4	24.7	NIL	Industrial Services	5
789	Wintrust Financial ▲	WTFC	121.68	3	3	11.7	1.6	Bank (Regional)	42
729	Woodward, Inc.	WWD	201.47	3	3	31.8	0.6	Aerospace/Defense	31
993	XPEL, Inc. ▲	XPEL	38.32	4	3	12.8	NIL	Auto Parts	43
1744	Xylem Inc.	XYL	127.25	3	4	27.4	1.3	Machinery	38
2618	Yelp, Inc.	YELP	40.30	3	3	18.3	NIL	Internet	24
372	Yum China Holdings	YUMC	46.11	3	1	18.1	2.1	Restaurant	26
1631	Zoetis Inc.	ZTS	161.92	2	4	26.5	1.2	Drug	62
947	Zoom Communications	ZM	82.67	3	3	26.7	NIL	Telecom. Services	53

▲ Arrow indicates the direction of a change in Timeliness. ■ Newly added this week.

Rank 2 Deletions:

ACI Worldwide; Amer. States Water; Builders FirstSource; Bunge Global SA; Charter Communic.; Coeur Mining; Costco Wholesale; Dorman Products; EOG Resources; Enphase Energy; Expeditorsw Int'l; Genuine Parts; HF Sinclair; Hecla Mining; JPMorgan Chase; Jazz Pharmac. plc; Kinder Morgan Inc.; Lincoln Elec Hldgs.; Marsh & McLennan; Molson Coors Beverage; Motorola Solutions; Northrop Grumman; Performance Food; Sysco Corp.; Taiwan Semic. ADR; Thermo Fisher Sci.; Toromont Inds.; Utz Brands; W.P. Carey Inc.; WESCO Int'l.

Rank removed–see supplement or report: None.

Rank 3 Deletions:

Aflac Inc.; Alliant Energy; Arhaus, Inc.; Azenta, Inc.; BellRing Brands; Black Stone Minerals; BlackRock, Inc.; Boise Cascade; Brookfield Corp.; Brown-Forman 'B'; Carter's Inc.; CenterPoint Energy; Church & Dwight; Coca-Cola; Cullen/Frost Bankers; Edgewell Personal Care; Energizer Holdings; Fortive Corp.; Grab Holdings Limited; Hillenbrand, Inc.; Integra LifeSciences; Liberty Latin Amer.; LivaNova PLC; Masimo Corp.; Morgan Stanley; OGE Energy; ONEOK Inc.; Onto Innovation; Procter & Gamble; Public Storage; Rayonier Inc.; Repligen Corp.; Somnigroup Int'l; Southern Co.; Warner Music Group; Willis Towers Wat. plc; YETI Holdings.

Rank removed–see supplement or report: None.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

KPSC Case No. 2025-00257
AG-KIUC's First Set of Data Requests
Dated September 29, 2025
Item No. 88
October 15, 2025 Supplemental Response
Supplemental Attachment 1
Page 166 of 598

Stocks Ranked 1 (Highest) for Relative Safety

Page No.	Stock Name	Recent Price	Rank Time-liness	Rank Tech-nical	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
1746	ABB Ltd. ADR	(NDQ) 55.29	3	3	22.1	1.8	Diversified Co.	15
195	Abbott Labs.	131.99	2	2	25.6	1.8	Med Supp Non-Invasive	50
1604	AbbVie Inc.	190.07	3	2	15.5	3.5	Drug	62
2588	Accenture Plc	322.09	3	4	24.9	1.8	IT Services	14
902	ALLETE	65.58	–	–	17.7	4.5	Electric Util. (Central)	60
903	Alliant Energy	(NDQ) 59.52	4	1	18.3	3.4	Electric Util. (Central)	60
2603	Alphabet Inc.	(NDQ) 159.58	1	2	17.9	0.6	Internet	24
2589	Amdocs Ltd.	(NDQ) 92.30	2	3	17.3	2.1	IT Services	14
904	Ameren Corp.	95.42	3	1	19.3	3.0	Electric Util. (Central)	60
905	Amer. Elec. Power	100.99	3	1	17.3	3.8	Electric Util. (Central)	60
1771	Amer. States Water	78.17	3	4	23.7	2.5	Water Utility	61
832	Amgen	(NDQ) 274.76	3	2	13.4	3.5	Biotechnology	90
1304	Amphenol Corp.	84.46	1	3	36.7	0.8	Electrical Equipment	16
2506	Aon plc	353.57	2	1	20.5	0.8	Financial Svcs. (Div.)	17
1411	Apple Inc.	(NDQ) 210.79	3	2	28.1	0.5	Computers/Peripherals	75
1178	AptarGroup	155.52	2	3	27.8	1.2	Packaging & Container	12
536	Atmos Energy	155.23	3	3	20.9	2.3	Natural Gas Utility	58
1634	Automatic Data Proc.	(NDQ) 309.38	2	3	30.0	2.0	Human Resources	48
605	Bank of Nova Scotia	(TSE) 70.74	5	3	10.1	6.2	Bank	65
755	Berkshire Hathaway 'B'	514.30	3	1	25.7	NIL	Insurance (Prop/Cas.)	11
1610	Bristol-Myers Squibb	48.18	2	1	13.8	5.1	Drug	62
2511	Brown & Brown	110.76	3	1	29.5	0.6	Financial Svcs. (Div.)	17
1963	Brown-Forman 'B'	35.28	4	4	17.3	2.8	Beverage	74
2591	CGI Inc	(TSE) 151.00	1	3	19.4	NIL	IT Services	14
1779	CME Group	(NDQ) 270.47	2	2	27.0	1.8	Brokers & Exchanges	13
606	Can. Imperial Bank	(TSE) 89.08	3	3	11.3	4.4	Bank	65
340	Can. National Railway	104.70	4	3	18.1	2.5	Railroad	66
2013	Check Point Software	(NDQ) 217.23	1	2	21.7	NIL	Cyber Security	59
1750	Chemed Corp.	569.11	1	1	22.6	0.4	Diversified Co.	15
1195	Church & Dwight	95.18	4	1	25.7	1.2	Household Products	86
955	Cisco Systems	(NDQ) 61.67	2	2	16.1	2.7	Telecom. Equipment	35
1965	Coca-Cola	69.53	4	2	23.6	2.9	Beverage	74
2593	Cognizant Technology	(NDQ) 81.81	2	3	16.4	1.5	IT Services	14
1197	Colgate-Palmolive	89.14	3	1	24.4	2.3	Household Products	86
1007	Comcast Corp.	(NDQ) 34.72	3	4	8.1	3.6	Cable TV	67
130	Consol. Edison	103.54	3	2	18.3	3.3	Electric Utility (East)	88
2141	Costco Wholesale	(NDQ) 1016.15	3	3	55.3	0.5	Retail Store	21
1968	Diageo plc	114.87	3	4	17.0	3.7	Beverage	74
1997	Electronic Arts	(NDQ) 149.27	3	3	33.6	0.5	Entertainment Tech	94
1227	Emera Inc.	(TSE) 60.22	4	2	18.5	4.8	Power	79
582	Enbridge Inc.	(TSE) 62.29	4	2	20.4	6.1	Oil/Gas Distribution	64
909	Entergy Corp.	81.27	3	1	24.3	3.0	Electric Util. (Central)	60
387	Expeditors Int'l	116.08	3	4	21.1	1.3	Industrial Services	5
1146	Fastenal Co.	(NDQ) 80.15	2	2	35.6	2.2	Retail Building Supply	55
911	Fortis Inc.	(TSE) 65.37	3	2	19.2	3.8	Electric Util. (Central)	60
1332	FUJIFILM Hldgs. ADR	(NDQ) 11.53	3	3	15.2	1.7	Electronics	25
1615	GSK plc ADR	37.37	3	3	24.1	4.7	Drug	62
2522	Gallagher (Arthur J.)	331.28	3	2	44.2	0.8	Financial Svcs. (Div.)	17
712	Gen'l Dynamics	276.24	3	4	18.2	2.2	Aerospace/Defense	31
1914	Gen'l Mills	54.84	3	3	13.5	4.4	Food Processing	57
1616	Gilead Sciences	(NDQ) 103.82	3	1	22.6	3.0	Drug	62
2525	Henry (Jack) & Assoc.	(NDQ) 181.66	2	2	30.5	1.3	Financial Svcs. (Div.)	17
1917	Hershey Co.	167.58	4	3	19.0	3.4	Food Processing	57
1149	Home Depot	376.59	3	3	25.2	2.4	Retail Building Supply	55
1758	Honeywell Int'l	(NDQ) 219.34	3	3	21.2	2.1	Diversified Co.	15
1918	Hormel Foods	29.55	4	3	17.9	3.9	Food Processing	57
2204	IDACORP, Inc.	112.20	4	1	19.3	3.1	Electric Utility (West)	63
1718	IDEX Corp.	191.29	3	4	23.2	1.4	Machinery	38
1719	Illinois Tool Works	250.31	2	3	24.2	2.4	Machinery	38
1782	Intercontinental Exch.	173.44	3	3	25.7	1.1	Brokers & Exchanges	13
2563	Int'l Business Mach.	253.69	2	2	23.4	2.8	Computer Software	30
614	JPMorgan Chase	260.05	3	3	13.8	2.3	Bank	65
1618	Johnson & Johnson	154.14	2	2	14.0	3.4	Drug	62
1201	Kimberly-Clark	136.67	3	1	17.9	3.7	Household Products	86
322	Landstar System	(NDQ) 143.81	4	3	29.3	1.1	Trucking	85
1619	Lilly (Eli)	755.57	3	2	32.4	0.8	Drug	62
560	Linde plc	454.42	2	2	27.5	1.3	Chemical (Specialty)	72
1950	Loblaw Cos. Ltd.	(TSE) 213.89	1	3	29.5	1.0	Retail/Wholesale Food	1
719	Lockheed Martin	473.16	3	3	17.4	2.8	Aerospace/Defense	31
2528	Marsh & McLennan	227.03	3	2	25.8	1.5	Financial Svcs. (Div.)	17
363	McDonald's Corp.	311.92	2	2	25.3	2.3	Restaurant	26
220	McKesson Corp.	687.52	1	2	19.1	0.5	Med Supp Non-Invasive	50
183	Medtronic plc	85.81	2	2	15.0	3.3	Med Supp Invasive	68
1620	Merck & Co.	80.43	2	3	9.0	4.0	Drug	62
2565	Microsoft Corp.	(NDQ) 449.26	1	5	32.6	0.8	Computer Software	30
1928	Mondelez Int'l	(NDQ) 65.83	3	3	22.3	2.9	Food Processing	57
1972	Monster Beverage	(NDQ) 61.36	1	2	34.1	NIL	Beverage	74
1785	Nasdaq, Inc.	(NDQ) 80.75	2	3	25.2	1.3	Brokers & Exchanges	13
617	Nat'l Bank of Canada	(TSE) 126.02	5	3	11.1	3.8	Bank	65
1929	Nestle SA ADS	(NDQ) 102.19	3	3	21.1	3.3	Food Processing	57
564	NewMarket Corp.	636.65	2	3	12.2	1.7	Chemical (Specialty)	72
722	Northrop Grumman	479.16	3	3	17.1	1.8	Aerospace/Defense	31
1621	Novartis AG ADR	108.95	–	–	16.8	3.6	Drug	62
1220	Nuveen Muni Value Fund	8.68	–	–	NMF	4.5	Investment Co.	–
1974	PepsiCo, Inc.	(NDQ) 131.68	4	3	15.5	4.1	Beverage	74
1204	Procter & Gamble	160.90	4	2	22.4	2.6	Household Products	86
769	Progressive Corp.	280.25	2	2	19.6	0.1	Insurance (Prop/Cas.)	11
139	Public Serv. Enterprise	79.01	4	1	19.8	3.2	Electric Utility (East)	88
409	Republic Services	241.46	1	1	35.1	1.0	Environmental	33
2573	Roper Tech.	575.84	3	2	28.9	0.6	Computer Software	30
621	Royal Bank of Canada	(TSE) 169.01	4	3	11.8	3.6	Bank	65
1627	Sanofi ADR	(NDQ) 51.06	3	1	18.6	4.3	Drug	62
1027	Stantec Inc.	(TSE) 130.77	2	3	25.4	0.6	Engineering & Const	6
937	T-Mobile US	(NDQ) 240.32	1	1	21.0	1.5	Telecom. Services	53
1628	Takeda Pharmaceutical	AD 14.19	3	2	24.5	4.6	Drug	62
1385	Texas Instruments	(NDQ) 187.28	3	4	35.9	2.9	Semiconductor	76
231	Thermo Fisher Sci.	432.59	3	3	24.3	0.4	Med Supp Non-Invasive	50
434	Thomson Reuters	(TSE) 258.29	3	3	64.6	0.9	Information Services	41
1937	Tootsie Roll	32.34	3	2	27.0	1.1	Food Processing	57
160	Toromont Inds.	(TSE) 116.76	3	3	18.4	1.8	Heavy Truck & Equip	3
623	Toronto-Dominion	(TSE) 88.52	4	3	14.3	4.8	Bank	65
773	Travelers Cos.	268.06	2	2	14.4	1.6	Insurance (Prop/Cas.)	11
2583	Tyler Technologies	565.19	3	2	55.4	NIL	Computer Software	30
1209	Unilever PLC ADR	61.44	3	2	19.5	3.1	Household Products	86
346	Union Pacific	230.87	3	3	19.7	2.3	Railroad	66
944	Verizon Communic.	43.00	3	2	9.1	6.3	Telecom. Services	53
846	Vertex Pharmac.	(NDQ) 439.37	5	2	30.5	NIL	Biotechnology	90
2540	Visa Inc.	355.85	1	3	31.5	0.7	Financial Svcs. (Div.)	17
915	WEC Energy Group	104.97	3	1	20.0	3.4	Electric Util. (Central)	60
2157	Walmart Inc.	96.75	2	3	37.5	1.0	Retail Store	21
411	Waste Connections	186.58	3	1	40.1	0.7	Environmental	33
412	Waste Management	225.57	3	2	29.5	1.5	Environmental	33
1155	Watsco, Inc.	484.84	4	3	32.6	2.5	Retail Building Supply	55

Stocks Ranked 2 (Above Average) for Relative Safety

Page No.	Stock Name	Recent Price	Rank Time-liness	Rank Tech-nical	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
918	AT&T Inc.	27.01	3	1	11.5	4.1	Telecom. Services	53
1214	Adams Divers. Equity Fd	19.84	–	–	NMF	9.3	Investment Co.	–
198	Agilent Technologies	115.55	3	4	20.3	0.9	Med Supp Non-Invasive	50
2422	Air Products & Chem.	276.21	5	2	21.2	2.6	Chemical (Diversified)	92
162	Alcon Inc.	94.79	3	3	29.6	0.3	Med Supp Invasive	68
2169	Ali. Couche-Tard	(TSE) 69.51	3	4	15.9	1.2	Retail (Hardlines)	4
751	Allstate Corp.	202.49	3	2	11.1	2.0	Insurance (Prop/Cas.)	11
1978	Altria Group	56.95	3	2	10.6	7.2	Tobacco	10
2622	Amazon.com	(NDQ) 208.64	3	2	33.9	NIL	E-Commerce	18
1177	Amcor plc	9.34	4	4	12.3	5.5	Packaging & Container	12
919	America Movil	16.91	3	4	11.8	3.0	Telecom. Services	53
1772	Amer. Water Works	138.64	3	1	24.3	2.4	Water Utility	61
1747	AMETEK, Inc.	179.38	2	3	28.0	0.7	Diversified Co.	15
1355	Analog Devices	(NDQ) 223.15	3	4	29.1	1.8	Semiconductor	76
2546	ANSYS, Inc.	(NDQ) 345.43	–	–	31.1	NIL	Computer Software	30
2507	Assurant Inc.	202.07	2	2	12.7	1.6	Financial Svcs. (Div.)	17
1607	AstraZeneca PLC (ADS)	(NDQ) 68.95	3	4	15.2	2.3	Drug	62
1179	Avery Dennison	183.34	3	4	20.5	2.1	Packaging & Container	12
2005	AXIS Capital Hldgs.	100.54	1	3	8.8	1.8	Reinsurance	9
920	BCE Inc.	22.56	4	3	11.9	12.4	Telecom. Services	53
550	Balchem Corp.	(NDQ) 165.55	3	3	35.6	0.5	Chemical (Specialty)	72
603	Bank of Montreal	(TSE) 141.89	3	2	11.4	4.7	Bank	65
604	Bank of NY Mellon	87.10	3	3	13.2	2.4	Bank	65
164	Baxter Int'l Inc.	31.88	4	3	12.8	2.1	Med Supp Invasive	68
165	Becton, Dickinson	175.34	3	2	12.0	2.4	Med Supp Invasive	68
754	Berkley (W.R.)	72.20	2	2	16.4	0.4	Insurance (Prop/Cas.)	11
2201	Black Hills	58.07	3	2	14.2	4.6	Electric Utility (West)	63
2216	BlackRock, Inc.	958.03	4	2	20.0	2.2	Asset Management	51
166	Boston Scientific	102.87	1	2	35.5	NIL	Med Supp Invasive	68
1748	Brady Corp.	75.16	2	3	17.5	1.3	Diversified Co.	15

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

KPSC Case No. 2025-00257
AG-KIUC's First Set of Data Requests
Dated September 29, 2025
Item No. 88
October 15, 2025 Supplemental Response
Supplemental Attachment 1
Page 167 of 598

Continued from preceding page

Stocks Ranked 2 (Above Average) for Relative Safety

Page No.	Stock Name	Recent Price	Rank Time-liness	Rank Tech-nical	Current P/E Ratio	Est'd % Yield	Industry Group	Industry Rank
1979	Brit. Am. Tobacco ADR	40.98	3	2	8.8	7.3	Tobacco	10
421	Broadridge Fin'l	237.05	3	2	28.1	1.5	Information Services	41
1778	Cboe Global Markets (CBO)	221.12	2	2	28.3	1.1	Brokers & Exchanges	13
1182	CCL Industries (TSE)	78.40	3	4	17.2	1.5	Packaging & Container	12
316	C.H. Robinson (NDQ)	95.95	3	2	20.4	2.6	Trucking	85
906	CMS Energy Corp.	70.08	3	1	19.5	3.1	Electric Util. (Central)	60
756	CNA Fin'l	48.93	3	2	9.3	3.8	Insurance (Prop/Cas.)	11
339	CSX Corp. (NDQ)	30.31	3	4	18.4	1.7	Railroad	66
1907	Cal-Maine Foods (NDQ)	92.67	2	2	5.3	14.9	Food Processing	57
1773	California Water	47.02	3	3	15.7	2.6	Water Utility	61
1908	The Campbell's Company	35.94	4	3	11.7	4.6	Food Processing	57
341	Can. Pac. Kansas City	76.60	4	4	21.9	0.8	Railroad	66
1327	Canon Inc. ADR (NDQ)	32.28	3	3	14.3	3.2	Electronics	25
405	Casella Waste Sys. (NDQ)	113.24	4	2	NMF	NIL	Environmental	33
2174	Casey's Gen'l Stores (NDQ)	436.80	2	2	27.8	0.5	Retail (Hardlines)	4
146	Caterpillar Inc.	342.55	2	4	17.3	1.6	Heavy Truck & Equip	3
207	Cencora	278.38	1	3	17.9	0.8	Med Supp Non-Invasive	50
537	Chesapeake Utilities	122.91	3	1	21.6	2.3	Natural Gas Utility	58
505	Chevron Corp.	141.62	3	3	16.7	4.9	Petroleum (Integrated)	54
757	Chubb Ltd.	289.65	3	2	12.8	1.3	Insurance (Prop/Cas.)	11
382	Cintas Corp. (NDQ)	216.99	2	3	47.1	0.8	Industrial Services	5
1196	Clorox Co.	138.06	4	3	19.5	3.5	Household Products	86
1966	Coca-Cola Euro. Part.	87.67	3	2	20.6	2.6	Beverage	74
1006	Cogeco Communic. (TSE)	67.71	3	2	8.5	5.4	Cable TV	67
779	Commerce Bancshs. (NDQ)	65.62	2	3	16.8	1.7	Bank (Regional)	42
1909	Conagra Brands	23.31	4	3	9.9	6.3	Food Processing	57
208	Cooper Cos.	84.44	4	4	20.7	NIL	Med Supp Non-Invasive	50
2125	Copart, Inc. (NDQ)	62.16	2	3	38.1	NIL	Retail Automotive	20
1596	Corteva, Inc.	67.96	3	3	22.7	1.0	Chemical (Basic)	45
1519	CubeSmart	42.93	4	4	29.6	4.9	R.E.I.T.	89
147	Cummins Inc.	330.59	3	3	15.5	2.2	Heavy Truck & Equip	3
1215	DNP Select Inc. Fund	9.65	–	–	NMF	2.6	Investment Co.	–
908	DTE Energy	133.10	3	1	18.5	3.3	Electric Util. (Central)	60
209	Danaher Corp.	200.83	–	–	36.5	0.6	Med Supp Non-Invasive	50
148	Deere & Co.	495.62	2	2	24.4	1.5	Heavy Truck & Equip	3
923	Deutsche Telekom ADR(NDQ)	35.16	2	1	17.6	2.9	Telecom. Services	53
2333	Disney (Walt)	110.49	2	4	22.8	0.9	Entertainment	27
1996	Dolby Labs.	77.72	3	3	25.9	1.7	Entertainment Tech	94
2145	Dollarama Inc (TSE)	165.71	2	2	36.4	0.3	Retail Store	21
131	Dominion Energy	54.85	3	2	16.1	4.9	Electric Utility (East)	88
1709	Donaldson Co.	70.37	3	4	18.8	1.6	Machinery	38
1710	Dover Corp.	183.59	3	3	19.7	1.1	Machinery	38
132	Duke Energy	115.85	3	1	18.2	3.7	Electric Utility (East)	88
552	Ecolab Inc.	254.48	2	2	36.9	1.0	Chemical (Specialty)	72
709	Elbit Systems (NDQ)	380.51	2	1	42.3	0.6	Aerospace/Defense	31
1307	Emerson Electric	119.41	3	3	25.5	1.8	Electrical Equipment	16
1946	Empire Company Ltd. (TSE)	50.31	1	3	17.7	1.7	Retail/Wholesale Food	1
1522	Equinix, Inc. (NDQ)	870.47	3	3	84.5	2.2	R.E.I.T.	89
1523	Equity Lifestyle Propert (NDQ)	63.59	4	3	31.8	3.3	R.E.I.T.	89
1774	Essential Utilities	39.12	4	2	17.4	3.5	Water Utility	61
910	Evergy, Inc.	65.35	3	1	16.1	4.1	Electric Util. (Central)	60
133	Eversource Energy	62.25	5	4	13.1	4.9	Electric Utility (East)	88
508	Exxon Mobil Corp.	109.16	2	3	13.4	3.6	Petroleum (Integrated)	54
960	F5, Inc. (NDQ)	280.35	2	2	28.1	NIL	Telecom. Equipment	35
388	FTI Consulting	164.81	2	4	18.2	NIL	Industrial Services	5
427	FactSet Research	456.40	3	3	26.7	1.0	Information Services	41
149	Federal Signal	93.63	1	4	25.0	0.6	Heavy Truck & Equip	3
102	Ferrari N.V.	486.76	2	3	52.6	0.6	Automotive	36
2521	Fiserv Inc.	186.82	2	2	20.1	NIL	Financial Svcs. (Div.)	17
1911	Flowers Foods	17.60	3	3	13.5	5.5	Food Processing	57
1569	Franco-Nevada Corp.	158.67	3	2	38.2	1.0	Precious Metals	7
1308	Franklin Electric (NDQ)	89.69	3	3	21.6	1.2	Electrical Equipment	16
1333	Garmin Ltd.	197.98	3	2	26.1	1.8	Electronics	25
391	Genpact Limited	43.54	2	1	12.3	1.6	Industrial Services	5
980	Gentex Corp. (NDQ)	23.37	4	4	12.3	2.1	Auto Parts	43
2127	Genuine Parts	121.99	3	4	15.2	3.4	Retail Automotive	20
1793	Goldman Sachs	591.34	2	3	12.7	2.0	Investment Banking	83
1715	Graco Inc.	86.44	3	3	NMF	1.3	Machinery	38
1309	Grainger (W.W.)	1067.45	2	3	25.9	0.8	Electrical Equipment	16
2007	Great-West Lifeco (TSE)	51.26	3	1	10.5	4.8	Reinsurance	9
1776	H2O America	51.95	3	3	16.2	3.2	Water Utility	61
612	HSBC Holdings PLC	58.24	2	3	12.3	2.6	Bank	65
761	Hanover Insurance	167.57	2	2	11.6	2.2	Insurance (Prop/Cas.)	11
318	Heartland Express (NDQ)	8.91	4	3	NMF	0.9	Trucking	85
713	HEICO Corp.	268.48	2	2	61.0	0.1	Aerospace/Defense	31
1757	Hitachi, Ltd. ADR (NDQ)	26.86	3	4	21.8	1.1	Diversified Co.	15
105	Honda Motor ADR	30.93	3	5	7.1	4.3	Automotive	36
1794	Houlihan Lokey	177.85	3	3	26.9	1.3	Investment Banking	83
319	Hub Group (NDQ)	35.84	3	3	16.7	1.4	Trucking	85
1311	Hubbell Inc.	378.41	2	4	21.9	1.4	Electrical Equipment	16
320	Hunt (J.B.) (NDQ)	148.72	3	3	26.3	1.2	Trucking	85
1759	ITT Inc.	149.41	2	3	23.3	0.9	Diversified Co.	15
1980	Imperial Brands PLC (PNK)	38.94	2	3	9.9	5.9	Tobacco	10
2596	Infosys Ltd. ADR	18.65	3	4	19.8	2.8	IT Services	14
1919	Ingredion Inc.	137.23	3	3	12.4	2.3	Food Processing	57
557	Innospec Inc. (NDQ)	90.70	3	4	15.6	1.9	Chemical (Specialty)	72
1920	J&J Snack Foods (NDQ)	119.31	4	3	24.7	2.6	Food Processing	57
1019	Jacobs Solutions	127.51	–	–	20.3	1.0	Engineering & Const	6
1721	Johnson Ctrls. Int'l plc	95.28	2	3	26.1	1.6	Machinery	38
963	Juniper Networks	36.58	–	–	17.8	2.5	Telecom. Equipment	35
1921	Kellanova	82.30	–	–	21.1	2.8	Food Processing	57
1969	Keurig Dr Pepper	33.51	4	1	18.3	2.8	Beverage	74
1922	Kraft Heinz Co. (NDQ)	28.15	4	3	10.4	5.7	Food Processing	57
1949	Kroger Co.	69.04	2	2	14.7	2.0	Retail/Wholesale Food	1
718	L3Harris Technologies	218.96	4	4	25.0	2.2	Aerospace/Defense	31
1924	Lancaster Colony (NDQ)	170.32	3	4	25.0	2.2	Food Processing	57
1724	Lincoln Elec Hldgs. (NDQ)	194.89	3	3	20.7	1.5	Machinery	38
2526	Loews Corp.	89.27	1	2	12.8	0.3	Financial Svcs. (Div.)	17
1150	Lowe's Cos.	232.78	2	3	18.8	2.0	Retail Building Supply	55
1725	MSA Safety	161.57	3	5	20.2	1.4	Machinery	38
1726	MSC Industrial Direct	78.83	3	4	22.0	4.3	Machinery	38
765	Markel Group	1918.71	1	3	9.1	NIL	Insurance (Prop/Cas.)	11
2529	Mastercard Inc.	578.27	1	3	35.0	0.5	Financial Svcs. (Div.)	17
397	MAXIMUS Inc.	76.80	1	3	12.7	1.6	Industrial Services	5
1926	McCormick & Co.	76.49	3	2	25.1	2.4	Food Processing	57
1951	Metro Inc. (TSE)	102.65	2	2	21.1	1.4	Retail/Wholesale Food	1
1775	Middlesex Water (NDQ)	59.24	3	2	21.5	2.2	Water Utility	61
1798	Morgan Stanley	127.06	4	3	14.5	2.9	Investment Banking	83
965	Motorola Solutions	412.91	3	1	28.1	1.1	Telecom. Equipment	35
532	National Fuel Gas	80.41	3	2	13.2	2.6	Natural Gas (Div.)	84
538	New Jersey Resources	46.29	4	1	14.9	3.9	Natural Gas Utility	58
137	NextEra Energy	69.69	4	3	18.8	3.3	Electric Utility (East)	88
539	NiSource Inc.	38.32	4	1	17.4	3.0	Natural Gas Utility	58
1730	Nordson Corp. (NDQ)	203.00	3	4	20.2	1.5	Machinery	38
344	Norfolk Southern	239.11	3	3	19.1	2.3	Railroad	66
540	Northwest Natural	41.22	3	2	13.7	4.8	Natural Gas Utility	58
2205	NorthWestern Corp.	55.74	3	2	15.7	4.8	Electric Utility (West)	63
323	Old Dominion Freight (NDQ)	176.07	3	3	33.9	0.6	Trucking	85
541	ONE Gas, Inc.	74.60	3	2	17.3	3.6	Natural Gas Utility	58
2132	O'Reilly Automotive (NDQ)	1339.61	2	1	30.2	NIL	Retail Automotive	20
1731	Otis Worldwide	98.00	3	3	23.7	1.7	Machinery	38
914	Otter Tail Corp. (NDQ)	78.28	2	3	12.6	2.7	Electric Util. (Central)	60
2428	PPG Inds.	114.21	3	4	17.6	2.4	Chemical (Diversified)	92
138	PPL Corp.	34.57	4	1	18.7	3.2	Electric Utility (East)	88
154	PACCAR Inc. (NDQ)	95.74	3	3	14.3	4.8	Heavy Truck & Equip	3
1187	Packaging Corp.	190.39	3	2	17.9	2.6	Packaging & Container	12
1641	Paychex, Inc. (NDQ)	151.69	2	2	29.3	2.6	Human Resources	48
586	Pembina Pipeline (TSE)	51.77	4	2	15.5	5.3	Oil/Gas Distribution	64
1763	Pentair plc	98.16	3	3	20.7	1.0	Diversified Co.	15
1625	Pfizer, Inc.	23.09	3	3	9.2	7.4	Drug	62
1981	Philip Morris Int'l	164.83	2	2	23.2	3.3	Tobacco	10
2207	Pinnacle West Capital	90.07	3	1	18.8	4.0	Electric Utility (West)	63
2208	Portland General	42.62	3	3	13.1	5.0	Electric Utility (West)	63
825	Premier, Inc. (NDQ)	23.01	3	5	15.8	3.7	Healthcare Information	47
1203	Prestige Consumer	88.04	3	2	18.5	NIL	Household Products	86
2223	Price (T. Rowe) Group (NDQ)	97.09	4	4	10.2	5.3	Asset Management	51
1562	Prudential Fin'l	107.35	4	3	7.7	5.0	Insurance (Life)	56
1539	Public Storage	305.18	4	4	30.5	3.9	R.E.I.T.	89
813	Quest Diagnostics	175.90	3	1	18.1	1.8	Medical Services	19
770	RLI Corp.	74.81	2	2	24.1	0.8	Insurance (Prop/Cas.)	11
566	RPM Int'l	114.27	4	3	21.9	1.8	Chemical (Specialty)	72
724	RTX Corp.	130.56	3	2	21.2	1.9	Aerospace/Defense	31
842	Regeneron Pharmac. (NDQ)	575.63	4	4	13.4	0.6	Biotechnology	90
1205	Reynolds Consumer (NDQ)	23.50	3	4	12.1	3.9	Household Products	86
1589	Rio Tinto plc	61.41	3	4	8.2	6.9	Metals & Mining (Div.)	81
1644	Robert Half Inc.	48.19	4	2	19.3	4.9	Human Resources	48
935	Rogers Communications(TSE)	36.05	4	4	7.3	5.5	Telecom. Services	53
398	Rollins, Inc.	55.73	2	3	50.7	1.2	Industrial Services	5
1574	Royal Gold (NDQ)	170.87	2	2	24.6	1.1	Precious Metals	7
433	S&P Global	518.36	3	3	30.5	0.7	Information Services	41
2574	SAP SE	293.51	3	2	44.5	0.9	Computer Software	30
2225	SEI Investments (NDQ)	83.66	2	3	17.6	1.2	Asset Management	51
1932	Saputo Inc. (TSE)	26.03	4	4	12.4	2.9	Food Processing	57
327	Schneider National	24.75	4	4	29.1	1.6	Trucking	85
772	Selective Ins. Group (NDQ)	90.23	2	3	11.7	1.8	Insurance (Prop/Cas.)	11
2209	Sempra Energy	75.67	3	5	16.6	3.4	Electric Utility (West)	63
1933	Sensient Techn.	94.94	3	3	30.1	1.7	Food Processing	57
518	Shell plc	66.38	3	3	10.0	4.3	Petroleum (Integrated)	54
1152	Sherwin-Williams	357.15	3	2	29.5	0.9	Retail Building Supply	55
1764	Siemens AG (ADS) (NDQ)	123.76	3	3	13.5	2.2	Diversified Co.	15
1190	Silgan Holdings	54.57	2	3	13.1	1.5	Packaging & Container	12
1735	Smith (A.O.)	70.46	3	5	18.8	1.9	Machinery	38
1936	Smucker (J.M.)	112.50	3	3	13.4	3.9	Food Processing	57
1736	Snap-on Inc.	326.99	3	2	16.5	2.8	Machinery	38
1192	Sonoco Products	45.89	2	4	9.0	4.6	Packaging & Container	12
1344	Sony Group ADR	24.74	1	2	16.2	0.5	Electronics	25
140	Southern Co.	87.78	4	2	20.4	3.4	Electric Utility (East)	88
542	Southwest Gas	69.80	–	–	19.8	3.6	Natural Gas Utility	58
543	Spire Inc.	72.19	3	1	17.4	4.4	Natural Gas Utility	58
567	Stepan Company	55.86	4	3	17.2	2.8	Chemical (Specialty)	72
189	STERIS plc	233.10	3	3	23.9	1.0	Med Supp Invasive	68
190	Stryker Corp.	388.08	3	3	28.9	0.9	Med Supp Invasive	68
2537	Sun Life Fin'l Svcs. (TSE)	87.38	3	3	15.5	3.8	Financial Svcs. (Div.)	17
587	TC Energy Corp.	48.12	3	2	14.2	5.1	Oil/Gas Distribution	64
1346	TD SYNNEX Corp.	123.17	4	3	9.7	1.5	Electronics	25
1317	TE Connectivity	160.98	2	5	19.5	1.8	Electrical Equipment	16
2154	TJX Companies	131.49	2	2	28.6	1.3	Retail Store	21
1788	TMX Group Ltd (TSE)	54.94	2	2	28.9	1.5	Brokers & Exchanges	13
2210	TXNM Energy, Inc.	53.00	4	1	18.9	3.1	Electric Utility (West)	63
1384	Taiwan Semic. ADR	186.98	3	3	20.5	1.4	Semiconductor	76
727	Teledyne Technologies	493.92	2	2	23.0	NIL	Aerospace/Defense	31
940	TELUS Corporation (TSE)	22.33	4	4	29.8	7.3	Telecom. Services	53
410	Tetra Tech (NDQ)	34.99	3	2	25.0	0.7	Environmental	33
1767	3M Company	150.33	–	–	18.3	1.9	Diversified Co.	15
520	TotalEnergies SE ADR	58.70	2	4	8.4	6.0	Petroleum (Integrated)	54
112	Toyota Motor ADR	192.32	3	4	8.4	2.7	Automotive	36
1154	Tractor Supply (NDQ)	52.72	3	2	24.0	1.7	Retail Building Supply	55
1789	Tradeweb Markets Inc (NDQ)	141.55	3	2	52.4	0.3	Brokers & Exchanges	13
402	UniFirst Corp.	185.40	3	4	22.3	0.8	Industrial Services	5
313	United Parcel Serv.	101.21	4	3	14.5	6.5	Air Transport	44
1983	Universal Corp.	56.75	3	1	8.5	5.8	Tobacco	10
1816	VeriSign Inc. (NDQ)	279.59	1	2	32.0	1.1	Digital Infrastructure	69
436	Verisk Analytics (NDQ)	303.65	2	2	43.1	0.6	Information Services	41
1210	WD-40 Co. (NDQ)	237.21	2	4	37.4	1.5	Household Products	86
1029	WSP Global Inc (TSE)	260.17	3	2	27.5	0.6	Engineering & Const	6
233	Waters Corp.	366.67	2	3	30.8	NIL	Med Supp Non-Invasive	50
1743	Watts Water Techn.	245.88	1	3	26.9	0.8	Machinery	38
329	Werner Enterprises (NDQ)	28.18	5	3	25.2	2.0	Trucking	85
1959	Weston (George) (TSE)	257.92	2	2	24.6	1.3	Retail/Wholesale Food	1
2543	Willis Towers Wat. plc (NDQ)	307.46	4	1	18.1	1.2	Financial Svcs. (Div.)	17

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

HIGHEST DIVIDEND YIELDING STOCKS (Based upon estimated year-ahead dividends per share)

Page No.	Stock Name	Recent Price	Time-liness	Safety Rank	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
516	Petroleo Brasileiro ADR	12.07	3	3	3.1	17.7	Petroleum (Integrated)	54
1903	B&G Foods	4.50	3	4	7.5	16.9	Food Processing	57
2436	Compass Diversified	7.02	–	3	70.2	14.2	Public/Private Equity	91
1213	Aberdeen Asia-Pac. Fd.	15.57	–	4	NMF	12.7	Investment Co.	–
337	SFL Corp. Ltd	8.57	5	3	NMF	12.6	Maritime	73
920	BCE Inc.	22.56	4	2	11.9	12.4	Telecom. Services	53
2395	Kimbell Royalty Part.	13.55	4	3	27.1	11.8	Petroleum (Producing)	28
414	Aberdeen Australia Fd.	4.26	–	3	NMF	11.7	Investment Co.(Foreign)	–
2391	Black Stone Minerals	13.90	4	3	10.7	10.8	Petroleum (Producing)	28
2156	Upbound Group	26.08	3	3	6.2	10.6	Retail Store	21
1218	Liberty All-Star	6.66	–	3	NMF	10.5	Investment Co.	–
2108	Guess?, Inc.	12.04	–	4	7.8	10.0	Apparel	80
600	Western Midstream	38.23	3	3	11.1	9.6	Pipeline MLPs	49
2541	Western Union	9.99	3	3	5.6	9.4	Financial Svcs. (Div.)	17
1214	Adams Divers. Equity Fd	19.84	–	2	NMF	9.3	Investment Co.	–
1592	Vale S.A. ADR	9.60	3	3	4.1	9.3	Metals & Mining (Div.)	81
1422	Xerox Holdings	5.71	4	3	5.4	9.1	Computers/Peripherals	75
1219	MFS Multimarket	4.65	–	4	NMF	9.0	Investment Co.	–
1537	Park Hotels & Resorts	11.17	4	4	13.1	9.0	R.E.I.T.	89
598	Plains GP Hldgs. L.P.	18.42	2	3	14.7	9.0	Pipeline MLPs	49
2104	Carter's Inc.	35.86	4	3	9.6	8.9	Apparel	80
597	Plains All Amer. Pipe.	17.13	3	3	11.4	8.9	Pipeline MLPs	49
561	LyondellBasell Inds.	60.68	3	3	22.9	8.8	Chemical (Specialty)	72
932	Millicom Int'l Cellular	34.46	1	3	15.3	8.7	Telecom. Services	53
568	Tronox Holding plc	5.77	5	4	NMF	8.7	Chemical (Specialty)	72
359	Dine Brands Global	24.20	–	4	4.6	8.6	Restaurant	26
2130	Monro, Inc.	13.07	5	3	18.2	8.6	Retail Automotive	20
1211	Whirlpool Corp.	83.57	4	3	8.4	8.4	Household Products	86
551	Chemours Co. (The)	11.99	5	4	20.0	8.3	Chemical (Specialty)	72
1529	Healthcare Realty	14.94	4	3	NMF	8.3	R.E.I.T.	89
921	Cogent Comms. Hldgs	50.54	5	3	NMF	8.1	Telecom. Services	53
2403	Viper Energy Part.	42.19	5	3	13.2	8.1	Petroleum (Producing)	28
595	Hess Midstream LP	38.27	3	3	13.7	8.0	Pipeline MLPs	49
2214	AllianceBernstein Hldg.	40.87	3	3	13.6	7.8	Asset Management	51
596	MPLX LP	48.96	3	3	10.9	7.8	Pipeline MLPs	49
2427	Huntsman Corp.	12.93	4	3	16.2	7.7	Chemical (Diversified)	92
107	Mercedes-Benz AG	58.52	1	3	6.5	7.6	Automotive	36
1998	Playtika Holding	5.29	4	3	6.6	7.6	Entertainment Tech	94
593	Energy Transfer LP	17.44	3	3	11.6	7.5	Pipeline MLPs	49
2375	Deluxe Corp.	16.20	3	3	10.8	7.4	Publishing	29
1337	Methode Electronics	7.72	–	5	23.4	7.4	Electronics	25
2385	OUTFRONT Media	16.28	4	3	19.2	7.4	Advertising	87
1625	Pfizer, Inc.	23.09	3	2	9.2	7.4	Drug	62
1979	Brit. Am. Tobacco ADR	40.98	3	2	8.8	7.3	Tobacco	10
1640	ManpowerGroup Inc.	44.18	4	3	15.8	7.3	Human Resources	48
940	TELUS Corporation	22.33	4	2	29.8	7.3	Telecom. Services	53
1978	Altria Group	56.95	3	2	10.6	7.2	Tobacco	10
584	Kinetik Holdings	43.33	4	3	45.6	7.2	Oil/Gas Distribution	64
1511	Alexandria Real Estate	74.23	5	3	19.5	7.1	R.E.I.T.	89
507	Equinor ASA	23.11	2	3	6.6	7.1	Petroleum (Integrated)	54
1530	Healthpeak Properties	17.55	–	3	70.2	7.0	R.E.I.T.	89
1566	AngloGold Ashanti plc	40.16	2	3	12.4	6.9	Precious Metals	7
1580	BHP Group Ltd. ADR	49.90	3	3	12.1	6.9	Metals & Mining (Div.)	81
1004	Cable One	171.66	4	3	4.3	6.9	Cable TV	67
594	Enterprise Products	31.40	3	3	11.0	6.9	Pipeline MLPs	49
1528	Gaming and Leisure	46.50	3	3	16.0	6.9	R.E.I.T.	89
2147	Kohl's Corp.	7.57	5	4	34.4	6.9	Retail Store	21
2319	Polaris Inc.	38.89	5	3	35.4	6.9	Recreation	52
1589	Rio Tinto plc	61.41	3	2	8.2	6.9	Metals & Mining (Div.)	81
350	Bloomin' Brands	8.81	5	4	3.8	6.8	Restaurant	26
110	Stellantis N.V.	10.47	4	3	2.8	6.8	Automotive	36
599	Suburban Propane	19.17	4	3	9.1	6.8	Pipeline MLPs	49
938	Telefonica SA ADR	4.84	–	3	16.1	6.6	Telecom. Services	53
305	Copa Holdings, S.A.	99.13	2	3	6.9	6.5	Air Transport	44
2182	Sunoco LP	55.53	2	3	7.5	6.5	Retail (Hardlines)	4
313	United Parcel Serv.	101.21	4	2	14.5	6.5	Air Transport	44
502	BP PLC ADR	30.19	3	3	9.6	6.4	Petroleum (Integrated)	54
1909	Conagra Brands	23.31	4	2	9.9	6.3	Food Processing	57
1506	Northwest Bancshares	12.67	2	3	11.5	6.3	Thrift	32
2341	Sinclair, Inc.	15.90	3	4	31.8	6.3	Entertainment	27
944	Verizon Communic.	43.00	3	1	9.1	6.3	Telecom. Services	53
605	Bank of Nova Scotia	70.74	5	1	10.1	6.2	Bank	65
506	Delek US Holdings	16.33	5	4	NMF	6.2	Petroleum (Integrated)	54
1599	FMC Corp.	38.22	3	3	10.6	6.2	Chemical (Basic)	45
582	Enbridge Inc.	62.29	4	1	20.4	6.1	Oil/Gas Distribution	64
1235	Northland Power	19.74	4	3	15.2	6.1	Power	79
2202	Edison Int'l	56.56	3	3	9.8	6.0	Electric Utility (West)	63
520	TotalEnergies SE ADR	58.70	2	2	8.4	6.0	Petroleum (Integrated)	54
1387	United Microelectronics	7.71	–	3	11.0	6.0	Semiconductor	76
2327	Vail Resorts	148.80	3	3	19.0	6.0	Recreation	52
1223	AES Corp.	11.87	3	3	5.8	5.9	Power	79
1516	BXP Inc.	66.60	5	3	35.1	5.9	R.E.I.T.	89
1503	Capitol Fed. Fin'l	5.76	3	3	13.4	5.9	Thrift	32
2219	Franklin Resources	21.69	4	3	16.1	5.9	Asset Management	51
1980	Imperial Brands PLC	38.94	2	2	9.9	5.9	Tobacco	10
1540	Realty Income Corp.	55.94	5	3	37.3	5.9	R.E.I.T.	89
509	HF Sinclair	35.40	3	3	16.5	5.8	Petroleum (Integrated)	54
2322	Smith & Wesson Brands	9.67	–	3	22.0	5.8	Recreation	52
1983	Universal Corp.	56.75	3	2	8.5	5.8	Tobacco	10
1552	W.P. Carey Inc.	61.01	3	3	24.4	5.8	R.E.I.T.	89
1158	Ethan Allen Interiors	27.46	3	3	11.2	5.7	Furn/Home Furnishings	70
103	Ford Motor	10.55	2	3	8.8	5.7	Automotive	36
1922	Kraft Heinz Co.	28.15	4	2	10.4	5.7	Food Processing	57
2148	Macy's Inc.	12.34	3	4	5.9	5.7	Retail Store	21
2398	Murphy Oil Corp.	22.98	3	4	7.2	5.7	Petroleum (Producing)	28
2390	APA Corp.	17.71	1	4	5.2	5.6	Petroleum (Producing)	28
592	Cheniere Energy Part.	57.03	3	3	13.1	5.6	Pipeline MLPs	49
1504	Columbia Banking	25.63	4	3	10.1	5.6	Thrift	32
2439	Main Street Capital	53.89	4	3	13.8	5.6	Public/Private Equity	91
1177	Amcor plc	9.34	4	2	12.3	5.5	Packaging & Container	12

STOCKS WITH HIGH 3- TO 5-YEAR PRICE APPRECIATION POTENTIAL

Some of the stocks tabulated below are very risky and appreciation potentialities tentative. Please read the full-page reports in Ratings & Reports to gain an understanding of the risks entailed. Some of these stocks may not be timely investment commitments. (See the Performance Ranks below.)

Page No.	Stock Name	Recent Price	3- to 5-year Potential	Time-liness	Safety Rank	Industry Group	Industry Rank
741	Cleveland-Cliffs Inc.	7.51	435%	5	4	Steel	23
2436	Compass Diversified	7.02	435%	–	3	Public/Private Equity	91
998	Helen of Troy Ltd.	32.42	415%	5	3	Toiletries/Cosmetics	93
1229	Enphase Energy	47.94	400%	3	4	Power	79
811	Myriad Genetics	4.25	370%	5	4	Medical Services	19
845	Vaxcyte Inc	31.59	320%	5	4	Biotechnology	90
568	Tronox Holding plc	5.77	305%	5	4	Chemical (Specialty)	72
1237	Plug Power	0.90	290%	–	5	Power	79
2130	Monro, Inc.	13.07	285%	5	3	Retail Automotive	20
1511	Alexandria Real Estate	74.23	260%	5	3	R.E.I.T.	89
1241	XPLR Infra.	9.23	250%	5	4	Power	79
1905	Beyond Meat	2.31	245%	–	5	Food Processing	57
1121	JELD-WEN Holding	4.36	245%	5	4	Building Materials	37
1161	Leggett & Platt	9.61	240%	2	3	Furn/Home Furnishings	70
1001	Nu Skin Enterprises	7.44	235%	4	3	Toiletries/Cosmetics	93
2408	Core Laboratories	12.06	230%	4	4	Oilfield Svcs/Equip.	71
996	Coty Inc.	5.01	220%	4	4	Toiletries/Cosmetics	93
924	Five9, Inc.	28.05	210%	4	4	Telecom. Services	53
1998	Playtika Holding	5.29	210%	4	3	Entertainment Tech	94
1706	Columbus McKinnon	17.90	205%	4	4	Machinery	38
1903	B&G Foods	4.50	200%	3	4	Food Processing	57
2410	Helix Energy Solutions	6.85	200%	4	4	Oilfield Svcs/Equip.	71
930	Liberty Latin Amer.	4.52	200%	4	4	Telecom. Services	53
1422	Xerox Holdings	5.71	200%	4	3	Computers/Peripherals	75
929	Iridium Communic.	26.98	195%	3	3	Telecom. Services	53
201	Avantor, Inc.	13.00	190%	4	3	Med Supp Non-Invasive	50
2381	Interpublic Group	25.65	190%	–	3	Advertising	87
2347	Warner Music Group	27.48	190%	4	3	Entertainment	27
202	Azenta, Inc.	28.30	185%	4	3	Med Supp Non-Invasive	50
1575	SSR Mining Inc.	10.57	185%	3	5	Precious Metals	7
2508	Block, Inc.	55.02	180%	4	4	Financial Svcs. (Div.)	17
943	Verint Systems	18.69	180%	4	3	Telecom. Services	53
2118	Advance Auto Parts	33.38	175%	–	3	Retail Automotive	20
178	Integra LifeSciences	13.67	175%	4	3	Med Supp Invasive	68
935	Rogers Communications	36.05	175%	4	2	Telecom. Services	53
792	Acadia Healthcare	25.84	170%	5	3	Medical Services	19
2423	Albemarle Corp.	61.57	170%	5	3	Chemical (Diversified)	92
1609	Bausch Health	4.78	170%	–	5	Drug	62
1230	First Solar, Inc.	156.21	170%	4	3	Power	79
806	ICON plc	140.22	170%	4	3	Medical Services	19
559	Kronos Worldwide	7.55	170%	3	3	Chemical (Specialty)	72
2398	Murphy Oil Corp.	22.98	170%	3	4	Petroleum (Producing)	28
315	ArcBest Corp.	70.41	165%	3	3	Trucking	85
1008	Liberty Global Ltd.	9.23	165%	–	3	Cable TV	67
1162	MillerKnoll, Inc.	17.86	165%	4	3	Furn/Home Furnishings	70
723	Parsons Corp.	65.09	165%	3	3	Aerospace/Defense	31
205	Bruker Corp.	40.26	160%	4	3	Med Supp Non-Invasive	50
2374	Cimpress plc	45.85	160%	3	4	Publishing	29
2409	Halliburton Co.	21.25	160%	3	3	Oilfield Svcs/Equip.	71
2416	ProPetro Holding	6.00	160%	4	5	Oilfield Svcs/Equip.	71
565	Quaker Chemical	109.61	160%	4	3	Chemical (Specialty)	72
1393	Amkor Technology	19.63	155%	3	3	Semiconductor Equip	78
1606	Apellis Pharmac.	17.52	155%	5	4	Drug	62
383	Clarivate Plc	4.35	155%	5	3	Industrial Services	5
386	eXp World Holdings	7.82	155%	4	4	Industrial Services	5
1233	Generac Holdings	127.21	155%	3	3	Power	79
2412	Liberty Energy	12.68	155%	4	4	Oilfield Svcs/Equip.	71
2415	Patterson-UTI Energy	6.32	155%	3	4	Oilfield Svcs/Equip.	71
997	e.l.f. Beauty	74.07	150%	5	4	Toiletries/Cosmetics	93
317	Forward Air	19.03	150%	5	4	Trucking	85
1529	Healthcare Realty	14.94	150%	4	3	R.E.I.T.	89
2427	Huntsman Corp.	12.93	150%	4	3	Chemical (Diversified)	92
1335	iRobot Corp.	2.80	150%	–	5	Electronics	25
1401	Kulicke & Soffa	33.96	150%	4	3	Semiconductor Equip	78
1189	Sealed Air	32.22	150%	2	3	Packaging & Container	12
2342	Sirius XM Holdings	21.94	150%	–	4	Entertainment	27
2584	UiPath, Inc.	13.09	150%	2	4	Computer Software	30
1605	Amphastar Pharma.	24.34	145%	3	3	Drug	62
1157	Arhaus, Inc.	8.50	145%	4	3	Furn/Home Furnishings	70
549	Axalta Coating	32.70	145%	3	3	Chemical (Specialty)	72
2375	Deluxe Corp.	16.20	145%	3	3	Publishing	29
1623	Organon & Co.	8.71	145%	4	3	Drug	62
1537	Park Hotels & Resorts	11.17	145%	4	4	R.E.I.T.	89
1408	Ultra Clean Hldgs.	22.24	145%	4	3	Semiconductor Equip	78
2329	Winnebago	36.70	145%	3	3	Recreation	52
1199	Energizer Holdings	22.87	140%	4	3	Household Products	86
1530	Healthpeak Properties	17.55	140%	–	3	R.E.I.T.	89
807	IQVIA Holdings	156.13	140%	2	3	Medical Services	19
1640	ManpowerGroup Inc.	44.18	140%	4	3	Human Resources	48
1405	Onto Innovation	93.49	140%	4	3	Semiconductor Equip	78
1938	TreeHouse Foods	23.07	140%	3	3	Food Processing	57
952	AudioCodes Ltd.	8.86	135%	–	3	Telecom. Equipment	35
1180	Ball Corp.	53.23	135%	3	3	Packaging & Container	12
2435	Carlyle Group	45.62	135%	4	3	Public/Private Equity	91
2191	Designer Brands	3.79	135%	–	5	Retail (Softlines)	46
1137	LGI Homes	59.69	135%	5	3	Homebuilding	77
840	Moderna, Inc.	25.70	135%	5	4	Biotechnology	90
1202	Newell Brands	6.01	135%	4	5	Household Products	86
1192	Sonoco Products	45.89	135%	2	2	Packaging & Container	12
1407	Teradyne Inc.	83.06	135%	4	3	Semiconductor Equip	78
1348	3D Systems	2.55	135%	–	5	Electronics	25
1350	Vishay Intertechnology	14.74	135%	3	3	Electronics	25
2353	Churchill Downs	98.16	130%	3	3	Hotel/Gaming	39
332	CMB.TECH NV	9.27	130%	3	3	Maritime	73
1599	FMC Corp.	38.22	130%	3	3	Chemical (Basic)	45
823	GoodRx Holdings	4.35	130%	3	5	Healthcare Information	47
2340	Paramount Global	11.95	130%	–	4	Entertainment	27
988	PHINIA Inc.	43.42	130%	–	3	Auto Parts	43
1644	Robert Half Inc.	48.19	130%	4	2	Human Resources	48
2418	Schlumberger Ltd.	35.85	130%	3	3	Oilfield Svcs/Equip.	71

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

BIGGEST "FREE FLOW" CASH GENERATORS

Stocks of companies that have earned more "cash flow" in the last 5 years than was required to build plant and pay dividends

Page No.	Stock Name	Recent Price	Ratio "Cash Flow" To Cash Out	Time-liness	Safety Rank	Industry Group	Industry Rank
1904	BellRing Brands	65.14	81.00	4	3	Food Processing	57
1140	NVR, Inc.	7382.37	64.30	3	3	Homebuilding	77
2013	Check Point Software	217.23	52.03	1	1	Cyber Security	59
2213	Affiliated Managers	183.83	51.88	2	3	Asset Management	51
828	Veeva Systems	241.44	45.08	1	3	Healthcare Information	47
2626	Etsy, Inc.	47.59	44.42	3	4	E-Commerce	18
1993	Stride, Inc.	149.30	44.08	2	3	Educational Services	2
2338	Netflix, Inc.	1110.00	42.55	1	3	Entertainment	27
951	Arista Networks	92.32	42.14	2	3	Telecom. Equipment	35
839	Jazz Pharmac. plc	103.58	39.82	3	3	Biotechnology	90
1239	Sunrun Inc.	10.96	37.87	5	5	Power	79
428	Fair Isaac	2130.00	36.03	2	3	Information Services	41
2602	Airbnb, Inc.	134.21	33.51	3	3	Internet	24
824	HealthEquity, Inc.	96.66	31.28	3	3	Healthcare Information	47
793	Amedisys, Inc.	95.42	30.97	–	3	Medical Services	19
2533	Rocket Companies	11.67	29.89	5	4	Financial Svcs. (Div.)	17
2599	Manhattan Assoc.	196.00	28.32	3	3	IT Services	14
1934	Simply Good Foods	35.96	27.52	2	3	Food Processing	57
2569	PTC Inc.	170.51	26.21	3	3	Computer Software	30
2546	ANSYS, Inc.	345.43	25.04	–	2	Computer Software	30
2613	Pinterest, Inc.	32.84	23.53	3	3	Internet	24
933	NICE Ltd. ADR	164.00	22.80	2	3	Telecom. Services	53
1143	Taylor Morrison Home	60.77	22.26	3	3	Homebuilding	77
1812	Shopify Inc.	104.34	21.14	3	3	Digital Infrastructure	69
2551	Autodesk, Inc.	293.20	20.48	2	3	Computer Software	30
835	BioNTech SE	97.27	19.86	5	4	Biotechnology	90
820	Certara, Inc.	12.13	19.80	3	4	Healthcare Information	47
572	Digi Int'l	33.92	19.72	2	3	Wireless Networking	34
127	Trimble Inc.	70.54	19.36	3	3	Precision Instrument	40
1139	Meritage Homes	70.85	18.76	3	3	Homebuilding	77
2583	Tyler Technologies	565.19	18.55	3	1	Computer Software	30
1203	Prestige Consumer	88.04	17.37	3	2	Household Products	86
2545	Adobe Inc.	395.94	17.10	1	3	Computer Software	30
2502	ACI Worldwide	48.76	17.09	3	3	Financial Svcs. (Div.)	17
997	e.l.f. Beauty	74.07	16.82	5	4	Toiletries/Cosmetics	93
2547	AppFolio, Inc.	220.78	16.76	3	3	Computer Software	30
1816	VeriSign Inc.	279.59	16.71	1	2	Digital Infrastructure	69
1808	GoDaddy Inc.	187.01	16.37	3	3	Digital Infrastructure	69
1142	TRI Pointe Homes	32.25	15.88	3	3	Homebuilding	77
1359	Cirrus Logic	105.83	14.75	2	3	Semiconductor	76
846	Vertex Pharmac.	439.37	14.19	5	1	Biotechnology	90
2171	Avis Budget Group	103.76	14.08	1	4	Retail (Hardlines)	4
1395	Axcelis Technologies	62.15	14.08	3	3	Semiconductor Equip	78
2628	Revolve Group	19.79	14.06	4	4	E-Commerce	18
810	Molina Healthcare	327.69	13.61	2	3	Medical Services	19
577	Zebra Techn. 'A'	300.11	13.48	3	3	Wireless Networking	34
2591	CGI Inc	151.00	12.69	1	1	IT Services	14
1372	NVIDIA Corp.	123.00	12.66	3	3	Semiconductor	76
2357	Hilton Grand Vacations	41.14	12.64	4	3	Hotel/Gaming	39
1804	Datadog, Inc.	113.42	12.54	4	3	Digital Infrastructure	69
2555	Cadence Design Sys.	311.77	12.41	3	3	Computer Software	30
934	RingCentral, Inc.	28.36	12.32	3	4	Telecom. Services	53
1324	Arrow Electronics	121.75	12.29	3	3	Electronics	25
1612	Dynavax Technologies	9.85	12.28	4	4	Drug	62
1405	Onto Innovation	93.49	12.23	4	3	Semiconductor Equip	78
1364	Lattice Semiconductor	56.00	12.06	3	3	Semiconductor	76
1609	Bausch Health	4.78	11.84	–	5	Drug	62
960	F5, Inc.	280.35	11.82	2	2	Telecom. Equipment	35
1383	Synaptics	65.00	11.80	3	3	Semiconductor	76
833	Biogen	124.40	11.30	4	3	Biotechnology	90
2558	Dropbox, Inc.	29.29	11.24	1	3	Computer Software	30
727	Teledyne Technologies	493.92	11.03	2	2	Aerospace/Defense	31
2513	Corpay	349.67	10.77	3	3	Financial Svcs. (Div.)	17
941	Twilio Inc.	111.19	10.69	3	4	Telecom. Services	53
1635	Cross Country Health.	13.92	10.40	–	3	Human Resources	48
430	Gartner Inc.	446.95	10.35	3	3	Information Services	41
1365	MACOM Tech. Solutions	122.61	10.35	3	3	Semiconductor	76
1352	Advanced Micro Dev.	108.12	10.29	3	3	Semiconductor	76
728	TransDigm Group	1417.18	10.28	1	3	Aerospace/Defense	31
1329	ePlus Inc	65.72	10.20	3	3	Electronics	25
1141	PulteGroup, Inc.	106.54	10.14	3	3	Homebuilding	77
1643	Paylocity Holding	198.76	10.02	3	3	Human Resources	48
1404	Nova, Ltd.	195.64	10.01	2	3	Semiconductor Equip	78
213	Hologic, Inc.	58.81	9.95	3	3	Med Supp Non-Invasive	50
2332	AMC Networks	5.85	9.93	–	4	Entertainment	27
841	Neurocrine Biosci.	120.43	9.81	3	3	Biotechnology	90
1720	Ingersoll Rand Inc.	84.22	9.78	3	3	Machinery	38
1727	Middleby Corp. (The)	146.90	9.77	3	3	Machinery	38
2611	Match Group	28.40	9.74	1	3	Internet	24
1734	SPX Technologies	154.23	9.63	3	3	Machinery	38
1972	Monster Beverage	61.36	9.54	1	1	Beverage	74
1153	SiteOne Landscape	127.30	9.48	3	3	Retail Building Supply	55
1128	TopBuild Corp.	312.10	9.48	2	3	Building Materials	37
842	Regeneron Pharmac.	575.63	9.19	4	2	Biotechnology	90
2161	Deckers Outdoor	126.08	9.15	3	3	Shoe	22
119	Keysight Technologies	162.63	9.14	1	3	Precision Instrument	40
1811	Okta, Inc.	124.17	9.14	4	3	Digital Infrastructure	69
229	Revvity, Inc.	98.50	9.11	4	3	Med Supp Non-Invasive	50
2582	Synopsys, Inc.	505.59	8.89	3	3	Computer Software	30
2160	Crocs, Inc.	118.85	8.75	1	3	Shoe	22
1815	Teradata Corp.	23.59	8.71	3	4	Digital Infrastructure	69
2587	ASGN Inc.	58.26	8.67	4	3	IT Services	14
1135	Horton D.R.	126.14	8.54	3	3	Homebuilding	77
394	Huron Consulting	153.20	8.49	1	3	Industrial Services	5
121	Mettler-Toledo Int'l	1174.59	8.41	3	3	Precision Instrument	40
2226	Voya Financial	69.78	8.39	3	3	Asset Management	51
2594	DXC Technology	16.77	8.33	3	3	IT Services	14
1138	Lennar Corp.	112.55	8.28	4	3	Homebuilding	77
423	Dun & Bradstreet	8.98	8.27	–	3	Information Services	41
2595	EPAM Systems	186.60	8.27	3	3	IT Services	14

BEST PERFORMING STOCKS

(Measured by Price Change in the Last 13 Weeks)

Page No.	Stock Name	Ticker	Recent Price	Percent Change In Price	Time-liness	Safety Rank
1964	Celsius Holdings	CELH	37.32	72.1%	3	4
232	TransMedics Group	TMDX	118.73	69.0%	3	4
1595	Compass Minerals Int'l	CMP	19.46	60.6%	–	4
2179	National Vision Hldgs.	EYE	18.76	60.1%	1	4
926	Gogo Inc.	GOGO	12.36	59.3%	1	5
2177	Hertz Global	HTZ	6.94	55.6%	–	4
928	IHS Holding	IHS	5.97	49.6%	–	4
1234	NRG Energy	NRG	150.61	43.2%	2	3
117	FARO Technologies	FARO	42.16	42.4%	–	3
2010	SiriusPoint Ltd.	SPNT	19.60	39.4%	3	3
716	Huntington Ingalls	HII	229.74	36.5%	3	3
392	Healthcare Svcs.	HCSG	14.49	35.4%	3	3
1916	Herbalife Nutrition	HLF	7.06	34.7%	2	5
1238	SolarEdge Tech.	SEDG	19.16	34.7%	5	4
982	Goodyear Tire	GT	10.97	33.1%	1	4
1239	Sunrun Inc.	RUN	10.96	31.1%	5	5
1961	AB InBev ADR	BUD	65.90	30.9%	3	3
2160	Crocs, Inc.	CROX	118.85	30.9%	1	3
979	Garrett Motion	GTX	12.00	30.0%	3	4
1988	Duolingo, Inc.	DUOL	517.83	29.0%	2	3
2181	Signet Jewelers Ltd.	SIG	69.82	28.8%	3	4
401	UL Solutions Inc	ULS	70.35	28.7%	–	3
1972	Monster Beverage	MNST	61.36	28.3%	1	1
419	New Germany Fund	GF	10.84	27.5%	–	3
932	Millicom Int'l Cellular	TIGO	34.46	27.4%	1	3
1925	Maple Leaf Foods	MFI.TO	26.99	27.1%	3	3
1811	Okta, Inc.	OKTA	124.17	27.1%	4	3
144	Astec Inds.	ASTE	41.64	26.5%	1	3
1387	United Microelectronics	UMC	7.71	26.4%	–	3
1642	Paycom Software	PAYC	258.38	26.2%	1	3
216	iRhythm Technologies	IRTC	137.80	25.8%	3	4
1816	VeriSign Inc.	VRSN	279.59	25.8%	1	2
709	Elbit Systems	ESLT	380.51	25.3%	2	2
1933	Sensient Techn.	SXT	94.94	24.7%	3	2
380	CACI Int'l	CACI	475.79	24.5%	2	3
825	Premier, Inc.	PINC	23.01	23.9%	3	2
197	Adaptive Biotech.	ADPT	9.51	23.8%	–	5
394	Huron Consulting	HURN	153.20	22.7%	1	3
2627	MercadoLibre, Inc.	MELI	2504.61	22.6%	2	3
1014	Construction Partners	ROAD	100.02	22.5%	3	3
715	Howmet Aerospace	HWM	156.96	22.4%	1	3

WORST PERFORMING STOCKS

(Measured by Price Change in the Last 13 Weeks)

Page No.	Stock Name	Ticker	Recent Price	Percent Change In Price	Time-liness	Safety Rank
1335	iRobot Corp.	IRBT	2.80	–69.4%	–	5
843	Sarepta Therapeutics	SRPT	36.37	–67.7%	5	4
2436	Compass Diversified	CODI	7.02	–66.3%	–	3
811	Myriad Genetics	MYGN	4.25	–65.9%	5	4
845	Vaxcyte Inc	PCVX	31.59	–63.2%	5	4
2307	Funko, Inc.	FNKO	5.14	–63.1%	–	4
1231	Fluence Energy Inc	FLNC	5.69	–56.5%	4	5
218	Maravai LifeSciences	MRVI	2.12	–50.7%	–	4
1121	JELD-WEN Holding	JELD	4.36	–50.6%	5	4
2614	Reddit Inc	RDDT	111.21	–50.6%	–	4
1706	Columbus McKinnon	CMCO	17.90	–49.5%	4	4
1405	Onto Innovation	ONTO	93.49	–49.0%	4	3
1237	Plug Power	PLUG	0.90	–47.4%	–	5
827	Teladoc Health	TDOC	7.35	–47.0%	4	4
178	Integra LifeSciences	IART	13.67	–46.6%	4	3
533	New Fortress Energy	NFE	6.86	–44.8%	5	4
1164	RH	RH	226.04	–43.8%	4	4
998	Helen of Troy Ltd.	HELE	32.42	–43.5%	5	3
1366	Marvell Technology	MRVL	64.50	–42.8%	4	3
1408	Ultra Clean Hldgs.	UCTT	22.24	–42.6%	4	3
589	Venture Global Inc	VG	9.91	–42.4%	–	4
1614	Emergent BioSolutions	EBS	5.84	–42.2%	–	4
1623	Organon & Co.	OGN	8.71	–42.1%	4	3
1348	3D Systems	DDD	2.55	–42.0%	–	5
1905	Beyond Meat	BYND	2.31	–41.7%	–	5
326	Saia, Inc.	SAIA	292.91	–40.9%	3	3
568	Tronox Holding plc	TROX	5.77	–40.8%	5	4
317	Forward Air	FWRD	19.03	–40.6%	5	4
202	Azenta, Inc.	AZTA	28.30	–40.4%	4	3
2332	AMC Networks	AMCX	5.85	–39.7%	–	4
792	Acadia Healthcare	ACHC	25.84	–39.7%	5	3
1004	Cable One	CABO	171.66	–39.0%	4	3
2116	V.F. Corp.	VFC	14.44	–39.0%	4	3
1606	Apellis Pharmac.	APLS	17.52	–38.9%	5	4
1913	Freshpet, Inc.	FRPT	79.62	–38.9%	4	3
1647	ZipRecruiter, Inc.	ZIP	4.94	–38.9%	5	4
921	Cogent Comms. Hldgs	CCOI	50.54	–38.7%	5	3
1388	Wolfspeed, Inc.	WOLF	3.34	–38.4%	–	5
222	Neogen Corp.	NEOG	6.50	–37.6%	–	3
172	Glaukos Corp.	GKOS	94.64	–36.9%	5	4
741	Cleveland-Cliffs Inc.	CLF	7.51	–36.6%	5	4

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

WIDEST DISCOUNTS FROM BOOK VALUE

Stocks whose ratios of recent price to book value are lowest

Page No.	Stock Name	Ticker	Recent Price	Book Value Per sh.*	Percent Price-to-Book Value	Time-liness	Safety Rank	Beta	P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
2147	Kohl's Corp.	KSS	7.57	34.25	22%	5	4	1.50	34.4	6.9	Retail Store	21
108	Nissan Motor ADR	NSANY	4.85	19.20	25%	–	3	1.05	NMF	NIL	Automotive	36
1241	XPLR Infra.	XIFR	9.23	34.39	27%	5	4	1.10	11.5	NIL	Power	79
922	EchoStar Corp.	SATS	20.18	70.90	28%	–	4	1.20	NMF	NIL	Telecom. Services	53
945	Viasat, Inc.	VSAT	10.29	35.85	29%	3	4	1.35	NMF	NIL	Telecom. Services	53
2332	AMC Networks	AMCX	5.85	19.39	30%	–	4	1.45	2.1	NIL	Entertainment	27
1556	Genworth Fin'l	GNW	7.21	20.16	36%	4	3	1.35	7.6	NIL	Insurance (Life)	56
1337	Methode Electronics	MEI	7.72	21.25	36%	–	5	1.40	23.4	7.4	Electronics	25
110	Stellantis N.V.	STLA	10.47	28.94	36%	4	3	1.30	2.8	6.8	Automotive	36
946	Vodafone Group ADR	VOD	9.07	23.20	39%	2	3	1.00	9.5	5.2	Telecom. Services	53
1237	Plug Power	PLUG	0.90	2.15	42%	–	5	1.95	NMF	NIL	Power	79
2192	Foot Locker	FL	13.28	30.59	43%	5	4	1.35	8.9	NIL	Retail (Softlines)	46
514	PBF Energy	PBF	20.79	48.08	43%	5	5	1.45	NMF	5.3	Petroleum (Integrated)	54
998	Helen of Troy Ltd.	HELE	32.42	71.35	45%	5	3	0.80	4.2	NIL	Toiletries/Cosmetics	93
222	Neogen Corp.	NEOG	6.50	14.51	45%	–	3	1.00	28.3	NIL	Med Supp Non-Invasive	50
811	Myriad Genetics	MYGN	4.25	9.20	46%	5	4	1.50	NMF	NIL	Medical Services	19
1388	Wolfspeed, Inc.	WOLF	3.34	6.98	48%	–	5	1.70	NMF	NIL	Semiconductor	76
739	ArcelorMittal	MT	31.20	63.95	49%	2	3	1.45	8.8	1.8	Steel	23
741	Cleveland-Cliffs Inc.	CLF	7.51	15.45	49%	5	4	1.70	NMF	NIL	Steel	23
2340	Paramount Global	PARA	11.95	24.32	49%	–	4	1.25	7.7	1.7	Entertainment	27
2378	Scholastic Corp.	SCHL	18.85	36.10	52%	3	3	1.05	11.0	4.2	Publishing	29
568	Tronox Holding plc	TROX	5.77	11.15	52%	5	4	1.75	NMF	8.7	Chemical (Specialty)	72
2530	Navient Corp.	NAVI	13.87	25.64	54%	5	3	1.40	8.7	4.6	Financial Svcs. (Div.)	17
1706	Columbus McKinnon	CMCO	17.90	32.65	55%	4	4	1.40	7.0	1.6	Machinery	38
105	Honda Motor ADR	HMC	30.93	55.70	56%	3	2	0.90	7.1	4.3	Automotive	36
1001	Nu Skin Enterprises	NUS	7.44	13.10	57%	4	3	0.95	7.1	3.2	Toiletries/Cosmetics	93
2346	Warner Bros. Discovery	WBD	9.23	16.02	58%	4	3	1.45	NMF	NIL	Entertainment	27
383	Clarivate Plc	CLVT	4.35	7.43	59%	5	3	1.25	5.8	NIL	Industrial Services	5
2608	IAC Inc.	IAC	39.34	66.17	59%	–	3	1.50	NMF	NIL	Internet	24
1121	JELD-WEN Holding	JELD	4.36	7.30	60%	5	4	1.50	NMF	NIL	Building Materials	37
152	Manitowoc Co.	MTW	11.02	18.22	60%	–	4	1.65	20.0	NIL	Heavy Truck & Equip	3
2325	Topgolf Callaway	MODG	7.90	13.15	60%	4	4	1.40	NMF	NIL	Recreation	52
2436	Compass Diversified	CODI	7.02	11.42	61%	–	3	1.20	70.2	14.2	Public/Private Equity	91
2130	Monro, Inc.	MNRO	13.07	21.35	61%	5	3	0.80	18.2	8.6	Retail Automotive	20
2342	Sirius XM Holdings	SIRI	21.94	35.38	62%	–	4	1.10	6.3	4.9	Entertainment	27
985	Linamar Corp.	LNR.TO	61.04	95.00	64%	3	3	1.25	6.2	1.6	Auto Parts	43
2191	Designer Brands	DBI	3.79	5.81	65%	–	5	1.70	9.5	5.3	Retail (Softlines)	46
2411	Helmerich & Payne	HP	19.27	29.54	65%	3	3	1.45	12.5	5.2	Oilfield Svcs/Equip.	71
308	JetBlue Airways	JBLU	4.84	7.48	65%	5	4	1.75	NMF	NIL	Air Transport	44
2398	Murphy Oil Corp.	MUR	22.98	35.61	65%	3	4	1.50	7.2	5.7	Petroleum (Producing)	28
1614	Emergent BioSolutions	EBS	5.84	8.89	66%	–	4	1.35	NMF	NIL	Drug	62
982	Goodyear Tire	GT	10.97	16.69	66%	1	4	1.65	7.3	NIL	Auto Parts	43
509	HF Sinclair	DINO	35.40	53.35	66%	3	3	1.15	16.5	5.8	Petroleum (Integrated)	54
2220	Invesco Ltd.	IVZ	15.59	23.48	66%	5	3	1.60	10.4	5.4	Asset Management	51
1422	Xerox Holdings	XRX	5.71	8.65	66%	4	3	1.40	5.4	9.1	Computers/Peripherals	75
1505	Flagstar Financial Inc.	FLG	12.44	18.47	67%	–	5	1.15	20.7	NIL	Thrift	32
1903	B&G Foods	BGS	4.50	6.63	68%	3	4	0.70	7.5	16.9	Food Processing	57
2410	Helix Energy Solutions	HLX	6.85	10.12	68%	4	4	1.70	9.1	NIL	Oilfield Svcs/Equip.	71
178	Integra LifeSciences	IART	13.67	20.03	68%	4	3	1.15	5.6	NIL	Med Supp Invasive	68
1922	Kraft Heinz Co.	KHC	28.15	41.16	68%	4	2	0.60	10.4	5.7	Food Processing	57
1927	Medifast, Inc.	MED	13.12	19.21	68%	–	4	0.95	NMF	NIL	Food Processing	57
1137	LGI Homes	LGIH	59.69	87.07	69%	5	3	1.10	8.3	NIL	Homebuilding	77
1575	SSR Mining Inc.	SSRM	10.57	15.35	69%	3	5	0.75	6.8	NIL	Precious Metals	7
2415	Patterson-UTI Energy	PTEN	6.32	8.95	71%	3	4	1.80	NMF	5.1	Oilfield Svcs/Equip.	71
936	Shenandoah Telecom.	SHEN	12.03	16.82	72%	5	3	0.85	NMF	0.9	Telecom. Services	53
2106	G-III Apparel Group	GIII	27.99	38.26	73%	3	4	1.55	7.2	NIL	Apparel	80
1503	Capitol Fed. Fin'l	CFFN	5.76	7.78	74%	3	3	0.95	13.4	5.9	Thrift	32
1114	CEMEX ADS	CX	6.56	8.75	75%	1	3	1.60	6.9	1.2	Building Materials	37
2148	Macy's Inc.	M	12.34	16.39	75%	3	4	1.70	5.9	5.7	Retail Store	21
1938	TreeHouse Foods	THS	23.07	30.85	75%	3	3	0.60	13.2	NIL	Food Processing	57
2416	ProPetro Holding	PUMP	6.00	7.93	76%	4	5	1.55	20.0	NIL	Oilfield Svcs/Equip.	71
939	Telephone & Data	TDS	33.75	44.66	76%	–	4	1.05	NMF	0.5	Telecom. Services	53
2413	NOV Inc.	NOV	12.94	16.71	77%	3	3	1.40	21.6	2.3	Oilfield Svcs/Equip.	71
792	Acadia Healthcare	ACHC	25.84	33.10	78%	5	3	1.00	7.7	NIL	Medical Services	19
196	AdaptHealth Corp.	AHCO	9.11	11.67	78%	3	4	1.15	10.1	NIL	Med Supp Non-Invasive	50
930	Liberty Latin Amer.	LILA	4.52	5.77	78%	4	4	1.30	NMF	NIL	Telecom. Services	53
1912	Fresh Del Monte Prod.	FDP	32.76	41.52	79%	2	3	0.75	10.2	3.8	Food Processing	57
522	World Kinect	WKC	27.23	34.37	79%	3	3	1.35	18.8	2.5	Petroleum (Integrated)	54
775	Ally Financial	ALLY	36.40	45.53	80%	3	3	1.50	12.1	3.3	Bank (Regional)	42
170	Enovis Corp.	ENOV	36.57	45.86	80%	4	3	1.30	11.4	NIL	Med Supp Invasive	68
1558	Lincoln Nat'l Corp.	LNC	35.00	42.75	82%	5	3	1.70	4.7	5.2	Insurance (Life)	56
2388	Ziff Davis, Inc.	ZD	34.70	42.26	82%	3	3	1.20	8.9	NIL	Advertising	87
608	Citizens Fin'l Group	CFG	41.59	50.17	83%	3	3	1.50	11.1	4.3	Bank	65
748	U.S. Steel Corp.	X	42.02	50.39	83%	–	3	1.40	24.7	0.5	Steel	23
2329	Winnebago	WGO	36.70	44.21	83%	3	3	1.15	13.9	3.9	Recreation	52
546	AdvanSix Inc.	ASIX	24.21	28.97	84%	3	3	1.45	7.9	2.6	Chemical (Specialty)	72
226	QuidelOrtho Corp.	QDEL	37.42	44.35	84%	4	4	0.60	NMF	NIL	Med Supp Non-Invasive	50
827	Teladoc Health	TDOC	7.35	8.70	84%	4	4	1.50	NMF	NIL	Healthcare Information	47
1971	Molson Coors Beverage	TAP	54.95	64.43	85%	3	3	0.85	9.6	3.4	Beverage	74
515	Par Pacific Holdings	PARR	18.38	21.56	85%	4	4	1.30	7.4	NIL	Petroleum (Integrated)	54
2368	PENN Entertainment	PENN	15.97	18.81	85%	4	5	1.60	26.6	NIL	Hotel/Gaming	39
1624	Perrigo Co. plc	PRGO	26.99	31.64	85%	2	3	0.80	9.0	4.3	Drug	62
429	Forrester Research	FORR	10.46	12.19	86%	–	3	1.00	8.0	NIL	Information Services	41
1389	Xperi Inc.	XPER	8.36	9.68	86%	3	3	1.25	NMF	NIL	Semiconductor	76
547	Ashland Inc.	ASH	52.80	61.02	87%	4	3	1.15	26.4	3.1	Chemical (Specialty)	72
2510	Bread Financial	BFH	54.00	62.14	87%	3	3	1.50	5.7	1.6	Financial Svcs. (Div.)	17
104	Gen'l Motors	GM	49.61	57.34	87%	2	3	1.35	4.6	1.0	Automotive	36
1953	SpartanNash Co.	SPTN	19.10	22.03	87%	2	3	0.75	11.2	4.7	Retail/Wholesale Food	1
991	Titan Int'l	TWI	7.61	8.70	87%	–	4	1.80	50.7	NIL	Auto Parts	43
1174	West Fraser Timber	WFG	75.88	86.94	87%	3	3	1.20	16.7	1.7	Paper/Forest Products	82
2594	DXC Technology	DXC	16.77	18.80	89%	3	3	1.45	3.8	NIL	IT Services	14
1198	Edgewell Personal Care	EPC	28.73	32.38	89%	4	3	1.05	9.5	2.1	Household Products	86
2306	Fox Factory Holding	FOXF	25.76	28.82	89%	3	3	1.35	42.9	NIL	Recreation	52
1970	MGP Ingredients	MGPI	33.56	37.58	89%	5	3	0.90	13.2	1.4	Beverage	74
986	Magna Int'l 'A'	MGA	36.35	40.75	89%	4	3	1.35	7.3	5.3	Auto Parts	43
1507	Provident Fin'l Svcs.	PFS	17.81	19.93	89%	4	3	1.15	12.3	5.4	Thrift	32
1142	TRI Pointe Homes	TPH	32.25	36.08	89%	3	3	1.10	7.4	NIL	Homebuilding	77
1509	WaFd, Inc.	WAFD	29.91	33.25	90%	3	3	1.15	12.4	3.6	Thrift	32
2219	Franklin Resources	BEN	21.69	23.89	91%	4	3	1.35	16.1	5.9	Asset Management	51
1162	MillerKnoll, Inc.	MLKN	17.86	19.68	91%	4	3	1.25	10.6	4.2	Furn/Home Furnishings	70

***If fiscal 2025 Book Value not available, estimate used.**

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

LOWEST P/Es

Stocks with the lowest estimated current P/E ratios

Page No.	Stock Name	Recent Price	Current P/E Ratio	Time-liness	Safety Rank	Industry Group	Industry Rank
1609	Bausch Health	4.78	1.2	–	5	Drug	62
2332	AMC Networks	5.85	2.1	–	4	Entertainment	27
1623	Organon & Co.	8.71	2.2	4	3	Drug	62
110	Stellantis N.V.	10.47	2.8	4	3	Automotive	36
516	Petroleo Brasileiro ADR	12.07	3.1	3	3	Petroleum (Integrated)	54
533	New Fortress Energy	6.86	3.4	5	4	Natural Gas (Div.)	84
843	Sarepta Therapeutics	36.37	3.5	5	4	Biotechnology	90
1916	Herbalife Nutrition	7.06	3.7	2	5	Food Processing	57
350	Bloomin' Brands	8.81	3.8	5	4	Restaurant	26
2594	DXC Technology	16.77	3.8	3	3	IT Services	14
1592	Vale S.A. ADR	9.60	4.1	3	3	Metals & Mining (Div.)	81
1630	Viatris Inc.	8.96	4.1	5	3	Drug	62
998	Helen of Troy Ltd.	32.42	4.2	5	3	Toiletries/Cosmetics	93
1004	Cable One	171.66	4.3	4	3	Cable TV	67
359	Dine Brands Global	24.20	4.6	–	4	Restaurant	26
104	Gen'l Motors	49.61	4.6	2	3	Automotive	36
839	Jazz Pharmac. plc	103.58	4.7	3	3	Biotechnology	90
1558	Lincoln Nat'l Corp.	35.00	4.7	5	3	Insurance (Life)	56
2390	APA Corp.	17.71	5.2	1	4	Petroleum (Producing)	28
1907	Cal-Maine Foods	92.67	5.3	2	2	Food Processing	57
1422	Xerox Holdings	5.71	5.4	4	3	Computers/Peripherals	75
2180	Sally Beauty	9.98	5.5	3	3	Retail (Hardlines)	4
178	Integra LifeSciences	13.67	5.6	4	3	Med Supp Invasive	68
362	Jack in the Box	28.80	5.6	4	4	Restaurant	26
2541	Western Union	9.99	5.6	3	3	Financial Svcs. (Div.)	17
2510	Bread Financial	54.00	5.7	3	3	Financial Svcs. (Div.)	17
1223	AES Corp.	11.87	5.8	3	3	Power	79
383	Clarivate Plc	4.35	5.8	5	3	Industrial Services	5
2148	Macy's Inc.	12.34	5.9	3	4	Retail Store	21
943	Verint Systems	18.69	6.0	4	3	Telecom. Services	53
304	Amer. Airlines	11.67	6.1	4	4	Air Transport	44
1579	Alcoa Corp.	28.12	6.2	4	3	Metals & Mining (Div.)	81
985	Linamar Corp.	61.04	6.2	3	3	Auto Parts	43
2113	PVH Corp.	78.94	6.2	3	3	Apparel	80
2156	Upbound Group	26.08	6.2	3	3	Retail Store	21
2342	Sirius XM Holdings	21.94	6.3	–	4	Entertainment	27
1199	Energizer Holdings	22.87	6.5	4	3	Household Products	86
107	Mercedes-Benz AG	58.52	6.5	1	3	Automotive	36
507	Equinor ASA	23.11	6.6	2	3	Petroleum (Integrated)	54
1998	Playtika Holding	5.29	6.6	4	3	Entertainment Tech	94
312	United Airlines Hldgs.	78.62	6.7	3	4	Air Transport	44
934	RingCentral, Inc.	28.36	6.8	3	4	Telecom. Services	53
1575	SSR Mining Inc.	10.57	6.8	3	5	Precious Metals	7
1114	CEMEX ADS	6.56	6.9	1	3	Building Materials	37
305	Copa Holdings, S.A.	99.13	6.9	2	3	Air Transport	44
1706	Columbus McKinnon	17.90	7.0	4	4	Machinery	38
818	Walgreens Boots	11.40	7.0	–	4	Medical Services	19
2187	Abercrombie & Fitch	78.17	7.1	3	4	Retail (Softlines)	46
2006	Everest Group	347.80	7.1	1	3	Reinsurance	9
105	Honda Motor ADR	30.93	7.1	3	2	Automotive	36
1001	Nu Skin Enterprises	7.44	7.1	4	3	Toiletries/Cosmetics	93
1514	Annaly Capital Mgmt.	19.49	7.2	4	3	R.E.I.T.	89
1582	Century Aluminum	17.38	7.2	4	4	Metals & Mining (Div.)	81
2106	G-III Apparel Group	27.99	7.2	3	4	Apparel	80
2398	Murphy Oil Corp.	22.98	7.2	3	4	Petroleum (Producing)	28
1629	Teva Pharmac. ADR	17.96	7.2	4	3	Drug	62
982	Goodyear Tire	10.97	7.3	1	4	Auto Parts	43
986	Magna Int'l 'A'	36.35	7.3	4	3	Auto Parts	43
1139	Meritage Homes	70.85	7.3	3	3	Homebuilding	77
935	Rogers Communications	36.05	7.3	4	2	Telecom. Services	53
1605	Amphastar Pharma.	24.34	7.4	3	3	Drug	62
515	Par Pacific Holdings	18.38	7.4	4	4	Petroleum (Integrated)	54
2538	Synchrony Financial	60.36	7.4	1	3	Financial Svcs. (Div.)	17
1142	TRI Pointe Homes	32.25	7.4	3	3	Homebuilding	77
1903	B&G Foods	4.50	7.5	3	4	Food Processing	57
984	Lear Corp.	94.84	7.5	2	3	Auto Parts	43
2150	ODP Corp.	19.08	7.5	4	4	Retail Store	21
2182	Sunoco LP	55.53	7.5	2	3	Retail (Hardlines)	4
1556	Genworth Fin'l	7.21	7.6	4	3	Insurance (Life)	56
1144	Toll Brothers	108.51	7.6	3	3	Homebuilding	77
2168	Academy Sports	46.39	7.7	4	3	Retail (Hardlines)	4
792	Acadia Healthcare	25.84	7.7	5	3	Medical Services	19
2340	Paramount Global	11.95	7.7	–	4	Entertainment	27
1562	Prudential Fin'l	107.35	7.7	4	2	Insurance (Life)	56
2188	Amer. Eagle Outfitters	12.07	7.8	3	3	Retail (Softlines)	46
976	BorgWarner	32.63	7.8	–	3	Auto Parts	43
2108	Guess?, Inc.	12.04	7.8	–	4	Apparel	80
1413	HP Inc.	28.26	7.8	3	3	Computers/Peripherals	75
2308	Harley-Davidson	24.85	7.8	4	3	Recreation	52
1136	KB Home	56.13	7.8	4	3	Homebuilding	77
2397	Matador Resources	44.69	7.8	1	4	Petroleum (Producing)	28
534	Ovintiv Inc.	38.10	7.8	2	3	Natural Gas (Div.)	84
1173	Sylvamo Corp.	52.90	7.8	3	3	Paper/Forest Products	82
546	AdvanSix Inc.	24.21	7.9	3	3	Chemical (Specialty)	72
2516	Equitable Holdings	53.94	7.9	3	3	Financial Svcs. (Div.)	17
2409	Halliburton Co.	21.25	7.9	3	3	Oilfield Svcs/Equip.	71
429	Forrester Research	10.46	8.0	–	3	Information Services	41
1007	Comcast Corp.	34.72	8.1	3	1	Cable TV	67
333	Frontline plc	17.51	8.1	3	5	Maritime	73
1421	Western Digital	46.57	8.1	–	3	Computers/Peripherals	75
1589	Rio Tinto plc	61.41	8.2	3	2	Metals & Mining (Div.)	81
526	Coterra Energy	24.13	8.3	4	3	Natural Gas (Div.)	84
1137	LGI Homes	59.69	8.3	5	3	Homebuilding	77
2420	Weatherford Internationa	48.88	8.3	3	4	Oilfield Svcs/Equip.	71
527	Devon Energy	33.55	8.4	3	3	Natural Gas (Div.)	84
1230	First Solar, Inc.	156.21	8.4	4	3	Power	79
2181	Signet Jewelers Ltd.	69.82	8.4	3	4	Retail (Hardlines)	4
519	Suncor Energy	50.17	8.4	3	3	Petroleum (Integrated)	54
1143	Taylor Morrison Home	60.77	8.4	3	3	Homebuilding	77
520	TotalEnergies SE ADR	58.70	8.4	2	2	Petroleum (Integrated)	54

HIGHEST P/Es

Stocks with the highest estimated current P/E ratios

Page No.	Stock Name	Recent Price	Current P/E Ratio	Time-liness	Safety Rank	Industry Group	Industry Rank
2607	Grab Holdings Limited	4.99	99.8	4	4	Internet	24
1595	Compass Minerals Int'l	19.46	97.3	–	4	Chemical (Basic)	45
1546	Sun Communities Inc.	125.06	96.2	5	3	R.E.I.T.	89
1360	Credo Technology	55.23	92.1	3	4	Semiconductor	76
1517	Camden Property Trust	118.95	91.5	4	3	R.E.I.T.	89
1988	Duolingo, Inc.	517.83	90.1	2	3	Educational Services	2
422	CoStar Group	75.38	88.7	5	3	Information Services	41
720	Mercury Systems	46.48	86.1	4	3	Aerospace/Defense	31
1587	MP Materials	21.14	84.6	4	4	Metals & Mining (Div.)	81
1522	Equinix, Inc.	870.47	84.5	3	2	R.E.I.T.	89
2386	Trade Desk (The)	79.40	83.6	4	3	Advertising	87
1780	Coinbase Global	207.22	82.9	4	4	Brokers & Exchanges	13
184	Penumbra Inc.	297.55	82.7	2	3	Med Supp Invasive	68
232	TransMedics Group	118.73	79.2	3	4	Med Supp Non-Invasive	50
227	Repligen Corp.	133.72	79.1	4	3	Med Supp Non-Invasive	50
1520	Digital Realty Trust	166.00	79.0	5	3	R.E.I.T.	89
2026	Zscaler, Inc.	241.48	77.9	3	3	Cyber Security	59
2343	Spotify Tech. S.A.	620.81	77.6	3	3	Entertainment	27
179	Intuitive Surgical	561.43	77.4	3	3	Med Supp Invasive	68
1722	Kornit Digital Ltd.	19.30	77.2	5	4	Machinery	38
175	Inspire Medical Sys.	156.44	76.3	3	4	Med Supp Invasive	68
176	Insulet Corp.	316.67	76.3	1	3	Med Supp Invasive	68
1805	Dynatrace Inc	50.48	74.2	3	3	Digital Infrastructure	69
2534	SLM Corporation	33.31	74.0	3	3	Financial Svcs. (Div.)	17
428	Fair Isaac	2130.00	72.2	2	3	Information Services	41
1812	Shopify Inc.	104.34	72.0	3	3	Digital Infrastructure	69
2623	Chewy, Inc.	39.48	71.8	1	4	E-Commerce	18
826	Privia Health	25.06	71.6	2	3	Healthcare Information	47
2598	LiveRamp Holdings	29.27	71.4	3	3	IT Services	14
942	U.S. Cellular	60.11	70.7	–	4	Telecom. Services	53
1957	United Natural Foods	28.24	70.6	2	4	Retail/Wholesale Food	1
2436	Compass Diversified	7.02	70.2	–	3	Public/Private Equity	91
1530	Healthpeak Properties	17.55	70.2	–	3	R.E.I.T.	89
370	Wingstop Inc.	285.96	69.7	3	4	Restaurant	26
771	Ryan Specialty Grp	69.13	69.1	4	3	Insurance (Prop/Cas.)	11
2354	DraftKings Hldgs.	37.93	69.0	4	4	Hotel/Gaming	39
2575	SPS Commerce	151.87	69.0	3	3	Computer Software	30
1804	Datadog, Inc.	113.42	66.7	4	3	Digital Infrastructure	69
2433	Blue Owl Capital Inc	19.64	65.5	5	3	Public/Private Equity	91
1547	UDR, Inc.	42.57	65.5	4	3	R.E.I.T.	89
2624	Coupang Inc	26.14	65.4	3	3	E-Commerce	18
2401	Texas Pacif. Land Corp.	1341.12	65.4	2	3	Petroleum (Producing)	28
2553	Bill Holdings	47.37	64.9	3	4	Computer Software	30
1399	IPG Photonics	64.81	64.8	4	3	Semiconductor Equip	78
434	Thomson Reuters	258.29	64.6	3	1	Information Services	41
2344	TKO Group	160.60	63.0	–	3	Entertainment	27
2176	GameStop Corp.	28.05	62.3	–	4	Retail (Hardlines)	4
1232	GE Vernova Inc	416.63	62.2	–	3	Power	79
1356	ARM Holdings	124.81	62.1	–	3	Semiconductor	76
1357	Astera Labs Inc	80.28	61.8	–	4	Semiconductor	76
713	HEICO Corp.	268.48	61.0	2	2	Aerospace/Defense	31
116	Coherent Corp.	77.77	60.3	3	3	Precision Instrument	40
2552	Bentley Systems Inc	47.73	59.7	3	3	Computer Software	30
2599	Manhattan Assoc.	196.00	59.4	3	3	IT Services	14
987	Mobileye Global Inc	16.61	59.3	4	4	Auto Parts	43
1353	Allegro MicroSystems	24.83	59.1	–	3	Semiconductor	76
1913	Freshpet, Inc.	79.62	59.0	4	3	Food Processing	57
953	Calix, Inc.	44.19	58.1	2	4	Telecom. Equipment	35
821	Doximity, Inc.	61.04	58.1	2	3	Healthcare Information	47
1533	Iron Mountain	97.94	57.6	4	3	R.E.I.T.	89
1171	PotlatchDeltic Corp.	40.35	57.6	3	3	Paper/Forest Products	82
1581	Cameco Corp.	71.54	57.2	3	3	Metals & Mining (Div.)	81
717	Kratos Defense & Sec.	33.93	56.6	4	4	Aerospace/Defense	31
1118	Hillman Solutions	8.43	56.2	3	3	Building Materials	37
2556	Confluent Inc	22.34	55.9	5	4	Computer Software	30
1368	Microchip Technology	60.96	55.4	4	3	Semiconductor	76
2583	Tyler Technologies	565.19	55.4	3	1	Computer Software	30
2141	Costco Wholesale	1016.15	55.3	3	1	Retail Store	21
2547	AppFolio, Inc.	220.78	55.2	3	3	Computer Software	30
124	Novanta Inc.	131.68	54.9	3	3	Precision Instrument	40
2613	Pinterest, Inc.	32.84	54.7	3	3	Internet	24
219	Masimo Corp.	163.56	54.5	4	3	Med Supp Non-Invasive	50
202	Azenta, Inc.	28.30	54.4	4	3	Med Supp Non-Invasive	50
1636	Dayforce, Inc.	59.60	54.2	4	3	Human Resources	48
1014	Construction Partners	100.02	53.8	3	3	Engineering & Const	6
2383	Magnite, Inc.	16.13	53.8	4	4	Advertising	87
1374	Power Integrations	59.01	53.6	3	3	Semiconductor	76
1364	Lattice Semiconductor	56.00	53.3	3	3	Semiconductor	76
2627	MercadoLibre, Inc.	2504.61	53.3	2	3	E-Commerce	18
2554	Box, Inc.	31.87	53.1	3	3	Computer Software	30
102	Ferrari N.V.	486.76	52.6	2	2	Automotive	36
1524	Equity Residential	70.90	52.5	3	3	R.E.I.T.	89
2551	Autodesk, Inc.	293.20	52.4	2	3	Computer Software	30
1789	Tradeweb Markets Inc	141.55	52.4	3	2	Brokers & Exchanges	13
1817	Wix.com Ltd.	179.71	52.1	3	3	Digital Infrastructure	69
548	Avient Corp.	39.01	52.0	4	3	Chemical (Specialty)	72
2164	On Holding AG	51.31	51.3	3	3	Shoe	22
704	AeroVironment	167.13	51.0	4	3	Aerospace/Defense	31
398	Rollins, Inc.	55.73	50.7	2	2	Industrial Services	5
991	Titan Int'l	7.61	50.7	–	4	Auto Parts	43
715	Howmet Aerospace	156.96	49.8	1	3	Aerospace/Defense	31
114	Badger Meter	235.45	49.6	2	3	Precision Instrument	40
1643	Paylocity Holding	198.76	49.6	3	3	Human Resources	48
2336	Live Nation Entertain.	140.83	49.4	3	3	Entertainment	27
2431	Ares Management	172.57	49.3	3	3	Public/Private Equity	91
2131	OPENLANE, Inc.	22.19	49.3	3	4	Retail Automotive	20
1225	Bloom Energy	18.91	47.3	3	5	Power	79
1358	Broadcom Inc.	221.58	47.1	3	3	Semiconductor	76
382	Cintas Corp.	216.99	47.1	2	2	Industrial Services	5
2536	SoFi Technologies Inc	14.04	46.8	2	4	Financial Svcs. (Div.)	17

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

STOCKS WITH HIGHEST ANNUAL TOTAL RETURNS (NEXT 3 TO 5 YEARS)

(Estimated compound annual stock price appreciation plus estimated annual dividend income.)

Page No.	Stock Name	Recent Price	Est'd Total Return	Time-liness	Safety Rank	Industry Group	Industry Rank
843	Sarepta Therapeutics	36.37	57%	5	4	Biotechnology	90
2436	Compass Diversified	7.02	56%	–	3	Public/Private Equity	91
741	Cleveland-Cliffs Inc.	7.51	52%	5	4	Steel	23
998	Helen of Troy Ltd.	32.42	51%	5	3	Toiletries/Cosmetics	93
1229	Enphase Energy	47.94	50%	3	4	Power	79
811	Myriad Genetics	4.25	47%	5	4	Medical Services	19
568	Tronox Holding plc	5.77	45%	5	4	Chemical (Specialty)	72
2130	Monro, Inc.	13.07	43%	5	3	Retail Automotive	20
845	Vaxcyte Inc	31.59	43%	5	4	Biotechnology	90
1511	Alexandria Real Estate	74.23	41%	5	3	R.E.I.T.	89
1237	Plug Power	0.90	40%	–	5	Power	79
1903	B&G Foods	4.50	38%	3	4	Food Processing	57
1161	Leggett & Platt	9.61	37%	2	3	Furn/Home Furnishings	70
1001	Nu Skin Enterprises	7.44	37%	4	3	Toiletries/Cosmetics	93
1998	Playtika Holding	5.29	37%	4	3	Entertainment Tech	94
1241	XPLR Infra.	9.23	37%	5	4	Power	79
1905	Beyond Meat	2.31	36%	–	5	Food Processing	57
1121	JELD-WEN Holding	4.36	36%	5	4	Building Materials	37
2408	Core Laboratories	12.06	35%	4	4	Oilfield Svcs/Equip.	71
1422	Xerox Holdings	5.71	35%	4	3	Computers/Peripherals	75
996	Coty Inc.	5.01	34%	4	4	Toiletries/Cosmetics	93
1706	Columbus McKinnon	17.90	33%	4	4	Machinery	38
924	Five9, Inc.	28.05	33%	4	4	Telecom. Services	53
2381	Interpublic Group	25.65	33%	–	3	Advertising	87
2410	Helix Energy Solutions	6.85	32%	4	4	Oilfield Svcs/Equip.	71
929	Iridium Communic.	26.98	32%	3	3	Telecom. Services	53
935	Rogers Communications	36.05	32%	4	2	Telecom. Services	53
2347	Warner Music Group	27.48	32%	4	3	Entertainment	27
2118	Advance Auto Parts	33.38	31%	–	3	Retail Automotive	20
930	Liberty Latin Amer.	4.52	31%	4	4	Telecom. Services	53
2398	Murphy Oil Corp.	22.98	31%	3	4	Petroleum (Producing)	28
1537	Park Hotels & Resorts	11.17	31%	4	4	R.E.I.T.	89
201	Avantor, Inc.	13.00	30%	4	3	Med Supp Non-Invasive	50
202	Azenta, Inc.	28.30	30%	4	3	Med Supp Non-Invasive	50
2508	Block, Inc.	55.02	30%	4	4	Financial Svcs. (Div.)	17
1529	Healthcare Realty	14.94	30%	4	3	R.E.I.T.	89
2427	Huntsman Corp.	12.93	30%	4	3	Chemical (Diversified)	92
559	Kronos Worldwide	7.55	30%	3	3	Chemical (Specialty)	72
1162	MillerKnoll, Inc.	17.86	30%	4	3	Furn/Home Furnishings	70
1575	SSR Mining Inc.	10.57	30%	3	5	Precious Metals	7
2423	Albemarle Corp.	61.57	29%	5	3	Chemical (Diversified)	92
2375	Deluxe Corp.	16.20	29%	3	3	Publishing	29
1230	First Solar, Inc.	156.21	29%	4	3	Power	79
2409	Halliburton Co.	21.25	29%	3	3	Oilfield Svcs/Equip.	71
1530	Healthpeak Properties	17.55	29%	–	3	R.E.I.T.	89
178	Integra LifeSciences	13.67	29%	4	3	Med Supp Invasive	68
1623	Organon & Co.	8.71	29%	4	3	Drug	62
2415	Patterson-UTI Energy	6.32	29%	3	4	Oilfield Svcs/Equip.	71
2342	Sirius XM Holdings	21.94	29%	–	4	Entertainment	27
943	Verint Systems	18.69	29%	4	3	Telecom. Services	53
792	Acadia Healthcare	25.84	28%	5	3	Medical Services	19
315	ArcBest Corp.	70.41	28%	3	3	Trucking	85
1609	Bausch Health	4.78	28%	–	5	Drug	62
1597	Dow Inc.	30.98	28%	4	3	Chemical (Basic)	45
1199	Energizer Holdings	22.87	28%	4	3	Household Products	86
386	eXp World Holdings	7.82	28%	4	4	Industrial Services	5
806	ICON plc	140.22	28%	4	3	Medical Services	19
2412	Liberty Energy	12.68	28%	4	4	Oilfield Svcs/Equip.	71
1008	Liberty Global Ltd.	9.23	28%	–	3	Cable TV	67
1640	ManpowerGroup Inc.	44.18	28%	4	3	Human Resources	48
723	Parsons Corp.	65.09	28%	3	3	Aerospace/Defense	31
565	Quaker Chemical	109.61	28%	4	3	Chemical (Specialty)	72
2390	APA Corp.	17.71	27%	1	4	Petroleum (Producing)	28
1393	Amkor Technology	19.63	27%	3	3	Semiconductor Equip	78
1606	Apellis Pharmac.	17.52	27%	5	4	Drug	62
952	AudioCodes Ltd.	8.86	27%	–	3	Telecom. Equipment	35
205	Bruker Corp.	40.26	27%	4	3	Med Supp Non-Invasive	50
2374	Cimpress plc	45.85	27%	3	4	Publishing	29
2191	Designer Brands	3.79	27%	–	5	Retail (Softlines)	46
359	Dine Brands Global	24.20	27%	–	4	Restaurant	26
1599	FMC Corp.	38.22	27%	3	3	Chemical (Basic)	45
317	Forward Air	19.03	27%	5	4	Trucking	85
1233	Generac Holdings	127.21	27%	3	3	Power	79
1401	Kulicke & Soffa	33.96	27%	4	3	Semiconductor Equip	78
1202	Newell Brands	6.01	27%	4	5	Household Products	86
516	Petroleo Brasileiro ADR	12.07	27%	3	3	Petroleum (Integrated)	54
2416	ProPetro Holding	6.00	27%	4	5	Oilfield Svcs/Equip.	71
1189	Sealed Air	32.22	27%	2	3	Packaging & Container	12
1592	Vale S.A. ADR	9.60	27%	3	3	Metals & Mining (Div.)	81
2329	Winnebago	36.70	27%	3	3	Recreation	52
2435	Carlyle Group	45.62	26%	4	3	Public/Private Equity	91
383	Clarivate Plc	4.35	26%	5	3	Industrial Services	5
997	e.l.f. Beauty	74.07	26%	5	4	Toiletries/Cosmetics	93
1911	Flowers Foods	17.60	26%	3	2	Food Processing	57
1335	iRobot Corp.	2.80	26%	–	5	Electronics	25
1644	Robert Half Inc.	48.19	26%	4	2	Human Resources	48
1192	Sonoco Products	45.89	26%	2	2	Packaging & Container	12
2584	UiPath, Inc.	13.09	26%	2	4	Computer Software	30
1350	Vishay Intertechnology	14.74	26%	3	3	Electronics	25
1605	Amphastar Pharma.	24.34	25%	3	3	Drug	62
1157	Arhaus, Inc.	8.50	25%	4	3	Furn/Home Furnishings	70
549	Axalta Coating	32.70	25%	3	3	Chemical (Specialty)	72
1180	Ball Corp.	53.23	25%	3	3	Packaging & Container	12
168	Dentsply Sirona	16.75	25%	3	3	Med Supp Invasive	68
2411	Helmerich & Payne	19.27	25%	3	3	Oilfield Svcs/Equip.	71
2360	Int'l Game Tech. PLC	17.89	25%	–	4	Hotel/Gaming	39
2395	Kimbell Royalty Part.	13.55	25%	4	3	Petroleum (Producing)	28
1235	Northland Power	19.74	25%	4	3	Power	79
1405	Onto Innovation	93.49	25%	4	3	Semiconductor Equip	78
2340	Paramount Global	11.95	25%	–	4	Entertainment	27

STOCKS WITH HIGHEST PROJECTED 3- TO 5-YEAR DIVIDEND YIELD

Based upon the projected dividend per share 3 to 5 years hence divided by the recent price

Page No.	Stock Name	Recent Price	Est'd Future Yield	Time-liness	Safety Rank	Industry Group	Industry Rank
516	Petroleo Brasileiro ADR	12.07	27%	3	3	Petroleum (Integrated)	54
584	Kinetik Holdings	43.33	21%	4	3	Oil/Gas Distribution	64
2395	Kimbell Royalty Part.	13.55	20%	4	3	Petroleum (Producing)	28
110	Stellantis N.V.	10.47	18%	4	3	Automotive	36
1903	B&G Foods	4.50	17%	3	4	Food Processing	57
1537	Park Hotels & Resorts	11.17	16%	4	4	R.E.I.T.	89
597	Plains All Amer. Pipe.	17.13	16%	3	3	Pipeline MLPs	49
598	Plains GP Hldgs. L.P.	18.42	15%	2	3	Pipeline MLPs	49
1592	Vale S.A. ADR	9.60	15%	3	3	Metals & Mining (Div.)	81
2436	Compass Diversified	7.02	14%	–	3	Public/Private Equity	91
920	BCE Inc.	22.56	13%	4	2	Telecom. Services	53
2391	Black Stone Minerals	13.90	13%	4	3	Petroleum (Producing)	28
1623	Organon & Co.	8.71	13%	4	3	Drug	62
337	SFL Corp. Ltd	8.57	13%	5	3	Maritime	73
107	Mercedes-Benz AG	58.52	12%	1	3	Automotive	36
594	Enterprise Products	31.40	11%	3	3	Pipeline MLPs	49
2108	Guess?, Inc.	12.04	11%	–	4	Apparel	80
1530	Healthpeak Properties	17.55	11%	–	3	R.E.I.T.	89
1998	Playtika Holding	5.29	11%	4	3	Entertainment Tech	94
1387	United Microelectronics	7.71	11%	–	3	Semiconductor	76
600	Western Midstream	38.23	11%	3	3	Pipeline MLPs	49
2390	APA Corp.	17.71	10%	1	4	Petroleum (Producing)	28
1979	Brit. Am. Tobacco ADR	40.98	10%	3	2	Tobacco	10
2104	Carter's Inc.	35.86	10%	4	3	Apparel	80
305	Copa Holdings, S.A.	99.13	10%	2	3	Air Transport	44
507	Equinor ASA	23.11	10%	2	3	Petroleum (Integrated)	54
1529	Healthcare Realty	14.94	10%	4	3	R.E.I.T.	89
595	Hess Midstream LP	38.27	10%	3	3	Pipeline MLPs	49
561	LyondellBasell Inds.	60.68	10%	3	3	Chemical (Specialty)	72
596	MPLX LP	48.96	10%	3	3	Pipeline MLPs	49
1550	VICI Properties	31.52	10%	3	3	R.E.I.T.	89
2541	Western Union	9.99	10%	3	3	Financial Svcs. (Div.)	17
1978	Altria Group	56.95	9%	3	2	Tobacco	10
579	Antero Midstream Corp.	18.19	9%	2	3	Oil/Gas Distribution	64
350	Bloomin' Brands	8.81	9%	5	4	Restaurant	26
551	Chemours Co. (The)	11.99	9%	5	4	Chemical (Specialty)	72
921	Cogent Comms. Hldgs	50.54	9%	5	3	Telecom. Services	53
359	Dine Brands Global	24.20	9%	–	4	Restaurant	26
593	Energy Transfer LP	17.44	9%	3	3	Pipeline MLPs	49
2427	Huntsman Corp.	12.93	9%	4	3	Chemical (Diversified)	92
1640	ManpowerGroup Inc.	44.18	9%	4	3	Human Resources	48
932	Millicom Int'l Cellular	34.46	9%	1	3	Telecom. Services	53
2130	Monro, Inc.	13.07	9%	5	3	Retail Automotive	20
1235	Northland Power	19.74	9%	4	3	Power	79
2385	OUTFRONT Media	16.28	9%	4	3	Advertising	87
2399	Permian Resources Corpor	13.63	9%	3	4	Petroleum (Producing)	28
2341	Sinclair, Inc.	15.90	9%	3	4	Entertainment	27
940	TELUS Corporation	22.33	9%	4	2	Telecom. Services	53
568	Tronox Holding plc	5.77	9%	5	4	Chemical (Specialty)	72
1422	Xerox Holdings	5.71	9%	4	3	Computers/Peripherals	75
1511	Alexandria Real Estate	74.23	8%	5	3	R.E.I.T.	89
2214	AllianceBernstein Hldg.	40.87	8%	3	3	Asset Management	51
1004	Cable One	171.66	8%	4	3	Cable TV	67
592	Cheniere Energy Part.	57.03	8%	3	3	Pipeline MLPs	49
2191	Designer Brands	3.79	8%	–	5	Retail (Softlines)	46
2202	Edison Int'l	56.56	8%	3	3	Electric Utility (West)	63
1599	FMC Corp.	38.22	8%	3	3	Chemical (Basic)	45
1528	Gaming and Leisure	46.50	8%	3	3	R.E.I.T.	89
509	HF Sinclair	35.40	8%	3	3	Petroleum (Integrated)	54
1531	Host Hotels & Resorts	15.70	8%	3	3	R.E.I.T.	89
2220	Invesco Ltd.	15.59	8%	5	3	Asset Management	51
2147	Kohl's Corp.	7.57	8%	5	4	Retail Store	21
1337	Methode Electronics	7.72	8%	–	5	Electronics	25
2398	Murphy Oil Corp.	22.98	8%	3	4	Petroleum (Producing)	28
1202	Newell Brands	6.01	8%	4	5	Household Products	86
1625	Pfizer, Inc.	23.09	8%	3	2	Drug	62
1540	Realty Income Corp.	55.94	8%	5	3	R.E.I.T.	89
1589	Rio Tinto plc	61.41	8%	3	2	Metals & Mining (Div.)	81
1549	Veris Residential	15.60	8%	5	3	R.E.I.T.	89
2387	WPP PLC ADR	40.14	8%	3	3	Advertising	87
1211	Whirlpool Corp.	83.57	8%	4	3	Household Products	86
1223	AES Corp.	11.87	7%	3	3	Power	79
1177	Amcor plc	9.34	7%	4	2	Packaging & Container	12
952	AudioCodes Ltd.	8.86	7%	–	3	Telecom. Equipment	35
502	BP PLC ADR	30.19	7%	3	3	Petroleum (Integrated)	54
605	Bank of Nova Scotia	70.74	7%	5	1	Bank	65
2433	Blue Owl Capital Inc	19.64	7%	5	3	Public/Private Equity	91
1749	Brookfield Infrastruc.	31.97	7%	4	3	Diversified Co.	15
1504	Columbia Banking	25.63	7%	4	3	Thrift	32
1909	Conagra Brands	23.31	7%	4	2	Food Processing	57
506	Delek US Holdings	16.33	7%	5	4	Petroleum (Integrated)	54
2375	Deluxe Corp.	16.20	7%	3	3	Publishing	29
1199	Energizer Holdings	22.87	7%	4	3	Household Products	86
1158	Ethan Allen Interiors	27.46	7%	3	3	Furn/Home Furnishings	70
2219	Franklin Resources	21.69	7%	4	3	Asset Management	51
2381	Interpublic Group	25.65	7%	–	3	Advertising	87
1558	Lincoln Nat'l Corp.	35.00	7%	5	3	Insurance (Life)	56
2339	Nexstar Media Group	169.65	7%	2	3	Entertainment	27
1506	Northwest Bancshares	12.67	7%	2	3	Thrift	32
514	PBF Energy	20.79	7%	5	5	Petroleum (Integrated)	54
2319	Polaris Inc.	38.89	7%	5	3	Recreation	52
2223	Price (T. Rowe) Group	97.09	7%	4	2	Asset Management	51
1562	Prudential Fin'l	107.35	7%	4	2	Insurance (Life)	56
1644	Robert Half Inc.	48.19	7%	4	2	Human Resources	48
2342	Sirius XM Holdings	21.94	7%	–	4	Entertainment	27
2322	Smith & Wesson Brands	9.67	7%	–	3	Recreation	52
599	Suburban Propane	19.17	7%	4	3	Pipeline MLPs	49
2182	Sunoco LP	55.53	7%	2	3	Retail (Hardlines)	4
938	Telefonica SA ADR	4.84	7%	–	3	Telecom. Services	53
520	TotalEnergies SE ADR	58.70	7%	2	2	Petroleum (Integrated)	54

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

HIGH RETURNS EARNED ON TOTAL CAPITAL

Stocks with high average returns on capital in last 5 years ranked by earnings retained to common equity

Page No.	Stock Name	Ticker	Recent Price	Avg. Retained to Com. Eq.	Avg. Return On Cap.	Time-liness	Safety Rank	Beta	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
965	Motorola Solutions	MSI	412.91	640%	33%	3	2	1.00	28.1	1.1	Telecom. Equipment	35
207	Cencora	COR	278.38	485%	54%	1	2	0.70	17.9	0.8	Med Supp Non-Invasive	50
2509	Block (H&R)	HRB	57.50	415%	32%	3	3	0.90	14.3	2.8	Financial Svcs. (Div.)	17
1149	Home Depot	HD	376.59	382%	38%	3	1	0.90	25.2	2.4	Retail Building Supply	55
1150	Lowe's Cos.	LOW	232.78	344%	42%	2	2	0.90	18.8	2.0	Retail Building Supply	55
1124	Masco Corp.	MAS	69.16	341%	33%	3	3	1.00	16.1	1.8	Building Materials	37
1411	Apple Inc.	AAPL	210.79	126%	58%	3	1	1.00	28.1	0.5	Computers/Peripherals	75
1723	Lennox Int'l	LII	595.73	123%	55%	3	3	1.05	25.9	0.8	Machinery	38
2529	Mastercard Inc.	MA	578.27	117%	48%	1	2	1.10	35.0	0.5	Financial Svcs. (Div.)	17
1417	NetApp, Inc.	NTAP	98.43	105%	43%	3	3	1.20	13.2	2.2	Computers/Peripherals	75
1637	Insperity Inc.	NSP	69.00	98%	35%	3	3	1.05	27.1	3.5	Human Resources	48
1400	KLA Corp.	KLAC	760.47	89%	36%	2	3	1.30	23.8	0.9	Semiconductor Equip	78
214	IDEXX Labs.	IDXX	509.53	85%	46%	1	3	1.05	42.5	NIL	Med Supp Non-Invasive	50
2016	Fortinet Inc.	FTNT	102.04	83%	100%	1	3	1.20	44.4	NIL	Cyber Security	59
2138	BJ's Wholesale Club	BJ	111.71	71%	31%	1	3	0.50	25.7	NIL	Retail Store	21
2558	Dropbox, Inc.	DBX	29.29	71%	50%	1	3	1.05	11.7	NIL	Computer Software	30
428	Fair Isaac	FICO	2130.00	71%	38%	2	3	1.05	72.2	NIL	Information Services	41
1978	Altria Group	MO	56.95	64%	39%	3	2	0.75	10.6	7.2	Tobacco	10
2604	Booking Holdings	BKNG	5194.99	59%	35%	2	3	1.35	25.1	0.7	Internet	24
206	Cardinal Health	CAH	148.62	59%	70%	3	3	0.90	17.4	1.4	Med Supp Non-Invasive	50
2599	Manhattan Assoc.	MANH	196.00	55%	55%	3	3	1.25	59.4	NIL	IT Services	14
1372	NVIDIA Corp.	NVDA	123.00	52%	44%	3	3	1.40	28.0	0.1	Semiconductor	76
719	Lockheed Martin	LMT	473.16	49%	32%	3	1	0.70	17.4	2.8	Aerospace/Defense	31
220	McKesson Corp.	MCK	687.52	48%	89%	1	1	0.75	19.1	0.5	Med Supp Non-Invasive	50
1170	Louisiana-Pacific	LPX	94.50	46%	41%	3	3	1.30	17.5	1.2	Paper/Forest Products	82
2184	Ulta Beauty	ULTA	412.38	46%	46%	1	3	1.05	18.0	NIL	Retail (Hardlines)	4
1402	Lam Research	LRCX	82.25	45%	33%	2	3	1.45	21.2	1.1	Semiconductor Equip	78
1376	Qualcomm Inc.	QCOM	152.12	44%	34%	2	3	1.20	12.8	2.4	Semiconductor	76
1973	National Beverage	FIZZ	43.94	43%	43%	3	3	0.65	21.2	NIL	Beverage	74
2190	Buckle (The), Inc.	BKE	39.26	40%	56%	3	3	1.10	11.5	3.6	Retail (Softlines)	46
809	Medpace Holdings	MEDP	313.74	40%	40%	1	3	1.25	24.1	NIL	Medical Services	19
2330	YETI Holdings	YETI	31.71	40%	34%	4	3	1.35	11.1	NIL	Recreation	52
1622	Novo Nordisk ADR	NVO	67.74	39%	57%	3	3	0.85	18.8	2.5	Drug	62
1394	Applied Materials	AMAT	167.99	38%	32%	3	3	1.35	17.6	1.1	Semiconductor Equip	78
1157	Arhaus, Inc.	ARHS	8.50	38%	31%	4	3	1.45	15.5	NIL	Furn/Home Furnishings	70
1167	Williams-Sonoma	WSM	173.80	38%	50%	2	3	1.15	20.4	1.5	Furn/Home Furnishings	70
2555	Cadence Design Sys.	CDNS	311.77	37%	31%	3	3	1.05	46.5	NIL	Computer Software	30
2194	lululemon athletica	LULU	304.20	35%	35%	2	3	1.10	20.3	NIL	Retail (Softlines)	46
993	XPEL, Inc.	XPEL	38.32	35%	31%	2	4	1.50	12.8	NIL	Auto Parts	43
2013	Check Point Software	CHKP	217.23	33%	33%	1	1	0.80	21.7	NIL	Cyber Security	59
1750	Chemed Corp.	CHE	569.11	33%	33%	1	1	0.65	22.6	0.4	Diversified Co.	15
354	Chipotle Mex. Grill	CMG	50.76	33%	33%	2	3	1.00	44.1	NIL	Restaurant	26
2322	Smith & Wesson Brands	SWBI	9.67	33%	36%	–	3	0.95	22.0	5.8	Recreation	52
2173	Best Buy Co.	BBY	73.37	32%	41%	2	3	1.05	12.7	5.2	Retail (Hardlines)	4
1154	Tractor Supply	TSCO	52.72	32%	31%	3	2	0.85	24.0	1.7	Retail Building Supply	55
1634	Automatic Data Proc.	ADP	309.38	31%	44%	2	1	0.90	30.0	2.0	Human Resources	48
1391	ASML Holding N.V.	ASML	750.20	30%	33%	2	3	1.30	32.0	0.9	Semiconductor Equip	78
387	Expeditors Int'l	EXPD	116.08	28%	36%	3	1	0.95	21.1	1.3	Industrial Services	5
1927	Medifast, Inc.	MED	13.12	28%	58%	–	4	0.95	NMF	NIL	Food Processing	57
2154	TJX Companies	TJX	131.49	28%	32%	2	2	0.95	28.6	1.3	Retail Store	21

BARGAIN BASEMENT STOCKS

Stocks with current price-earnings multiples and price-to-"net" working capital ratios that are in the bottom quartile of the Value Line universe

("Net" working capital equals current assets less all liabilities including long-term debt and preferred)

Page No.	Stock Name	Ticker	Recent Price	Percent Price-to "Net" Wkg. Capital	Current P/E Ratio	Percent Price-to Book Value	Time-liness	Safety Rank	Beta	% Est'd Yield	Industry Group	Industry Rank
1137	LGI Homes	LGIH	59.69	78%	8.3	69%	5	3	1.10	NIL	Homebuilding	77
1142	TRI Pointe Homes	TPH	32.25	109%	7.4	89%	3	3	1.10	NIL	Homebuilding	77
1139	Meritage Homes	MTH	70.85	118%	7.3	99%	3	3	1.15	2.4	Homebuilding	77
1136	KB Home	KBH	56.13	122%	7.8	109%	4	3	1.10	1.8	Homebuilding	77
1144	Toll Brothers	TOL	108.51	192%	7.6	141%	3	3	1.20	0.9	Homebuilding	77
1143	Taylor Morrison Home	TMHC	60.77	193%	8.4	105%	3	3	1.20	NIL	Homebuilding	77
1135	Horton D.R.	DHI	126.14	210%	9.8	161%	3	3	0.95	1.3	Homebuilding	77
1983	Universal Corp.	UVV	56.75	216%	8.5	95%	3	2	0.90	5.8	Tobacco	10
1141	PulteGroup, Inc.	PHM	106.54	223%	8.8	178%	3	3	1.10	0.8	Homebuilding	77
1138	Lennar Corp.	LEN	112.55	225%	11.3	108%	4	3	1.00	1.8	Homebuilding	77
746	Russel Metals	RUS.TO	41.20	241%	10.7	140%	3	3	1.15	4.1	Steel	23
2106	G-III Apparel Group	GIII	27.99	242%	7.2	73%	3	4	1.55	NIL	Apparel	80
1324	Arrow Electronics	ARW	121.75	264%	12.5	110%	3	3	1.10	NIL	Electronics	25
736	Tenaris S.A. ADS	TS	34.73	324%	11.2	117%	2	3	1.25	2.6	Metal Fabricating	8
332	CMB.TECH NV	CMBT	9.27	328%	13.2	171%	3	3	1.00	NIL	Maritime	73
1406	Photronics Inc.	PLAB	20.61	376%	10.3	114%	3	4	1.40	NIL	Semiconductor Equip	78
1420	Super Micro Computer	SMCI	33.52	436%	11.3	364%	4	4	1.35	NIL	Computers/Peripherals	75
1109	Boise Cascade	BCC	93.10	464%	10.3	165%	4	3	1.20	0.9	Building Materials	37
1907	Cal-Maine Foods	CALM	92.67	530%	5.3	252%	2	2	0.65	14.9	Food Processing	57
844	United Therapeutics	UTHR	310.80	612%	11.3	223%	3	3	0.80	NIL	Biotechnology	90
2223	Price (T. Rowe) Group	TROW	97.09	636%	10.2	209%	4	2	1.25	5.3	Asset Management	51
980	Gentex Corp.	GNTX	23.37	713%	12.3	215%	4	2	1.00	2.1	Auto Parts	43
1940	USANA Health Sciences	USNA	30.02	907%	11.5	108%	4	3	0.85	NIL	Food Processing	57
2330	YETI Holdings	YETI	31.71	937%	11.1	355%	4	3	1.35	NIL	Recreation	52
837	Incyte Corp.	INCY	60.85	947%	11.5	341%	3	3	0.70	NIL	Biotechnology	90
1158	Ethan Allen Interiors	ETD	27.46	986%	11.2	144%	3	3	1.10	5.7	Furn/Home Furnishings	70
810	Molina Healthcare	MOH	327.69	1019%	12.6	381%	2	3	0.75	NIL	Medical Services	19
1906	Bunge Global SA	BG	80.15	1105%	10.7	108%	3	3	0.85	3.5	Food Processing	57
1393	Amkor Technology	AMKR	19.63	1386%	12.7	117%	3	3	1.60	1.7	Semiconductor Equip	78
993	XPEL, Inc.	XPEL	38.32	1423%	12.8	431%	2	4	1.50	NIL	Auto Parts	43

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

UNTIMELY STOCKS

Stocks ranked 5 (Lowest) for Relative Price Performance in the next 12 months

Page No.	Stock Name	Recent Price	Rank Safety	Rank Technical	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
917	AST SpaceMobile Inc	27.16	4	2	NMF	NIL	Telecom. Services	53
792	Acadia Healthcare	25.84	3	3	7.7	NIL	Medical Services	19
2422	Air Products & Chem.	276.21	2	2	21.2	2.6	Chemical (Diversified)	92
2423	Albemarle Corp.	61.57	3	3	8.9	2.6	Chemical (Diversified)	92
1511	Alexandria Real Estate	74.23	3	3	19.5	7.1	R.E.I.T.	89
831	Alnylam Pharmac.	270.19	3	3	NMF	NIL	Biotechnology	90
1606	Apellis Pharmac.	17.52	4	3	NMF	NIL	Drug	62
1608	Axsome Therapeutics	110.16	4	3	NMF	NIL	Drug	62
1516	BXP Inc.	66.60	3	4	35.1	5.9	R.E.I.T.	89
605	Bank of Nova Scotia	70.74	1	3	10.1	6.2	Bank	65
835	BioNTech SE	97.27	4	2	NMF	NIL	Biotechnology	90
350	Bloomin' Brands	8.81	4	4	3.8	6.8	Restaurant	26
2433	Blue Owl Capital Inc	19.64	3	2	65.5	4.6	Public/Private Equity	91
706	Boeing	198.53	3	5	NMF	NIL	Aerospace/Defense	31
503	CVR Energy	22.05	4	5	36.8	NIL	Petroleum (Integrated)	54
2122	Camping World Holdings	16.47	5	3	25.3	3.0	Retail Automotive	20
551	Chemours Co. (The)	11.99	4	3	20.0	8.3	Chemical (Specialty)	72
383	Clarivate Plc	4.35	3	3	5.8	NIL	Industrial Services	5
741	Cleveland-Cliffs Inc.	7.51	4	3	NMF	NIL	Steel	23
921	Cogent Comms. Hldgs	50.54	3	3	NMF	8.1	Telecom. Services	53
1396	Cohu, Inc.	17.62	3	3	NMF	NIL	Semiconductor Equip	78
2556	Confluent Inc	22.34	4	3	55.9	NIL	Computer Software	30
422	CoStar Group	75.38	3	3	88.7	NIL	Information Services	41
2015	CyberArk Software	367.66	3	2	NMF	NIL	Cyber Security	59
506	Delek US Holdings	16.33	4	5	NMF	6.2	Petroleum (Integrated)	54
1520	Digital Realty Trust	166.00	3	3	79.0	3.0	R.E.I.T.	89
997	e.l.f. Beauty	74.07	4	5	20.6	NIL	Toiletries/Cosmetics	93
1521	Elme Communities	16.10	3	2	NMF	4.7	R.E.I.T.	89
133	Eversource Energy	62.25	2	4	13.1	4.9	Electric Utility (East)	88
822	Evolent Health	9.31	4	3	NMF	NIL	Healthcare Information	47
801	Exact Sciences	53.40	4	5	NMF	NIL	Medical Services	19
2192	Foot Locker	13.28	4	3	8.9	NIL	Retail (Softlines)	46
317	Forward Air	19.03	4	3	NMF	NIL	Trucking	85
172	Glaukos Corp.	94.64	4	3	NMF	NIL	Med Supp Invasive	68
803	Guardant Health	41.66	4	1	NMF	NIL	Medical Services	19
998	Helen of Troy Ltd.	32.42	3	2	4.2	NIL	Toiletries/Cosmetics	93
174	ICU Medical	144.34	3	1	21.2	NIL	Med Supp Invasive	68
573	Impinj, Inc.	111.95	5	5	NMF	NIL	Wireless Networking	34
1363	Intel Corp.	22.18	3	3	44.4	NIL	Semiconductor	76
1169	Int'l Paper	47.91	3	2	20.8	3.9	Paper/Forest Products	82
2220	Invesco Ltd.	15.59	3	4	10.4	5.4	Asset Management	51
838	Ionis Pharmac.	33.53	3	5	NMF	NIL	Biotechnology	90
1121	JELD-WEN Holding	4.36	4	3	NMF	NIL	Building Materials	37
308	JetBlue Airways	4.84	4	3	NMF	NIL	Air Transport	44
615	KeyCorp ■	16.46	3	3	11.4	5.0	Bank	65
2147	Kohl's Corp.	7.57	4	3	34.4	6.9	Retail Store	21
1722	Kornit Digital Ltd.	19.30	4	3	77.2	NIL	Machinery	38
1137	LGI Homes	59.69	3	3	8.3	NIL	Homebuilding	77
1558	Lincoln Nat'l Corp.	35.00	3	2	4.7	5.2	Insurance (Life)	56
120	Lumentum Holdings	71.73	4	3	NMF	NIL	Precision Instrument	40
1586	Lundin Mining ■	12.44	3	4	27.6	2.9	Metals & Mining (Div.)	81
1970	MGP Ingredients	33.56	3	5	13.2	1.4	Beverage	74
1367	MaxLinear, Inc.	12.24	4	3	30.6	NIL	Semiconductor	76
840	Moderna, Inc.	25.70	4	4	NMF	NIL	Biotechnology	90
1809	MongoDB, Inc.	191.61	4	3	NMF	NIL	Digital Infrastructure	69
2130	Monro, Inc.	13.07	3	2	18.2	8.6	Retail Automotive	20
811	Myriad Genetics	4.25	4	2	NMF	NIL	Medical Services	19
617	Nat'l Bank of Canada	126.02	1	3	11.1	3.8	Bank	65
2530	Navient Corp.	13.87	3	4	8.7	4.6	Financial Svcs. (Div.)	17
533	New Fortress Energy	6.86	4	3	3.4	NIL	Natural Gas (Div.)	84
223	NovoCure Limited	18.57	3	3	NMF	NIL	Med Supp Non-Invasive	50
514	PBF Energy	20.79	5	5	NMF	5.3	Petroleum (Integrated)	54
2319	Polaris Inc.	38.89	3	3	35.4	6.9	Recreation	52
185	PROCEPT BioRobotics	54.44	4	3	NMF	NIL	Med Supp Invasive	68
989	QuantumScape Corp.	4.28	5	3	NMF	NIL	Auto Parts	43
1540	Realty Income Corp.	55.94	3	3	37.3	5.9	R.E.I.T.	89
109	Rivian Automotive	14.64	5	4	NMF	NIL	Automotive	36
1999	Roblox Corp.	73.49	4	3	NMF	NIL	Entertainment Tech	94
2533	Rocket Companies	11.67	4	2	25.9	NIL	Financial Svcs. (Div.)	17
2000	Roku, Inc.	68.78	4	3	NMF	NIL	Entertainment Tech	94
337	SFL Corp. Ltd	8.57	3	5	NMF	12.6	Maritime	73
1544	SL Green Realty ■	59.09	4	3	NMF	5.2	R.E.I.T.	89
843	Sarepta Therapeutics	36.37	4	3	3.5	NIL	Biotechnology	90
1378	Semtech Corp. ■	38.22	4	3	25.7	NIL	Semiconductor	76
2023	SentinelOne, Inc.	20.12	4	4	NMF	NIL	Cyber Security	59
936	Shenandoah Telecom.	12.03	3	3	NMF	0.9	Telecom. Services	53
1379	Silicon Labs.	126.31	3	4	NMF	NIL	Semiconductor	76
2615	Snap Inc.	9.21	5	4	NMF	NIL	Internet	24
1238	SolarEdge Tech.	19.16	4	4	NMF	NIL	Power	79
1546	Sun Communities Inc.	125.06	3	3	96.2	3.0	R.E.I.T.	89
1239	Sunrun Inc.	10.96	5	5	NMF	NIL	Power	79
2440	TPG Inc	52.50	3	3	NMF	3.3	Public/Private Equity	91
2001	Take-Two Interactive	226.25	3	2	NMF	NIL	Entertainment Tech	94
191	Tandem Diabetes Care	23.45	4	4	NMF	NIL	Med Supp Invasive	68
568	Tronox Holding plc	5.77	4	3	NMF	8.7	Chemical (Specialty)	72
2002	Unity Software	21.84	5	3	NMF	NIL	Entertainment Tech	94
2025	Varonis Systems	45.84	4	5	NMF	NIL	Cyber Security	59
845	Vaxcyte Inc	31.59	4	3	NMF	NIL	Biotechnology	90
1548	Ventas, Inc. ■	65.13	3	1	NMF	3.0	R.E.I.T.	89
1549	Veris Residential ■	15.60	3	2	NMF	2.1	R.E.I.T.	89
846	Vertex Pharmac. ■	439.37	1	2	30.5	NIL	Biotechnology	90
1630	Viatris Inc.	8.96	3	5	4.1	5.4	Drug	62
847	Viking Therapeutics Inc	28.30	4	4	NMF	NIL	Biotechnology	90
2403	Viper Energy Part. ■	42.19	3	2	13.2	8.1	Petroleum (Producing)	28
1551	Vornado R'lty Trust	40.19	3	3	NMF	2.0	R.E.I.T.	89
329	Werner Enterprises	28.18	2	3	25.2	2.0	Trucking	85
2542	WEX Inc.	135.19	3	3	9.0	NIL	Financial Svcs. (Div.)	17
2585	Workiva Inc.	70.85	4	3	NMF	NIL	Computer Software	30
1241	XPLR Infra.	9.23	4	3	11.5	NIL	Power	79
1647	ZipRecruiter, Inc.	4.94	4	3	NMF	NIL	Human Resources	48

■ **Newly added this week.**

HIGHEST DIVIDEND YIELDING NON-UTILITY STOCKS

Based upon estimated year-ahead dividends per share

Page No.	Stock Name	Recent Price	Time-liness	Safety Rank	Current P/E Ratio	% Est'd Yield	Industry Group	Industry Rank
516	Petroleo Brasileiro ADR	12.07	3	3	3.1	17.7	Petroleum (Integrated)	54
1903	B&G Foods	4.50	3	4	7.5	16.9	Food Processing	57
1907	Cal-Maine Foods	92.67	2	2	5.3	14.9†	Food Processing	57
1514	Annaly Capital Mgmt.	19.49	4	3	7.2	14.4†	R.E.I.T.	89
2436	Compass Diversified	7.02	–	3	70.2	14.2	Public/Private Equity	91
1213	Aberdeen Asia-Pac. Fd.	15.57	–	4	NMF	12.7	Investment Co.	–
337	SFL Corp. Ltd	8.57	5	3	NMF	12.6	Maritime	73
920	BCE Inc.	22.56	4	2	11.9	12.4	Telecom. Services	53
2395	Kimbell Royalty Part.	13.55	4	3	27.1	11.8	Petroleum (Producing)	28
414	Aberdeen Australia Fd.	4.26	–	3	NMF	11.7	Investment Co.(Foreign)	–
2391	Black Stone Minerals	13.90	4	3	10.7	10.8	Petroleum (Producing)	28
2156	Upbound Group	26.08	3	3	6.2	10.6	Retail Store	21
1218	Liberty All-Star	6.66	–	3	NMF	10.5	Investment Co.	–
2108	Guess?, Inc.	12.04	–	4	7.8	10.0	Apparel	80
600	Western Midstream	38.23	3	3	11.1	9.6	Pipeline MLPs	49
2541	Western Union	9.99	3	3	5.6	9.4	Financial Svcs. (Div.)	17
1214	Adams Divers. Equity Fd	19.84	–	2	NMF	9.3	Investment Co.	–
1592	Vale S.A. ADR	9.60	3	3	4.1	9.3	Metals & Mining (Div.)	81
1597	Dow Inc.	30.98	4	3	18.2	9.2†	Chemical (Basic)	45
1422	Xerox Holdings	5.71	4	3	5.4	9.1	Computers/Peripherals	75
1219	MFS Multimarket	4.65	–	4	NMF	9.0	Investment Co.	–
1537	Park Hotels & Resorts	11.17	4	4	13.1	9.0	R.E.I.T.	89
598	Plains GP Hldgs. L.P.	18.42	2	3	14.7	9.0	Pipeline MLPs	49
2104	Carter's Inc.	35.86	4	3	9.6	8.9	Apparel	80
597	Plains All Amer. Pipe.	17.13	3	3	11.4	8.9	Pipeline MLPs	49
561	LyondellBasell Inds.	60.68	3	3	22.9	8.8	Chemical (Specialty)	72
932	Millicom Int'l Cellular	34.46	1	3	15.3	8.7	Telecom. Services	53
568	Tronox Holding plc	5.77	5	4	NMF	8.7	Chemical (Specialty)	72
359	Dine Brands Global	24.20	–	4	4.6	8.6	Restaurant	26
2130	Monro, Inc.	13.07	5	3	18.2	8.6	Retail Automotive	20
1211	Whirlpool Corp.	83.57	4	3	8.4	8.4	Household Products	86
551	Chemours Co. (The)	11.99	5	4	20.0	8.3	Chemical (Specialty)	72
1529	Healthcare Realty	14.94	4	3	NMF	8.3	R.E.I.T.	89
921	Cogent Comms. Hldgs	50.54	5	3	NMF	8.1	Telecom. Services	53
2403	Viper Energy Part.	42.19	5	3	13.2	8.1	Petroleum (Producing)	28
595	Hess Midstream LP	38.27	3	3	13.7	8.0	Pipeline MLPs	49
2214	AllianceBernstein Hldg.	40.87	3	3	13.6	7.8	Asset Management	51
596	MPLX LP	48.96	3	3	10.9	7.8	Pipeline MLPs	49
2427	Huntsman Corp.	12.93	4	3	16.2	7.7	Chemical (Diversified)	92
107	Mercedes-Benz AG	58.52	1	3	6.5	7.6	Automotive	36
1998	Playtika Holding	5.29	4	3	6.6	7.6	Entertainment Tech	94
593	Energy Transfer LP	17.44	3	3	11.6	7.5	Pipeline MLPs	49
2375	Deluxe Corp.	16.20	3	3	10.8	7.4	Publishing	29
1337	Methode Electronics	7.72	–	5	23.4	7.4	Electronics	25
2385	OUTFRONT Media	16.28	4	3	19.2	7.4	Advertising	87
1625	Pfizer, Inc.	23.09	3	2	9.2	7.4	Drug	62
1979	Brit. Am. Tobacco ADR	40.98	3	2	8.8	7.3	Tobacco	10
1640	ManpowerGroup Inc.	44.18	4	3	15.8	7.3	Human Resources	48
940	TELUS Corporation	22.33	4	2	29.8	7.3	Telecom. Services	53
1978	Altria Group	56.95	3	2	10.6	7.2	Tobacco	10
584	Kinetik Holdings	43.33	4	3	45.6	7.2	Oil/Gas Distribution	64
1511	Alexandria Real Estate	74.23	5	3	19.5	7.1	R.E.I.T.	89
507	Equinor ASA	23.11	2	3	6.6	7.1	Petroleum (Integrated)	54
1530	Healthpeak Properties	17.55	–	3	70.2	7.0	R.E.I.T.	89
1566	AngloGold Ashanti plc	40.16	2	3	12.4	6.9	Precious Metals	7
1580	BHP Group Ltd. ADR	49.90	3	3	12.1	6.9	Metals & Mining (Div.)	81
1004	Cable One	171.66	4	3	4.3	6.9	Cable TV	67
594	Enterprise Products	31.40	3	3	11.0	6.9	Pipeline MLPs	49
1528	Gaming and Leisure	46.50	3	3	16.0	6.9	R.E.I.T.	89
2147	Kohl's Corp.	7.57	5	4	34.4	6.9	Retail Store	21
2319	Polaris Inc.	38.89	5	3	35.4	6.9	Recreation	52
1589	Rio Tinto plc	61.41	3	2	8.2	6.9	Metals & Mining (Div.)	81
350	Bloomin' Brands	8.81	5	4	3.8	6.8	Restaurant	26
110	Stellantis N.V.	10.47	4	3	2.8	6.8	Automotive	36
599	Suburban Propane	19.17	4	3	9.1	6.8	Pipeline MLPs	49
938	Telefonica SA ADR	4.84	–	3	16.1	6.6	Telecom. Services	53
305	Copa Holdings, S.A.	99.13	2	3	6.9	6.5	Air Transport	44
2182	Sunoco LP	55.53	2	3	7.5	6.5	Retail (Hardlines)	4
313	United Parcel Serv.	101.21	4	2	14.5	6.5	Air Transport	44
502	BP PLC ADR	30.19	3	3	9.6	6.4	Petroleum (Integrated)	54
1909	Conagra Brands	23.31	4	2	9.9	6.3	Food Processing	57
1506	Northwest Bancshares	12.67	2	3	11.5	6.3	Thrift	32
2341	Sinclair, Inc.	15.90	3	4	31.8	6.3	Entertainment	27
944	Verizon Communic.	43.00	3	1	9.1	6.3	Telecom. Services	53
605	Bank of Nova Scotia	70.74	5	1	10.1	6.2	Bank	65
506	Delek US Holdings	16.33	5	4	NMF	6.2	Petroleum (Integrated)	54
1599	FMC Corp.	38.22	3	3	10.6	6.2	Chemical (Basic)	45
582	Enbridge Inc.	62.29	4	1	20.4	6.1	Oil/Gas Distribution	64
1235	Northland Power	19.74	4	3	15.2	6.1	Power	79
520	TotalEnergies SE ADR	58.70	2	2	8.4	6.0	Petroleum (Integrated)	54
1387	United Microelectronics	7.71	–	3	11.0	6.0	Semiconductor	76
2327	Vail Resorts	148.80	3	3	19.0	6.0	Recreation	52
1223	AES Corp.	11.87	3	3	5.8	5.9	Power	79
1516	BXP Inc.	66.60	5	3	35.1	5.9	R.E.I.T.	89
1503	Capitol Fed. Fin'l	5.76	3	3	13.4	5.9	Thrift	32
2219	Franklin Resources	21.69	4	3	16.1	5.9	Asset Management	51
1980	Imperial Brands PLC	38.94	2	2	9.9	5.9	Tobacco	10
1540	Realty Income Corp.	55.94	5	3	37.3	5.9	R.E.I.T.	89
509	HF Sinclair	35.40	3	3	16.5	5.8	Petroleum (Integrated)	54
2322	Smith & Wesson Brands	9.67	–	3	22.0	5.8	Recreation	52
1983	Universal Corp.	56.75	3	2	8.5	5.8	Tobacco	10
1552	W.P. Carey Inc.	61.01	3	3	24.4	5.8	R.E.I.T.	89
1158	Ethan Allen Interiors	27.46	3	3	11.2	5.7	Furn/Home Furnishings	70
103	Ford Motor	10.55	2	3	8.8	5.7	Automotive	36
1922	Kraft Heinz Co.	28.15	4	2	10.4	5.7	Food Processing	57

† Dividend cut possible

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

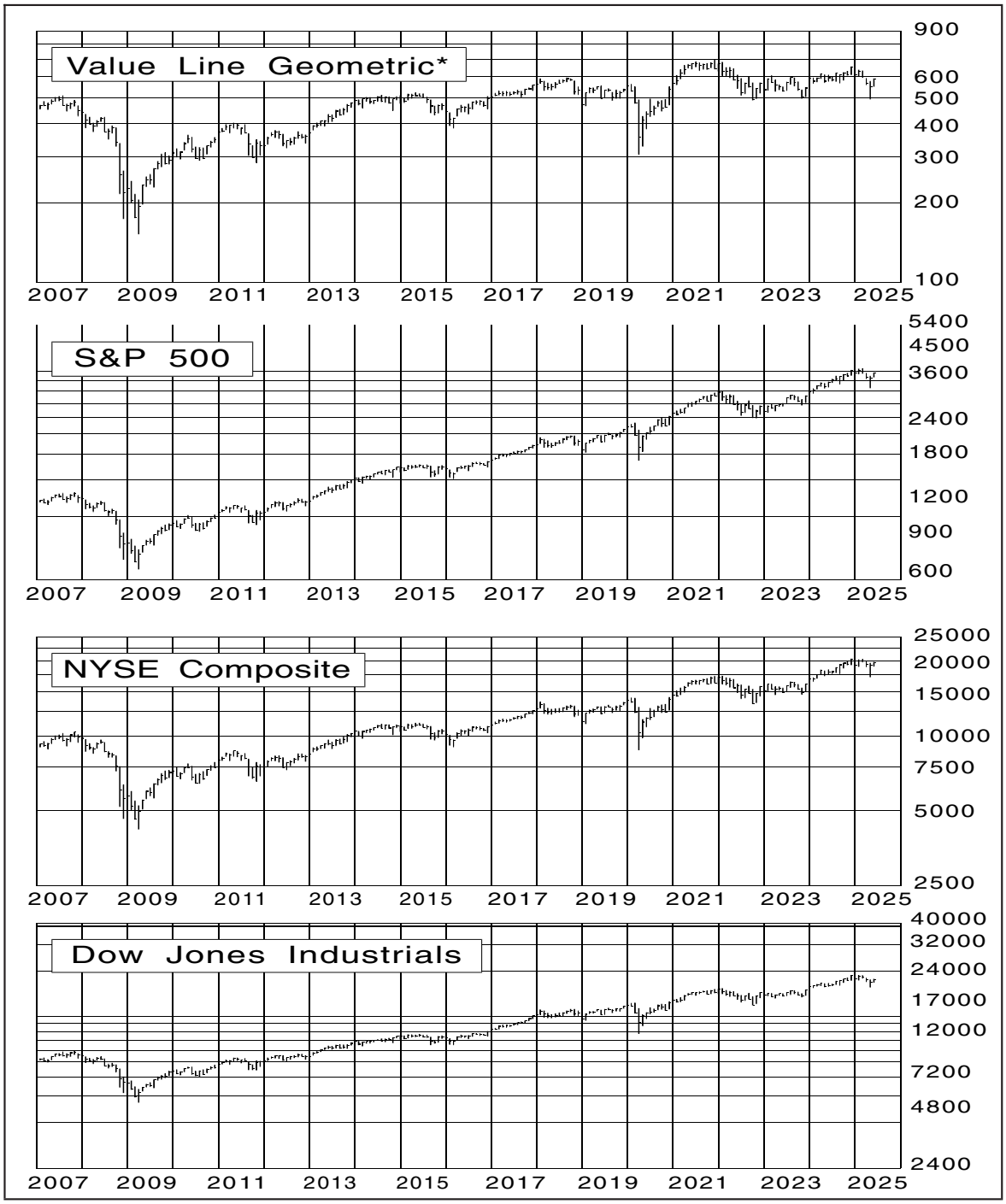
HIGHEST GROWTH STOCKS

(To be included, a company's annual growth of sales, cash flow, earnings, dividends and book value must together have averaged 10% or more over the past 10 years and be expected to average at least 10% in the coming 3-5 years.)

Page No.	Stock Name	Ticker	Recent Price	Growth Past 10 Years	Est'd Growth 3-5 Years	Time-liness	Safety Rank	Beta	Current P/E Ratio	% Est'd Yield	Estimated 3-5 Year Price Appreciation	Industry Group	Industry Rank
1702	AAON, Inc.	AAON	104.63	14%	16%	3	3	1.10	45.5	0.4	10- 60%	Machinery	38
1391	ASML Holding N.V.	ASML	750.20	16%	15%	2	3	1.30	32.0	0.9	35-100%	Semiconductor Equip	78
792	Acadia Healthcare	ACHC	25.84	13%	11%	5	3	1.00	7.7	NIL	115-230%	Medical Services	19
1303	Acuity Inc.	AYI	271.39	11%	11%	3	3	1.25	18.5	0.3	5- 60%	Electrical Equipment	16
2545	Adobe Inc.	ADBE	395.94	21%	13%	1	3	1.10	24.7	NIL	40-110%	Computer Software	30
2213	Affiliated Managers	AMG	183.83	10%	12%	2	3	1.40	10.8	NIL	20- 80%	Asset Management	51
199	Align Techn.	ALGN	189.00	20%	10%	2	3	1.35	19.0	NIL	75-165%	Med Supp Non-Invasive	50
2169	Ali. Couche-Tard	ATD.TO	69.51	20%	11%	3	2	0.70	15.9	1.2	50-110%	Retail (Hardlines)	4
2603	Alphabet Inc.	GOOG	159.58	20%	13%	1	1	0.95	17.9	0.6	70-105%	Internet	24
2622	Amazon.com	AMZN	208.64	35%	15%	3	2	1.10	33.9	NIL	45-100%	E-Commerce	18
2504	Amer. Express	AXP	298.92	10%	10%	2	3	1.40	20.9	1.1	N- 20%	Financial Svcs. (Div.)	17
1304	Amphenol Corp.	APH	84.46	13%	14%	1	1	1.15	36.7	0.8	5- 30%	Electrical Equipment	16
753	Arch Capital Group	ACGL	94.63	13%	15%	3	3	1.05	10.8	NIL	35-110%	Insurance (Prop/Cas.)	11
2551	Autodesk, Inc.	ADSK	293.20	12%	10%	2	3	1.30	52.4	NIL	10- 65%	Computer Software	30
705	Axon Enterprise	AXON	693.10	27%	22%	3	3	1.40	NMF	NIL	N- 15%	Aerospace/Defense	31
114	Badger Meter	BMI	235.45	11%	13%	2	3	1.10	49.6	0.6	5- 55%	Precision Instrument	40
166	Boston Scientific	BSX	102.87	10%	10%	1	2	1.00	35.5	NIL	5- 40%	Med Supp Invasive	68
1358	Broadcom Inc.	AVGO	221.58	24%	15%	3	3	1.10	47.1	1.1	N- 30%	Semiconductor	76
2511	Brown & Brown	BRO	110.76	12%	10%	3	1	0.95	29.5	0.6	N- 20%	Financial Svcs. (Div.)	17
380	CACI Int'l	CACI	475.79	10%	11%	2	3	0.75	21.2	NIL	N- 55%	Industrial Services	5
1778	Cboe Global Markets	CBOE	221.12	14%	10%	2	2	0.60	28.3	1.1	N- 30%	Brokers & Exchanges	13
2555	Cadence Design Sys.	CDNS	311.77	16%	11%	3	3	1.05	46.5	NIL	N- 15%	Computer Software	30
1113	Carlisle Cos.	CSL	401.02	11%	11%	2	3	1.10	17.8	1.1	5- 60%	Building Materials	37
2174	Casey's Gen'l Stores	CASY	436.80	12%	11%	2	2	0.90	27.8	0.5	10- 45%	Retail (Hardlines)	4
1328	Celestica Inc.	CLS	100.32	11%	18%	1	3	1.45	20.1	NIL	40-110%	Electronics	25
354	Chipotle Mex. Grill	CMG	50.76	14%	16%	2	3	1.00	44.1	NIL	60-145%	Restaurant	26
2353	Churchill Downs	CHDN	98.16	16%	13%	3	3	1.20	15.1	0.4	85-175%	Hotel/Gaming	39
797	Cigna Group	CI	315.74	18%	10%	2	3	0.90	10.6	2.1	45-115%	Medical Services	19
382	Cintas Corp.	CTAS	216.99	15%	12%	2	2	1.05	47.1	0.8	N- 15%	Industrial Services	5
384	Comfort Systems USA	FIX	451.86	20%	18%	2	3	1.30	23.1	0.4	N- 45%	Industrial Services	5
2141	Costco Wholesale	COST	1016.15	11%	10%	3	1	0.75	55.3	0.5	10- 30%	Retail Store	21
2514	Credit Acceptance	CACC	499.08	13%	11%	3	3	1.25	12.1	NIL	15- 70%	Financial Svcs. (Div.)	17
2161	Deckers Outdoor	DECK	126.08	15%	14%	3	3	1.10	19.5	NIL	25- 90%	Shoe	22
360	Domino's Pizza	DPZ	482.11	19%	11%	2	3	0.80	27.2	1.5	30- 95%	Restaurant	26
978	Dorman Products	DORM	130.24	12%	11%	3	3	0.85	17.1	NIL	45-115%	Auto Parts	43
1015	Dycom Inds.	DY	192.56	12%	13%	2	3	1.20	18.9	NIL	15- 70%	Engineering & Const	6
1016	EMCOR Group	EME	457.31	13%	16%	1	3	1.15	19.3	0.3	N- 30%	Engineering & Const	6
2517	Euronet Worldwide	EEFT	111.32	12%	10%	1	3	1.45	14.4	NIL	55-135%	Financial Svcs. (Div.)	17
1792	Evercore Inc.	EVR	233.00	13%	11%	3	3	1.50	17.9	1.4	5- 65%	Investment Banking	83
425	ExlService Holdings Inc	EXLS	46.85	13%	11%	3	3	1.10	33.9	NIL	N- 40%	Information Services	41
1330	Fabrinet	FN	215.39	15%	11%	2	3	1.25	21.9	NIL	N- 35%	Electronics	25
149	Federal Signal	FSS	93.63	14%	13%	1	2	1.05	25.0	0.6	10- 50%	Heavy Truck & Equip	3
611	First Citzn BncSh-NC	FCNCA	1940.30	19%	12%	3	3	1.25	12.0	0.4	20- 80%	Bank	65
2521	Fiserv Inc.	FI	186.82	18%	10%	2	2	1.00	20.1	NIL	N- 30%	Financial Svcs. (Div.)	17
1233	Generac Holdings	GNRC	127.21	12%	13%	3	3	1.30	17.0	NIL	105-205%	Power	79
391	Genpact Limited	G	43.54	11%	11%	2	2	1.05	12.3	1.6	60-120%	Industrial Services	5
173	Globus Medical	GMED	59.01	10%	14%	4	3	1.05	17.6	NIL	45-110%	Med Supp Invasive	68
713	HEICO Corp.	HEI	268.48	14%	13%	2	2	1.10	61.0	0.1	N- 15%	Aerospace/Defense	31
214	IDEXX Labs.	IDXX	509.53	16%	10%	1	3	1.05	42.5	NIL	10- 65%	Med Supp Non-Invasive	50
1781	Interactive Brokers	IBKR	197.24	12%	14%	2	3	1.25	26.3	0.6	5- 60%	Brokers & Exchanges	13
2564	Intuit Inc.	INTU	662.30	16%	12%	3	3	1.15	32.5	0.9	20- 85%	Computer Software	30
179	Intuitive Surgical	ISRG	561.43	13%	12%	3	3	1.20	77.4	NIL	N- 20%	Med Supp Invasive	68
1400	KLA Corp.	KLAC	760.47	15%	12%	2	3	1.30	23.8	0.9	N- 35%	Semiconductor Equip	78
1402	Lam Research	LRCX	82.25	22%	10%	2	3	1.45	21.2	1.1	5- 60%	Semiconductor Equip	78
181	LeMaitre Vascular	LMAT	82.46	16%	12%	3	3	0.95	38.4	0.8	N- 35%	Med Supp Invasive	68
2194	lululemon athletica	LULU	304.20	20%	11%	2	3	1.10	20.3	NIL	20- 80%	Retail (Softlines)	46
1021	MYR Group	MYRG	159.79	13%	12%	1	3	1.35	24.4	NIL	15- 70%	Engineering & Const	6
2599	Manhattan Assoc.	MANH	196.00	11%	15%	3	3	1.25	59.4	NIL	55-130%	IT Services	14
2529	Mastercard Inc.	MA	578.27	16%	11%	1	2	1.10	35.0	0.5	N- 35%	Financial Svcs. (Div.)	17
220	McKesson Corp.	MCK	687.52	13%	11%	1	1	0.75	19.1	0.5	N- 20%	Med Supp Non-Invasive	50
2627	MercadoLibre, Inc.	MELI	2504.61	26%	26%	2	3	1.40	53.3	NIL	15- 70%	E-Commerce	18
2612	Meta Platforms	META	639.43	35%	16%	2	3	1.05	25.2	0.3	N- 50%	Internet	24
2565	Microsoft Corp.	MSFT	449.26	13%	12%	1	1	0.90	32.6	0.8	40- 70%	Computer Software	30
810	Molina Healthcare	MOH	327.69	20%	10%	2	3	0.75	12.6	NIL	40-110%	Medical Services	19
1370	Monolithic Power Sys.	MPWR	709.23	26%	12%	3	3	1.35	42.3	0.9	15- 70%	Semiconductor	76
432	Moody's Corp.	MCO	487.06	12%	10%	3	3	1.10	39.8	0.8	N- 5%	Information Services	41
1729	Mueller Water Prod.	MWA	25.40	10%	10%	1	3	1.25	20.0	1.1	20- 75%	Machinery	38
2338	Netflix, Inc.	NFLX	1110.00	28%	15%	1	3	1.15	44.8	NIL	10- 70%	Entertainment	27
2376	New York Times	NYT	54.24	10%	11%	2	3	0.90	27.1	1.3	20- 75%	Publishing	29
2339	Nexstar Media Group	NXST	169.65	30%	11%	2	3	1.15	11.3	4.4	25- 90%	Entertainment	27
933	NICE Ltd. ADR	NICE	164.00	13%	10%	2	3	1.05	13.4	NIL	35-105%	Telecom. Services	53
1404	Nova, Ltd.	NVMI	195.64	22%	11%	2	3	1.25	27.9	NIL	50-120%	Semiconductor Equip	78
1622	Novo Nordisk ADR	NVO	67.74	12%	14%	3	3	0.85	18.8	2.5	50-130%	Drug	62
1372	NVIDIA Corp.	NVDA	123.00	35%	30%	3	3	1.40	28.0	0.1	30-100%	Semiconductor	76
1799	Piper Sandler Cos.	PIPR	265.05	12%	10%	3	3	1.40	18.9	2.1	N- 10%	Investment Banking	83
1561	Primerica, Inc.	PRI	273.29	14%	16%	2	3	1.20	13.0	1.6	5- 55%	Insurance (Life)	56
769	Progressive Corp.	PGR	280.25	14%	16%	2	1	0.80	19.6	0.1	30- 60%	Insurance (Prop/Cas.)	11
1025	Quanta Services	PWR	332.79	17%	12%	2	3	1.20	32.6	0.1	20- 75%	Engineering & Const	6
155	RB Global	RBA	104.17	12%	10%	–	3	1.00	28.2	1.1	N- 45%	Heavy Truck & Equip	3
2224	Raymond James Fin'l	RJF	151.58	15%	12%	3	3	1.30	13.4	1.4	5- 60%	Asset Management	51
2009	RenaissanceRe Hldgs.	RNR	248.22	10%	14%	3	3	0.90	9.9	0.6	55-130%	Reinsurance	9
228	ResMed Inc.	RMD	247.66	11%	10%	2	3	0.85	25.3	0.9	10- 70%	Med Supp Non-Invasive	50
2165	Skechers U.S.A.	SKX	62.50	18%	10%	–	3	1.30	16.7	NIL	30- 90%	Shoe	22
1165	Somnigroup Int'l	SGI	64.23	15%	17%	4	3	1.20	22.9	0.9	10- 70%	Furn/Home Furnishings	70
190	Stryker Corp.	SYK	388.08	10%	10%	3	2	1.05	28.9	0.9	15- 55%	Med Supp Invasive	68
1420	Super Micro Computer	SMCI	33.52	24%	29%	4	4	1.35	11.3	NIL	80-185%	Computers/Peripherals	75
2582	Synopsys, Inc.	SNPS	505.59	14%	14%	3	3	1.15	32.8	NIL	40- 90%	Computer Software	30
2154	TJX Companies	TJX	131.49	10%	10%	2	2	0.95	28.6	1.3	N- 25%	Retail Store	21
1384	Taiwan Semic. ADR	TSM	186.98	15%	12%	3	2	1.10	20.5	1.4	30- 75%	Semiconductor	76
1127	Tecnoglass Inc.	TGLS	86.76	14%	15%	2	4	1.50	20.4	0.7	N- 50%	Building Materials	37
2401	Texas Pacif. Land Corp.	TPL	1341.12	39%	10%	2	3	1.30	65.4	0.5	N- 35%	Petroleum (Producing)	28
368	Texas Roadhouse	TXRH	189.96	15%	12%	3	3	1.10	26.8	1.4	15- 70%	Restaurant	26
1154	Tractor Supply	TSCO	52.72	16%	10%	3	2	0.85	24.0	1.7	35- 80%	Retail Building Supply	55
1129	Trex Co.	TREX	61.77	20%	13%	3	3	1.25	28.1	NIL	70-150%	Building Materials	37
1741	United Rentals	URI	711.83	19%	12%	3	3	1.50	16.1	0.9	N- 35%	Machinery	38
844	United Therapeutics	UTHR	310.80	14%	12%	3	3	0.80	11.3	NIL	65-145%	Biotechnology	90
816	UnitedHealth Group	UNH	378.75	15%	10%	3	3	0.80	12.7	2.2	70-105%	Medical Services	19
817	Universal Health 'B'	UHS	191.55	11%	10%	2	3	1.05	10.6	0.4	30- 95%	Medical Services	19
2540	Visa Inc.	V	355.85	16%	10%	1	1	1.05	31.5	0.7	10- 35%	Financial Svcs. (Div.)	17
347	Wabtec Corp.	WAB	200.99	10%	11%	2	3	1.25	23.1	0.5	10- 65%	Railroad	66

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE



Officers, directors, or employees of Value Line, Inc. and its affiliates and subsidiaries ("VLI"), and EULAV Asset Management ("EULAV"), may hold stocks that are reviewed or recommended in this publication. EULAV also manages investment companies and other accounts that use the rankings and recommendations in this publication as part of their investment strategies. These accounts, as well as the officers, directors, employees of VLI, may dispose of a security notwithstanding the fact that The Value Line Investment Survey (the "Survey") ranks the issuer favorably; conversely, such accounts or persons may purchase or hold a security that is poorly ranked by the Survey. Some of the investment companies managed by EULAV only hold securities with a specified minimum Timeliness Rank by the Survey and dispose of those positions when the Timeliness Rank declines or is suspended. Subscribers to the Survey and its related publications as well as some institutional customers of VLI will have access to all updated Ranks in the Survey by 8:00 AM each Monday. At the same time, portfolio managers for EULAV will receive reports providing Timeliness Ranking information. EULAV's portfolio managers also may have access to publicly available information that may ultimately result in or influence a change in rankings or recommendations, such as earnings releases, changes in market value or disclosure of corporate transactions. The investment companies or accounts may trade upon such information prior to a change in ranking. While the rankings in the Survey are intended to be predictive of future relative performance of an issuer's securities, the Survey is not intended to constitute a recommendation of any specific security. Any investment decision with respect to any issuer covered by the Survey should be made as part of a diversified portfolio of equity securities and in light of an investor's particular investment objectives and circumstances. Value Line, the Value Line logo, The Value Line Investment Survey, Timeliness, and Safety are trademarks of Value Line, Inc. in the United States and other countries. All other trademarks are the property of their respective owners. "Value Line Arithmetic & Geometric Indices calculated by London Stock Exchange Group. Information supplied by Thomson Reuters.

© 2025 Value Line, Inc. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without warranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN OR ANY DAMAGES OR LOSSES ARISING FROM ANY USE OF THE INFORMATION CONTAINED HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

To subscribe call 1-800-VALUELINE

INFRASTRUCTURE AND PROJECT FINANCE

MOODY'S INVESTORS SERVICE

SECTOR COMMENT
26 March 2020

Rate this Research

Contacts

Jeffrey F. Cassella +1.212.553.1665
VP-Sr Credit Officer
jeffrey.cassella@moodys.com

Jairo Chung +1.212.553.5123
VP-Senior Analyst
jairo.chung@moodys.com

Nana Hamilton +1.212.553.9440
AVP-Analyst
nana.hamilton@moodys.com

Gavin MacFarlane +1.416.214.3864
VP-Sr Credit Officer
gavin.macfarlane@moodys.com

Natividad Martel, CFA +1.212.553.4561
VP-Senior Analyst
natividad.martel@moodys.com

Edna R Marinelarena +1.212.553.1383
Analyst
edna.marinelarena@moodys.com

Robert Petrosino CFA +1.212.553.1946
VP-Senior Analyst
robert.petrosino@moodys.com

Laura Schumacher +1.212.553.3853
VP-Sr Credit Officer
laura.schumacher@moodys.com

Michael G. Haggarty +1.212.553.7172
Associate Managing Director
michael.haggarty@moodys.com

Jim Hempstead +1.212.553.4318
MD-Utilities
james.hempstead@moodys.com

» Contacts continued on last page

Regulated Electric and Gas Utilities – US

FAQ on credit implications of the coronavirus outbreak

What is the primary near-term credit issue for regulated investor-owned utilities arising from the coronavirus outbreak?

The maintenance of sufficient liquidity to weather a prolonged period of financial volatility and turbulent capital markets are the most important credit issue facing US regulated utilities. Liquidity encompasses a company's ability to generate cash from internal sources, as well as the availability of external sources to supplement these internal sources. Utilities are among the largest debt issuers in the corporate universe and typically require consistent access to the capital markets to assure adequate sources of funding and to maintain financial flexibility. During times of distress and when capital markets are exceedingly volatile and tight, liquidity becomes critically important because access to the capital markets may be difficult.

The severity of the coming economic recession will be determined in large part by the scope and duration of the coronavirus pandemic. As a result, utilities may encounter declines in volumes and revenue, as well as increases in bad debt expense if cash-strapped customers are unable to pay their bills. These factors will limit a utility's internal cash flow, which will require greater reliance on external sources of liquidity.

Do utilities currently have access to the capital markets?

Yes, thus far utilities have had relatively strong access. So far in March, utilities have had good access to the capital markets, raising over $20 billion in US investment-grade debt. Tier 1 issuers commercial paper issuers, such as Florida Power & Light Company (A1 stable), NSTAR Electric Company (A1 stable) and Northern Illinois Gas Company (A2 stable), continue to have generally good access to the CP market, albeit at shorter tenors and sometimes on an overnight basis. The commercial paper (CP) market has tightened considerably for Tier 2 issuing companies, such as Spire Inc. (Baa2 stable), The Southern Company (Baa2 stable) and Avangrid, Inc. (Baa1 negative). In an effort to reduce their reliance on the volatile CP market, many companies have taken a variety of measures to bolster their liquidity. Some have entered the bond markets opportunistically to issue long-dated bonds in an effort to capitalize on low rates, while others have used uncommitted lines of credit and entered into short-term bank term loans (e.g., 364-day facilities) to shore up their liquidity position.

We do not view higher leverage related to pre-financing as credit negative because the higher debt load should be temporary. Instead, we view the removal of near-term maturity uncertainty amid capital markets volatility as positive for liquidity, much as we did during the 2007-09 recession.

Exhibit 1

P-1 issuers continue to have better access to the CP market compared to P-2 peers

Short-term ratings for US regulated utilities for the most recent 12 month period (mostly as of the end of 2019) versus their short-term ratings as of the end of 2007

Issuer	Current ST Rating	ST Debt Outstanding as of LTM	2007 ST Rating	ST Debt Outstanding as of FY 2007
Alabama Power Company	P-1	$0	P-1	$0
American Transmission Company LLC	P-1	$263	P-1	$105
Consumers Energy Company	P-1	$90	WR	$0
DTE Electric Company	P-1	$451	P-2	$683
Florida Power & Light Company	P-1	$1,482	P-1	$842
Gulf Power Company	P-1	$155	WR	$45
Madison Gas and Electric Company	P-1	$55	P-1	$61
MidAmerican Energy Company	P-1	$0	P-1	$86
Northern Illinois Gas Company	P-1	$120	P-1	$369
Northern States Power Company (Minnesota)	P-1	$30	P-2	$437
Northern States Power Company (Wisconsin)	P-1	$65	NR	$59
NSTAR Electric Company	P-1	$77	P-1	$257
ONE Gas, Inc	P-1	$517	NR	-
PECO Energy Company	P-1	$0	P-1	$246
Peoples Gas Light and Coke Company	P-1	$28	P-1	$188
Public Service Electric and Gas Company	P-1	$10	P-2	$65
Southern California Gas Company	P-1	$630	P-1	$0
Virginia Electric and Power Company	P-1	$350	P-2	$371
Wisconsin Electric Power Company	P-1	$37	P-1	$354
Wisconsin Public Service Corporation	P-1	$19	P-1	$61
Alliant Energy Corporation	P-2	$364	P-2	$211
Ameren Corporation	P-2	$440	P-2	$1,472
Ameren Illinois Company	P-2	$53	WR	-
American Electric Power Company, Inc.	P-2	$2,838	P-2	$1,167
Atlantic City Electric Company	P-2	$70	P-2	$52
Avangrid, Inc.	P-2	$614	P-2	$138
Baltimore Gas and Electric Company	P-2	$76	P-2	$0
Berkshire Hathaway Energy Company	P-2	$3,214	NR	$130
Black Hills Corporation	P-2	$350	NR	$37
CenterPoint Energy Resources Corp.	P-2	$0	P-3	$299
CenterPoint Energy, Inc.	P-2	$868	NP	$232
Commonwealth Edison Company	P-2	$130	NP	$370
Consolidated Edison Company of New York, Inc.	P-2	$1,137	P-1	$555
Consolidated Edison, Inc.	P-2	$1,692	P-1	$840
Delmarva Power & Light Company	P-2	$56	P-2	$286
Dominion Energy Gas Holdings, LLC	P-2	$322	NR	-
Dominion Energy South Carolina, Inc.	P-2	$565	P-2	$464
Dominion Energy, Inc.	P-2	$911	P-2	$1,757
DTE Energy Company	P-2	$828	P-2	$1,084
DTE Gas Company	P-2	$232	P-2	$454
Duke Energy Corporation	P-2	$3,135	P-2	$1,080
Empire District Electric Company (The)	P-2	$0	P-2	$33
Entergy Corporation	P-2	$1,947	NR	$25
Evergy Kansas Central, Inc.	P-2	$382	WR	$180
Evergy Metro, Inc.	P-2	$205	P-2	$436

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

Issuer	Current ST Rating	ST Debt Outstanding as of LTM	2007 ST Rating	ST Debt Outstanding as of FY 2007
Evergy Missouri West, Inc.	P-2	$168	NR	$25
Eversource Energy	P-2	$1,260	WR	$79
Exelon Corporation	P-2	$1,370	P-2	$616
Exelon Generation Company, LLC	P-2	$320	P-2	$0
Hydro One Inc.	P-2	$881	P-1	$12
IDACORP, Inc.	P-2	$0	P-2	$186
Idaho Power Company	P-2	$0	P-2	$137
Interstate Power and Light Company	P-2	$108	P-2	$130
ITC Holdings Corp.	P-2	$0	NR	$0
Kentucky Utilities Co.	P-2	$150	WR	$23
Louisville Gas & Electric Company	P-2	$238	NR	$78
New Jersey Natural Gas Company	P-2	$50	P-1	$186
NextEra Energy Capital Holdings, Inc.	P-2	-	NR	-
NiSource Inc.	P-2	$1,773	NR	$1,463
Northwest Natural Gas Company	P-2	$46	P-1	$143
NorthWestern Corporation	P-2	$0	WR	$0
OGE Energy Corp.	P-2	$112	P-2	$296
Oklahoma Gas & Electric Company	P-2	$0	P-1	$349
Oncor Electric Delivery Company LLC	P-2	$46	SGL-2	$1,280
Ontario Power Generation Inc.	P-2	$91	NR	$304
Orange and Rockland Utilities, Inc.	P-2	$30	P-1	$45
PacifiCorp	P-2	$130	P-2	$0
Pepco Holdings, LLC	P-2	$220	P-3	$289
Portland General Electric Company	P-2	$0	P-2	$0
Potomac Electric Power Company	P-2	$82	P-2	$180
PPL Electric Utilities Corporation	P-2	$0	P-2	$41
Public Service Company of Colorado	P-2	$39	P-2	$271
Public Service Enterprise Group Incorporated	P-2	$2,480	P-2	$65
Puget Sound Energy, Inc.	P-2	$176	NR	$260
Questar Gas Company	P-2	$45	WR	$73
San Diego Gas & Electric Company	P-2	$80	P-1	$0
South Jersey Gas Company	P-2	$175	WR	$78
Southern California Edison Company	P-2	$0	P-2	$704
Southern Company (The)	P-2	$2,055	P-1	$1,272
Southern Power Company	P-2	$1,373	P-2	$50
Southwestern Public Service Company	P-2	$0	P-2	$129
Spire Inc.	P-2	$519	NR	$211
Union Electric Company	P-2	$234	P-2	$82
WGL Holdings, Inc.	P-2	$331	NP	$184
Wisconsin Gas LLC	P-2	$266	P-1	$90
Wisconsin Power and Light Company	P-2	$168	P-1	$82
Xcel Energy Inc.	P-2	595	P-2	$1,089

Note: LTM financial data is based on latest 12-month data available.
Source: Moody's Investors Service, SEC Filings

Which companies are most vulnerable to credit pressure as a result of the coronavirus?

The impact of the coronavirus outbreak on utility credit quality will largely depend on the length of the crisis and the severity of the economic recession that we expect will take hold during the first half of this year (see "Global Macro Outlook 2020-21 [March 25, 2020 Update]: The coronavirus will cause unprecedented shock to the global economy"). The economic downturn will pose a challenge for companies with already-weak financial profiles that are trending at or below their respective downgrade thresholds.

The financial cushion that a utility company maintains – often expressed as where the latest 12 month financial credit ratio compares to the published upgrade or downgrade trigger – is always of interest to investors. But our assessment of a utility's credit quality goes beyond a specific ratio as we consider a host of other factors, particularly the regulatory environment in which it operates. Some

utilities have financial ratios that reflect the impact of extraordinary developments. For example, Edison International's (Baa3 stable) historical ratios of cash flow from operations before changes in working capital (CFO pre-WC) to debt reflect its extraordinary costs associated with past California's wildfires.

Exhibit 2

Utility companies with weak financial profiles are most vulnerable to the impact of the coronavirus outbreak

Select list of US regulated utility holding companies at or below their downgrade threshold for ratios of CFO pre-WC to debt as of 31 December 2019

Issuer	Rating	Outlook	FY 2019 (CFO Pre-W/C) / Debt	3-Year Average (CFO Pre-W/C) / Debt	Downgrade Threshold	Cushion Between Downgrade Threshold and FY 2019
Edison International	Baa3	Stable	-2%	13%	13%	-15%
Eversource Energy	Baa1	Stable	13%	13%	15%	-2%
Sempra Energy [1]	Baa1	Negative	14%	15%	16%	-2%
CenterPoint Energy, Inc. [2]	Baa2	Stable	13%	16%	15%	-2%
Emera Inc.	Baa3	Stable	10%	10%	12%	-2%
Entergy Corporation	Baa2	Stable	14%	13%	15%	-1%
CMS Energy Corporation	Baa1	Stable	16%	17%	17%	-1%
American Electric Power Company, Inc.	Baa1	Negative	14%	17%	15%	-1%
Pinnacle West Capital Corporation	A3	Negative	20%	22%	21%	-1%
Duke Energy Corporation	Baa1	Stable	15%	14%	15%	0%
FirstEnergy Corp.	Baa3	Stable	11%	13%	11%	0%
NextEra Energy, Inc.	(P)Baa1	Stable	18%	20%	18%	0%
Consolidated Edison, Inc.	Baa2	Stable	13%	15%	13%	0%
Berkshire Hathaway Energy Company	A3	Stable	15%	16%	15%	0%
Public Service Enterprise Group Incorporated	Baa1	Stable	18%	20%	17%	1%
Fortis Inc.	Baa3	Stable	12%	11%	11%	1%
PPL Corporation	Baa2	Stable	13%	13%	12%	1%
Southern Company (The)	Baa2	Stable	15%	15%	14%	1%
DTE Energy Company	Baa2	Stable	16%	17%	15%	1%
Dominion Energy, Inc.	Baa2	Stable	15%	14%	14%	1%

[1] As noted in the 31 Dec 2019 credit opinion, assuming no changes to Sempra's business risk profile, a downgrade of Sempra could occur if the company fails to achieve a ratio of CFO pre-W/C to debt well above 16% in 2020.
[2] As noted in the 27 Feb 2020 credit opinion, CNP's ratio of CFO pre-W/C to debt downgrade threshold may be lowered to below 14% upon completion of the announced sale of its non-regulated business.
Source: Moody's Investors Service, Moody's Financial Metrics

Utilities that have a higher proportion of commercial and industrial (C&I) customers will be hard hit by declining volumes during a pandemic-triggered economic downturn. C&I demand accounts for about 50% of total regulated electric revenue and is far more vulnerable to economic disruptions than residential demand. Utilities with substantial sales to businesses in the tourism, travel and oil & gas sectors are also vulnerable (see "Corporates - Global Heat map: Coronavirus hurts travel-driven sectors, disrupts supply chains, effects compounded with global spread"). While we expect many of the most affected businesses to recover, we are also monitoring the small commercial business customer classes, where volume declines could be slower to recover.

Exhibit 3

ALLETE and Superior are most exposed to industrial customers

Top US regulated utility companies with the highest proportion of industrial customers

Issuer	Rating, Outlook	State	% Industrial customers (by MWh volumes)
ALLETE, Inc.	Baa1, Stable	Minnesota, Wisconsin	74%
Superior Water, Light and Power Company	A3, Stable	Wisconsin	73%
Toledo Edison Company	Baa1, Stable	Ohio	57%
Southwestern Public Service Company	Baa2, Stable	New Mexico, Texas	55%
Northern Indiana Public Service Company	Baa1, Stable	Indiana	54%
Entergy Louisiana, LLC	Baa1, Stable	Louisiana	52%
Mississippi Power Company	Baa2, Positive	Mississippi	50%
Indianapolis Power & Light Company	Baa1, Stable	Indiana	47%

Note: Electricity volumes as of year-end 2018.
Sources: S&P Global Market Intelligence, Moody's Investors Service

How do utilities absorb abrupt declines in volumes or revenues?

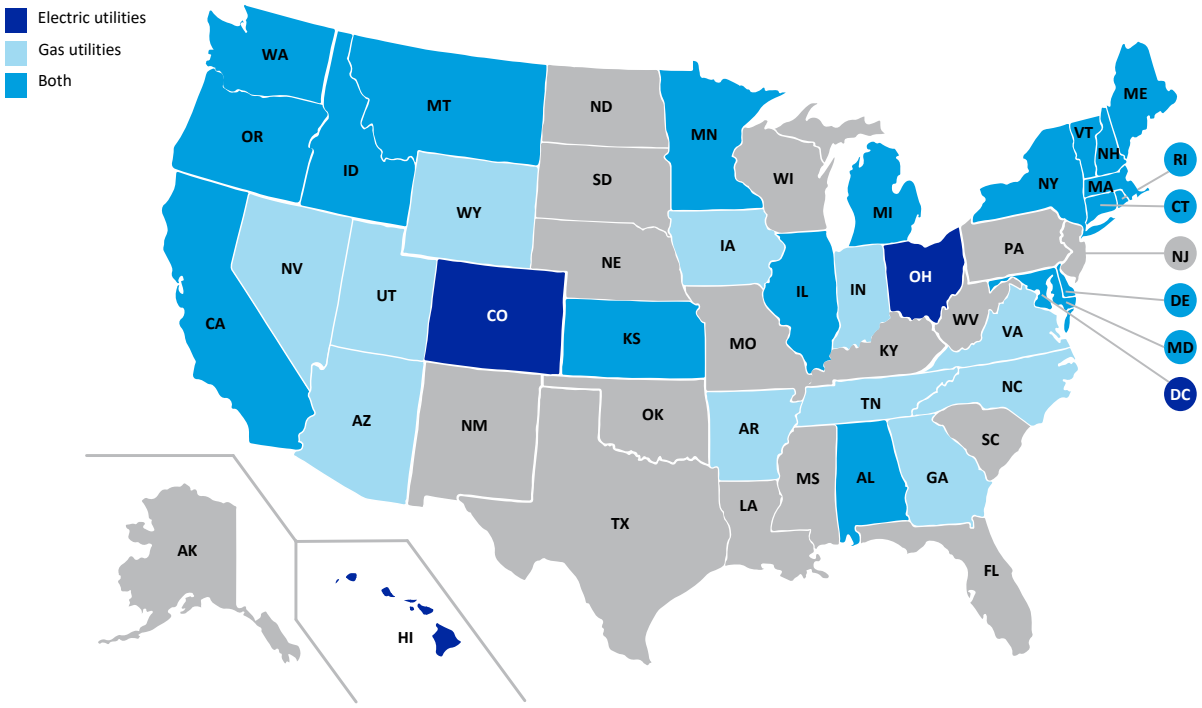
Regulatory support is important to recover costs associated with lost volumes, revenue or customers. Some utilities are already somewhat insulated from volume declines thanks to decoupling mechanisms. Revenue decoupling, which is widely used by local gas distribution companies (LDCs), is a ratemaking mechanism that is generally designed to eliminate or reduce the volatility of a utility's revenue on system throughput (i.e., electricity load or natural gas volumes). Decoupling helps insulate utility credit quality by safeguarding against the financial impact of a decline in electricity and natural gas consumption due to factors beyond the utility's control, such as energy efficiency, fluctuations in commodity fuel prices and weather. Because of the regulatory lag in recovering costs under these mechanisms, utilities also need to maintain sufficient liquidity until this recovery materializes.

Bad debt expense or the inability of customers to pay their bills will likely be addressed in several different ways. Many utilities already have a baseline level of bad debt expense, based on historical run-rates, which they already recover through customer rates. Some utilities, such as Oncor Electric Delivery Company LLC (A2 stable), have a bad debt expense rider/tracker that allows the utility to recover these costs in rates in a timely manner. Others may be able to defer the cost on their balance sheet as a regulatory asset and will need to address recovery in their next general rate case.

Exhibit 4

Decoupling, widely used by LDCs, is becoming more prevalent among electric utilities

US states with partial or full decoupling revenue recovery mechanisms for electric and gas utilities



Note: See list of utilities with full or partial decoupling mechanisms in the appendix.
Source: Moody's Investors Service, S&P Global Market Intelligence

Appendix

Exhibit 5

Revenue decoupling insulates utilities' revenues due to volume volatility

US regulated utility companies with full or partial revenue decoupling

Issuer	Decoupling (Full/Partial)	Issuer	Decoupling (Full/Partial)
Ameren Illinois Company	Partial	North Shore Gas Company	Partial
Arizona Public Service Company	Partial	Northern Illinois Gas Company	Partial
Avista Corp.	Full/Partial	Northern Indiana Public Service Company	Partial
Baltimore Gas and Electric Company	Full	Northern States Power Company (Minnesota)	Partial
Berkshire Gas Company	Full	Northern Utilities, Inc.	Partial
Black Hills Corporation	Full	Northwest Natural Gas Company	Partial
Black Hills Power, Inc.	Partial	NSTAR Electric Company	Full
CenterPoint Energy Resources Corp.	Full/Partial	Ohio Power Company	Partial
Central Hudson Gas & Electric Corporation	Full	Oklahoma Gas & Electric Company	Partial
Central Maine Power Company	Full	Orange and Rockland Utilities, Inc.	Full
Cleco Power LLC	Partial	PacifiCorp	Partial
Connecticut Light and Power Company (The)	Full	Peoples Gas Light and Coke Company	Partial
Connecticut Natural Gas Corporation	Full	Piedmont Natural Gas Company, Inc.	Full/Partial
Consolidated Edison Company of New York, Inc.	Full	Portland General Electric Company	Partial
Consumers Energy Company	Partial	Potomac Electric Power Company	Full/Partial
Dayton Power & Light Company	Partial	Public Service Co. of North Carolina, Inc.	Full
Delmarva Power & Light Company	Full	Public Service Company of Colorado	Partial
Dominion Energy South Carolina, Inc.	Partial	Public Service Company of New Hampshire	Partial
DTE Gas Company	Partial	Public Service Company of Oklahoma	Partial
Duke Energy Indiana, LLC.	Partial	Public Service Electric and Gas Company	Partial
Duke Energy Kentucky, Inc.	Partial	Puget Sound Energy, Inc.	Partial
Duke Energy Ohio, Inc.	Partial	Questar Gas Company	Full/Partial
Elizabethtown Gas Company	Partial	Rochester Gas & Electric Corporation	Full
Entergy Arkansas, LLC	Partial	San Diego Gas & Electric Company	Full
Entergy Louisiana, LLC	Partial	Sierra Pacific Power Company	Partial
Entergy Mississippi, LLC	Partial	South Jersey Gas Company	Full
Entergy New Orleans, LLC.	Partial	Southern California Edison Company	Full
Evergy Kansas Central, Inc.	Partial	Southern California Gas Company	Full
Evergy Metro, Inc.	Partial	Southern Connecticut Gas Company	Full
Evergy Missouri West, Inc.	Partial	Southern Indiana Gas & Electric Company	Full/Partial
Fitchburg Gas & Electric Light Company	Full	Southwest Gas Corporation	Full
Hawaiian Electric Company, Inc.	Full	Southwestern Electric Power Company	Partial
Indiana Gas Company, Inc.	Full	Spire Alabama Inc.	Partial
Indiana Michigan Power Company	Partial	Spire Missouri Inc.	Partial
Indianapolis Power & Light Company	Partial	Tucson Electric Power Company	Partial
Kentucky Power Company	Partial	Union Electric Company	Partial
Kentucky Utilities Co.	Partial	United Illuminating Company	Full
Louisville Gas & Electric Company	Partial	Unitil Energy Systems, Inc.	Partial
Mississippi Power Company	Partial	UNS Electric, Inc.	Partial
Nevada Power Company	Partial	UNS Gas, Inc.	Partial
New Jersey Natural Gas Company	Full	Washington Gas Light Company	Partial
New York State Electric and Gas Corporation	Full	Yankee Gas Services Company	Full

Source: Moody's Investors Service, S&P Global Market Intelligence

Moody's related publications

Outlooks

» Global Macro Outlook 2020-21 (March 2020 Update): Coronavirus will hurt economic growth in many countries through first half of 2020, March 2020

» Regulated electric and gas utilities – US: 2020 outlook moves to stable on supportive regulation, weaker but steady credit metrics, November 2019

Sector Comments

» Regulated Electric, Gas and Water Utilities - US: Utilities demonstrate credit resilience in the face of coronavirus disruptions, March 2020

» Regulated electric utilities – North America: Bill proposing fines for power shutoffs is credit negative for California utilities, January 2020

» Regulated electric and gas utilities – US: California's wildfire fund is sufficiently capitalized to pay out claims, November 2019

» Regulated electric and gas utilities – New York: Threat to revoke National Grid's operating license is credit negative for utilities, November 2019

Sector In-Depth

» Regulated electric and gas utilities – US: Grid hardening, regulatory support key to credit quality as climate hazards worsen, March 2020

» Regulated electric utilities – US: Intensifying climate hazards to heighten focus on infrastructure investments, January 2020

» Regulated electric and gas utilities – New York: Threat to revoke National Grid's operating license is credit negative for utilities, November 2019

» Electric utilities and power producers – US: Power companies on pace to reduce CO2 emissions, September 2019

» Utilities and power companies – North America: Corporate governance assessments show generally credit-friendly characteristics, September 2019

» Regulated electric and gas utilities – US: Recent regulatory, legislative developments have been largely credit positive, September 2019

» Regulated electric and gas utilities - North America: Free cash flow and capital allocation: external capital needs to decline in 2019, August 2019

» Regulated electric utilities – US: Proposed California wildfire risk legislation is credit positive but questions remain, July 2019

» Electric and gas – US: Pipeline cybersecurity standards help plug security loophole in utility supply chain, July 2019

» Regulated water utilities - US: M&A expands to cross-sector deals, with mixed credit implications for acquirers, March 2019

» Regulated Utilities and Power - US: PG&E bankruptcy highlights environmental, social and governance risks in California, February 2019

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

© 2020 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. AND/OR ITS CREDIT RATINGS AFFILIATES ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S INVESTORS SERVICE DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S INVESTORS SERVICE CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER. ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from $1,000 to approximately $2,700,000. MCO and Moody's investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY125,000 to approximately JPY250,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

REPORT NUMBER 1220901

Analyst Contacts

Toby Shea +1.212.553.1779
VP-Sr Credit Officer
toby.shea@moodys.com

Ryan Wobbrock +1.212.553.7104
VP-Sr Credit Officer
ryan.wobbrock@moodys.com

MOODY'S
INVESTORS SERVICE

OUTLOOK
10 November 2022

Send Your Feedback

TABLE OF CONTENTS

Summary 1
High natural gas prices, inflation and interest rates increase social risk for utilities 2
Financial metrics are under pressure with little cushion entering 2023 4
Capital spending and dividends will be sustained at steady clip, weighing on financial performance 5
Appendix A 6
Appendix B 7
Moody's related publications 14

Contacts

Edna R Marinelarena +1.212.553.1383
AVP-Analyst
edna.marinelarena@moodys.com

Cole Egan 212.553.0300
Associate Analyst
cole.egan@moodys.com

Ryan Wobbrock +1.212.553.7104
VP-Sr Credit Officer
ryan.wobbrock@moodys.com

Jairo Chung +1.212.553.5123
VP-Sr Credit Officer
jairo.chung@moodys.com

Michael G. Haggarty +1.212.553.7172
Associate Managing Director
michael.haggarty@moodys.com

» *Contacts continued on last page*

CLIENT SERVICES

Americas 1-212-553-1653
Asia Pacific 852-3551-3077
Japan 81-3-5408-4100
EMEA 44-20-7772-5454

Regulated Electric and Gas Utilities – US

2023 outlook negative due to higher natural gas prices, inflation and rising interest rates

Summary

» **We have revised our outlook on the US regulated utilities sector to negative from stable.** We changed the outlook because of increasingly challenging business and financial conditions stemming from higher natural gas prices, inflation and rising interest rates. These developments raise residential customer affordability issues, increasing the level of uncertainty with regard to the timely recovery of costs for fuel and purchased power, as well as for rate cases more broadly.

» **Natural gas prices, inflation and interest rates drive social risk.** High natural gas prices and inflation may persist into 2023, which could hurt cash flow recovery should regulators seek to limit the impact on customer bills by delaying recovery or approving lower rate increases. We still think most state regulators will remain supportive, but utilities and commissions will face heightened public scrutiny amid affordability concerns.

» **Financial metrics already under pressure with little cushion entering 2023.** The sector's aggregate funds from operations (FFO)-to-debt ratio has remained between 14% and 15% since 2019, and we estimate the ratio will be closer to 14% in 2023 with a high potential of temporarily falling below this level depending on how much and how widespread cost recovery is delayed.

» **Capital spending and dividends will be sustained at a steady clip, weighing on financial performance.** These adverse business conditions come at a time when we expect the sector to maintain elevated capital spending focused on reducing carbon emissions to make progress toward net zero goals and overall system reliability, while maintaining their dividend payouts.

» **What could change our outlook:** The outlook could return to stable if the sector's regulatory support remains intact, natural gas prices settle at a level where most utilities are able to fully recover fuel and purchased power costs without a delay beyond 12 months, overall inflation moderates, interest rates stabilize and/or the sector's aggregate (FFO)-to-debt ratio remains between 14% to 15%. We could change our outlook to positive if utility regulation turns broadly more credit supportive resulting in timelier cash flow recovery or we expect the sector's aggregate (FFO)-to-debt ratio to rise above 17% on a sustained basis.

Outlook definition

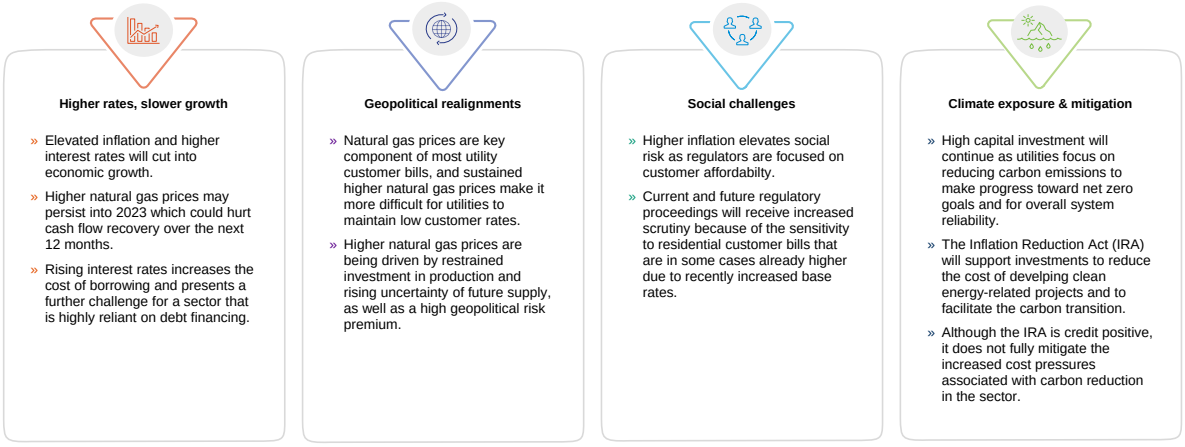
The negative outlook reflects our view of credit fundamentals in the US regulated electric and gas utilities sector over the next 12 months. Sector outlooks are distinct from rating outlooks, which, in additional to sector dynamics, also reflects issuers' specific characteristics and actions. A sector outlook does not represent a sum of upgrades, downgrades or ratings under review or an average of rating outlooks.

High natural gas prices, inflation and interest rates increase social risk for utilities

We changed our outlook on the US regulated electric and gas utilities sector because of increasingly challenging business and financial conditions stemming from higher natural gas prices, inflation and interest rates. These considerations raise residential customer affordability issues, increasing the level of uncertainty with regard to the timely recovery of costs for fuel and purchased power, as well as for rate cases more broadly.

Exhibit 1

Global credit themes affecting US regulated electric and gas utilities in 2023



Source: Moody's Investors Service

High natural gas prices and inflation may persist into 2023, which could hurt cash flow recovery, especially if regulators seek to reduce the impact on customer bills and delay or otherwise limit full cost recovery of other operating expenses during general rate case proceedings. Under normal business and operating conditions, utilities are able to pass through purchased power and fuel costs to customers. While recovery periods vary, utilities typically recover commodity costs within 12 months through a filing outside of a general rate case.

Although regulatory cost recovery mechanisms remain unchanged, utilities have substantial purchased power and fuel costs to recoup in addition to rate base growth investments. These costs have the potential to lead to substantial rate hikes, increasing the risk that regulators will defer some cost recovery to later dates. The regulatory environment could turn less supportive, resulting in insufficient rate increases, a delay in the recovery of purchased power and fuel costs or costs being spread out over a longer period of time, which increases the time between expense and eventual recovery leading to a decline in near-term credit metrics. Utilities that operate in service territories with poor demographics or weak local economies are at higher risk because high inflation could limit the willingness of regulators to allow utilities to pass through their costs to customer all at once.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

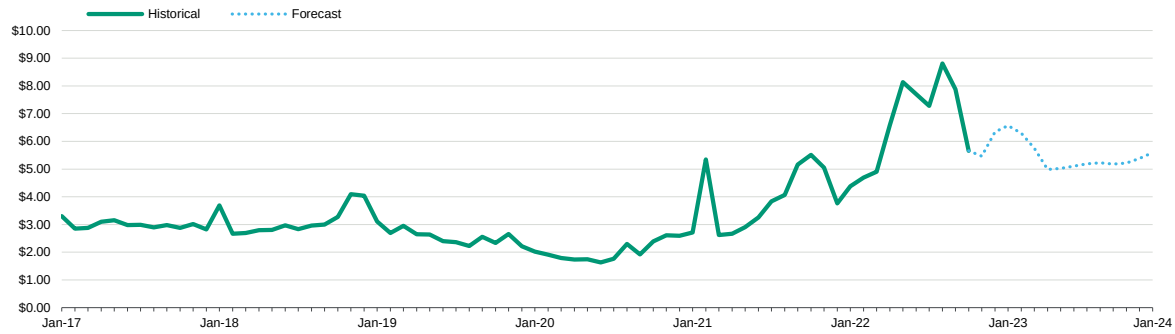
Affordability is an important credit analysis consideration in the demographic and societal trend category of our social risk classification for private-sector issuers. High natural gas prices, high inflation and rising interest rates have increased social risks, creating an adverse business environment for utilities that will persist into 2023. We expect utilities to work with regulators to structure rate plans that benefit both the utility and their customer base similar to Virginia Electric and Power Company (A2 stable) and Duke Energy Carolinas, LLC (A2 stable), which both agreed to recover their purchase power costs over a two- or three-year period. That said, the rise in social risks and affordability concerns could lead to degradation in regulatory support and adverse rate case outcomes.

Higher demand and low inventories have driven up natural gas prices, a key driver of most monthly residential electric and gas bills. While the average monthly spot price at Henry Hub mostly ranged between $3.00 and $5.00 per million British thermal units (MMBtu) through most of 2021, prices began to surge in early 2022 peaking at $8.81 MMBtu in August, a level not seen since 2008. Natural gas prices may sustain at higher levels through 2023 because of restrained investment in production and rising uncertainty about the expansion of future supplies, plus a high geopolitical risk premium (see Energy - Global Outlook - Widespread slowdown in demand and rising costs curtails earnings growth). As shown in Exhibit 2, the forward Henry Hub natural gas price curve is expected to remain above $5.00 MMBtu in 2023. We expect natural gas prices to be much higher than our medium-term Henry Hub natural gas price range of $2.50-$3.50/MMBtu in 2023 (see Europe's supply insecurity leads natural gas prices higher as US production costs rise). High natural gas prices make it difficult for utilities to maintain low customer rates, particularly considering the rate increases they need to support large capital expenditure programs and measures to curb carbon emissions.

Exhibit 2

Persistently high natural gas prices are a key component of rising customer bills

Average monthly Henry Hub natural gas spot price per million British thermal units (MMBtu)



Forecast prices as of 8 November 2022

Source: US Energy Information Administration

Rising interest rates will increase financing costs

The US consumer price index (CPI) continues to rise despite the Federal Reserve's moves to tighten monetary policy. According to the October 2022 CPI, consumer prices increased 0.4% from September and 7.7% from the year-earlier period. In addition to dampening consumer sentiment, the continued rise in inflation makes it more likely that the Fed will continue raising interest rates, increasing the cost of borrowing for the capital- and debt-intensive utility sector (see US economy is slowing, but not so fast that Fed will jettison policy tightening).

For many years, regulated utilities enjoyed a long period of low natural gas prices and interest rates, enabling them to grow rate base substantially while keeping customer rates low. Because regulators are sensitive to electric and gas service affordability, particularly for residential customers, low gas prices and interest rates have facilitated a trend of constructive rate making and credit supportive regulatory outcomes.

We would consider returning our outlook to stable if the sector's regulatory support remains intact, and business conditions improve such that natural gas prices settle at a level where utilities are able to fully recover purchased power and fuel costs without delay beyond 12 months, overall inflation moderates, interest rates stabilize and/or the sector's aggregate (FFO)-to-debt ratio remains

between 14% to 15%. We could change our outlook to positive if utility regulation turns broadly more credit supportive resulting in timelier cash flow recovery or we expect the sector's aggregate (FFO)-to-debt ratio rising above 17% on a sustained basis.

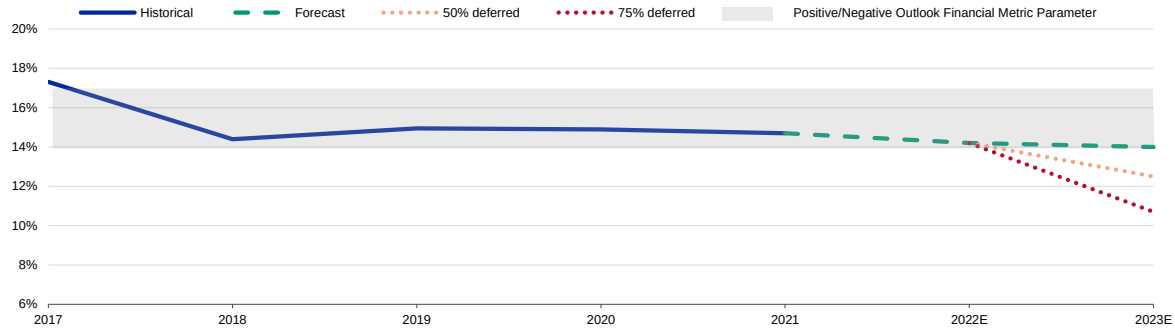
Financial metrics are under pressure with little cushion entering 2023

The sector's aggregate (FFO)-to-debt ratio settled between 14% and 15%, as seen in Exhibit 3, after declining from the high teens following the impact of Tax Reform in 2017 and increased debt issuance to support high capital expenditures. We estimate that the ratio will be closer to 14% in 2023 and that it is likely to temporarily fall below this level depending on how widespread the delay becomes for purchase power, fuel or other operating expenses. Although we typically look through business cycles that result in weaker financial metrics, our analysis of individual utilities will focus on their ability to maintain strong regulatory support for overall cost recovery and how quickly financial metrics will improve.

Exhibit 3

Widespread cost recovery delays could temporarily weaken financial metrics

Historical and forecast aggregate ratio of (FFO)-to-debt for rated US investor owned utility sector



Forecast scenario assumes full recovery of purchased power, fuel costs and operating expenses within 12 months
Down cases assume a 50% or 75% deferral of purchase power beyond 12 months and minimal rate increases
Source: Moody's Investors Service

The average allowed return on equity (ROE) remains relatively flat at about 9.45%, compared to 9.5% in 2021. We expect ROEs to be sustained at current levels through 2023 because most requests for rate increases have been approved without lowering ROEs, as was common in many previous rate cases. Rising interest rates could lead to higher ROEs in some instances, although there is likely to be a lag because of the timing of rate cases, which typically take up to a year to resolve. In addition, the aggregate earned ROE lags the allowed ROE by about 70 basis points because of the large number of deferrals related to one-time costs incurred since 2020 for the coronavirus pandemic, wildfires, storms and delays in general rate case filings during the pandemic. Regulatory asset balances for these costs also add pressure on ratepayers. Regulators could delay the pace of recovery of these items as a lever to minimize the impact on customer bills as has been the case for New York utilities over the past several years. The commission used rate modifiers and extended regulatory asset recovery to keep customer bill increases at 2%. This resulted in significant lag in cash flow recovery, leading to weaker credit metrics and ultimately driving rating downgrades of the New York utilities.

Utilities were well positioned to manage through a short period of higher natural gas prices because of their procurement strategies, which include both physical and financial hedging that was mostly done during a period of lower spot prices in 2021. Because natural gas prices have remained at higher levels for an extended period of time, procurement of natural gas at these higher prices has resulted in ballooning purchased power and fuel cost balances that make it more difficult to pass through to customers all at once particularly during a period of high inflation and rising interest rates. Current and future rate case filings and other regulatory requests will likely experience heightened scrutiny because of the sensitivity of increasing residential customer bills. These bills had already been rising because of increased base rates.

Capital spending and dividends will be sustained at steady clip, weighing on financial performance

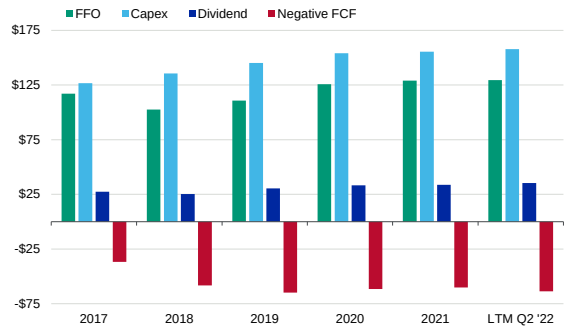
Utilities are likely to maintain their high levels of capital spending as they focus on reducing carbon emissions to further their progress toward net-zero targets and invest in overall system resilience (see Environmental risks drive capital spending increases, pressuring credit quality). Following the passage of the US Inflation Reduction Act of 2022, capital expenditures could increase even further because the legislation will reduce the cost of developing clean energy-related projects and help facilitate the sector's carbon transition (see Inflation Reduction Act's renewable, nuclear and other energy credits are credit positive). Although credit positive, the Inflation Reduction Act's provisions are not sufficient to offset the combined adverse effects of high natural gas prices, inflation and rising interest rates. While the sector is willing to issue more equity than it has in the recent past (such as through the use of at-the-market programs), debt issuance and even asset sale proceeds will drive the funding of capital spending programs with limited new common equity issuance, despite the relatively high valuations of most regulated utilities.

The sector has benefitted from regulatory outcomes that have supported rate base growth over the years. As shown in Exhibit 4, growth in FFO and capital spending has been relatively steady since 2017 because regulators have generally authorized timely recovery of prudent investments. This favorable business environment benefitted from a strong US economy, low natural gas prices and low interest rates, providing the means for companies to grow their dividend payments by about 5.2% since 2017. At the same time, the sector has experienced a substantial growth in negative free cash flow (FCF) of about 11.5% since 2017, which has contributed to the growth in total debt shown in Exhibit 5. Utility subsidiaries have some flexibility to absorb cost pressures by cutting back on capital spending and reducing dividends should there be a need to respond to an adverse regulatory climate. However, holding companies generally have little to no cushion in their financial metrics in light of the sector's continued high parent leverage to support capital expenditures and dividends.

Exhibit 4

Steadily increasing capital investment and dividend payout weighing on financial metrics

Historical FFO, capital expenditures, dividend and negative FCF for rated US investor owned utility sector

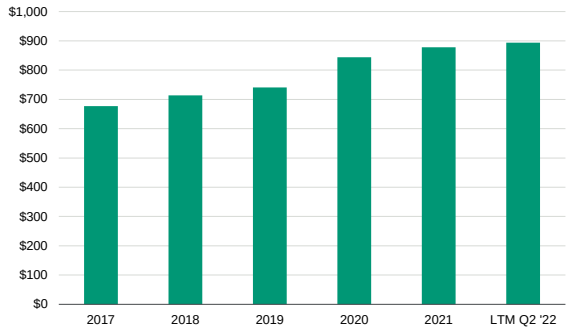


5-year CAGR: FFO - 2.0%, Capex - 4.5%, Dividend - 5.2%, Negative FCF - 11.5%
($ billions)
Source: Moody's Investors Service

Exhibit 5

Sector's total debt has increased to fund capital investment and negative free cash flow

Historical aggregate total debt for rated US investor owned utility sector



5-year CAGR - 5.7%
($ billions)
Source: Moody's Investors Service

Although the US investor-owned utility sector is facing significant headwinds, it continues to benefit from the fact that they operate critical infrastructure assets and are subject to strong regulation. The sector continues to experience relatively high equity valuations and strong capital markets access because it is often the sector that is most favored by investors in times of stress, as most recently seen during the volatile market conditions caused by the coronavirus pandemic in early 2020. Additionally, utilities maintain robust liquidity profiles through readily available multiyear facilities with modest covenant terms.

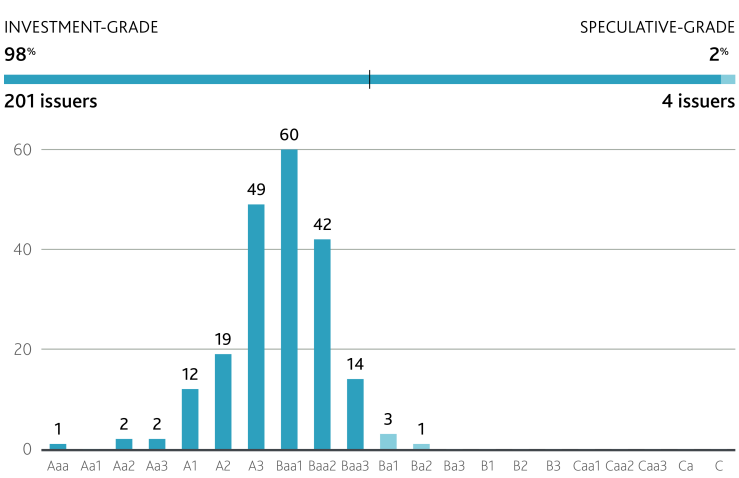
Appendix A

Exhibit 6

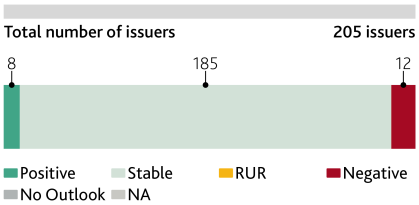
Distribution of long-term ratings and rating outlooks for US regulated electric and gas utilities

Ratings and rating outlooks distribution by number of issuers as of 1 November 2022

RATING DISTRIBUTION BY NUMBER OF ISSUERS



OUTLOOK DISTRIBUTION



Includes holding companies and operating subsidiaries.
Source: Moody's Investors Service

Appendix B

Exhibit 7

Utility holding companies

Data for the most recent 12-month period available ($ millions)

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
Berkshire Hathaway Energy Company	A3 stable	$ 8,634	$ 54,716	16%	$ 7,309	$ -
Vectren Utility Holdings, Inc.	A3 stable	$ 445	$ 2,461	18%	$ 633	$ 40
NextEra Energy, Inc.	(P)Baa1 stable	$ 9,415	$ 63,407	15%	$ 16,377	$ 3,184
Ameren Corporation	Baa1 stable	$ 2,367	$ 14,650	16%	$ 3,316	$ 588
OGE Energy Corp.	Baa1 stable	$ 733	$ 5,033	15%	$ 881	$ 327
PPL Corporation[1]	Baa1 stable	$ 1,909	$ 13,784	14%	$ 2,035	$ 1,092
WEC Energy Group, Inc.	Baa1 stable	$ 2,485	$ 15,376	16%	$ 2,282	$ 886
Xcel Energy Inc.	Baa1 stable	$ 4,058	$ 24,209	17%	$ 4,349	$ 972
Eversource Energy	Baa1 negative	$ 2,560	$ 21,842	12%	$ 3,666	$ 831
Pinnacle West Capital Corporation	Baa1 negative	$ 1,205	$ 8,013	15%	$ 1,510	$ 375
Alliant Energy Corporation	Baa2 stable	$ 1,172	$ 8,394	14%	$ 1,304	$ 415
American Electric Power Company, Inc.	Baa2 stable	$ 5,391	$ 38,267	14%	$ 6,442	$ 1,577
Avangrid, Inc.	Baa2 stable	$ 1,497	$ 8,995	17%	$ 2,908	$ 681
Black Hills Corporation	Baa2 stable	$ 704	$ 4,488	16%	$ 652	$ 151
CenterPoint Energy, Inc.	Baa2 stable	$ 2,283	$ 15,658	15%	$ 3,929	$ 416
CMS Energy Corporation	Baa2 stable	$ 1,873	$ 12,223	15%	$ 2,300	$ 529
Consolidated Edison, Inc.	Baa2 stable	$ 3,913	$ 26,230	15%	$ 4,243	$ 1,067
Dominion Energy, Inc.	Baa2 stable	$ 5,039	$ 45,421	11%	$ 6,670	$ 2,116
DTE Energy Company	Baa2 stable	$ 2,366	$ 19,312	12%	$ 3,385	$ 713
Duke Energy Corporation	Baa2 stable	$ 10,516	$ 72,528	14%	$ 11,160	$ 3,147
Evergy, Inc.	Baa2 stable	$ 2,004	$ 12,899	16%	$ 2,223	$ 517
Exelon Corporation	Baa2 stable	$ 5,176	$ 42,511	12%	$ 8,146	$ 1,413
IDACORP, Inc.	Baa2 stable	$ 337	$ 2,646	13%	$ 354	$ 150
NiSource Inc.	Baa2 stable	$ 1,506	$ 10,950	14%	$ 1,997	$ 363
Otter Tail Corporation	Baa2 stable	$ 409	$ 949	43%	$ 170	$ 67
Public Service Enterprise Group Incorporated	Baa2 stable	$ 2,732	$ 21,368	13%	$ 2,946	$ 1,056
Sempra Energy	Baa2 stable	$ 4,498	$ 27,118	17%	$ 4,968	$ 1,408
Southern Company (The)	Baa2 stable	$ 7,979	$ 54,354	15%	$ 8,416	$ 2,825
Southwest Gas Holdings, Inc.	Baa2 stable	$ 666	$ 6,424	10%	$ 761	$ 149
Spire Inc.	Baa2 stable	$ 426	$ 4,320	10%	$ 569	$ 140
Unitil Corporation	Baa2 stable	$ 126	$ 619	20%	$ 120	$ 25
Entergy Corporation	Baa2 negative	$ 3,223	$ 29,060	11%	$ 6,375	$ 804

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
Edison International	Baa3 positive	$ 3,085	$ 30,725	10%	$ 5,610	$ 1,018
Cleco Corporate Holdings LLC	Baa3 stable	$ 345	$ 3,900	9%	$ 278	$ 133
Duquesne Light Holdings, Inc.	Baa3 stable	$ 388	$ 2,783	14%	$ 375	$ 58
Emera Inc.	Baa3 negative	$ 1,127	$ 13,214	8%	$ 1,902	$ 363
Fortis Inc.	Baa3 stable	$ 2,477	$ 21,943	11%	$ 2,845	$ 502
PNM Resources, Inc.	Baa3 stable	$ 605	$ 4,194	14%	$ 643	$ 116
Puget Energy, Inc.	Baa3 stable	$ 830	$ 7,064	12%	$ 983	$ 62
IPALCO Enterprises, Inc.	Baa3 stable	$ 344	$ 2,970	12%	$ 415	$ 139
FirstEnergy Corp.	Ba1 positive	$ 2,675	$ 24,027	11%	$ 2,714	$ 880
DPL Inc.	Ba1 negative	$ 114	$ 1,638	7%	$ 243	$ -
PG&E Corporation	Ba2 stable *	$ 5,542	$ 50,803	11%	$ 9,116	$ -

All ratios are based on GAAP "Adjusted" financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations, but may not include all analytical adjustments.
List excludes intermediate holding companies unless the ultimate parent company is excluded from the holding company peer group (e.g. AES Corporation) or is domiciled outside of the US.
[1] PPL Corp.'s credit metric includes the total debt but partial cash flow from NECO due to the timing of the completed acquisition.
*PG&E Corporation is a Corporate Family Rating
Source: Moody's Investors Service

Exhibit 8

Vertically integrated operating companies

Data for the most recent 12-month period available ($ millions)

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
Alabama Power Company	A1 stable	$ 2,125	$ 10,079	21%	$ 2,137	$ 1,000
Consumers Energy Company	A1 stable*	$ 2,133	$ 8,691	25%	$ 2,233	$ 775
Florida Power & Light Company	A1 stable	$ 6,808	$ 21,535	32%	$ 8,264	$ 2,105
Madison Gas and Electric Company	A1 stable	$ 173	$ 689	25%	$ 144	$ 17
MidAmerican Energy Company	A1 stable	$ 1,934	$ 7,836	25%	$ 2,054	$ -
Southern Indiana Gas & Electric Company	A1 stable	$ 229	$ 1,004	23%	$ 310	$ 30
DTE Electric Company	A2 stable	$ 2,007	$ 10,611	19%	$ 2,730	$ 734
Duke Energy Carolinas, LLC	A2 stable	$ 3,291	$ 14,303	23%	$ 3,163	$ -
Duke Energy Indiana, LLC.	A2 stable	$ 1,096	$ 5,023	22%	$ 941	$ 362
Duke Energy Progress, LLC	A2 stable	$ 2,286	$ 11,093	21%	$ 2,077	$ 950
Northern States Power Company (Minnesota)	A2 stable	$ 1,234	$ 7,025	18%	$ 1,780	$ 478
Northern States Power Company (Wisconsin)	A2 stable	$ 250	$ 1,058	24%	$ 308	$ 113
Virginia Electric and Power Company	A2 stable	$ 3,386	$ 17,622	19%	$ 4,066	$ -
Wisconsin Electric Power Company [1]	A2 stable	$ 853	$ 6,125	14%	$ 914	$ 580
Wisconsin Public Service Corporation	A2 stable	$ 459	$ 1,885	24%	$ 399	$ 260
Indiana Michigan Power Company	A3 positive	$ 849	$ 3,420	25%	$ 726	$ 200
Cleco Power LLC	A3 stable	$ 231	$ 2,173	11%	$ 269	$ 52
Duke Energy Florida, LLC.	A3 stable	$ 1,984	$ 9,252	21%	$ 2,145	$ -
Kentucky Utilities Co.	A3 stable	$ 699	$ 2,983	23%	$ 608	$ 298
Louisville Gas & Electric Company	A3 stable	$ 567	$ 2,419	23%	$ 439	$ 219
Oklahoma Gas & Electric Company	A3 stable	$ 962	$ 4,137	23%	$ 880	$ 265
Otter Tail Power Company	A3 stable	$ 180	$ 823	22%	$ 136	$ 53
PacifiCorp	A3 stable	$ 1,710	$ 8,799	19%	$ 1,567	$ 250
Portland General Electric Company	A3 stable	$ 584	$ 3,616	16%	$ 666	$ 154
Public Service Company of Colorado	A3 stable	$ 1,403	$ 7,073	20%	$ 1,792	$ 479
Tucson Electric Power Company	A3 stable	$ 525	$ 2,333	23%	$ 527	$ 63
Wisconsin Power and Light Company	A3 stable	$ 367	$ 2,806	13%	$ 824	$ 172
Tampa Electric Company	A3 negative	$ 938	$ 4,397	21%	$ 1,399	$ 471
Arizona Public Service Company	A3 negative	$ 1,242	$ 7,014	18%	$ 1,495	$ 382
Entergy Arkansas, LLC	Baa1 positive	$ 858	$ 4,763	18%	$ 994	$ 86
Entergy Mississippi, LLC	Baa1 positive	$ 487	$ 2,553	19%	$ 664	$ -
Union Electric Company	(P)Baa1 stable	$ 1,071	$ 6,445	17%	$ 1,772	$ 24
Appalachian Power Company	Baa1 stable	$ 911	$ 5,490	17%	$ 943	$ 75
Duke Energy Kentucky, Inc.	Baa1 stable	$ 134	$ 853	16%	$ 164	$ -
Empire District Electric Company (The)	Baa1 stable	$ 231	$ 1,200	19%	$ 318	$ -
Evergy Kansas Central, Inc.	Baa1 stable	$ 976	$ 5,326	18%	$ 914	$ 465
Evergy Metro, Inc.	Baa1 stable	$ 758	$ 3,498	22%	$ 793	$ 50
Georgia Power Company	Baa1 stable	$ 2,610	$ 15,076	17%	$ 3,916	$ 1,670
Hawaiian Electric Company, Inc.	Baa1 stable	$ 413	$ 2,183	19%	$ 301	$ 119
Idaho Power Company	Baa1 stable	$ 289	$ 2,646	11%	$ 354	$ 150

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
Indianapolis Power & Light Company	Baa1 stable	$ 370	$ 2,097	18%	$ 414	$ 162
Interstate Power and Light Company	Baa1 stable	$ 667	$ 3,774	18%	$ 365	$ 360
Mississippi Power Company	Baa1 stable	$ 383	$ 1,572	24%	$ 225	$ 163
Nevada Power Company	Baa1 stable	$ 722	$ 3,115	23%	$ 579	$ 200
Newfoundland Power Inc.	Baa1 stable	$ 102	$ 537	19%	$ 103	$ 27
Northern Indiana Public Service Company	Baa1 stable	$ 817	$ 2,992	27%	$ 821	$ -
Public Service Company of Oklahoma	Baa1 stable	$ 389	$ 2,950	13%	$ 396	$ 10
Puget Sound Energy, Inc.	Baa1 stable	$ 867	$ 5,175	17%	$ 954	$ 149
Sierra Pacific Power Company	Baa1 stable	$ 242	$ 1,278	19%	$ 370	$ 70
Superior Water, Light and Power Company	Baa1 stable	$ 14	$ 50	27%	$ 13	$ -
ALLETE, Inc.	Baa1 stable	$ 317	$ 2,167	15%	$ 276	$ 138
Entergy Louisiana, LLC	Baa1 negative	$ 1,030	$ 10,727	10%	$ 3,622	$ 185
Dominion Energy South Carolina, Inc.	Baa2 positive	$ 715	$ 4,737	15%	$ 698	$ 301
NorthWestern Corporation	Baa2 stable	$ 357	$ 2,633	14%	$ 487	$ 133
Avista Corp.	(P)Baa2 stable	$ 304	$ 2,671	11%	$ 442	$ 124
El Paso Electric Company	Baa2 stable	$ 259	$ 1,887	14%	$ 387	$ 130
Entergy Texas, Inc.	Baa2 stable	$ 568	$ 2,782	20%	$ 602	$ -
Evergy Missouri West, Inc.	Baa2 stable	$ 263	$ 1,706	15%	$ 490	$ -
Liberty Utilities Co.	Baa2 stable	$ 399	$ 2,631	15%	$ 667	$ -
Monongahela Power Company	Baa2 stable	$ 195	$ 2,006	10%	$ 249	$ 106
Public Service Company of New Mexico	Baa2 stable	$ 406	$ 2,043	20%	$ 675	$ 61
Southwestern Electric Power Company	Baa2 stable	$ 520	$ 3,941	13%	$ 499	$ 17
Southwestern Public Service Company	Baa2 stable	$ 647	$ 3,252	20%	$ 507	$ 290
Avista Corp.	(P)Baa2 stable	$ 304	$ 2,671	11%	$ 442	$ 124
Pacific Gas & Electric Company	Baa3 stable*	$ 5,817	$ 46,149	13%	$ 9,091	$ 425
Alaska Electric Light and Power Company(AELP)	Baa3 stable	$ 16	$ 122	13%	$ 5	$ 6
Kentucky Power Company	Baa3 stable	$ 132	$ 1,245	11%	$ 200	$ -
Entergy New Orleans, LLC.	Ba1 negative	$ 128	$ 868	15%	$ 242	$ -

All ratios are based on GAAP "Adjusted" financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations, but may not include all analytical adjustments.
[1] These ratios do not reflect the adjustments related to the Power the Future lease agreements.
*First mortgage bond rating
Source: Moody's Investors Service

Exhibit 9

Transmission and distribution operating companies

Data for the most recent 12-month period available ($ millions)

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
NSTAR Electric Company	A1 negative	$ 885	$ 4,547	19%	$ 1,030	$ 144
Oncor Electric Delivery Company LLC	A2 stable*	$ 1,790	$ 11,931	15%	$ 2,736	$ 859
PECO Energy Company	A2 stable	$ 927	$ 4,515	21%	$ 1,321	$ 370
Ameren Illinois Company	(P)A3 stable	$ 1,159	$ 4,551	25%	$ 1,485	$ -
Baltimore Gas and Electric Company	A3 stable	$ 894	$ 4,475	20%	$ 1,213	$ 296
Commonwealth Edison Company	A3 stable	$ 1,548	$ 10,675	15%	$ 2,436	$ 543
Connecticut Light and Power Company (The)	A3 stable	$ 897	$ 4,349	21%	$ 909	$ 347
Duquesne Light Company	A3 stable	$ 389	$ 1,454	27%	$ 357	$ 60
FortisBC Energy Inc.	A3 stable	$ 332	$ 2,610	12%	$ 461	$ 133
Hydro One Inc.	A3 stable	$ 1,724	$ 11,492	15%	$ 1,547	$ 503
Jersey Central Power & Light Company	A3 stable	$ 559	$ 2,366	24%	$ 371	$ 105
Metropolitan Edison Company	A3 stable	$ 257	$ 1,172	22%	$ 143	$ 145
Narragansett Electric Company	A3 stable	$ 259	$ 1,544	17%	$ 379	$ -
Ohio Edison Company	A3 stable	$ 366	$ 1,266	29%	$ 285	$ 271
Pennsylvania Power Company	A3 stable	$ 61	$ 267	23%	$ 41	$ 26
PPL Electric Utilities Corporation	A3 stable	$ 916	$ 4,486	20%	$ 897	$ 298
Public Service Company of New Hampshire	A3 stable	$ 336	$ 1,756	19%	$ 452	$ 102
Public Service Electric and Gas Company	A3 stable	$ 1,973	$ 12,528	16%	$ 2,627	$ -
West Penn Power Company	A3 stable	$ 238	$ 1,018	23%	$ 190	$ 90
San Diego Gas & Electric Company	(P)A3 stable	$ 1,750	$ 9,204	19%	$ 2,266	$ 300
United Illuminating Company	Baa1 positive	$ 237	$ 1,131	21%	$ 215	$ 115
Atlantic City Electric Company	Baa1 stable	$ 335	$ 1,769	19%	$ 394	$ 97
CenterPoint Energy Houston Electric, LLC	Baa1 stable	$ 943	$ 6,170	15%	$ 2,272	$ 67
Central Hudson Gas & Electric Corporation	Baa1 stable	$ 124	$ 1,079	11%	$ 227	$ -
Consolidated Edison Company of New York, Inc.	Baa1 stable	$ 3,326	$ 21,065	16%	$ 3,818	$ 984
Delmarva Power & Light Company	Baa1 stable	$ 397	$ 1,995	20%	$ 422	$ 140
Duke Energy Ohio, Inc.	Baa1 stable	$ 568	$ 3,834	15%	$ 829	$ -
Fitchburg Gas & Electric Light Company	Baa1 stable	$ 32	$ 161	20%	$ 27	$ 6
FortisAlberta Inc.	Baa1 stable	$ 296	$ 1,915	15%	$ 302	$ 69
Massachusetts Electric Company	Baa1 stable	$ 192	$ 1,940	10%	$ 344	$ -
New York State Electric and Gas Corporation	Baa1 stable	$ 123	$ 2,285	5%	$ 756	$ 270
Niagara Mohawk Power Corporation	Baa1 stable	$ 729	$ 4,025	18%	$ 900	$ 275
Ohio Power Company	Baa1 stable	$ 561	$ 3,512	16%	$ 777	$ 86
Pennsylvania Electric Company	Baa1 stable	$ 257	$ 1,545	17%	$ 147	$ 265
Potomac Electric Power Company	Baa1 stable	$ 542	$ 3,765	14%	$ 817	$ 445
Rochester Gas & Electric Corporation	Baa1 stable	$ 164	$ 1,547	11%	$ 435	$ 250
Texas-New Mexico Power Company	Baa1 stable	$ 181	$ 1,110	16%	$ 396	$ -
Unitil Energy Systems, Inc.	Baa1 stable	$ 35	$ 127	27%	$ 23	$ 5

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
Southern California Edison Company	Baa2 positive	$ 3,228	$ 26,762	12%	$ 5,610	$ 1,085
AEP Texas Inc.	Baa2 stable	$ 747	$ 6,202	12%	$ 1,162	$ -
Electric Transmission Texas, LLC	Baa2 stable	$ 237	$ 1,601	15%	$ 122	$ 70
National Grid North America Inc.	Baa2 stable	$ 2,191	$ 20,609	11%	$ 4,171	$ -
National Grid USA	Baa2 stable	$ 1,948	$ 24,045	8%	$ 4,156	$ -
Orange and Rockland Utilities, Inc.	Baa2 stable	$ 185	$ 1,149	16%	$ 223	$ 54
Potomac Edison Company (The)	Baa2 stable	$ 174	$ 755	23%	$ 141	$ -
Toledo Edison Company	Baa2 stable	$ 102	$ 486	21%	$ 60	$ 47
Cleveland Electric Illuminating Company (The)	Baa3 stable	$ 209	$ 1,617	13%	$ 190	$ 53
Dayton Power & Light Company	Baa2 negative	$ 138	$ 766	18%	$ 241	$ 69

All ratios are based on GAAP "Adjusted" financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations, but may not include all analytical adjustments.
*First mortgage bond rating
Source: Moody's Investors Service

Exhibit 10

Local gas distribution operating companies

Data for the most recent 12-month period available ($ millions)

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
Atmos Energy Corporation	A1 stable	$ 1,357	$ 8,193	17%	$ 2,362	$ 362
New Jersey Natural Gas Company	A1 stable*	$ 295	$ 1,316	22%	$ 364	$ -
Spire Missouri Inc.	A1 negative *	$ 40	$ 2,039	2%	$ 362	$ -
Connecticut Natural Gas Corporation	A2 stable	$ 67	$ 276	24%	$ 69	$ 35
Northern Illinois Gas Company	A2 stable	$ 506	$ 2,383	21%	$ 736	$ -
Peoples Gas Light and Coke Company	A2 stable	$ 484	$ 1,964	25%	$ 536	$ 395
Southern California Gas Company	A2 stable	$ 1,154	$ 6,092	19%	$ 1,994	$ 25
Spire Alabama Inc.	A2 stable	$ 126	$ 839	15%	$ 148	$ 22
UGI Utilities, Inc.	A2 negative	$ 365	$ 1,541	24%	$ 432	$ -
Berkshire Gas Company	A3 stable	$ 10	$ 82	13%	$ 19	$ 10
CenterPoint Energy Resources Corp.	A3 stable	$ 909	$ 4,585	20%	$ 1,038	$ -
DTE Gas Company	A3 stable	$ 408	$ 2,091	20%	$ 604	$ 156
ONE Gas, Inc	A3 stable	$ 461	$ 4,242	11%	$ 540	$ 129
Piedmont Natural Gas Company, Inc.	A3 stable	$ 537	$ 3,415	16%	$ 821	$ -
Questar Gas Company	A3 stable	$ 207	$ 1,103	19%	$ 301	$ -
SEMCO Energy, Inc.	A3 stable	$ 126	$ 529	24%	$ 93	$ 30
South Jersey Gas Company	A3 stable	$ 253	$ 1,164	22%	$ 225	$ -
Southern Connecticut Gas Company	A3 stable	$ 34	$ 377	9%	$ 104	$ 30
UNS Gas, Inc.	A3 stable	$ 24	$ 105	22%	$ 27	$ -
Washington Gas Light Company	A3 stable	$ 325	$ 1,838	18%	$ 539	$ 100
Wisconsin Gas LLC	A3 negative	$ 174	$ 856	20%	$ 194	$ 50
Boston Gas Company	Baa1 stable	$ 500	$ 2,242	22%	$ 646	$ 43
FortisBC Inc.	Baa1 stable	$ 100	$ 1,002	10%	$ 109	$ 38
KeySpan Gas East Corporation	Baa1 stable	$ 256	$ 1,561	16%	$ 410	$ -
Northwest Natural Gas Company	(P)Baa1 stable	$ 199	$ 1,289	15%	$ 311	$ 58
PNG Companies LLC	Baa1 stable*	$ 264	$ 1,517	17%	$ 280	$ 75
Public Service Co. of North Carolina, Inc.	Baa1 stable	$ 146	$ 1,109	13%	$ 156	$ 92
Southern Company Gas Capital	Baa1 stable	$ 1,264	$ 8,181	15%	$ 1,437	$ 530
Southwest Gas Corporation	Baa1 stable	$ 484	$ 3,346	14%	$ 620	$ 118
Yankee Gas Services Company	Baa1 stable	$ 122	$ 907	13%	$ 236	$ 46
Northern Utilities, Inc.	Baa1 stable	$ 49	$ 270	18%	$ 62	$ 14
Boston Gas Company	Baa1 stable	$ 500	$ 2,242	22%	$ 646	$ 43
Brooklyn Union Gas Company, The	Baa2 stable	$ 261	$ 2,694	10%	$ 712	$ -

All ratios are based on GAAP "Adjusted" financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations, but may not include all analytical adjustments.
*First mortgage bond rating
Source: Moody's Investors Service

Moody's related publications

Sector research

- Regulated Electric and Gas Utilities – US: Environmental risks drive capital spending increases, pressuring credit quality, 3 November 2022
- Regulated Electric Utilities – US: Regulatory support, storm cost recovery provisions to mitigate Hurricane Ian impact, 30 September 2022
- Electric Utilities and Power Companies – US: Inflation Reduction Act's renewable, nuclear and other energy credits are credit positive, 11 August 2022
- Government Policy – US: Inflation Reduction Act will build economic resilience, but its costs and benefits vary by sector, 10 August 2022
- Regulated Electric and Gas Utilities – US: Regulated cost recovery provides Dominion credit advantage versus offshore wind peers, 20 July 2022
- Regulated Electric and Gas Utilities – US: Offshore wind projects raise business risk, but credit implications depend on execution, 20 July 2022
- Regulated Electric and Gas Utilities – US: High natural gas prices, inflation and rising interest rates increase social risk, 13 June 2022
- Electric Utilities and Power Companies – US: Renewable energy developers and owners to benefit from solar tariff exemption 8 June 2022
- Regulated Electric and Gas Utilities – US: Persistent elevated electric and gas prices will increase social risks, 14 February 2022

© 2022 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.
CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.
ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from $1,000 to approximately $5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.
MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY100,000 to approximately JPY550,000,000.
MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

REPORT NUMBER 1344794

Contacts

Jim Hempstead +1.212.553.4318
MD - Global Infrastructure & Cyber Risk
james.hempstead@moodys.com

Nana Hamilton +1.212.553.9440
VP-Senior Analyst
nana.hamilton@moodys.com

Jeffrey F. Cassella +1.212.553.1665
VP-Sr Credit Officer
jeffrey.cassella@moodys.com

Natividad Martel, CFA +1.212.553.4561
VP-Senior Analyst
natividad.martel@moodys.com

Toby Shea +1.212.553.1779
VP-Sr Credit Officer
toby.shea@moodys.com

Gavin MacFarlane +1.416.214.3864
VP-Sr Credit Officer
gavin.macfarlane@moodys.com

Yulia Rakityanskaya +1.416.214.3627
Analyst
yulia.rakityanskaya@moodys.com

Jillian Cardona +1.212.553.4351
Analyst
jillian.cardona@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

ALLETE INC (ALE-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
65.15 (USD)	**335,000**	**65.99**	**20.4**	**2.92**	**6.5%**	**--**	**0.62%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	3.8B	**61.51**	**16.2**	**4.5%**	**1.5B**	**74.7%**	**-0.41%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

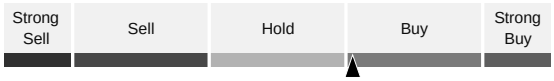
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

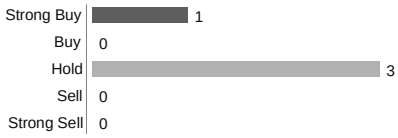
verus analytics

I/B/E/S MEAN

Buy
4 Analysts

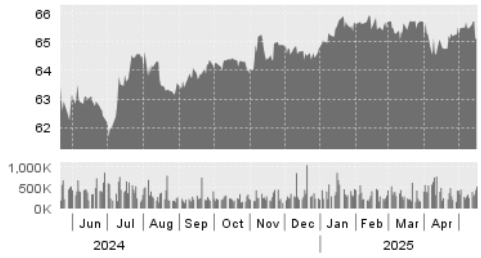
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



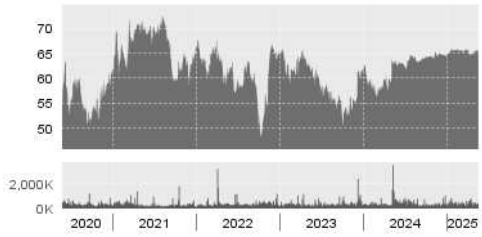


PRICE AND VOLUME CHARTS

1-Year Return: 3.7%



5-Year Return: 23.8%



BUSINESS SUMMARY

ALLETE, Inc. is a clean-energy transformation company that owns, operates and develops wind energy generation to reduce its carbon footprint. The Company's segments include Regulated Operations and ALLETE Clean Energy. Regulated Operations include regulated utilities, Minnesota Power, and SWL&P, as well as investment in ATC, a Wisconsin-based regulated utility that owns and maintains electric transmission assets in portions of Wisconsin, Michigan, Minnesota, and Illinois. Minnesota Power provides regulated utility electric service in northeastern Minnesota to approximately 150,000 retail customers. The ALLETE Clean Energy segment is focused on developing, acquiring, and operating clean and renewable energy projects. The segment owns and operates 1,600 megawatts of wind energy generation in five energy markets and eight states across the United States. The Company is also engaged in the development of wind energy facilities to operate under long-term Power Sales Agreement (PSAs).

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

ALLIANT ENERGY CORP (LNT-O)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
63.09 (USD)	**2.5M**	**66.54**	**21.8**	**2.03**	**10.7%**	**6.5%**	**3.8%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	16.1B	**49.05**	**18.8**	**3.2%**	**4.1B**	**83.3%**	**2.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

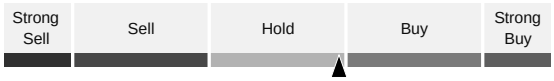
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

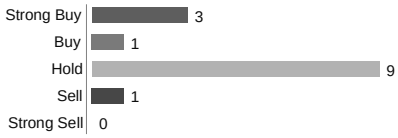
verus analytics

I/B/E/S MEAN

Hold
14 Analysts

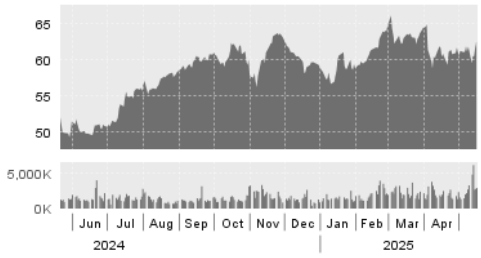
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



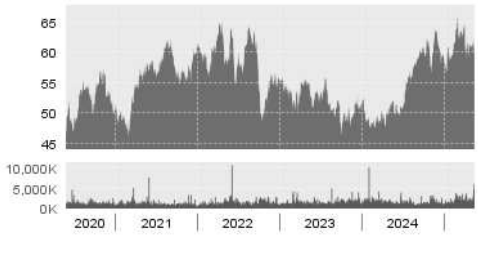


PRICE AND VOLUME CHARTS

1-Year Return: 21.4%



5-Year Return: 36.2%



BUSINESS SUMMARY

Alliant Energy Corporation operates as a regulated investor-owned public utility holding company. Its primary focus is to provide regulated electric and natural gas service to its customers in the Midwest through its two public utility subsidiaries: Interstate Power and Light Company (IPL) and Wisconsin Power and Light Company (WPL). Its non-utility holdings are organized under Alliant Energy Finance, LLC. Its segments include IPL and WPL. IPL is a public utility engaged principally in the generation and distribution of electricity and the distribution and transportation of natural gas to retail customers in select markets in Iowa. WPL is a public utility engaged principally in the generation and distribution of electricity and the distribution and transportation of natural gas to retail customers in select markets in Wisconsin. WPL operates in municipalities pursuant to permits of indefinite duration and state statutes authorizing utility operation in areas annexed by a municipality.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

AMEREN CORP (AEE-N)
Utilities / Multiline Utilities / Multiline Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
98.97 (USD)	**1.6M**	**104.10**	**22.0**	**2.84**	**10.2%**	**6.8%**	**0.32%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	26.5B	**69.39**	**19.6**	**2.9%**	**7.9B**	**83.1%**	**1.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

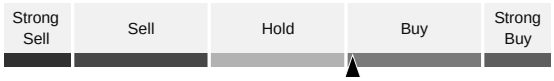
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

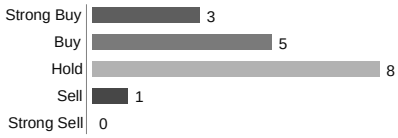
verus analytics

I/B/E/S MEAN

Buy
17 Analysts

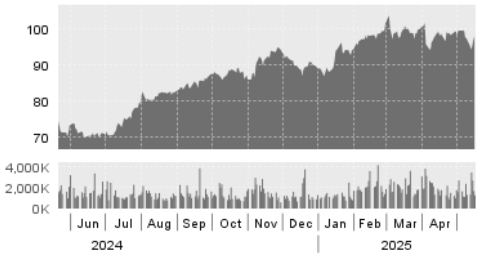
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



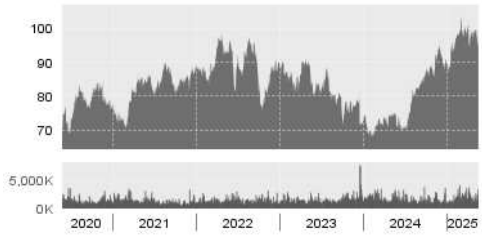


PRICE AND VOLUME CHARTS

1-Year Return: 32.4%



5-Year Return: 40.1%



BUSINESS SUMMARY

Ameren Corporation is a public utility holding company. The Company operates through four segments: Ameren Missouri, Ameren Illinois Electric Distribution, Ameren Illinois Natural Gas, and Ameren Transmission. The Ameren Missouri segment includes all of the operations of Ameren Missouri. Ameren Missouri operates a rate-regulated electric generation, transmission, and distribution business and a rate-regulated natural gas distribution business in Missouri. The Ameren Illinois Electric Distribution segment consists of the electric distribution business of Ameren Illinois. The Ameren Illinois Natural Gas segment consists of the natural gas business of Ameren Illinois. The Ameren Transmission segment primarily consists of the aggregated electric transmission businesses of Ameren Illinois and Ameren Transmission Company of Illinois (ATXI). The Company owns an integrated transmission system that is composed of the transmission assets of Ameren Missouri, Ameren Illinois and ATXI.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

AMERICAN ELECTRIC POWER (AEP-O)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
103.78 (USD)	**3.5M**	**110.48**	**20.0**	**3.72**	**10.4%**	**6.4%**	**-3.6%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	55.0B	**85.93**	**17.5**	**3.6%**	**20.2B**	**86.2%**	**0.67%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

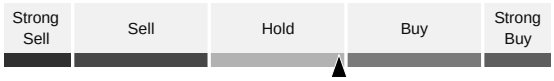
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

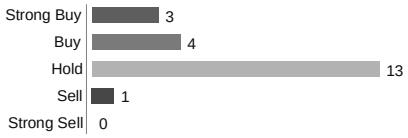
verus analytics

I/B/E/S MEAN

Hold
21 Analysts

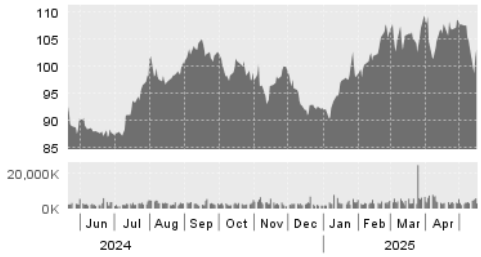
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



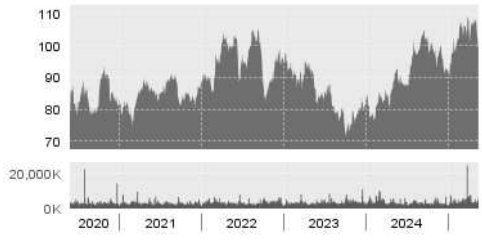


PRICE AND VOLUME CHARTS

1-Year Return: 12.0%



5-Year Return: 34.5%



BUSINESS SUMMARY

American Electric Power Company, Inc. is an electric public utility holding company. Its electric utility operating companies provide generation, transmission and distribution services to more than five million retail customers in Arkansas, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia and West Virginia. Its segments include Vertically Integrated Utilities, Transmission and Distribution Utilities, AEP Transmission Holdco and Generation & Marketing. The Vertically Integrated Utilities is engaged in the generation, transmission and distribution of electricity for sale to retail and wholesale customers. The Transmission and Distribution Utilities consists of the transmission and distribution of electricity for sale to retail and wholesale customers. The AEP Transmission Holdco is engaged in development, construction and operation of transmission facilities. The Generation & Marketing segment conducts Marketing, risk management and retail activities.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

AVISTA CORP (AVA-N)
Utilities / Multiline Utilities / Multiline Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
39.13 (USD)	**822,116**	**43.09**	**16.7**	**1.96**	**7.3%**	**6.9%**	**-6.5%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	3.1B	**33.45**	**14.1**	**5.0%**	**1.9B**	**87.7%**	**4.6%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

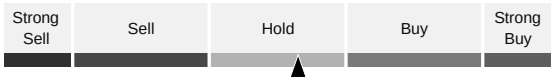
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Hold
6 Analysts

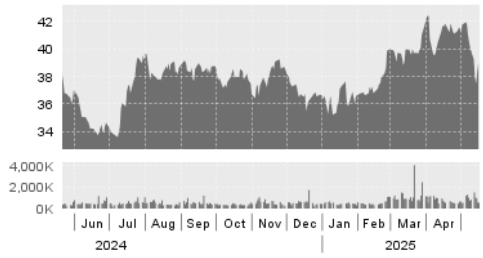
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



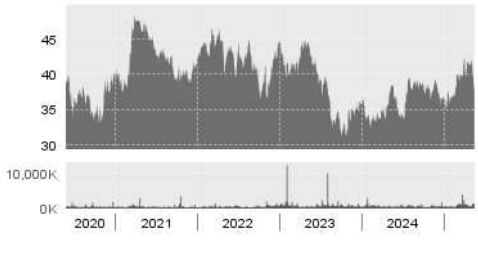


PRICE AND VOLUME CHARTS

1-Year Return: 2.0%



5-Year Return: 6.0%



BUSINESS SUMMARY

Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. Its segment includes Avista Utilities and AEL&P. The Avista Utilities segment comprises regulated utility operations in Washington, Idaho, Oregon and Montana. It engages in electric distribution and transmission, and natural gas distribution services in parts of eastern Washington and northern Idaho. It also provides natural gas distribution service in parts of northeastern and southwestern Oregon. Additionally, it supplies electricity to a small number of customers in Montana. Avista Utilities also engages in wholesale purchases and sales of electricity and natural gas as an integral part of energy resource management and its load-serving obligation. The AEL&P segment is a regulated utility providing electric services in Juneau, Alaska that is a wholly owned subsidiary and the primary operating subsidiary of AERC.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

BLACK HILLS CORP (BKH-N)
Utilities / Multiline Utilities / Multiline Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
58.93 (USD)	**400,600**	**65.59**	**15.0**	**2.70**	**8.0%**	**5.3%**	**-2.8%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	4.2B	**51.66**	**14.0**	**4.6%**	**2.2B**	**87.2%**	**-0.27%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

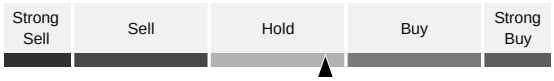
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

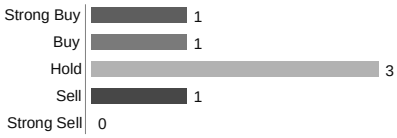
verus analytics

I/B/E/S MEAN

Hold
6 Analysts

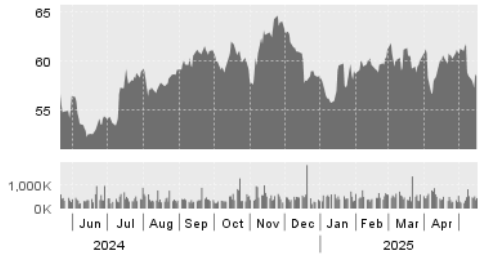
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



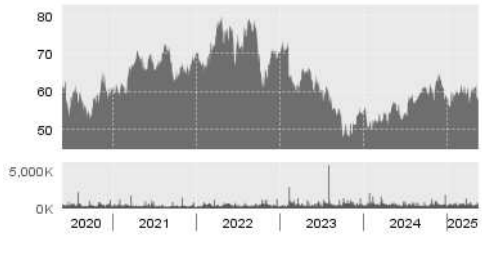


PRICE AND VOLUME CHARTS

1-Year Return: 3.8%



5-Year Return: 1.2%



BUSINESS SUMMARY

Black Hills Corporation is a customer-focused, growth-oriented utility company. It serves 1.35 million natural gas and electric utility customers in eight states: Arkansas, Colorado, Iowa, Kansas, Montana, Nebraska, South Dakota and Wyoming. Its segments include Electric Utilities and Gas Utilities. Its Electric Utilities segment generates, transmits and distributes electricity to approximately 225,000 electric utility customers in Colorado, Montana, South Dakota, and Wyoming. Its Electric Utilities own 1,394 megawatts of generation and 9,196 miles of electric transmission and distribution lines. Its Gas Utilities segment serves over 1,128,000 natural gas utility customers in Arkansas, Colorado, Iowa, Kansas, Nebraska, and Wyoming. Its Gas Utilities own and operate 4,648 miles of intrastate gas transmission pipelines and 44,524 miles of gas distribution mains and service lines, seven natural gas storage sites, over 50,000 horsepower of compression, and 516 miles of gathering lines.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

CENTERPOINT ENERGY INC (CNP-N)
Utilities / Multiline Utilities / Multiline Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
37.66 (USD)	**5.2M**	**39.31**	**25.3**	**0.88**	**9.2%**	**8.0%**	**1.3%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	24.5B	**25.41**	**20.7**	**2.3%**	**8.9B**	**99.1%**	**10.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

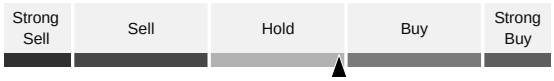
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

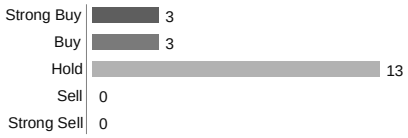
verus analytics

I/B/E/S MEAN

Hold
19 Analysts

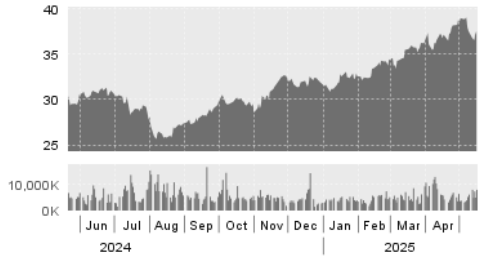
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



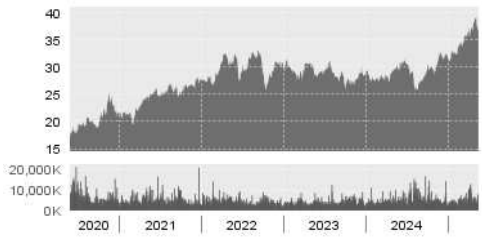


PRICE AND VOLUME CHARTS

1-Year Return: 25.2%



5-Year Return: 121.0%



BUSINESS SUMMARY

CenterPoint Energy, Inc. is an energy delivery company. The Company, through its subsidiaries, owns and operates electric transmission, distribution and generation facilities and natural gas distribution systems. Its segments include Electric and Natural Gas. The Electric segment includes electric transmission and distribution services that are subject to rate regulation in Houston Electric's and Indiana Electric's service territories. The Natural Gas segment includes intrastate natural gas sales to, and natural gas transportation and distribution for residential, commercial, industrial and institutional customers in Indiana, Minnesota, Ohio, and Texas; permanent pipeline connections through interconnects with various interstate and intrastate pipeline companies; and home appliance maintenance and repair services to customers in Minnesota and home repair protection plans to natural gas customers in Indiana, Ohio and Texas through a third party.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

CMS ENERGY CORP (CMS-N)
Utilities / Multiline Utilities / Multiline Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
71.97 (USD)	**3.0M**	**76.45**	**21.4**	**2.17**	**12.9%**	**7.7%**	**-1.3%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	21.4B	**58.50**	**19.1**	**3.0%**	**7.8B**	**98.2%**	**2.6%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

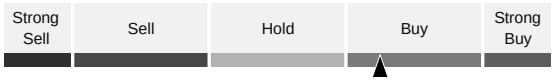
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

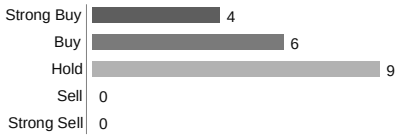
verus analytics

I/B/E/S MEAN

Buy
19 Analysts

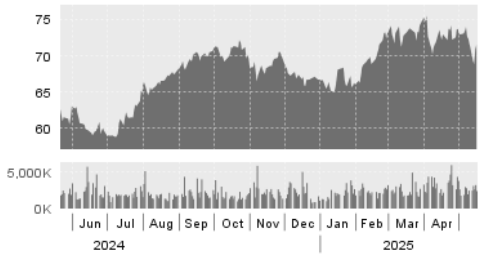
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



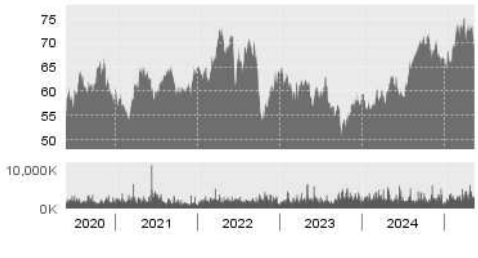


PRICE AND VOLUME CHARTS

1-Year Return: 13.8%



5-Year Return: 30.1%



BUSINESS SUMMARY

CMS Energy Corporation is an energy company operating primarily in Michigan. It manages its businesses by the nature of services each provides and operates principally in three business segments: Electric Utility, Gas Utility and NorthStar Clean Energy. The Electric Utility segment consists of regulated activities associated with the generation, purchase, distribution, and sale of electricity in Michigan. The Gas Utility segment consists of regulated activities associated with the purchase, transmission, storage, distribution, and sale of natural gas in Michigan. The NorthStar Clean Energy segment consists of various subsidiaries engaging in domestic independent power production, including the development and operation of renewable generation, and the marketing of independent power production. Its gas transmission, storage, and distribution system consists of 2,342 miles of transmission lines with 15 gas storage fields with a total storage capacity of 309 billion cubic feet (Bcf).

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

CONSOLIDATED EDISON INC (ED-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
105.38 (USD)	**3.1M**	**114.87**	**19.4**	**3.40**	**8.3%**	**5.0%**	**-6.0%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	37.6B	**87.28**	**19.0**	**3.2%**	**15.8B**	**72.6%**	**10.6%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

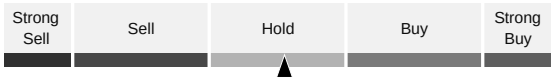
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Hold
19 Analysts

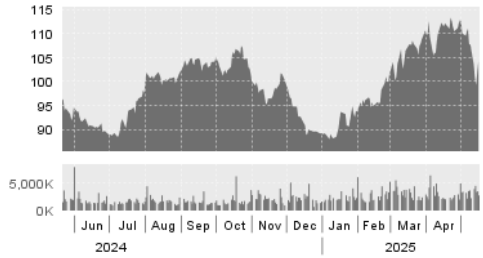
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



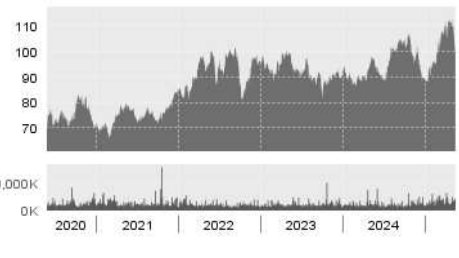


PRICE AND VOLUME CHARTS

1-Year Return: 8.5%



5-Year Return: 48.7%



BUSINESS SUMMARY

Consolidated Edison, Inc. is an energy-delivery company. The Company, through its subsidiaries, Consolidated Edison Company of New York, Inc. (CECONY), Orange and Rockland Utilities, Inc. (O&R) and Con Edison Transmission, Inc., provides a range of energy-related products and services to its customers. CECONY is a regulated utility providing electric service in New York City and New York's Westchester County, gas service in Manhattan, the Bronx, parts of Queens and parts of Westchester, and steam service in Manhattan. O&R and its utility subsidiary, Rockland Electric Company, provide electric service to customers in southeastern New York and northern New Jersey, a 1,300 square mile service area. O&R delivers gas to customers in southeastern New York. Con Edison Transmission, Inc. falls primarily under the oversight of the Federal Energy Regulatory Commission and manages, through joint ventures, both electric and gas assets while seeking to develop electric transmission projects.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

DOMINION ENERGY INC (D-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
56.20 (USD)	**5.4M**	**61.97**	**21.1**	**2.67**	**8.1%**	**15.4%**	**5.7%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	47.5B	**47.99**	**17.1**	**4.8%**	**14.9B**	**78.5%**	**0.95%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

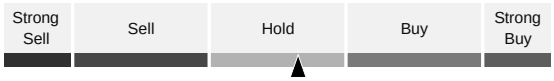
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

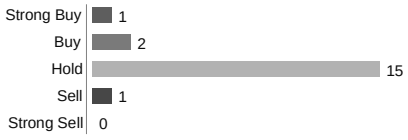
verus analytics

I/B/E/S MEAN

Hold
19 Analysts

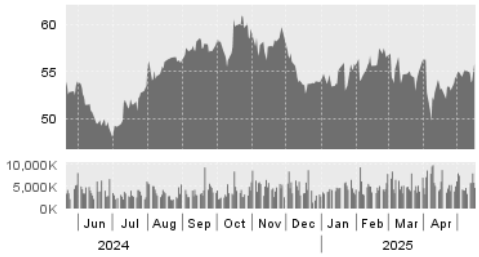
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



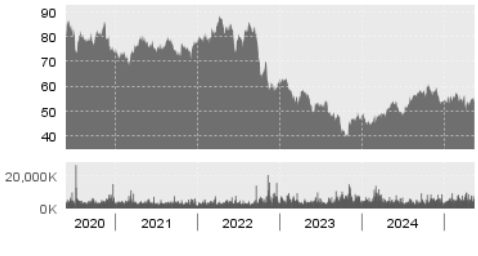


PRICE AND VOLUME CHARTS

1-Year Return: 5.0%



5-Year Return: -28.7%



BUSINESS SUMMARY

Dominion Energy, Inc. is a provider of regulated electricity service to about 3.6 million homes and businesses in Virginia, North Carolina, and South Carolina, and regulated natural gas service to 500,000 customers in South Carolina. It is a developer and operator of regulated offshore wind and solar power and the producer of carbon-free electricity in New England. Its Dominion Energy Virginia segment is composed of Virginia Power's regulated electric transmission, distribution, and generation operations, which serve homes and businesses in Virginia and North Carolina. Dominion Energy South Carolina segment consists of DESC's generation, transmission, and distribution of electricity to customers in the central, southern and southwestern portions of South Carolina and the distribution of natural gas to residential, commercial and industrial customers in South Carolina. Its Contracted Energy segment includes nonregulated electric generation fleet and renewable natural gas operations.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

DTE ENERGY CO (DTE-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
138.57 (USD)	**1.6M**	**140.39**	**18.7**	**4.36**	**13.3%**	**7.9%**	**3.8%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	28.7B	**108.40**	**19.0**	**3.2%**	**13.7B**	**79.3%**	**6.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

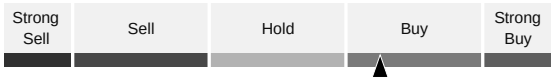
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

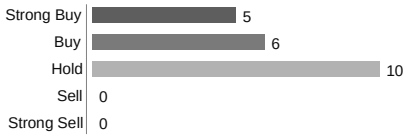
verus analytics

I/B/E/S MEAN

Buy
21 Analysts

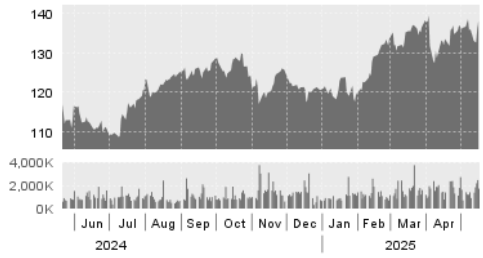
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



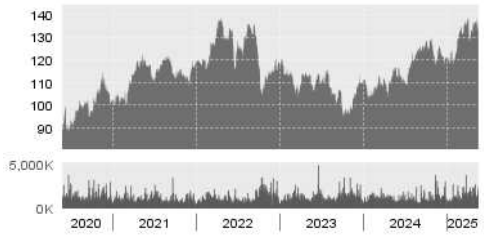


PRICE AND VOLUME CHARTS

1-Year Return: 18.8%



5-Year Return: 58.3%



BUSINESS SUMMARY

DTE Energy Company is a diversified energy company, which is involved in the development and management of energy-related businesses and services nationwide. The Company's segments include Electric, Gas, DTE Vantage, Energy Trading, and Corporate and Other. Electric segment consists principally of DTE Electric, which is engaged in the generation, purchase, distribution, and sale of electricity to residential, commercial, and industrial customers in southeastern Michigan. Gas segment consists principally of DTE Gas, which is engaged in the purchase, storage, transportation, distribution, and sale of natural gas to residential, commercial, and industrial customers throughout Michigan. DTE Vantage segment is comprised primarily of renewable energy projects that sell electricity and pipeline-gas and projects that deliver custom energy solutions to industrial, commercial, and institutional customers. Energy Trading segment consists of energy marketing and trading operations.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

DUKE ENERGY CORP (DUK-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
116.99 (USD)	**3.6M**	**125.27**	**19.4**	**4.18**	**9.8%**	**6.6%**	**-3.9%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	90.4B	**99.21**	**18.4**	**3.6%**	**30.9B**	**69.0%**	**4.7%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

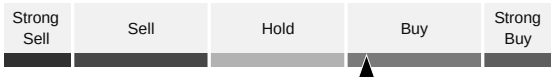
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

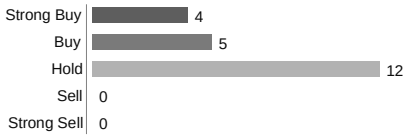
verus analytics

I/B/E/S MEAN

Buy
21 Analysts

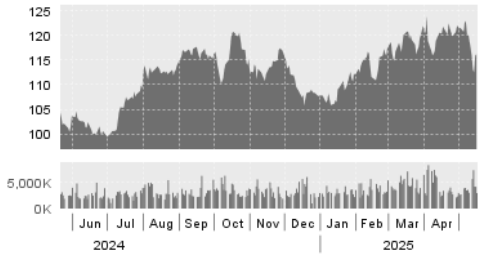
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



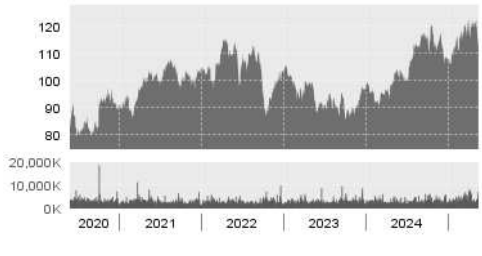


PRICE AND VOLUME CHARTS

1-Year Return: 12.6%



5-Year Return: 40.5%



BUSINESS SUMMARY

Duke Energy Corporation is an energy holding company. The Company operates through two segments: Electric Utilities and Infrastructure (EU&I) and Gas Utilities and Infrastructure (GU&I). The EU&I segment conducts operations primarily through the regulated public utilities of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Indiana and Duke Energy Ohio. EU&I provides retail electric service through the generation, transmission, distribution, and sale of electricity to customers within the Southeast and Midwest regions of the United States. The GU&I segment conducts natural gas operations primarily through the regulated public utilities of Piedmont, Duke Energy Ohio, and Duke Energy Kentucky. GU&I serves residential, commercial, industrial, and power generation natural gas customers, including customers served by municipalities who are wholesale customers. It also purchases a diverse portfolio of transportation and storage services from interstate pipelines.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

EDISON INTERNATIONAL (EIX-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
58.00 (USD)	**3.0M**	**88.77**	**8.2**	**3.31**	**21.0%**	**10.0%**	**1.1%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	22.6B	**49.06**	**9.7**	**5.7%**	**17.3B**	**89.8%**	**10.6%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

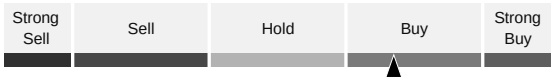
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

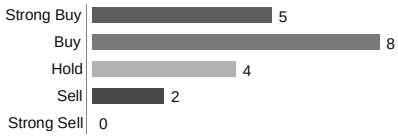
verus analytics

I/B/E/S MEAN

Buy
19 Analysts

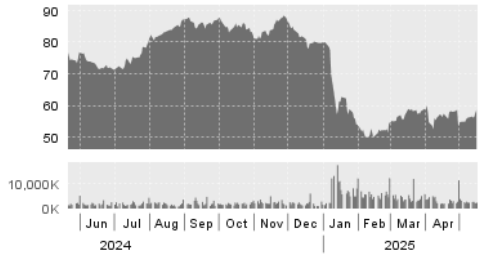
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



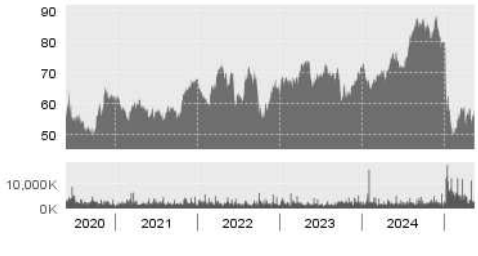


PRICE AND VOLUME CHARTS

1-Year Return: -24.0%



5-Year Return: 1.0%



BUSINESS SUMMARY

Edison International is an electric utility holding company. The Company is focused on providing clean and reliable energy and energy services through its independent companies. It is the parent holding company of Southern California Edison Company (SCE) and Trio. SCE is a public utility primarily engaged in the business of supplying and delivering electricity to an approximately 50,000 square mile area across Southern, Central and Coastal California. Trio is a global energy advisory firm providing integrated sustainability and energy advisory services to large commercial, industrial and institutional organizations in North America and Europe. Trio provides integrated strategy and implementation solutions in sustainability, renewables, energy procurement, conventional supply, energy optimization and transportation electrification.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

ENTERGY CORP (ETR-N)

Utilities / Electric Utilities & IPPs / Electric Utilities

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
83.01 (USD)	**3.4M**	**88.38**	**27.0**	**2.40**	**9.1%**	**9.6%**	**-0.31%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	37.1B	**52.07**	**21.5**	**2.9%**	**11.9B**	**96.7%**	**-4.9%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

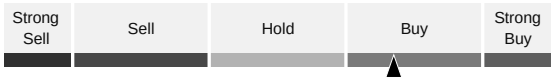
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

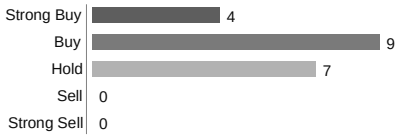
verus analytics

I/B/E/S MEAN

Buy
20 Analysts

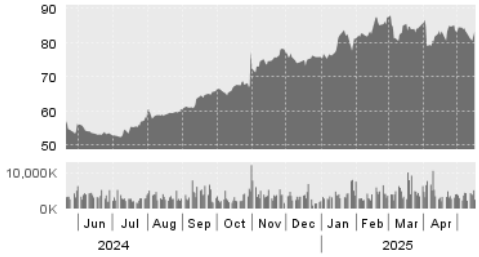
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



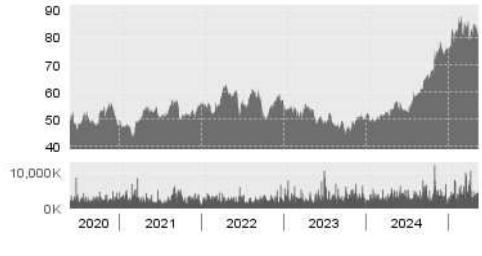


PRICE AND VOLUME CHARTS

1-Year Return: 46.9%



5-Year Return: 71.9%



BUSINESS SUMMARY

Entergy Corporation is an integrated energy company engaged primarily in electric power production and retail distribution operations. The Company operates primarily through a single segment, Utility. The Utility segment includes the generation, transmission, distribution, and sale of electric power in portions of Arkansas, Mississippi, Texas, and Louisiana, including the City of New Orleans. The Utility segment includes five retail electric utility subsidiaries: Entergy Arkansas, LLC, Entergy Louisiana, LLC, Entergy Mississippi, LLC, Entergy New Orleans, LLC, and Entergy Texas, Inc. These companies generate, transmit, distribute, and sell electric power to retail and wholesale customers in Arkansas, Louisiana, Mississippi, and Texas. The Company owns and operates power plants with approximately 25,000 MW of electric generating capacity. It delivers electricity to approximately three million utility customers in Arkansas, Louisiana, Mississippi, and Texas.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

EVERGY INC (EVRG-O)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
67.12 (USD)	**2.4M**	**70.36**	**17.7**	**2.67**	**9.0%**	**6.0%**	**-1.8%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	15.4B	**52.10**	**16.2**	**4.0%**	**5.9B**	**88.8%**	**-0.21%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

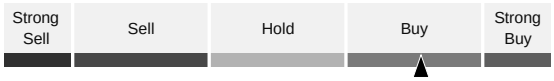
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
15 Analysts

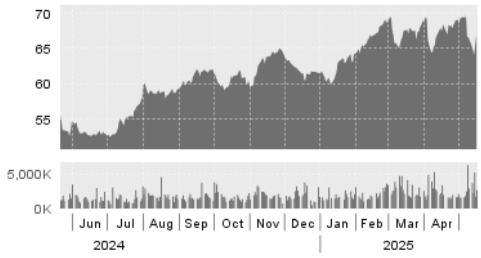
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



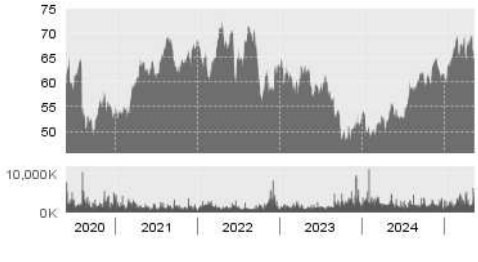


PRICE AND VOLUME CHARTS

1-Year Return: 21.8%



5-Year Return: 16.2%



BUSINESS SUMMARY

Evergy, Inc. is a utility holding company. The Company operates primarily through its wholly owned subsidiaries, Evergy Kansas Central, Inc. (Evergy Kansas Central); Evergy Metro, Inc. (Evergy Metro); Evergy Missouri West, Inc. (Evergy Missouri West), and Evergy Transmission Company, LLC (Evergy Transmission Company). Evergy Kansas Central is an integrated, regulated electric utility that provides electricity to customers in the state of Kansas. Evergy Metro is an integrated, regulated electric utility that provides electricity to customers in the states of Missouri and Kansas. Evergy Missouri West is an integrated, regulated electric utility that provides electricity to customers in the state of Missouri. Evergy Transmission Company owns 13.5% of Transource Energy, LLC (Transource) with the remaining 86.5% owned by AEP Transmission Holding Company, LLC. Transource is focused on the development of competitive electric transmission projects.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

EVERSOURCE ENERGY (ES-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
63.53 (USD)	**3.2M**	**69.01**	**27.4**	**3.01**	**5.6%**	**5.3%**	**10.6%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	23.2B	**52.28**	**13.0**	**4.7%**	**12.7B**	**85.3%**	**1.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

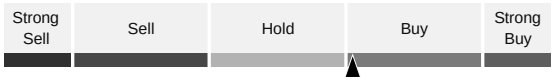
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

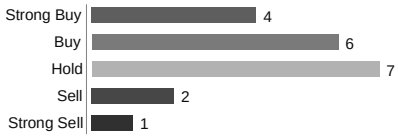
verus analytics

I/B/E/S MEAN

Buy
20 Analysts

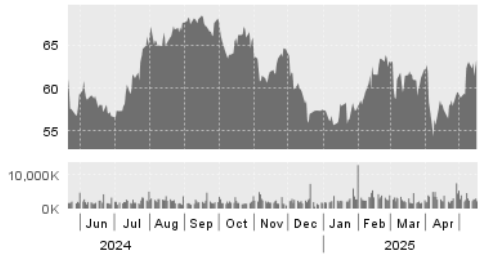
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



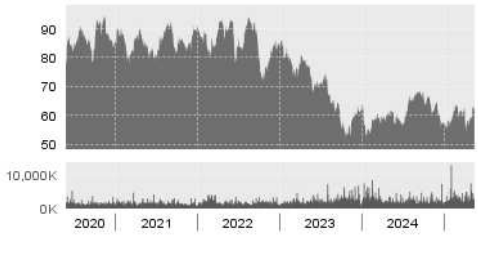


PRICE AND VOLUME CHARTS

1-Year Return: 4.2%



5-Year Return: -18.8%



BUSINESS SUMMARY

Eversource Energy is a utility holding company, which is engaged in the energy delivery business through its utility subsidiaries. Its segments include Electric Distribution, Electric Transmission, Natural Gas Distribution and Water Distribution. The Electric Distribution segment is engaged in the distribution of electricity to retail customers in Connecticut, Massachusetts and New Hampshire, respectively, and the solar power facilities of NSTAR Electric Company. The Electric Transmission segment owns and maintains transmission facilities that are part of an interstate power transmission grid over which electricity is transmitted throughout New England. The Natural Gas Distribution distributes natural gas to his customers in central and eastern Massachusetts. The Water Distribution segment provides water services to over 248,000 residential, commercial, industrial, municipal and fire protection and other customers, in 73 towns and cities in Connecticut, Massachusetts and New Hampshire.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

EXELON CORP (EXC-O)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
44.39 (USD)	**7.0M**	**48.11**	**16.5**	**1.60**	**10.1%**	**6.2%**	**-6.1%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	44.5B	**34.01**	**17.2**	**3.6%**	**23.7B**	**87.6%**	**4.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

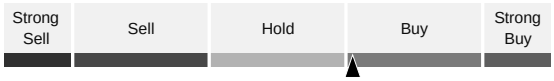
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

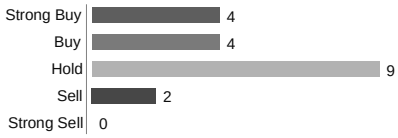
verus analytics

I/B/E/S MEAN

Buy
19 Analysts

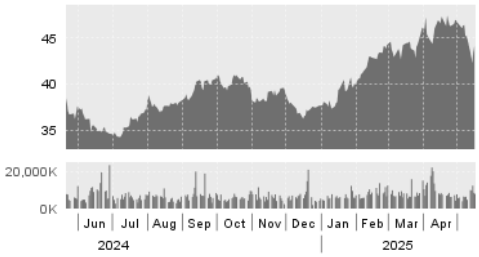
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



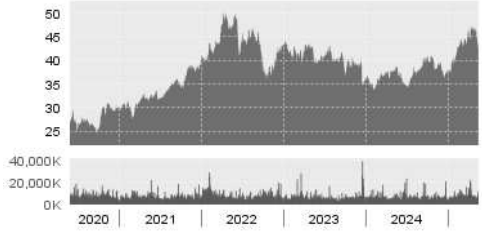


PRICE AND VOLUME CHARTS

1-Year Return: 15.1%



5-Year Return: 69.6%



BUSINESS SUMMARY

Exelon Corporation is a utility services holding company engaged in the energy transmission and distribution businesses through its subsidiaries, Commonwealth Edison Company (ComEd), PECO Energy Company (PECO), Baltimore Gas and Electric Company (BGE), Potomac Electric Power Company (Pepco), Delmarva Power & Light Company (DPL) and Atlantic City Electric Company (ACE). Its segments include ComEd, PECO, BGE, Pepco, DPL and ACE. ComEd segment is engaged in purchasing and regulating the retail sale of electricity. PECO segment is engaged in purchasing and regulating the retail sale of electricity and natural gas. Through its business services subsidiary, Exelon Business Services Company, LLC (BSC), it provides its subsidiaries with a variety of support services at cost, including legal, human resources, finance, information technology and supply management services. BGE segment is focused on transmission and distribution of electricity and distribution of natural gas to retail customers.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

FIRSTENERGY CORP (FE-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
42.85 (USD)	**4.7M**	**44.97**	**22.8**	**1.78**	**8.7%**	**5.9%**	**2.0%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	24.6B	**37.58**	**16.9**	**4.2%**	**14.0B**	**90.4%**	**5.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

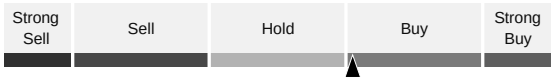
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

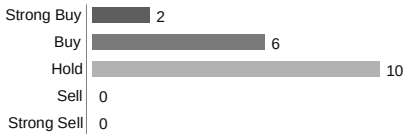
verus analytics

I/B/E/S MEAN

Buy
18 Analysts

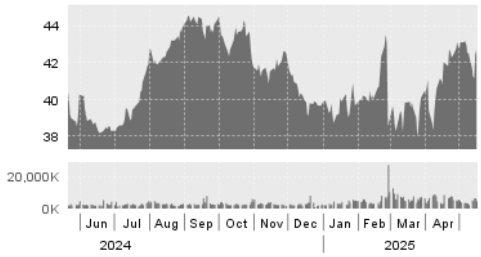
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



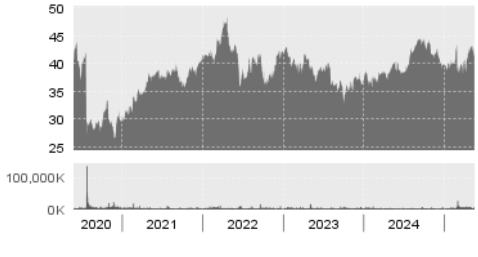


PRICE AND VOLUME CHARTS

1-Year Return: 7.0%



5-Year Return: 6.2%



BUSINESS SUMMARY

FirstEnergy Corp. and its subsidiaries are involved in the transmission, distribution, and generation of electricity. Its segments include Distribution, Integrated and Stand-Alone Transmission. The Distribution Segment, which consists of the Ohio Companies and FirstEnergy Pennsylvania Electric Company (FE PA), distributes electricity in Ohio and Pennsylvania. The Integrated segment includes the distribution and transmission operations under Jersey Central Power & Light Company (JCP&L), Monongahela Power Company (MP) and The Potomac Edison Company (PE), as well as MP's regulated generation operations. The segment distributes electricity in New Jersey, West Virginia and Maryland, provides transmission infrastructure, and operates 3,604 MWs of regulated net maximum generation capacity. The Stand-Alone Transmission segment consists of its ownership in FET and KATCo, which includes transmission infrastructure owned and operated by the Transmission Companies and used to transmit electricity.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

FORTIS INC (FTS-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
47.59 (USD)	**619,053**	**50.06**	**20.0**	**1.77**	**8.0%**	**4.0%**	**-1.2%**
2025 May 19 NEW YORK Exchange	Market Cap (Consol)	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	23.6B	**38.15**	**19.3**	**3.6%**	**8.1B**	**55.9%**	**8.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

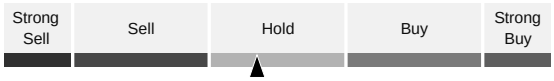
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

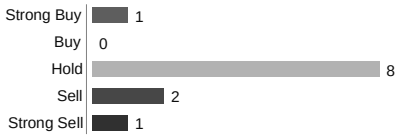
verus analytics

I/B/E/S MEAN

Hold
12 Analysts

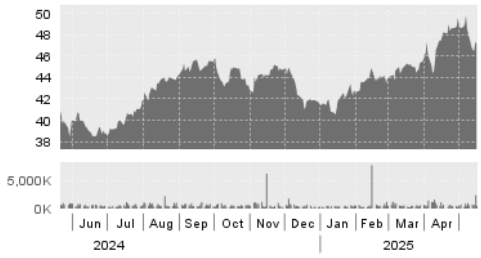
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



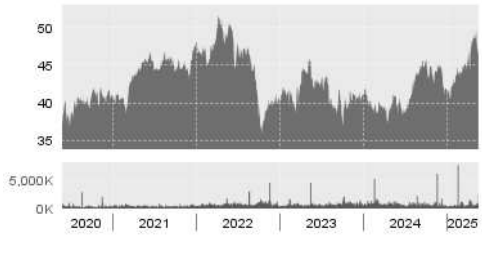


PRICE AND VOLUME CHARTS

1-Year Return: 16.7%



5-Year Return: 28.5%



BUSINESS SUMMARY

Fortis Inc. is a Canada-based diversified regulated electric and gas utility holding company. Its regulated utility businesses include ITC Investment Holdings Inc., ITC Holdings Corp. and the electric transmission operations of its regulated operating subsidiaries, which include International Transmission Company, Michigan Electric Transmission Company, LLC, ITC Midwest LLC and ITC Great Plains, LLC; UNS Energy Corporation, which includes Tucson Electric Power Company, UNS Electric, Inc. and UNS Gas, Inc., and CH Energy Group, Inc., which includes Central Hudson Gas & Electric Corporation. Its regulated utility businesses also include FortisBC Energy Inc.; FortisAlberta Inc.; FortisBC Inc., and Eastern Canadian and Caribbean utilities: Newfoundland Power Inc.; Maritime Electric Company, Limited; FortisOntario Inc.; FortisTCI Limited and Turks and Caicos Utilities Limited, and Belize Electricity Limited. ITC Holdings Corp. is the independent electricity transmission company.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

HAWAIIAN ELECTRIC INDUSTRIES (HE-N)

Utilities / Electric Utilities & IPPs / Electric Utilities

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
10.69 (USD)	**1.8M**	**18.19**	**--**	**--**	**-74.1%**	**-18.2%**	**2.3%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	1.8B	**7.61**	**11.1**	**--**	**3.1B**	**78.3%**	**-1.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

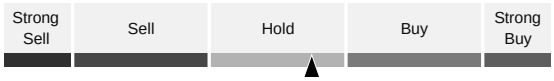
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

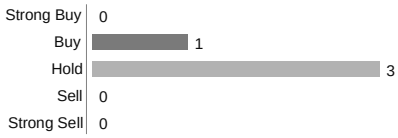
verus analytics

I/B/E/S MEAN

Hold
4 Analysts

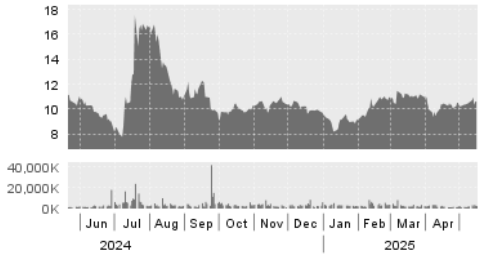
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



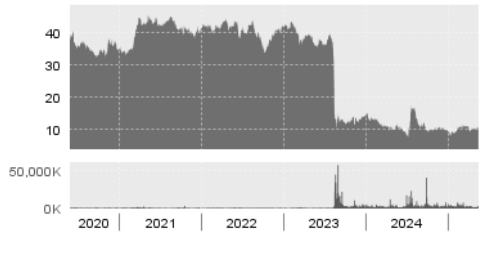


PRICE AND VOLUME CHARTS

1-Year Return: -7.0%



5-Year Return: -71.3%



BUSINESS SUMMARY

Hawaiian Electric Industries, Inc. is a holding company, which provides the energy services. The Company's electric utility, Hawaiian Electric Company, Inc. (Hawaiian Electric) supplies power to approximately 95% of Hawaii's population. Hawaiian Electric products and services include electric vehicles, business account services, smart renewable energy programs, and customer incentive programs. Hawaiian Electric develops online tool to facilitate the siting of electric vehicle charging stations. Hawaiian Electric offers new renewable energy programs, such as Smart Renewable Energy Export, Smart Renewable Energy Non-Export, and Bring Own Device. Smart Renewable Energy Export provides export bill credits available to all renewable technologies with no project size limits. Smart Renewable Energy Non-Export allows all technologies and project sizes but does not allow for export. The Company, through Pacific Current, LLC, focuses on energy and renewables.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

IDACORP INC (IDA-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
117.31 (USD)	**573,158**	**120.84**	**20.8**	**3.44**	**9.6%**	**7.4%**	**-1.7%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	6.2B	**90.64**	**19.7**	**2.9%**	**1.8B**	**89.7%**	**4.7%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

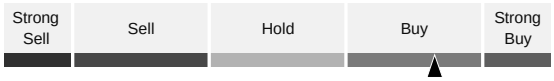
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

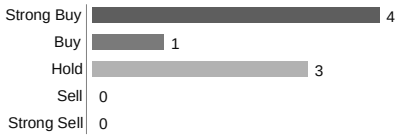
verus analytics

I/B/E/S MEAN

Buy
8 Analysts

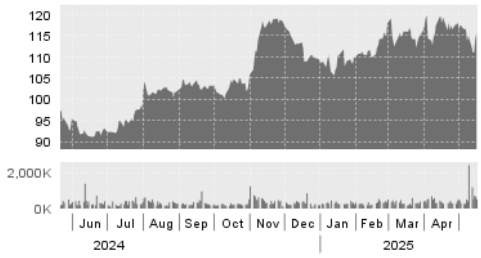
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



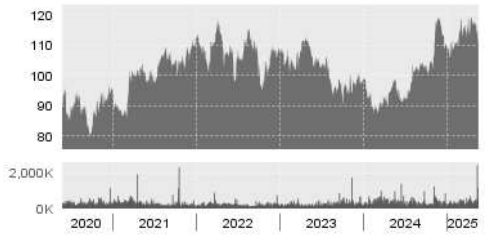


PRICE AND VOLUME CHARTS

1-Year Return: 19.1%



5-Year Return: 34.7%



BUSINESS SUMMARY

IDACORP, Inc. is a holding company. The Company operates through its subsidiary, Idaho Power Company (Idaho Power). Idaho Power is an electric utility engaged in the generation, transmission, distribution, sale, and purchase of electric energy and capacity and is regulated by the state regulatory commissions of Idaho and Oregon and by the Federal Energy Regulatory Commission. Idaho Power provides electric utility service to over 649,000 retail customers in southern Idaho and eastern Oregon. Its customers are in food processing, electronics and general manufacturing, agriculture and others. Idaho Power provides irrigation customers with electric utility service to operate irrigation pumps during the agricultural growing season. Its other subsidiaries include IDACORP Financial Services, Inc. (IFS), an investor in affordable housing and other real estate tax credit investments, and Ida-West Energy Company (Ida-West), an operator of small PURPA-qualifying hydropower generation projects.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

MGE ENERGY INC (MGEE-O)

Utilities / Electric Utilities & IPPs / Electric Utilities

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
93.48 (USD)	**105,695**	**109.22**	**26.4**	**1.80**	**10.6%**	**--**	**3.2%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	3.4B	**72.27**	**24.7**	**1.9%**	**705M**	**62.7%**	**3.2%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

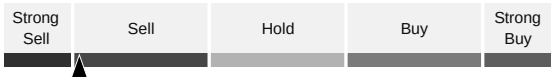
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Sell
2 Analysts

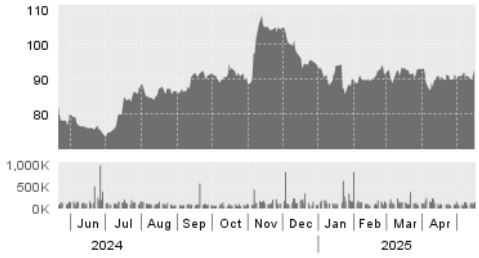
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



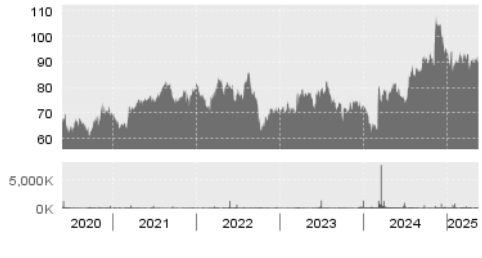


PRICE AND VOLUME CHARTS

1-Year Return: 14.8%



5-Year Return: 51.9%



BUSINESS SUMMARY

MGE Energy, Inc. is a public utility holding company. The Company's segments include regulated electric utility operations; regulated gas utility operations; nonregulated energy operations, transmission investments, and all other. The regulated electric utility operations segment is engaged in generating, purchasing, and distributing electricity through Madison Gas and Electric Company (MGE). The regulated gas utility operations segment is engaged in purchasing and distributing natural gas through MGE. The nonregulated energy operations segment owns and leases electric generating capacity that assists MGE through MGE Energy's wholly owned subsidiaries MGE Power Elm Road and MGE Power West Campus. The transmission investments segment includes the investment in American Transmission Company LLC, which is engaged in the business of providing electric transmission services in Wisconsin, and ATC Holdco LLC, which facilitates out-of-state electric transmission development and investments.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

NEXTERA ENERGY INC (NEE-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
73.86 (USD)	**13.4M**	**86.10**	**27.7**	**2.27**	**11.2%**	**8.0%**	**11.4%**
2025 May 19 NEW YORK Exchange	Market Cap (Consol)	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	154.4B	**61.72**	**19.5**	**3.1%**	**25.3B**	**83.9%**	**7.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

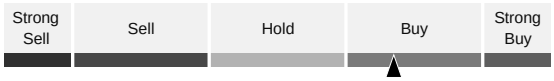
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

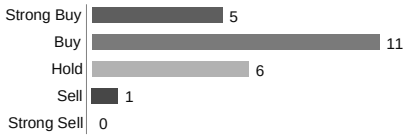
verus analytics

I/B/E/S MEAN

Buy
23 Analysts

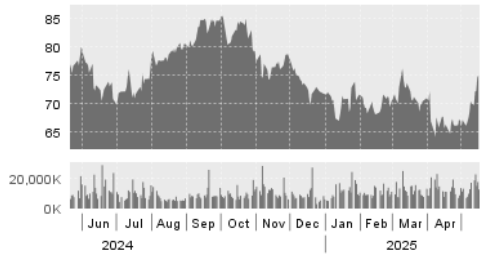
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



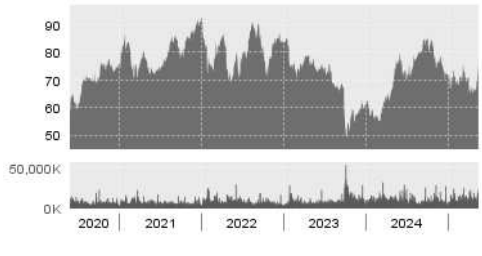


PRICE AND VOLUME CHARTS

1-Year Return: -2.9%



5-Year Return: 28.2%



BUSINESS SUMMARY

NextEra Energy, Inc. is an electric power and energy infrastructure company. It operates through its wholly owned subsidiaries, NextEra Energy Resources, LLC and NextEra Energy Transmission, LLC (collectively, NEER) and Florida Power & Light Company (FPL). Its segments include NEER and FPL. FPL segment is a rate-regulated electric utility engaged in the generation, transmission, distribution and sale of electric energy in Florida. FPL has approximately 35,052 megawatts of net generating capacity, over 91,000 circuit miles of transmission and distribution lines and 921 substations. The NEER segment owns, develops, constructs, manages and operates electric generation facilities in wholesale energy markets in the United States and Canada and includes assets and investments in other businesses with a clean energy focus, such as battery storage, natural gas pipelines, and renewable fuels. It owns, develops, constructs and operates rate-regulated transmission facilities in North America.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

NORTHWESTERN ENERGY GROUP INC (NWE-O)

Utilities / Electric Utilities & IPPs / Electric Utilities

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
56.52 (USD)	**423,463**	**59.89**	**14.7**	**2.64**	**8.3%**	**6.5%**	**-3.8%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	3.4B	**48.52**	**14.6**	**4.7%**	**1.5B**	**98.6%**	**6.2%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

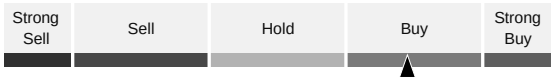
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

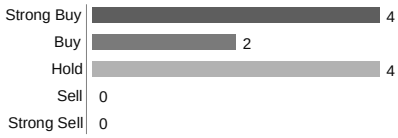
verus analytics

I/B/E/S MEAN

Buy
10 Analysts

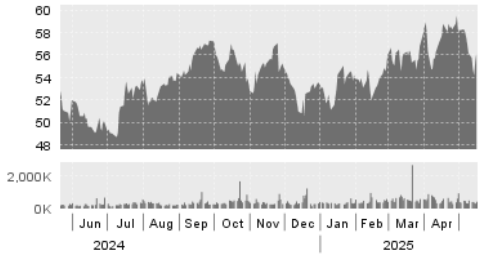
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



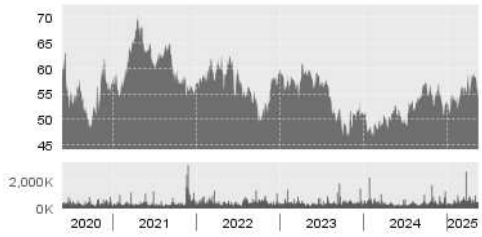


PRICE AND VOLUME CHARTS

1-Year Return: 7.5%



5-Year Return: -0.18%



BUSINESS SUMMARY

NorthWestern Energy Group, Inc., doing business as NorthWestern Energy, provides essential energy infrastructure and valuable services. The Company operates through two segments: electric utility operations and natural gas utility operations. The electric utility operations segment includes the generation, purchase, transmission and distribution of electricity. The natural gas utility operations segment includes the production, purchase, transmission, storage, and distribution of natural gas. It provides electricity and/or natural gas to approximately 787,000 customers in Montana, South Dakota, Nebraska, and Yellowstone National Park. Its operations in Montana and Yellowstone National Park are conducted through its subsidiary, NorthWestern Corporation, and its operations in South Dakota and Nebraska are conducted through its subsidiary, NorthWestern Energy Public Service Corporation. Its customer base consists of a mix of residential, commercial, and diversified industrial customers.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

OGE ENERGY CORP (OGE-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
44.64 (USD)	**1.1M**	**46.91**	**18.5**	**1.68**	**10.7%**	**5.6%**	**-1.0%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	8.9B	**34.20**	**19.3**	**3.8%**	**3.1B**	**74.2%**	**1.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

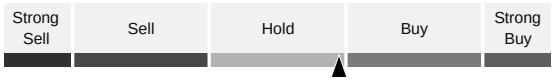
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

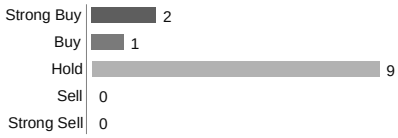
verus analytics

I/B/E/S MEAN

Hold
12 Analysts

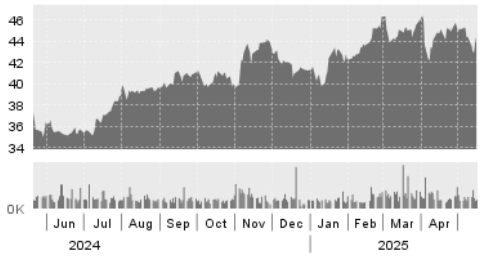
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



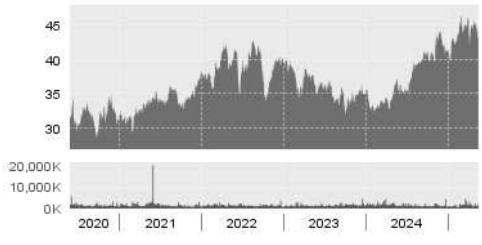


PRICE AND VOLUME CHARTS

1-Year Return: 20.8%



5-Year Return: 48.1%



BUSINESS SUMMARY

OGE Energy Corp. is a holding company whose primary investment provides electricity in Oklahoma and western Arkansas. The Company reports its operations primarily through a single segment, the electric company. Its electric company operations are conducted through its wholly-owned subsidiary, Oklahoma Gas and Electric Company (OG&E), which generates, transmits, distributes, and sells electric energy in Oklahoma and western Arkansas. OG&E provides retail electric service to approximately 907,000 customers in Oklahoma and western Arkansas throughout a service area that covers 30,000 square miles, including Oklahoma City, Fort Smith, Arkansas, and other large communities with their contiguous rural and suburban areas. The Company's other operations primarily include the operations of the holding company and other energy-related investments.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

OTTER TAIL CORP (OTTR-O)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
79.77 (USD)	**231,437**	**100.84**	**11.4**	**2.10**	**18.4%**	**--**	**1.0%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	3.3B	**71.66**	**13.4**	**2.6%**	**1.3B**	**74.0%**	**-1.8%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

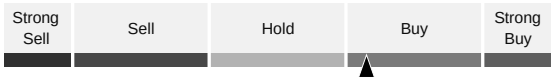
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

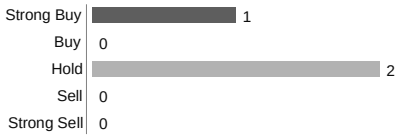
verus analytics

I/B/E/S MEAN

Buy
3 Analysts

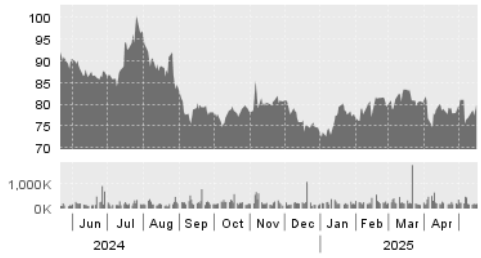
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



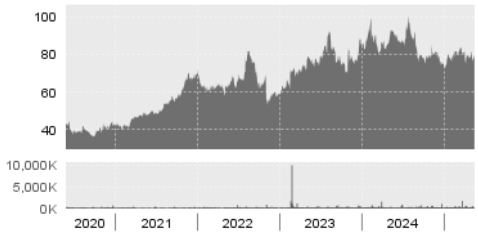


PRICE AND VOLUME CHARTS

1-Year Return: -13.4%



5-Year Return: 101.6%



BUSINESS SUMMARY

Otter Tail Corporation is a holding company which invests in a portfolio of diversified operations, including an electric utility and manufacturing and plastic pipe businesses. The Company operates through three segments: Electric, Manufacturing and Plastics. The Electric segment includes the production, transmission, distribution and sale of electric energy in Minnesota, North Dakota and South Dakota by the Company. The Manufacturing segment consists of businesses in manufacturing activities, including contract machining, metal parts stamping, fabrication and painting, and production of plastic thermoformed horticultural containers, life science and industrial packaging, and material handling components. These businesses have manufacturing facilities in Georgia, Illinois and Minnesota. The Plastics segment consists of businesses producing PVC pipe at plants in North Dakota and Arizona. The PVC pipe is sold primarily in the western half of the United States and Canada.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

PG&E CORP (PCG-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
17.74 (USD)	**13.3M**	**21.72**	**16.3**	**0.10**	**8.8%**	**9.5%**	**3.0%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	39.3B	**14.99**	**11.5**	**0.6%**	**24.5B**	**97.1%**	**13.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

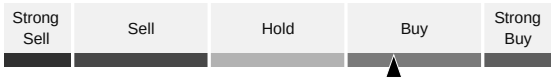
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

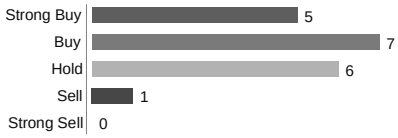
verus analytics

I/B/E/S MEAN

Buy
19 Analysts

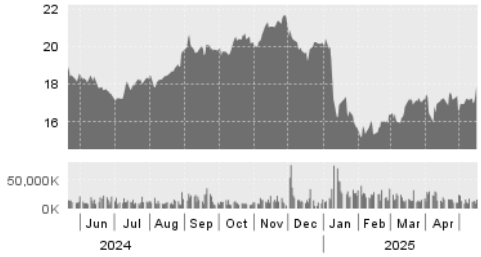
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



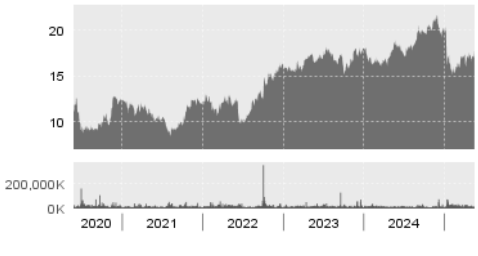


PRICE AND VOLUME CHARTS

1-Year Return: -4.6%



5-Year Return: 49.6%



BUSINESS SUMMARY

PG&E Corporation is a holding company. The Company's primary operating subsidiary is Pacific Gas and Electric Company (the Utility), a public utility operating in Northern and Central California. The Utility is engaged in the sale and delivery of electricity and natural gas to customers. The Utility generates electricity and provides electric transmission and distribution services throughout its service area in northern and central California to residential, commercial, industrial, and agricultural customers. The Utility provides electricity, transmission, and distribution services in its service area. The Utility owns approximately 18,000 circuit miles of interconnected transmission lines operating at voltages ranging from 60 kilovolts (kV) to 500 kV. The Utility also operates 33 electric transmission substations with a capacity of approximately 67,000 megavolt amperes (MVA). Customers can also obtain electricity from alternative providers such as municipalities (CCAs).

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

PINNACLE WEST CAPITAL CORP (PNW-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
92.48 (USD)	**1.3M**	**96.50**	**18.4**	**3.58**	**9.1%**	**2.2%**	**-2.1%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	11.0B	**74.45**	**20.1**	**3.9%**	**5.2B**	**97.1%**	**2.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

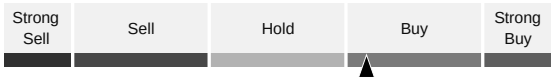
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

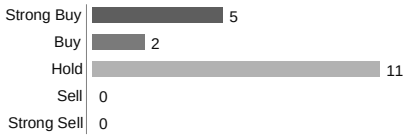
verus analytics

I/B/E/S MEAN

Buy
18 Analysts

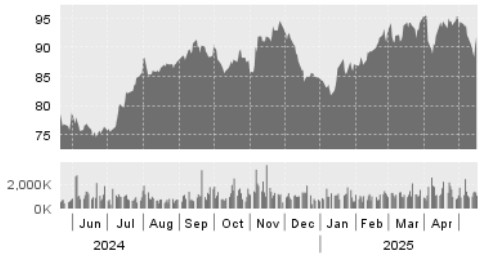
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



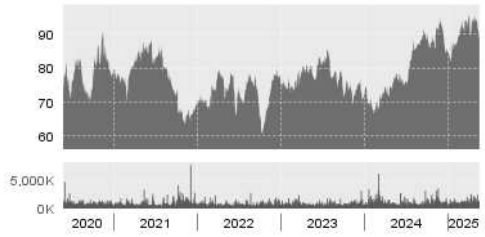


PRICE AND VOLUME CHARTS

1-Year Return: 17.9%



5-Year Return: 27.4%



BUSINESS SUMMARY

Pinnacle West Capital Corporation is an energy holding company that conducts business through its subsidiaries, Arizona Public Service Company (APS), El Dorado Investment Company (El Dorado) and Pinnacle West Power, LLC. The Company's business segment is its regulated electricity segment, which consists of traditional regulated retail and wholesale electricity businesses (primarily electric service to Native Load customers) and related activities, and includes electricity generation, transmission, and distribution. APS provides electric service to approximately 1.4 million customers. APS is also the operator and co-owner of Palo Verde, a primary source of electricity for the southwest United States and the nuclear power plant in the United States. El Dorado owns debt investments and minority interests in several energy-related investments and Arizona community-based ventures. Palo Verde is a three-unit nuclear power plant located approximately 50 miles west of Phoenix, Arizona.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

PORTLAND GENERAL ELECTRIC CO (POR-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
42.72 (USD)	**1.0M**	**49.85**	**15.0**	**2.10**	**8.3%**	**3.6%**	**-0.84%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	4.7B	**40.05**	**13.0**	**4.9%**	**3.4B**	**>100%**	**-1.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

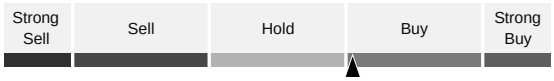
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

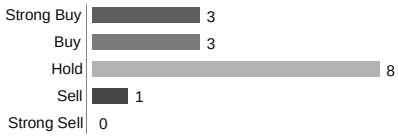
verus analytics

I/B/E/S MEAN

Buy
15 Analysts

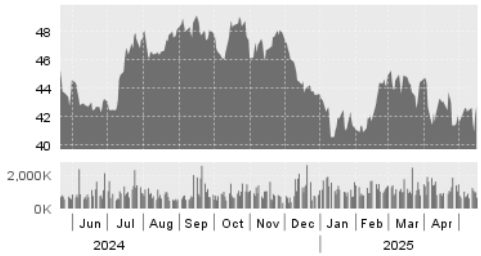
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



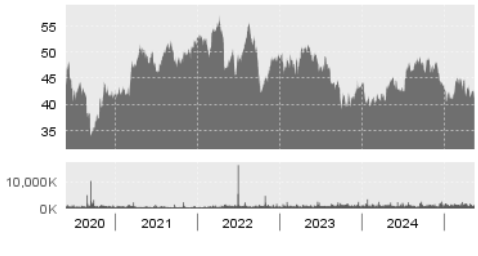


PRICE AND VOLUME CHARTS

1-Year Return: -5.0%



5-Year Return: 1.7%



BUSINESS SUMMARY

Portland General Electric Company is an integrated energy company that generates, transmits and distributes electricity. The Company is engaged in the generation, wholesale purchase and sale, transmission, distribution, and retail sale of electricity to customers in the state of Oregon (State). The Company participates in the wholesale market through the purchase and sale of electricity and natural gas in an effort to obtain reasonably-priced power to serve its retail customers. The Company meets its retail load requirement with both Company-owned generation and power purchased on the wholesale market. The Company has five natural gas-fired generating facilities: PW1, PW2, Beaver, Coyote Springs Unit 1 (Coyote Springs), and Carty Generating Station (Carty). It owns and operates two wind farms, Biglow Canyon Wind Farm (Biglow Canyon) and Tucannon River Wind Farm (Tucannon River). Biglow Canyon is located in Sherman County, Oregon. Tucannon River is located in southeastern Washington.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

PPL CORP (PPL-N)
Utilities / Multiline Utilities / Multiline Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
35.02 (USD)	**6.0M**	**36.70**	**25.9**	**1.09**	**7.0%**	**7.6%**	**-2.0%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	25.8B	**27.24**	**19.4**	**3.1%**	**8.7B**	**82.0%**	**1.8%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

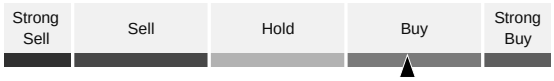
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
17 Analysts

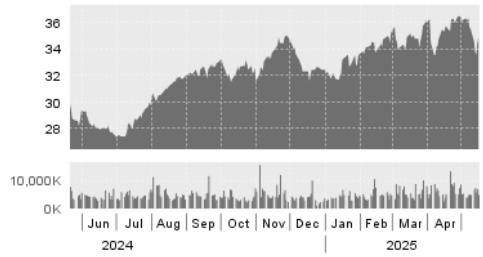
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



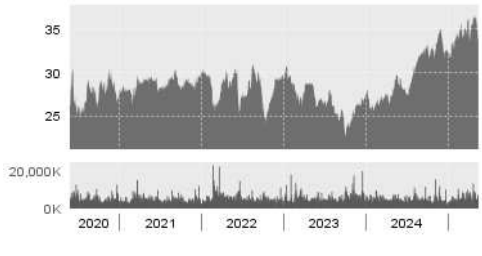


PRICE AND VOLUME CHARTS

1-Year Return: 18.4%



5-Year Return: 38.1%



BUSINESS SUMMARY

PPL Corporation is an energy company. The Company is focused on providing electricity and natural gas in the United States. The Company operates through three segments: Kentucky Regulated, Pennsylvania Regulated, and Rhode Island Regulated. The Kentucky Regulated segment consists primarily of the regulated electricity generation, transmission and distribution operations conducted by Louisville Gas & Electric Company (LG&E) and Kentucky Utilities Company (KU), as well as LG&E's regulated distribution and sale of natural gas. LG&E and KU are engaged in the regulated generation, transmission, distribution and sale of electricity in Kentucky and, in KU's case, also Virginia. The Pennsylvania Regulated segment includes the regulated electricity transmission and distribution operations of PPL Electric. The Rhode Island Regulated segment includes the regulated electricity transmission and distribution operations and regulated distribution and sale of natural gas conducted by RIE.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

PUBLIC SERVICE ENTERPRISE (PEG-N)
Utilities / Multiline Utilities / Multiline Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
79.77 (USD)	**3.2M**	**95.22**	**21.8**	**2.52**	**11.4%**	**8.6%**	**-4.3%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	39.6B	**71.89**	**19.8**	**3.2%**	**10.8B**	**77.0%**	**-7.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

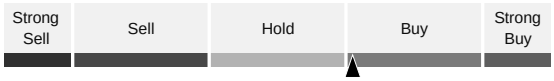
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

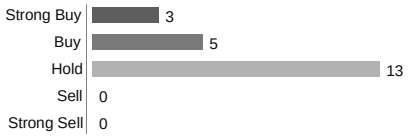
verus analytics

I/B/E/S MEAN

Buy
21 Analysts

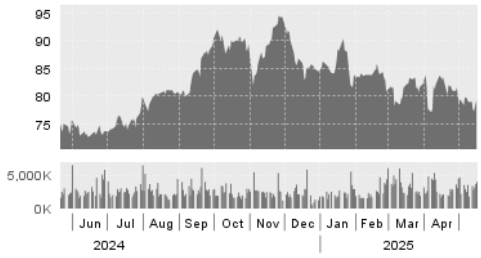
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



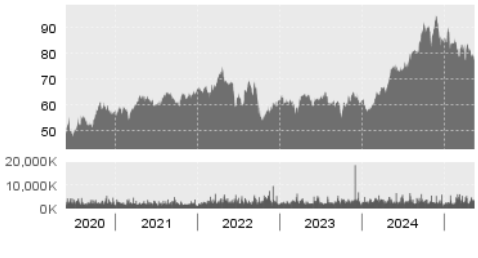


PRICE AND VOLUME CHARTS

1-Year Return: 7.0%



5-Year Return: 64.5%



BUSINESS SUMMARY

Public Service Enterprise Group Incorporated is a regulated infrastructure company operating New Jersey's transmission and distribution utility, serving approximately 2.4 million electric and 1.9 million natural gas customers. The Company also owns an independent fleet of 3,758 MW of carbon-free, baseload nuclear power-generating units. The Company principally conducts its business through two wholly owned subsidiaries, Public Service Electric and Gas Company (PSE&G) and PSEG Power LLC (PSEG Power). The Company's segments include PSE&G and PSEG Power. PSE&G is a public utility engaged principally in the transmission of electricity and distribution of electricity and natural gas in certain areas of New Jersey. PSEG Power is an energy supply company that consists of the operations of merchant nuclear generating assets and fuel supply functions engaged in competitive energy sales via its principal direct wholly owned subsidiaries. The Company also has other wholly owned subsidiaries.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

SEMPRA (SRE-N)
Utilities / Multiline Utilities / Multiline Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
78.43 (USD)	**3.8M**	**95.77**	**17.2**	**2.58**	**10.1%**	**6.0%**	**10.3%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	50.6B	**61.90**	**16.9**	**3.3%**	**13.3B**	**90.5%**	**-8.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

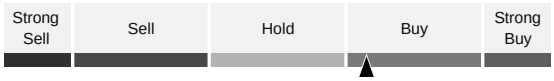
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

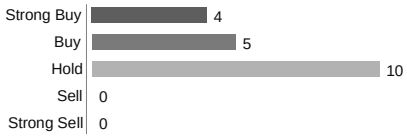
verus analytics

I/B/E/S MEAN

Buy
19 Analysts

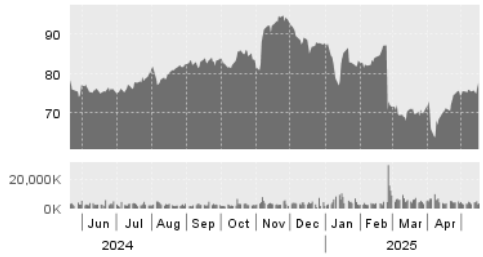
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



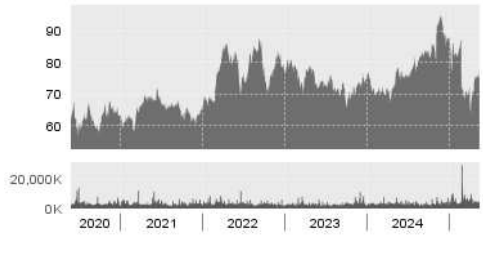


PRICE AND VOLUME CHARTS

1-Year Return: 0.33%



5-Year Return: 24.4%



BUSINESS SUMMARY

Sempra is a North American energy infrastructure company. The Company's businesses invest in, develop and operate energy infrastructure, and provide electric and gas services to customers. Its segments include Sempra California, Sempra Texas Utilities, and Sempra Infrastructure. The Sempra California segment provides natural gas and electric service to Southern California and part of central California through its subsidiaries, SDG&E and SoCalGas. The Sempra Texas Utilities segment holds its investment in Oncor Holdings, which owns an over 80.25% interest in Oncor, a regulated electric transmission and distribution utility serving customers in the north-central, eastern, western and panhandle regions of Texas, and its indirect 50% interest in Sharyland Holdings, which owns Sharyland Utilities, a regulated electric transmission utility serving customers near the Texas-Mexico border. The Sempra Infrastructure segment develops, builds, operates and invests in energy infrastructure.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

SOUTHERN CO (SO-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
89.48 (USD)	**4.6M**	**94.45**	**21.3**	**2.96**	**14.0%**	**7.6%**	**-2.5%**
2025 May 19	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
NEW YORK Exchange	**97.5B**	**76.64**	**20.7**	**3.3%**	**27.9B**	**71.1%**	**3.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

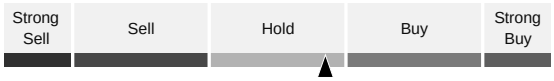
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

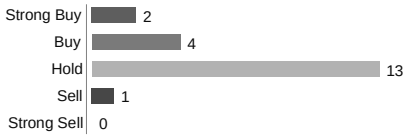
verus analytics

I/B/E/S MEAN

Hold
20 Analysts

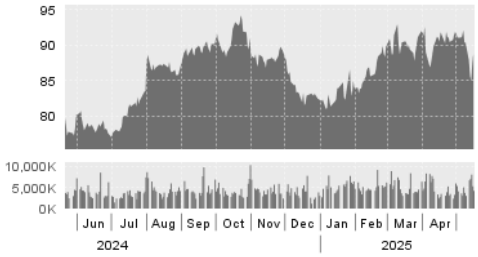
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



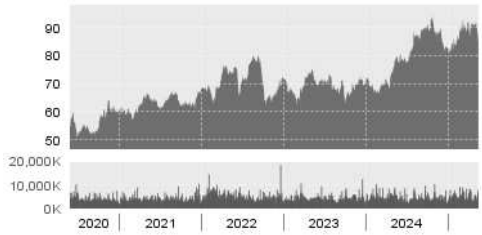


PRICE AND VOLUME CHARTS

1-Year Return: 12.5%



5-Year Return: 67.0%



BUSINESS SUMMARY

The Southern Company is an energy provider. The Company owns three traditional electric operating companies, Southern Power Company and Southern Company Gas. The traditional electric operating companies-Alabama Power, Georgia Power and Mississippi Power-are operating public utility companies providing electric service to retail customers in three Southeastern states in addition to wholesale customers in the Southeast. The Southern Power Company develops, constructs, acquires, owns, and manages power generation assets, including renewable energy projects, and sells electricity at market-based rates in the wholesale market. The Southern Company Gas is an energy services holding company whose primary business is the distribution of natural gas in four states - Illinois, Georgia, Virginia, and Tennessee, through the natural gas distribution utilities. Southern Company Gas is also involved in several other businesses that are complementary to the distribution of natural gas.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

TXNM ENERGY INC (TXNM-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
56.57 (USD)	**1.3M**	**57.29**	**25.1**	**1.63**	**8.4%**	**6.1%**	**5.9%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	4.9B	**35.56**	**18.9**	**2.9%**	**2.0B**	**>100%**	**11.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

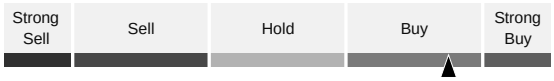
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

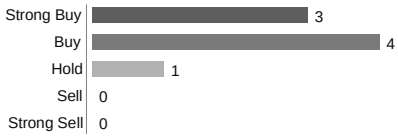
verus analytics

I/B/E/S MEAN

Buy
8 Analysts

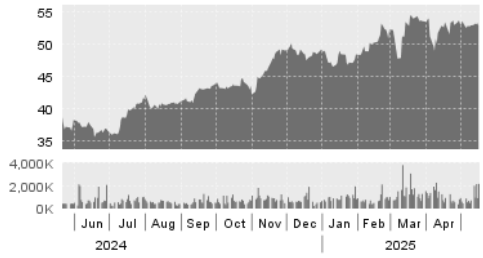
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



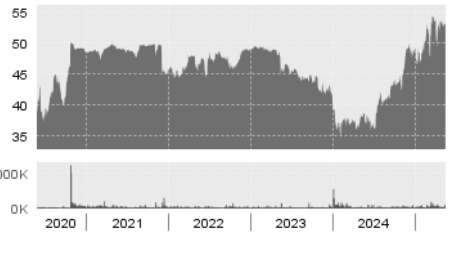


PRICE AND VOLUME CHARTS

1-Year Return: 47.0%



5-Year Return: 42.2%



BUSINESS SUMMARY

TXNM Energy, Inc. is an energy holding company. The Company delivers energy to more than 800,000 homes and businesses across Texas and New Mexico through its regulated utilities, Texas-New Mexico Power Company (TNMP) and Public Service Company of New Mexico (PNM). Its segments include PNM, TNMP, and Corporate and other. The PNM segment provides integrated electricity services that include the generation, transmission, and distribution of electricity for retail electric customers in New Mexico. The segment also includes the generation and sale of electricity into the wholesale market. The TNMP segment provides transmission and distribution services at regulated rates to various REPs that, in turn, provide retail electric service to consumers within TNMP's service area. The segment also provides transmission services at regulated rates to other utilities that interconnect with TNMP's facilities. The Corporate and Other segment includes TXNM holding company activities.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

WEC ENERGY GROUP INC (WEC-N)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
107.26 (USD)	**2.1M**	**111.00**	**20.9**	**3.57**	**13.0%**	**7.6%**	**-1.0%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	34.0B	**77.47**	**20.6**	**3.3%**	**9.1B**	**83.4%**	**3.6%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

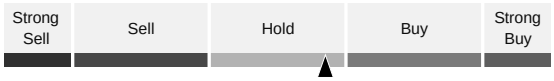
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

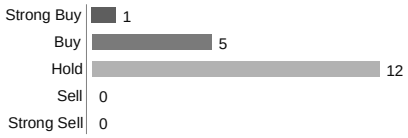
verus analytics

I/B/E/S MEAN

Hold
18 Analysts

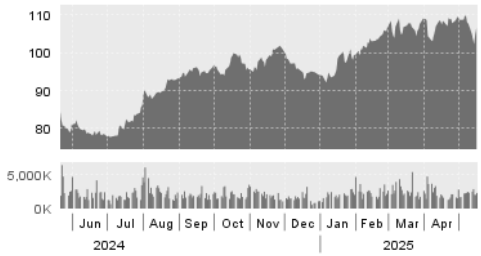
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



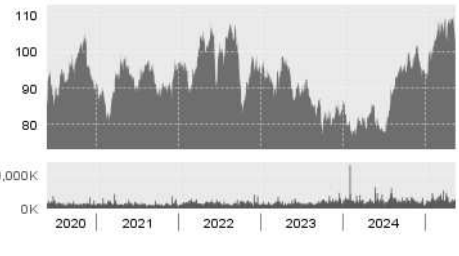


PRICE AND VOLUME CHARTS

1-Year Return: 25.5%



5-Year Return: 23.7%



BUSINESS SUMMARY

WEC Energy Group, Inc. is a diversified holding company. The Company, through its wholly owned subsidiaries, provides or invests in regulated natural gas and electricity, and renewable energy, as well as non-regulated renewable energy. Its segments include Wisconsin, Illinois, Other states, electric transmission, non-utility energy and infrastructure, and corporate and other segment. The Wisconsin segment is engaged in the generation of electricity and the distribution of electricity and natural gas in Wisconsin and distributes natural gas to customers located in the Upper Peninsula of Michigan. The Illinois segment is engaged in the distribution of natural gas in Illinois. Other states segment engaged primarily in the distribution of natural gas in Minnesota and Michigan. The non-utility energy infrastructure segment consists of We Power, which owns electric power-generating facilities, and Bluewater, which owns underground natural gas storage facilities in Michigan.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

XCEL ENERGY INC (XEL-O)
Utilities / Electric Utilities & IPPs / Electric Utilities

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
72.21 (USD)	**4.6M**	**73.38**	**21.2**	**2.28**	**10.3%**	**8.4%**	**3.0%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	41.7B	**51.97**	**18.5**	**3.2%**	**13.7B**	**89.3%**	**4.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

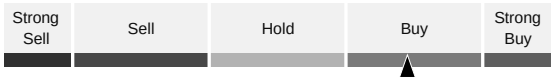
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
17 Analysts

Mean recommendation from all analysts covering the company on a standardized 5-point scale.



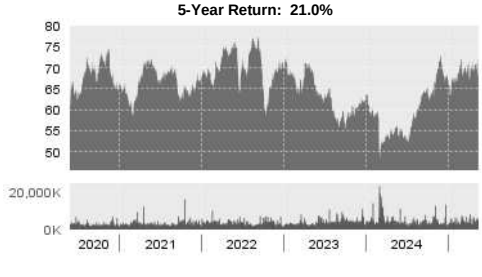


PRICE AND VOLUME CHARTS

1-Year Return: 30.1%



5-Year Return: 21.0%



BUSINESS SUMMARY

Xcel Energy Inc. is an electric and natural gas delivery company. The Company provides a comprehensive portfolio of energy-related products and services to approximately 3.9 million electric customers and 2.2 million natural gas customers through four utility subsidiaries, NSP-Minnesota, NSP-Wisconsin, PSCo and SPS. The Company operates through two segments. Its regulated electric utility segment generates, purchases, transmits, distributes and sells electricity in Colorado, Michigan, Minnesota, New Mexico, North Dakota, South Dakota, Texas and Wisconsin. In addition, this segment includes sales for resale and provides wholesale transmission service to various entities in the United States. The regulated electric utility segment also includes wholesale commodity and trading operations. Its regulated natural gas utility segment purchases, transports, stores, distributes and sells natural gas primarily in portions of Colorado, Michigan, Minnesota, North Dakota and Wisconsin.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

ZACKS | Your Success.

ALE alert! Get ready for a big price move within 1-3 months.

See Zacks' latest analysis. Plus, ALE info will be updated daily in your free Zacks.com Portfolio Tracker.

Enter Your Best Email Address

No cost, no obligation to buy anything ever. | Privacy Policy

Open	65.10
Day Low	65.10
Day High	65.16
52 Wk Low	61.51
52 Wk High	65.99
20 Day Avg Vol	337,463
Market Cap	3.78 B
Dividend	2.92 (4.48%)
Beta	0.82

Key Earnings Data

Earnings ESP	NA
Most Accurate Est	NA
Current Qtr Est	NA
Current Yr Est	NA
Exp Earnings Date	8/7/25
Prior Year EPS	3.10
Exp EPS Growth (3-5yr)	NA
Forward PE	NA
PEG Ratio	NA

Utilities » Utility - Electric Power

Research Report for ALE

Snapshot

All Zacks' Analyst Reports »

News for ALE

Zacks News | Earnings | Other News

Is ProShares Russell 2000 Dividend Growers ETF (SMDV) a Strong ETF Right Now?
01/27/25-5:20AM EST Zacks

Should WisdomTree U.S. SmallCap Dividend ETF (DES) Be on Your Investing Radar?
08/21/24-5:20AM EST Zacks

ALE: What are Zacks experts saying now?
Zacks Private Portfolio Services

Is WisdomTree U.S. SmallCap Dividend ETF (DES) a Strong ETF Right Now?
07/31/24-5:20AM EST Zacks

ZACKS | Our Research.

Stock Activity

Open	63.55
Day Low	63.46
Day High	63.78
52 Wk Low	49.05
52 Wk High	66.54
20 Day Avg Vol	2,442,536
Market Cap	16.21 B
Dividend	2.03 (3.22%)
Beta	0.58

Key Earnings Data

Earnings ESP	3.39%
Most Accurate Est	0.61
Current Qtr Est	0.59
Current Yr Est	3.22
Exp Earnings Date	8/7/25
Prior Year EPS	3.04
Exp EPS Growth (3-5yr)	6.73%
Forward PE	19.60
PEG Ratio	2.91

Utilities » Utility - Electric Power

Research Reports for LNT

Analyst Snapshot

All Zacks' Analyst Reports »

News for LNT

Zacks News | Earnings | Other News

Alliant Energy's Q1 Earnings Beat Estimates, Customer Base Expands
05/09/25-11:27AM EST Zacks

Alliant Energy (LNT) Q1 Earnings and Revenues Top Estimates
05/08/25-6:25PM EST Zacks

LNT: What are Zacks experts saying now?
Zacks Private Portfolio Services

NiSource (NI) Beats Q1 Earnings and Revenue Estimates
05/07/25-7:45AM EST Zacks

Stock Activity

Open	98.62
Day Low	98.62
Day High	99.39
52 Wk Low	69.39
52 Wk High	104.10
20 Day Avg Vol	1,663,732
Market Cap	26.75 B
Dividend	2.84 (2.87%)
Beta	0.51

Key Earnings Data

Earnings ESP	5.05%
Most Accurate Est	1.04
Current Qtr Est	0.99
Current Yr Est	4.94
Exp Earnings Date	8/7/25
Prior Year EPS	4.63
Exp EPS Growth (3-5yr)	6.95%
Forward PE	20.05
PEG Ratio	2.88

Utilities » Utility - Electric Power

Research Reports for AEE

Analyst Snapshot **All Zacks' Analyst Reports »**

News for AEE

Zacks News | Earnings | Other News

Ameren Q1 Earnings Lower Than Expected, Revenues Increase Y/Y
05/02/25-8:24AM EST Zacks

Compared to Estimates, Ameren (AEE) Q1 Earnings: A Look at Key Metrics
05/01/25-5:30PM EST Zacks

AEE: What are Zacks experts saying now?
Zacks Private Portfolio Services

Ameren (AEE) Q1 Earnings Miss Estimates
05/01/25-4:40PM EST Zacks

Stock Activity

Open	103.64
Day Low	103.61
Day High	104.16
52 Wk Low	85.93
52 Wk High	110.48
20 Day Avg Vol	3,474,966
Market Cap	55.44 B
Dividend	3.72 (3.58%)
Beta	0.45

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.26
Current Qtr Est	1.26
Current Yr Est	5.86
Exp Earnings Date	7/29/25
Prior Year EPS	5.62
Exp EPS Growth (3-5yr)	6.43%
Forward PE	17.72
PEG Ratio	2.76

Utilities » Utility - Electric Power

Research Reports for AEP

Analyst Snapshot **All Zacks' Analyst Reports »**

News for AEP

Zacks News | Earnings | Other News

American Electric's Q1 Earnings Beat Estimates, Revenues Increase Y/Y
05/06/25-10:23AM EST Zacks

Compared to Estimates, AEP (AEP) Q1 Earnings: A Look at Key Metrics
05/06/25-8:30AM EST Zacks

AEP: What are Zacks experts saying now?
Zacks Private Portfolio Services

American Electric Power (AEP) Q1 Earnings and Revenues Surpass Estimates
05/06/25-7:10AM EST Zacks

Stock Activity

Open	39.15
Day Low	39.08
Day High	39.27
52 Wk Low	33.45
52 Wk High	43.09
20 Day Avg Vol	811,081
Market Cap	3.15 B
Dividend	1.96 (5.01%)
Beta	0.42

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.26
Current Qtr Est	0.26
Current Yr Est	2.61
Exp Earnings Date	8/6/25
Prior Year EPS	2.29
Exp EPS Growth (3-5yr)	6.07%
Forward PE	14.99
PEG Ratio	2.47

Utilities » Utility - Electric Power

Research Report for AVA

Snapshot

All Zacks' Analyst Reports »

News for AVA

Zacks News | Earnings | Other News

SO Reaches a Settlement for Extension of Rate Plan Through 2028
05/20/25-5:20AM EST Zacks

Reasons to Include CenterPoint Stock in Your Portfolio Right Away
05/19/25-7:37AM EST Zacks

AVA: What are Zacks experts saying now?
Zacks Private Portfolio Services

Reasons to Include DTE Energy Stock in Your Portfolio Right Away
05/16/25-7:15AM EST Zacks

Quote Overview

Enter Symbol

Stock Activity

Open	58.80
Day Low	58.80
Day High	59.13
52 Wk Low	51.66
52 Wk High	65.59
20 Day Avg Vol	404,963
Market Cap	4.27 B
Dividend	2.70 (4.59%)
Beta	0.74

Key Earnings Data

Earnings ESP	NA
Most Accurate Est	NA
Current Qtr Est	NA
Current Yr Est	4.11
Exp Earnings Date	7/30/25
Prior Year EPS	3.91
Exp EPS Growth (3-5yr)	5.26%
Forward PE	14.36
PEG Ratio	2.73

Utilities » Utility - Electric Power

Research Report for BKH

Snapshot

All Zacks' Analyst Reports »

News for BKH

Zacks News | Earnings | Other News

Dominion Energy Proposes Rate Increase to Improve Service Reliability
04/02/25-12:38PM EST Zacks

Black Hills' Unit Receives Approval for Rate Hike in Colorado

Stock Activity

Open	37.64
Day Low	37.58
Day High	37.75
52 Wk Low	25.41
52 Wk High	39.31
20 Day Avg Vol	5,175,061
Market Cap	24.58 B
Dividend	0.88 (2.34%)
Beta	0.63

Key Earnings Data

Earnings ESP	-6.82%
Most Accurate Est	0.41
Current Qtr Est	0.44
Current Yr Est	1.75
Exp Earnings Date	7/29/25
Prior Year EPS	1.62
Exp EPS Growth (3-5yr)	7.76%
Forward PE	21.52
PEG Ratio	2.77

Utilities » Utility - Electric Power

Research Reports for CNP

Analyst Snapshot

All Zacks' Analyst Reports »

News for CNP

Zacks News | Earnings | Other News

PPL Stock Underperforms its Industry in Three Months: How to Play?
05/20/25-8:27AM EST Zacks

Reasons to Include CenterPoint Stock in Your Portfolio Right Away
05/19/25-7:37AM EST Zacks

CNP: What are Zacks experts saying now?
Zacks Private Portfolio Services

Is CenterPoint Energy (CNP) Outperforming Other Utilities Stocks This Year?
05/16/25-8:40AM EST Zacks

Stock Activity

Open	71.75
Day Low	71.50
Day High	72.23
52 Wk Low	58.50
52 Wk High	76.45
20 Day Avg Vol	3,029,887
Market Cap	21.53 B
Dividend	2.17 (3.02%)
Beta	0.42

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.63
Current Qtr Est	0.63
Current Yr Est	3.59
Exp Earnings Date	7/24/25
Prior Year EPS	3.34
Exp EPS Growth (3-5yr)	7.84%
Forward PE	20.04
PEG Ratio	2.56

Utilities » Utility - Electric Power

Research Reports for CMS

Analyst Snapshot

All Zacks' Analyst Reports »

News for CMS

Zacks News | Earnings | Other News

Sempra Energy's Q1 Earnings Beat Estimates, Revenues Increase Y/Y
05/08/25-10:33AM EST Zacks

NiSource Q1 Earnings & Revenues Surpass Estimates, Increase Y/Y
05/07/25-10:04AM EST Zacks

CMS: What are Zacks experts saying now?
Zacks Private Portfolio Services

American Electric's Q1 Earnings Beat Estimates, Revenues Increase Y/Y
05/06/25-10:23AM EST Zacks

Stock Activity

Open	105.05
Day Low	105.01
Day High	105.62
52 Wk Low	87.28
52 Wk High	114.87
20 Day Avg Vol	3,033,995
Market Cap	37.97 B
Dividend	3.40 (3.23%)
Beta	0.29

Key Earnings Data

Earnings ESP	14.29%
Most Accurate Est	0.64
Current Qtr Est	0.56
Current Yr Est	5.62
Exp Earnings Date	8/7/25
Prior Year EPS	5.40
Exp EPS Growth (3-5yr)	5.57%
Forward PE	18.74
PEG Ratio	3.36

Utilities » Utility - Electric Power

Research Reports for ED

Analyst Snapshot **All Zacks' Analyst Reports »**

News for ED

Zacks News | Earnings | Other News

AES Stock Loses 41% in a Year: Should You Buy on the Dip?
05/15/25-10:01AM EST Zacks

Here's Why You Should Add Evergy Stock to Your Portfolio Right Now
05/15/25-7:27AM EST Zacks

ED: What are Zacks experts saying now?
Zacks Private Portfolio Services

Zacks Industry Outlook Highlights Consolidated Edison, DTE, CenterPoint Energy and Evergy
05/15/25-5:02AM EST Zacks

Stock Activity

Open	57.00
Day Low	57.00
Day High	58.39
52 Wk Low	47.99
52 Wk High	61.97
20 Day Avg Vol	5,346,302
Market Cap	47.93 B
Dividend	2.67 (4.75%)
Beta	0.57

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.77
Current Qtr Est	0.77
Current Yr Est	3.39
Exp Earnings Date	8/7/25
Prior Year EPS	2.77
Exp EPS Growth (3-5yr)	13.59%
Forward PE	16.58
PEG Ratio	1.22

Utilities » Utility - Electric Power

Research Reports for D

Analyst Snapshot

All Zacks' Analyst Reports »

News for D

Zacks News | Earnings | Other News

NextEra Outperforms Industry in Three Months: How to Play the Stock?
05/16/25-1:34PM EST Zacks

Rising Demand for Clean Power Drives Interest in Nuclear Energy Stocks
05/16/25-1:05PM EST Zacks

D: What are Zacks experts saying now?
Zacks Private Portfolio Services

Why Dominion Energy (D) is a Top Momentum Stock for the Long-Term
05/09/25-8:50AM EST Zacks

Stock Activity

Open	138.11
Day Low	138.08
Day High	138.99
52 Wk Low	108.40
52 Wk High	140.39
20 Day Avg Vol	1,631,224
Market Cap	28.76 B
Dividend	4.36 (3.15%)
Beta	0.47

Key Earnings Data

Earnings ESP	3.47%
Most Accurate Est	1.79
Current Qtr Est	1.73
Current Yr Est	7.24
Exp Earnings Date	7/24/25
Prior Year EPS	6.83
Exp EPS Growth (3-5yr)	7.64%
Forward PE	19.15
PEG Ratio	2.51

Utilities » Utility - Electric Power

Research Reports for DTE

Analyst Snapshot

All Zacks' Analyst Reports »

News for DTE

Zacks News | Earnings | Other News

PPL Stock Underperforms its Industry in Three Months: How to Play?
05/20/25-8:27AM EST Zacks

Reasons to Include CenterPoint Stock in Your Portfolio Right Away
05/19/25-7:37AM EST Zacks

DTE: What are Zacks experts saying now?
Zacks Private Portfolio Services

Reasons to Include DTE Energy Stock in Your Portfolio Right Away
05/16/25-7:15AM EST Zacks

Stock Activity

Open	116.68
Day Low	116.50
Day High	117.60
52 Wk Low	99.21
52 Wk High	125.27
20 Day Avg Vol	3,564,991
Market Cap	90.93 B
Dividend	4.18 (3.57%)
Beta	0.39

Key Earnings Data

Earnings ESP	0.80%
Most Accurate Est	1.26
Current Qtr Est	1.25
Current Yr Est	6.32
Exp Earnings Date	8/5/25
Prior Year EPS	5.90
Exp EPS Growth (3-5yr)	6.33%
Forward PE	18.50
PEG Ratio	2.92

Utilities » Utility - Electric Power

Research Reports for DUK

Analyst Snapshot **All Zacks' Analyst Reports »**

News for DUK

Zacks News | Earnings | Other News

Is It Worth Investing in Duke Energy (DUK) Based on Wall Street's Bullish Views?
05/20/25-8:30AM EST Zacks

Should You Invest in the Fidelity MSCI Utilities Index ETF (FUTY)?
05/20/25-5:20AM EST Zacks

DUK: What are Zacks experts saying now?
Zacks Private Portfolio Services

NextEra Outperforms Industry in Three Months: How to Play the Stock?
05/16/25-1:34PM EST Zacks

Stock Activity

Open	58.08
Day Low	58.00
Day High	58.32
52 Wk Low	49.06
52 Wk High	88.77
20 Day Avg Vol	3,052,206
Market Cap	22.32 B
Dividend	3.31 (5.71%)
Beta	0.77

Key Earnings Data

Earnings ESP	9.03%
Most Accurate Est	1.57
Current Qtr Est	1.44
Current Yr Est	6.01
Exp Earnings Date	7/24/25
Prior Year EPS	4.93
Exp EPS Growth (3-5yr)	7.01%
Forward PE	9.64
PEG Ratio	1.38

Utilities » Utility - Electric Power

Research Reports for EIX

Analyst Snapshot

All Zacks' Analyst Reports »

News for EIX

Zacks News | Earnings | Other News

Should Value Investors Buy Edison International (EIX) Stock?
05/19/25-8:40AM EST Zacks

Why This 1 Value Stock Could Be a Great Addition to Your Portfolio
05/19/25-8:40AM EST Zacks

EIX: What are Zacks experts saying now?
Zacks Private Portfolio Services

EIX vs. PNW: Which Stock Is the Better Value Option?
05/07/25-10:40AM EST Zacks

Stock Activity	
Open	82.49
Day Low	82.28
Day High	83.79
52 Wk Low	52.07
52 Wk High	88.38
20 Day Avg Vol	3,504,480
Market Cap	35.76 B
Dividend	2.40 (2.89%)
Beta	0.62

Key Earnings Data	
Earnings ESP	-1.45%
Most Accurate Est	0.68
Current Qtr Est	0.69
Current Yr Est	3.88
Exp Earnings Date	8/7/25
Prior Year EPS	3.65
Exp EPS Growth (3-5yr)	9.46%
Forward PE	21.41
PEG Ratio	2.26

Utilities » Utility - Electric Power

Research Reports for ETR

Analyst Snapshot **All Zacks' Analyst Reports »**

News for ETR

Zacks News | Earnings | Other News

Rising Demand for Clean Power Drives Interest in Nuclear Energy Stocks
05/16/25-1:05PM EST Zacks

Entergy's Q1 Earnings Surpass Estimates, Revenues Increase Y/Y
04/29/25-9:49AM EST Zacks

ETR: What are Zacks experts saying now?
Zacks Private Portfolio Services

Entergy (ETR) Q1 Earnings: How Key Metrics Compare to Wall Street Estimates
04/29/25-9:00AM EST Zacks

Stock Activity

Open	67.05
Day Low	67.05
Day High	67.41
52 Wk Low	52.10
52 Wk High	70.36
20 Day Avg Vol	2,381,707
Market Cap	15.44 B
Dividend	2.67 (3.98%)
Beta	0.53

Key Earnings Data

Earnings ESP	-2.20%
Most Accurate Est	0.89
Current Qtr Est	0.91
Current Yr Est	4.03
Exp Earnings Date	8/8/25
Prior Year EPS	3.81
Exp EPS Growth (3-5yr)	5.70%
Forward PE	16.64
PEG Ratio	2.92

Utilities » Utility - Electric Power

Research Reports for EVRG

Analyst Snapshot **All Zacks' Analyst Reports »**

News for EVRG

Zacks News | Earnings | Other News

Are Utilities Stocks Lagging Evergy (EVRG) This Year?
05/19/25-8:40AM EST Zacks

Reasons to Add Exelon Stock to Your Portfolio Right Away
05/16/25-5:30AM EST Zacks

EVRG: What are Zacks experts saying now?
Zacks Private Portfolio Services

Here's Why You Should Add Evergy Stock to Your Portfolio Right Now
05/15/25-7:27AM EST Zacks

Stock Activity

Open	64.00
Day Low	63.79
Day High	65.50
52 Wk Low	52.28
52 Wk High	69.01
20 Day Avg Vol	3,089,667
Market Cap	23.34 B
Dividend	3.01 (4.74%)
Beta	0.61

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.99
Current Qtr Est	0.99
Current Yr Est	4.74
Exp Earnings Date	7/30/25
Prior Year EPS	4.57
Exp EPS Growth (3-5yr)	5.66%
Forward PE	13.44
PEG Ratio	2.37

Utilities » Utility - Electric Power

Research Reports for ES

Analyst Snapshot **All Zacks' Analyst Reports »**

News for ES

Zacks News | Earnings | Other News

Brookfield Renewable Partners Q1 Earnings & Revenues Lag Estimates
05/05/25-6:21AM EST Zacks

Eversource Energy Q1 Earnings in Line With Estimates, Revenues Beat
05/02/25-6:56AM EST Zacks

ES: What are Zacks experts saying now?
Zacks Private Portfolio Services

Eversource Energy (ES) Q1 Earnings Match Estimates
05/01/25-4:25PM EST Zacks

Stock Activity

Open	44.31
Day Low	44.27
Day High	44.60
52 Wk Low	34.01
52 Wk High	48.11
20 Day Avg Vol	7,042,320
Market Cap	44.81 B
Dividend	1.60 (3.60%)
Beta	0.43

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.56
Current Qtr Est	0.56
Current Yr Est	2.70
Exp Earnings Date	8/7/25
Prior Year EPS	2.50
Exp EPS Growth (3-5yr)	6.42%
Forward PE	16.46
PEG Ratio	2.56

Utilities » Utility - Electric Power

Research Reports for EXC

Analyst Snapshot **All Zacks' Analyst Reports »**

News for EXC

Zacks News | Earnings | Other News

Reasons to Add Exelon Stock to Your Portfolio Right Away
05/16/25-5:30AM EST Zacks

EXC vs. NEE: Which Stock Is the Better Value Option?
05/15/25-10:40AM EST Zacks

EXC: What are Zacks experts saying now?
Zacks Private Portfolio Services

Down -9.16% in 4 Weeks, Here's Why Exelon (EXC) Looks Ripe for a Turnaround
05/15/25-8:35AM EST Zacks

Stock Activity	
Open	42.85
Day Low	42.75
Day High	43.00
52 Wk Low	37.58
52 Wk High	44.92
20 Day Avg Vol	4,798,779
Market Cap	24.73 B
Dividend	1.78 (4.15%)
Beta	0.42

Key Earnings Data	
Earnings ESP	-3.51%
Most Accurate Est	0.55
Current Qtr Est	0.57
Current Yr Est	2.53
Exp Earnings Date	7/29/25
Prior Year EPS	2.63
Exp EPS Growth (3-5yr)	6.43%
Forward PE	16.61
PEG Ratio	2.59

Utilities » Utility - Electric Power

Research Reports for FE

Analyst Snapshot

All Zacks' Analyst Reports »

News for FE

Zacks News | Earnings | Other News

Sempra Energy's Q1 Earnings Beat Estimates, Revenues Increase Y/Y
05/08/25-10:33AM EST Zacks

American Electric's Q1 Earnings Beat Estimates, Revenues Increase Y/Y
05/06/25-10:23AM EST Zacks

FE: What are Zacks experts saying now?
Zacks Private Portfolio Services

AES Corp.'s Q1 Earnings Miss Estimates, Revenues Decline Y/Y
05/02/25-7:37AM EST Zacks

Stock Activity

Open	47.57
Day Low	47.45
Day High	47.95
52 Wk Low	38.15
52 Wk High	50.06
20 Day Avg Vol	618,040
Market Cap	23.87 B
Dividend	1.71 (3.59%)
Beta	0.50

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.50
Current Qtr Est	0.50
Current Yr Est	2.46
Exp Earnings Date	7/30/25
Prior Year EPS	2.39
Exp EPS Growth (3-5yr)	5.01%
Forward PE	19.36
PEG Ratio	3.87

Utilities » Utility - Electric Power

Research Report for FTS

Snapshot

All Zacks' Analyst Reports »

News for FTS

Zacks News | Earnings | Other News

TELUS' Workplace Options Buyout to Boost its Share in Digital Health
05/15/25-8:17AM EST Zacks

Best Income Stocks to Buy for May 14th
05/14/25-6:38AM EST Zacks

FTS: What are Zacks experts saying now?
Zacks Private Portfolio Services

New Strong Buy Stocks for May 14th
05/14/25-5:21AM EST Zacks

Stock Activity

Open	10.68
Day Low	10.63
Day High	10.73
52 Wk Low	7.61
52 Wk High	18.19
20 Day Avg Vol	1,789,572
Market Cap	1.84 B
Dividend	0.00 (0.00%)
Beta	0.64

Key Earnings Data

Earnings ESP	NA
Most Accurate Est	NA
Current Qtr Est	NA
Current Yr Est	0.92
Exp Earnings Date	8/8/25
Prior Year EPS	0.98
Exp EPS Growth (3-5yr)	NA
Forward PE	11.62
PEG Ratio	NA

Utilities » Utility - Electric Power

Research Report for HE

Snapshot

All Zacks' Analyst Reports »

News for HE

Zacks News | Earnings | Other News

Is iShares U.S. Infrastructure ETF (IFRA) a Strong ETF Right Now?
09/26/24-5:20AM EST Zacks

Should You Invest in the iShares U.S. Infrastructure ETF (IFRA)?
09/17/24-5:20AM EST Zacks

HE: What are Zacks experts saying now?
Zacks Private Portfolio Services

Should First Trust Small Cap Core AlphaDEX ETF (FYX) Be on Your Investing Radar?
09/10/24-5:20AM EST Zacks

Stock Activity

Open	117.17
Day Low	116.73
Day High	117.57
52 Wk Low	90.64
52 Wk High	120.84
20 Day Avg Vol	561,137
Market Cap	6.34 B
Dividend	3.44 (2.93%)
Beta	0.59

Key Earnings Data

Earnings ESP	0.60%
Most Accurate Est	1.69
Current Qtr Est	1.68
Current Yr Est	5.81
Exp Earnings Date	8/7/25
Prior Year EPS	5.50
Exp EPS Growth (3-5yr)	8.13%
Forward PE	20.19
PEG Ratio	2.49

Utilities » Utility - Electric Power

Research Reports for IDA

Analyst Snapshot **All Zacks' Analyst Reports »**

News for IDA

Zacks News | Earnings | Other News

NRG Energy's Q1 Earnings Surpass Estimates, Revenues Rise Y/Y
05/12/25-7:13AM EST Zacks

Vistra Q1 Earnings In Line With Estimates, Revenues Rise Y/Y
05/09/25-12:29PM EST Zacks

IDA: What are Zacks experts saying now?
Zacks Private Portfolio Services

Alliant Energy's Q1 Earnings Beat Estimates, Customer Base Expands
05/09/25-11:27AM EST Zacks

Stock Activity

Open	93.21
Day Low	93.13
Day High	94.00
52 Wk Low	72.27
52 Wk High	109.22
20 Day Avg Vol	104,985
Market Cap	3.42 B
Dividend	1.80 (1.93%)
Beta	0.80

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.78
Current Qtr Est	0.78
Current Yr Est	3.69
Exp Earnings Date	8/6/25
Prior Year EPS	3.33
Exp EPS Growth (3-5yr)	NA
Forward PE	25.33
PEG Ratio	NA

Utilities » Utility - Electric Power

Research Report for MGEE

Snapshot

All Zacks' Analyst Reports »

News for MGEE

Zacks News | Earnings | Other News

MGE (MGEE) Q1 Earnings and Revenues Surpass Estimates
05/07/25-12:30PM EST Zacks

MGE (MGEE) Earnings Expected to Grow: What to Know Ahead of Q1 Release
05/07/25-9:00AM EST Zacks

MGEE: What are Zacks experts saying now?
Zacks Private Portfolio Services

MGE (MGEE) Misses Q4 Earnings and Revenue Estimates
02/25/25-1:05PM EST Zacks

Stock Activity

Open	74.00
Day Low	73.83
Day High	74.79
52 Wk Low	61.72
52 Wk High	86.10
20 Day Avg Vol	13,468,802
Market Cap	152.05 B
Dividend	2.27 (3.07%)
Beta	0.69

Key Earnings Data

Earnings ESP	12.12%
Most Accurate Est	1.11
Current Qtr Est	0.99
Current Yr Est	3.68
Exp Earnings Date	7/23/25
Prior Year EPS	3.43
Exp EPS Growth (3-5yr)	7.72%
Forward PE	20.10
PEG Ratio	2.60

Utilities » Utility - Electric Power

Research Reports for NEE

Analyst Snapshot

All Zacks' Analyst Reports »

News for NEE

Zacks News | Earnings | Other News

Should You Invest in the Fidelity MSCI Utilities Index ETF (FUTY)?
05/20/25-5:20AM EST Zacks

Should You Invest in NextEra (NEE) Based on Bullish Wall Street Views?
05/19/25-8:30AM EST Zacks

NEE: What are Zacks experts saying now?
Zacks Private Portfolio Services

NextEra Outperforms Industry in Three Months: How to Play the Stock?
05/16/25-1:34PM EST Zacks

Stock Activity

Open	56.50
Day Low	56.40
Day High	56.77
52 Wk Low	48.52
52 Wk High	59.89
20 Day Avg Vol	420,700
Market Cap	3.47 B
Dividend	2.64 (4.67%)
Beta	0.40

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.45
Current Qtr Est	0.45
Current Yr Est	3.58
Exp Earnings Date	7/29/25
Prior Year EPS	3.40
Exp EPS Growth (3-5yr)	6.87%
Forward PE	15.78
PEG Ratio	2.30

Utilities » Utility - Electric Power

Research Report for NWE

Snapshot

All Zacks' Analyst Reports »

News for NWE

Zacks News | Earnings | Other News

NorthWestern (NWE) Q1 Earnings Beat Estimates
04/29/25-7:15PM EST Zacks

Should WisdomTree U.S. SmallCap Dividend ETF (DES) Be on Your Investing Radar?
04/28/25-5:20AM EST Zacks

NWE: What are Zacks experts saying now?
Zacks Private Portfolio Services

NorthWestern (NWE) Q4 Earnings Match Estimates
02/12/25-7:25PM EST Zacks

Stock Activity	
Open	44.59
Day Low	44.59
Day High	44.83
52 Wk Low	34.20
52 Wk High	46.91
20 Day Avg Vol	1,127,046
Market Cap	8.99 B
Dividend	1.68 (3.77%)
Beta	0.61

Key Earnings Data	
Earnings ESP	0.00%
Most Accurate Est	0.59
Current Qtr Est	0.59
Current Yr Est	2.27
Exp Earnings Date	8/6/25
Prior Year EPS	2.19
Exp EPS Growth (3-5yr)	6.32%
Forward PE	19.65
PEG Ratio	3.11

Utilities » Utility - Electric Power

Research Reports for OGE

Analyst Snapshot

All Zacks' Analyst Reports »

News for OGE

Zacks News | Earnings | Other News

OGE Energy's Q1 Earnings Surpass Estimates, Revenues Rise Y/Y
05/06/25-10:46AM EST Zacks

AVA or OGE: Which Is the Better Value Stock Right Now?
05/06/25-10:40AM EST Zacks

OGE: What are Zacks experts saying now?
Zacks Private Portfolio Services

OGE Energy (OGE) Beats Q1 Earnings and Revenue Estimates
04/30/25-7:20AM EST Zacks

Stock Activity

Open	79.66
Day Low	79.58
Day High	79.66
52 Wk Low	71.66
52 Wk High	100.84
20 Day Avg Vol	228,777
Market Cap	3.34 B
Dividend	2.10 (2.63%)
Beta	0.56

Key Earnings Data

Earnings ESP	NA
Most Accurate Est	NA
Current Qtr Est	NA
Current Yr Est	4.31
Exp Earnings Date	8/4/25
Prior Year EPS	7.17
Exp EPS Growth (3-5yr)	NA
Forward PE	18.51
PEG Ratio	NA

Utilities » Utility - Electric Power

Research Report for OTTR

Snapshot

All Zacks' Analyst Reports »

News for OTTR

Zacks News | Earnings | Other News

Should Value Investors Buy China Resources Power Holdings (CRPJY) Stock?
12/18/24-8:40AM EST Zacks

Here's Why Otter Tail (OTTR) is Poised for a Turnaround After Losing -5.26% in 4 Weeks
12/17/24-8:35AM EST Zacks

OTTR: What are Zacks experts saying now?
Zacks Private Portfolio Services

4 Utility Stocks Ready to Continue Their Winning Streaks in 2025
12/16/24-9:57AM EST Zacks

Stock Activity

Open	17.71
Day Low	17.71
Day High	17.80
52 Wk Low	14.99
52 Wk High	21.72
20 Day Avg Vol	13,397,410
Market Cap	47.46 B
Dividend	0.10 (0.56%)
Beta	0.63

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.39
Current Qtr Est	0.39
Current Yr Est	1.50
Exp Earnings Date	7/24/25
Prior Year EPS	1.36
Exp EPS Growth (3-5yr)	9.84%
Forward PE	11.80
PEG Ratio	1.20

Utilities » Utility - Electric Power

Research Reports for PCG

Analyst Snapshot **All Zacks' Analyst Reports »**

News for PCG

Zacks News | Earnings | Other News

Why PG&E (PCG) is a Top Growth Stock for the Long-Term
05/16/25-8:45AM EST Zacks

Here's Why PG&E (PCG) is a Strong Value Stock
05/15/25-8:40AM EST Zacks

PCG: What are Zacks experts saying now?
Zacks Private Portfolio Services

Duke Energy Q1 Earnings Higher Than Estimates, Revenues Rise Y/Y
05/06/25-10:53AM EST Zacks

Stock Activity

Open	92.38
Day Low	92.34
Day High	92.81
52 Wk Low	74.45
52 Wk High	96.50
20 Day Avg Vol	1,317,876
Market Cap	11.04 B
Dividend	3.58 (3.87%)
Beta	0.45

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.62
Current Qtr Est	1.62
Current Yr Est	4.51
Exp Earnings Date	8/7/25
Prior Year EPS	5.24
Exp EPS Growth (3-5yr)	2.12%
Forward PE	20.49
PEG Ratio	9.66

Utilities » Utility - Electric Power

Research Reports for PNW

Analyst Snapshot

All Zacks' Analyst Reports »

News for PNW

Zacks News | Earnings | Other News

Vistra Q1 Earnings In Line With Estimates, Revenues Rise Y/Y
05/09/25-12:29PM EST Zacks

Alliant Energy's Q1 Earnings Beat Estimates, Customer Base Expands
05/09/25-11:27AM EST Zacks

PNW: What are Zacks experts saying now?
Zacks Private Portfolio Services

Evergy Q1 Earnings Miss Estimates, Revenues Increase Y/Y
05/08/25-7:29AM EST Zacks

Stock Activity	
Open	42.77
Day Low	42.69
Day High	42.91
52 Wk Low	40.05
52 Wk High	49.85
20 Day Avg Vol	1,024,400
Market Cap	4.68 B
Dividend	2.00 (4.68%)
Beta	0.57

Key Earnings Data	
Earnings ESP	2.78%
Most Accurate Est	0.74
Current Qtr Est	0.72
Current Yr Est	3.21
Exp Earnings Date	7/25/25
Prior Year EPS	3.14
Exp EPS Growth (3-5yr)	3.44%
Forward PE	13.30
PEG Ratio	3.86

Utilities » Utility - Electric Power

Research Report for POR

Snapshot

All Zacks' Analyst Reports »

News for POR

Zacks News | Earnings | Other News

Portland General Electric (POR) Q1 Earnings and Revenues Lag Estimates
04/25/25-6:05AM EST Zacks

Edison International (EIX) Earnings Expected to Grow: What to Know Ahead of Next Week's Release
04/22/25-9:00AM EST Zacks

POR: What are Zacks experts saying now?
Zacks Private Portfolio Services

Why Portland General Electric (POR) is Poised to Beat Earnings Estimates Again
04/21/25-11:10AM EST Zacks

Stock Activity

Open	34.91
Day Low	34.86
Day High	35.09
52 Wk Low	27.24
52 Wk High	36.70
20 Day Avg Vol	6,120,083
Market Cap	25.89 B
Dividend	1.09 (3.11%)
Beta	0.70

Key Earnings Data

Earnings ESP	2.56%
Most Accurate Est	0.40
Current Qtr Est	0.39
Current Yr Est	1.82
Exp Earnings Date	8/1/25
Prior Year EPS	1.69
Exp EPS Growth (3-5yr)	7.46%
Forward PE	19.28
PEG Ratio	2.58

Utilities » Utility - Electric Power

Research Reports for PPL

Analyst Snapshot

All Zacks' Analyst Reports »

News for PPL

Zacks News | Earnings | Other News

PPL Stock Underperforms its Industry in Three Months: How to Play?
05/20/25-8:27AM EST Zacks

Do Options Traders Know Something About PPL Stock We Don't?
05/19/25-8:00AM EST Zacks

PPL: What are Zacks experts saying now?
Zacks Private Portfolio Services

Southern Company Q1 Earnings Beat as Power Demand Grows
05/06/25-6:29AM EST Zacks

Stock Activity

Open	79.19
Day Low	78.83
Day High	79.67
52 Wk Low	71.89
52 Wk High	95.22
20 Day Avg Vol	3,133,075
Market Cap	39.81 B
Dividend	2.52 (3.16%)
Beta	0.48

Key Earnings Data

Earnings ESP	1.33%
Most Accurate Est	0.76
Current Qtr Est	0.75
Current Yr Est	4.01
Exp Earnings Date	7/29/25
Prior Year EPS	3.68
Exp EPS Growth (3-5yr)	6.80%
Forward PE	19.89
PEG Ratio	2.93

Utilities » Utility - Electric Power

Research Reports for PEG

Analyst Snapshot **All Zacks' Analyst Reports »**

News for PEG

Zacks News | Earnings | Other News

EVRG vs. PEG: Which Stock Is the Better Value Option?
05/13/25-10:40AM EST Zacks

Public Service Enterprise Q1 Earnings Miss, Revenues Increase Y/Y
04/30/25-11:01AM EST Zacks

PEG: What are Zacks experts saying now?
Zacks Private Portfolio Services

PSEG (PEG) Reports Q1 Earnings: What Key Metrics Have to Say
04/30/25-8:30AM EST Zacks

Stock Activity

Open	78.76
Day Low	78.12
Day High	78.98
52 Wk Low	61.90
52 Wk High	95.77
20 Day Avg Vol	3,886,971
Market Cap	51.13 B
Dividend	2.58 (3.29%)
Beta	0.63

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.81
Current Qtr Est	0.81
Current Yr Est	4.62
Exp Earnings Date	8/5/25
Prior Year EPS	4.65
Exp EPS Growth (3-5yr)	7.94%
Forward PE	16.71
PEG Ratio	2.10

Utilities » Utility - Gas Distribution

Research Reports for SRE

Analyst Snapshot **All Zacks' Analyst Reports »**

News for SRE

Zacks News | Earnings | Other News

Sempra Energy's Q1 Earnings Beat Estimates, Revenues Increase Y/Y
05/08/25-10:33AM EST Zacks

Sempra (SRE) Tops Q1 Earnings Estimates
05/08/25-8:10AM EST Zacks

SRE: What are Zacks experts saying now?
Zacks Private Portfolio Services

Atmos Energy (ATO) Beats Q2 Earnings and Revenue Estimates
05/07/25-5:00PM EST Zacks

Stock Activity

Open	89.34
Day Low	89.20
Day High	90.14
52 Wk Low	76.64
52 Wk High	94.45
20 Day Avg Vol	4,592,001
Market Cap	98.34 B
Dividend	2.96 (3.31%)
Beta	0.40

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.03
Current Qtr Est	1.03
Current Yr Est	4.27
Exp Earnings Date	8/7/25
Prior Year EPS	4.05
Exp EPS Growth (3-5yr)	6.55%
Forward PE	20.94
PEG Ratio	3.20

Utilities » Utility - Electric Power

Research Reports for SO

Analyst Snapshot **All Zacks' Analyst Reports »**

News for SO

Zacks News | Earnings | Other News

Should You Invest in the Fidelity MSCI Utilities Index ETF (FUTY)?
05/20/25-5:20AM EST Zacks

SO Reaches a Settlement for Extension of Rate Plan Through 2028
05/20/25-5:20AM EST Zacks

SO: What are Zacks experts saying now?
Zacks Private Portfolio Services

Southern Company (The) (SO) is Attracting Investor Attention: Here is What You Should Know
05/08/25-8:00AM EST Zacks

Stock Activity

Open	56.54
Day Low	56.54
Day High	57.00
52 Wk Low	35.56
52 Wk High	57.29
20 Day Avg Vol	1,302,817
Market Cap	5.24 B
Dividend	1.63 (2.88%)
Beta	0.11

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.46
Current Qtr Est	0.46
Current Yr Est	2.80
Exp Earnings Date	7/30/25
Prior Year EPS	2.74
Exp EPS Growth (3-5yr)	7.56%
Forward PE	20.23
PEG Ratio	2.68

Oils-Energy » Alternative Energy - Other

Research Report for TXNM

Snapshot

All Zacks' Analyst Reports »

News for TXNM

Zacks News | Earnings | Other News

How to Maximize Your Retirement Portfolio with These Top-Ranked Dividend Stocks
05/08/25-8:10AM EST Zacks

How to Maximize Your Retirement Portfolio with These Top-Ranked Dividend Stocks
03/27/25-8:10AM EST Zacks

TXNM: What are Zacks experts saying now?
Zacks Private Portfolio Services

3 Top Dividend Stocks to Maximize Your Retirement Income
03/21/25-8:10AM EST Zacks

Stock Activity

Open	107.24
Day Low	107.12
Day High	107.84
52 Wk Low	77.47
52 Wk High	111.00
20 Day Avg Vol	2,047,274
Market Cap	34.23 B
Dividend	3.57 (3.33%)
Beta	0.46

Key Earnings Data

Earnings ESP	-1.39%
Most Accurate Est	0.71
Current Qtr Est	0.72
Current Yr Est	5.24
Exp Earnings Date	7/30/25
Prior Year EPS	4.83
Exp EPS Growth (3-5yr)	6.95%
Forward PE	20.48
PEG Ratio	2.95

Utilities » Utility - Electric Power

Research Reports for WEC

Analyst Snapshot **All Zacks' Analyst Reports »**

News for WEC

Zacks News | Earnings | Other News

Reasons to Include CenterPoint Stock in Your Portfolio Right Away
05/19/25-7:37AM EST Zacks

Reasons to Include DTE Energy Stock in Your Portfolio Right Away
05/16/25-7:15AM EST Zacks

WEC: What are Zacks experts saying now?
Zacks Private Portfolio Services

WEC Energy (WEC) Could Find a Support Soon, Here's Why You Should Buy the Stock Now
05/15/25-8:55AM EST Zacks

Stock Activity

Open	72.13
Day Low	71.90
Day High	72.71
52 Wk Low	51.97
52 Wk High	73.38
20 Day Avg Vol	4,612,899
Market Cap	41.65 B
Dividend	2.28 (3.16%)
Beta	0.38

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.62
Current Qtr Est	0.62
Current Yr Est	3.81
Exp Earnings Date	8/7/25
Prior Year EPS	3.50
Exp EPS Growth (3-5yr)	7.52%
Forward PE	18.94
PEG Ratio	2.52

Utilities » Utility - Electric Power

Research Reports for XEL

Analyst Snapshot **All Zacks' Analyst Reports »**

News for XEL

Zacks News | Earnings | Other News

Top Stock Reports for Microsoft, Amazon.com & Mastercard
05/13/25-3:43PM EST Zacks

NiSource Q1 Earnings & Revenues Surpass Estimates, Increase Y/Y
05/07/25-10:04AM EST Zacks

XEL: What are Zacks experts saying now?
Zacks Private Portfolio Services

Xcel Energy Misses Q1 Earnings and Revenue Estimates, to Invest $45B
04/24/25-9:53AM EST Zacks

MOODY'S RATINGS

Infrastructure and Project Finance

OUTLOOK
7 November 2024

Send Your Feedback

TABLE OF CONTENTS

Summary 1
Most state regulators remain supportive of utility credit quality 2
Interest rate cuts will ease the impact of debt financing on holding company credit metrics 3
Sector FFO-to-debt should stabilize after a recent decline, assuming sufficient equity issuance 6
Appendix A 8
Appendix B 9

Contacts

Yulia Rakityanskaya +1.416.214.3627
Analyst
yulia.rakityanskaya@moodys.com

Charlie Gibson +1.212.553.3974
Ratings Associate
charlie.gibson@moodys.com

Jeffrey F. Cassella +1.212.553.1665
VP-Sr Credit Officer
jeffrey.cassella@moodys.com

Natividad Martel, CFA +1.212.553.4561
VP-Senior Analyst
natividad.martel@moodys.com

Ryan Wobbrock +1.212.553.7104
VP-Sr Credit Officer
ryan.wobbrock@moodys.com

Jairo Chung +1.212.553.5123
VP-Sr Credit Officer
jairo.chung@moodys.com

Michael G. Haggarty +1.212.553.7172
Associate Managing Director
michael.haggarty@moodys.com

» Contacts continued on last page

Regulated Electric and Gas Utilities – US

Outlook stable; regulatory support, economic factors offset financial pressure

Summary

We are maintaining a stable outlook on the US regulated utilities sector based on our expectation for continued regulatory support, gradually declining interest rates, easing inflation and higher but still moderate natural gas prices. In the coming years, the sector is poised to benefit from higher electricity demand from data centers, manufacturing growth and electric vehicles. This increased demand will have a varied impact on specific utilities depending on their geographic location and their appetite for serving new data center and manufacturing customers.

» **Most state regulators remain supportive of utility credit quality.** The regulatory environment remains a key credit positive factor for the sector, as reflected in mostly supportive state regulatory and legislative developments over the past year. Continued support for the timely recovery of excess purchased power costs, weather-related expenses and rate base investments are important drivers of stability for the sector. Some utilities are increasing the frequency of their rate case filings to offset the regulatory lag that can sometimes adversely affect credit quality. Of 56 rate cases finalized to date in 2024, electric and gas utilities received on average about 64% of their requests.

» **Interest rate cuts will ease the impact of debt financing on holding company metrics.** The start of the Federal Reserve's easing cycle will help to reduce pressure on sector metrics. The average return on equity (ROE) is likely to remain relatively stable over the next 12 to 18 months. The stable outlook is also supported by our expectations for favorable macroeconomic conditions including easing inflation and higher but still moderate natural gas prices.

» **FFO-to-debt should stabilize after a recent decline, assuming sufficient equity issuance.** Delayed recovery of capital expenditures, dividend increases and, most recently, elevated interest expenses have weighed on sector credit metrics, with the aggregate funds from operations (FFO)-to-debt ratio declining to 13.7% for the 12-months ended 30 June 2024 from about 14.8% in 2021. The sector's aggregate FFO-to-debt ratio will likely remain close to or slightly under 14% over the next 12 to 18 months, after adjusting for securitization debt.

» **What could change our outlook**. The outlook could change to positive if the regulatory and political environment turns even more credit supportive or if the sector's aggregate FFO-to-debt ratio rises to around 18% on a sustainable basis. We would consider changing our outlook to negative if there is a sustained decline in regulatory support for timely cost recovery, capital markets access becomes less certain or the availability of bank credit facilities becomes constrained, or if sector FFO-to-debt dips materially below 14% in 2025 and beyond.

Outlook definition

The stable sector outlook reflects our view of credit fundamentals in the US regulated utilities sector over the next 12 to 18 months. Sector outlooks are distinct from rating outlooks, which, in addition to sector dynamics, also reflect issuers' specific characteristics and actions. A sector outlook does not represent a sum of upgrades, downgrades or ratings under review, or an average of rating outlooks.

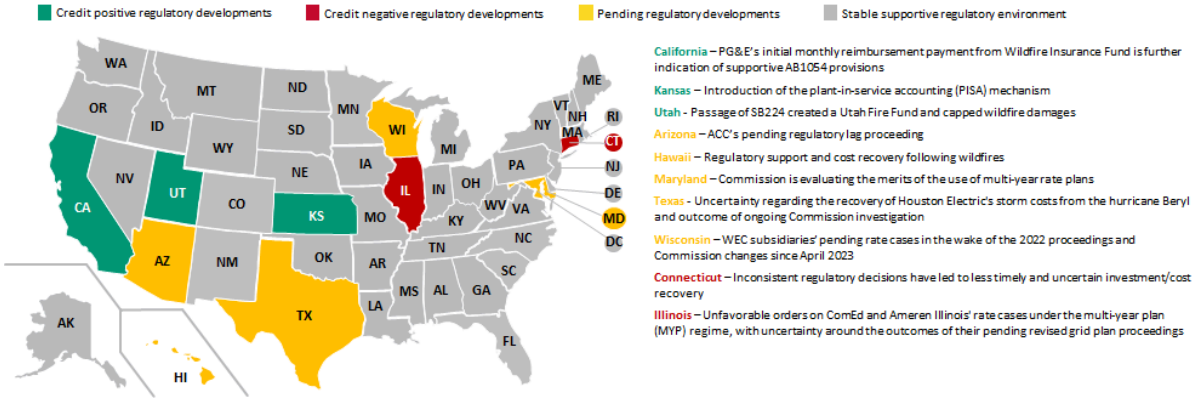
Most state regulators remain supportive of utility credit quality

The US regulatory environment is a key credit positive for the sector, as reflected in the mostly supportive state regulatory and legislative developments over the past year. Continued support for the recovery of excess purchased power costs, weather-related expenses and investments in rate base are important drivers of credit quality for the sector. Some utilities are increasing the frequency of their rate case filings, which is helping to offset the regulatory lag that often affect cost recovery. Of 56 rate cases finalized to date in 2024, electric and gas utilities received on average about 64% of their rate increase request which, when combined with widespread use of cost recovery riders and trackers, helps to maintain credit profiles.

Exhibit 1

Most state utility regulatory and political environments are stable and supportive

Recent regulatory and political developments affecting regulated electric and gas utilities



Source: Moody's Ratings

Most state regulators will continue to facilitate the recovery of capital investments by companies and allow them to pass through operating costs, including fuel and power costs, to their customers. However, as electricity prices rise in some regions to pay for elevated capital investments, some utilities could face higher exposure to social risks stemming from concerns about customer affordability.

A key mitigating factor offsetting this risk is the use of securitization to address substantial one-time expenses, such as repairs following extreme weather events and the cost of coal plant decommissioning. For example, CenterPoint Energy, Inc (Baa2 negative) plans to securitize about $1.6 billion in storm restoration costs incurred following severe storms that struck Texas in May and Hurricane Beryl in July. Over the past year, some state regulators have approved utility requests to securitize plant decommissioning costs and storm recovery expenses, reducing short-term pressure on customer bills (see Exhibit 2). The readiness of politicians and regulators to balance stakeholder and utility interests during challenging times is sometimes crucial for the maintenance of utility credit quality. Using securitization is credit positive for utilities because it balances the need for low-cost funding and limits the impact on customer bills while maintaining both the utility's financial profile and the regulatory compact.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

Exhibit 2

Securitizing plant decommissioning costs and storm recovery expenses limits impact on customer bills

Examples of securitization transactions approved by regulators in 2024

Date	State	Company	Amount	Purpose
Jul-24	Louisiana	Southwestern Electric Power Company	$343 million	Recovery of certain storm damage costs and establishment of a storm reserve
Jun-24	Missouri	Union Electric Company	$470 million	Costs related to the planned accelerated retirement of the Rush Island Energy Center
Apr-24	Louisiana	Cleco Power	$305 million	Costs pertaining to the closure of the coal-fired Dolet Hills plant and the associated Oxbow Mine
Jan-24	Kentucky	Kentucky Power	$481 million	Regulatory assets such as balances from the decommissioning rider, certain deferred storm costs, costs related to the Rockport plant and certain purchase power adjustment costs

Source: Company filings

The accelerating proliferation of data centers presents an additional challenge for utilities and state regulators. In areas of the US with strong data center growth prospects, such as northern Virginia, Georgia and Texas, vertically integrated regulated utilities can benefit from higher revenue as demand increases. But the degree to which this demand benefits utility credit quality will depend on contractual safeguards with large data center customers and other cost recovery mechanisms to maintain stable financial metrics amid higher capital spending. Moreover, coordinating the addition of new, large data center load will require more accurate demand forecasting to ensure adequate supply is available, which can take years to construct.

American Electric Power Company Inc. (AEP, Baa2 stable) subsidiary Ohio Power Company (Baa1 stable), which is already experiencing significant demand growth from data center customers, has asked the Public Utilities Commission of Ohio (PUCO) to approve a settlement agreement that requires large new data center customers to pay for at least 85% of the energy they say they need each month, even if they use less. It aims to ensure adequate cost recovery for the utility, while protecting other retail customers from having to pay for infrastructure investments that would not be needed if data center demand falls short of projected levels. The settlement, which has the support of PUCO staff, the Ohio Consumers' Counsel and other customer representatives, may provide a model for similar agreements in other states.

We would considering changing our outlook on the sector to positive if the regulatory and political environment turns even more credit supportive or if the sector's aggregate funds from operations (FFO)-to-debt ratio rises to around 18% on a sustainable basis. We would consider changing our outlook to negative if there is a sustained decline in regulatory support for timely cost recovery, capital markets access becomes less certain or the availability of bank credit facilities becomes constrained, or if sector FFO-to-debt dips materially below 14% in 2024 and beyond.

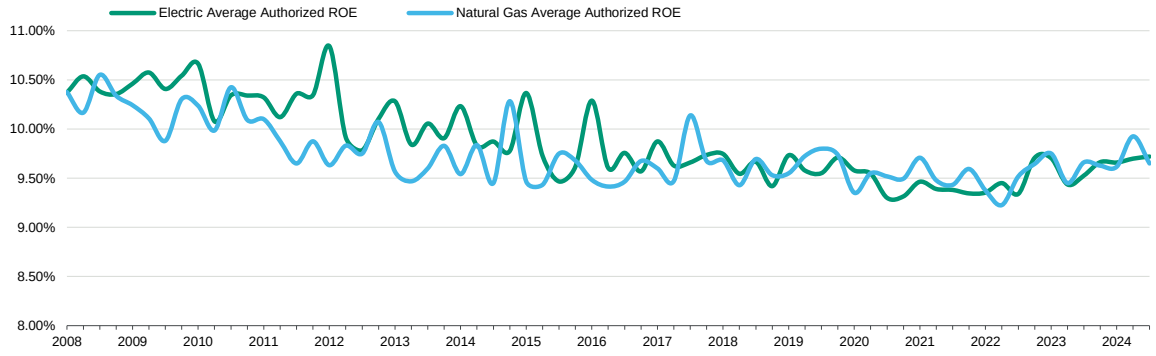
Interest rate cuts will ease the impact of debt financing on holding company credit metrics

While interest rates remain high, the long-anticipated start of the Federal Reserve's easing cycle will help ease pressure on credit metrics. The reductions in the federal funds rate of 50 basis points (bps) in September and 25 bps in November are likely to be the first in a series of rate cuts that we expect will include a further reduction of another 125 bps in 2025. Elevated interest rates are not as much of a credit issue for utility operating subsidiaries because they usually recover interest expenses through regulatory mechanisms, although some may experience delays. After being on a slow and persistent decline since 2008 (see Exhibit 3), the average authorized ROE will likely remain relatively stable over the next 12 to 18 months. The average authorized ROE for the first half of 2024 was about 9.7%, compared to 9.6% in 2023.

Exhibit 3

Average sector ROE has been on a slow and persistent decline since 2008

Average authorized return on equity for US regulated utilities, 2008-2024



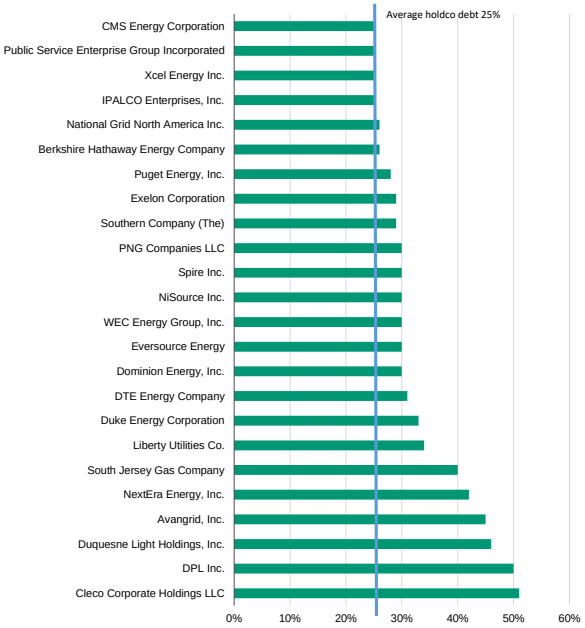
Source: S&P Capital IQ

Elevated interest expenses have more of an impact on the credit metrics of holding companies that cannot pass these expenses on to customers but instead rely on cash distributions from their regulated utility subsidiaries to support parent company debt.

Exhibit 4

Utility companies with significant holding company debt are most vulnerable to high interest rates

Percentage of organization consolidated debt at the parent holding company



Source: Moody's Ratings

However, access to capital markets remains a fundamental credit strength of the utilities sector. Despite higher borrowing costs, utilities have been able to raise capital effectively to fund capital investment programs, support near-term liquidity needs and finance mergers and acquisitions. This is crucial given the sizeable capital expenditure needs that the sector faces with respect to meeting new demand, energy transition goals and grid reliability and resiliency improvements.

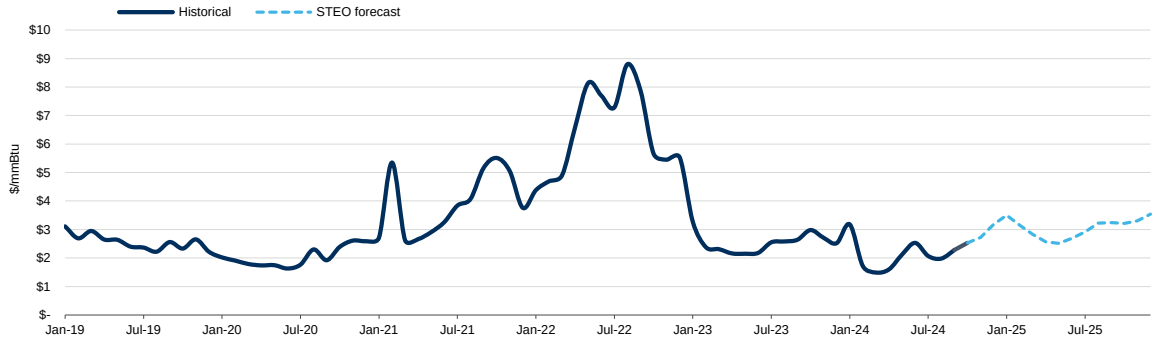
Macroeconomic factors have stabilized, with low inflation and higher but still moderate natural gas prices

The stable outlook is also supported by our expectation for favorable macroeconomic conditions including easing inflation and higher but still moderate natural gas prices. Following a relatively mild 2023-24 winter season, North American natural gas prices have remained low in 2024 amid high inventories. We expect the natural gas market to rebalance with a modest rise in prices in 2025, due to a decline of excess natural gas in storage and increased exports of liquefied natural gas (LNG). Although we anticipate that natural gas prices will rise, we believe this increase will be moderate, helping to maintain lower costs, address affordability concerns and reduce regulatory risk.

Exhibit 5

Natural gas prices are likely to increase but still remain moderate through 2025

Average monthly Henry Hub natural gas spot price per million British thermal units (MMBtu)



Forecast prices as of 8 October 2024.

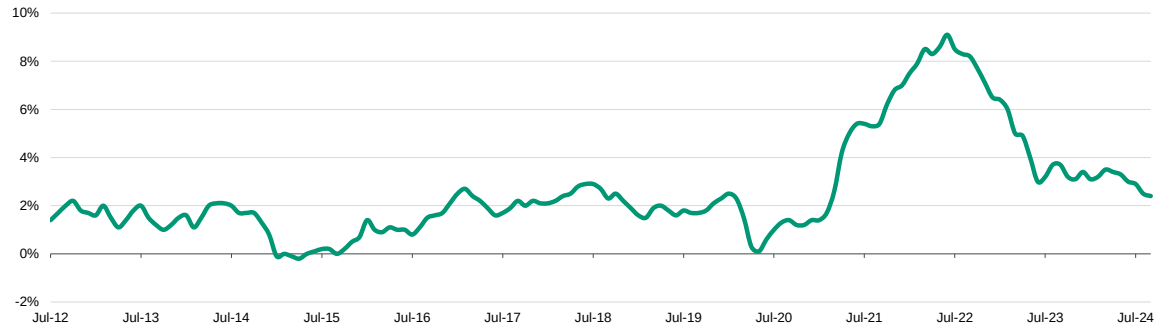
Source: US Energy Information Administration Short-Term Energy Outlook October 2024

Inflation has continued to decline after peaking at an annual rate of 9.1% in June 2022, its highest level since the 1980s. In September 2024, it slipped to a post-pandemic low of 2.4%, giving state regulators more breathing room when considering utility rate increase requests. Our Global Macro Outlook expects inflation of around 2% in 2025.

Exhibit 6

Inflation likely to remain low

Consumer price index (CPI) year-over-year percent change



Source: US Bureau of Labor Statistics

Lower inflation also leads to slower growth in utility maintenance, equipment, labor and fuel costs, which helps moderate the overall cost of both maintaining and constructing essential infrastructure assets. This eases pressure on the cost of capital projects such that utility capital expenditure budgets should be more certain and less at-risk of material price increases as new assets are constructed.

Easing inflation also creates a less challenging environment for regulated utilities looking to increase their rate revenue and cash flow to sustain these robust capital programs, helping to maintain regulatory support.

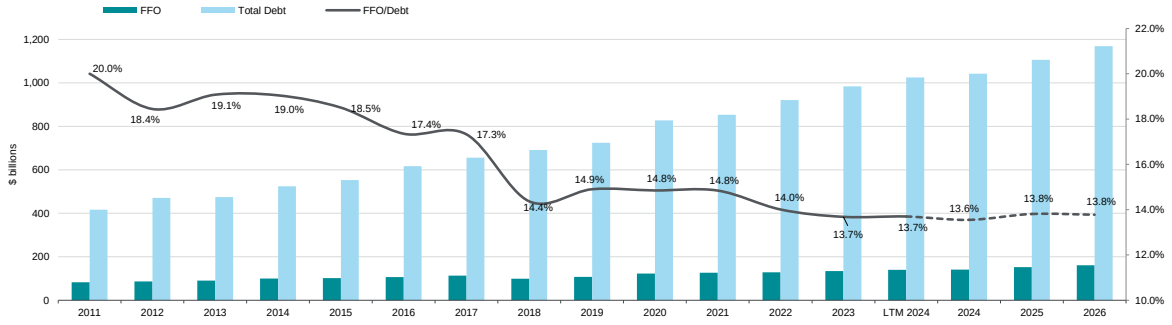
Sector FFO-to-debt should stabilize after a recent decline, assuming sufficient equity issuance

Delayed recovery of capital expenditures, substantial dividend increases and, in recent years, elevated interest expenses have weighed on sector credit metrics, with the aggregate FFO-to-debt ratio declining to 13.7% for the 12-months ended 30 June 2024 from about 14.8% in 2021. As shown in Exhibit 7, the sector's aggregate FFO-to-debt ratio will likely remain close to or slightly under 14% over the next 12 to 18 months, after adjusting for securitization debt. Our projection is based on our estimate of annual capital investments of $200 billion to $220 billion and equity or equity-like instruments totaling $35 billion to $40 billion.

Exhibit 7

FFO-to-debt to remain stable through 2025 assuming $35-$40 billion of equity or equity-like instruments

Historical and forecast aggregate funds from operations (FFO), total debt and ratio of FFO-to-debt for rated US regulated utilities



Numbers include securitization debt

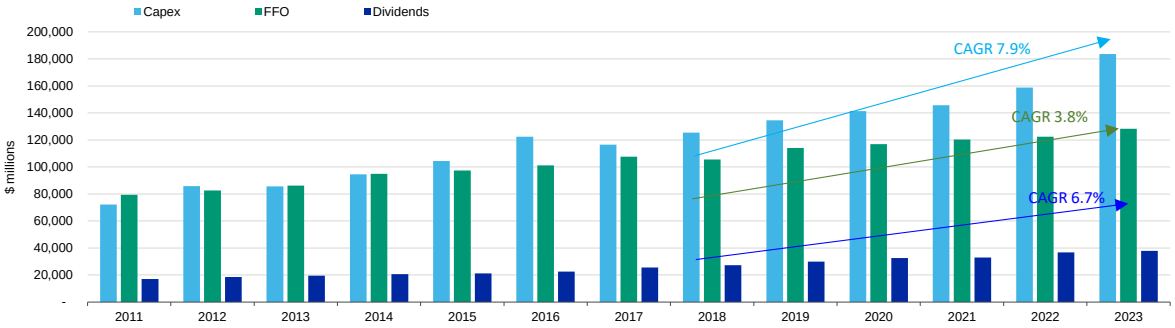
Source: Moody's Ratings

We expect utilities to maintain high levels of capital spending as they focus on meeting higher electric demand, reducing carbon emissions to meet their net zero goals and improving system resiliency and reliability. As shown in Exhibit 8, both dividend and capital spending growth have outpaced FFO growth since 2018.

Exhibit 8

Growth in capital spending and dividends has been steady over the past five years

Five-year compound annual growth rates of historical funds from operations (FFO), capital expenditures and dividends for rated US regulated utilities



All numbers exclude PG&E Corporation

Source: Moody's Ratings

To offset the impact of elevated capital spending, utilities will make greater use of other credit-enhancing strategies, such as deferring or reallocating capital expenditures, managing operational and maintenance (O&M) costs more efficiently and managing dividend growth. The issuance of convertible debt securities, which put less strain on financial metrics than traditional debt instruments because

of their equity component, is an increasingly common option for utility companies. For instance, Sempra (Baa2 stable) issued about $2.35 billion of hybrid securities through the end of September and received $1.175 billion of equity credit.

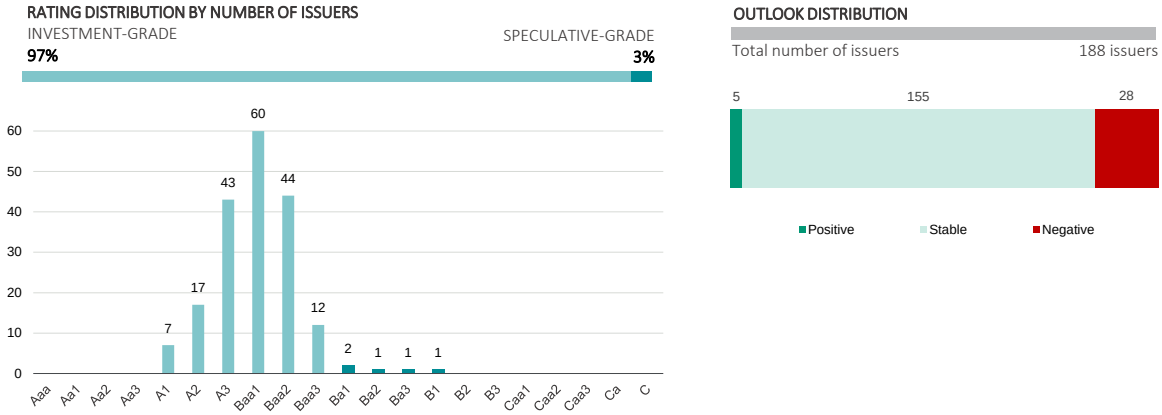
Some companies may also sell non-core assets to generate alternative equity, usually aimed at supporting utility rate base growth or lowering holding company leverage. We estimate that total proceeds from asset sales during the first half of 2024 totaled about $10.5 billion, of which $7.2 billion stemmed from Dominion Energy Inc.'s (Baa2 stable) divestiture of The East Ohio Gas Company (A2 stable) and Questar Gas Company (Baa1 stable) and the remaining proceeds from FirstEnergy Corp.'s (Baa3 stable) divestiture of an equity stake in its transmission intermediate holding company FirstEnergy Transmission LLC (Baa2 stable).

Appendix A

Exhibit 9

Distribution of long-term ratings and rating outlooks for US regulated electric and gas utilities

Rating and rating outlook distribution by number of issuers as of 31 October 2024



Includes holding companies and operating subsidiaries.
Source: Moody's Ratings

Appendix B

Exhibit 10

Industry outlook company list

Data for the most recent 12-month period available ($ millions)

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
ALLETE, Inc.	Baa1 Stable	501	1,959	25.6%	289	168
Alliant Energy Corporation	Baa2 Stable	1,534	10,140	15.1%	1,968	476
Ameren Corporation	Baa1 Stable	2,613	17,800	14.7%	3,903	693
American Electric Power Company, Inc.	Baa2 Stable	6,414	43,770	14.7%	6,848	1,859
American Transmission Company LLC	A2 Negative	485	3,029	16.0%	529	226
Atmos Energy Corporation	A1 Negative	1,696	8,106	20.9%	2,872	478
Avangrid, Inc.	Baa2 Stable	1,066	15,329	7.0%	3,537	735
Avista Corp.	Baa2 Stable	513	3,048	16.8%	529	146
Berkshire Hathaway Energy Company	A3 Stable	7,870	58,439	13.5%	8,864	184
Black Hills Corporation	Baa2 Stable	727	4,889	14.9%	636	194
CenterPoint Energy, Inc.	Baa2 Negative	1,948	20,241	9.6%	3,585	523
Cleco Corporate Holdings LLC	Baa3 Stable	443	3,361	13.2%	235	73
CMS Energy Corporation	Baa2 Stable	2,237	15,003	14.9%	2,527	663
Consolidated Edison, Inc.	Baa1 Stable	3,658	26,560	13.8%	5,108	1,083
Dominion Energy, Inc.	Baa2 Stable	5,243	42,497	12.3%	11,221	2,235
DPL Inc.*	Ba2 Positive	91	2,004	4.5%	525	-
DTE Energy Company	Baa2 Stable	3,724	24,705	15.1%	4,356	826
Duke Energy Corporation	Baa2 Stable	12,044	84,259	14.3%	13,256	3,204
Duquesne Light Holdings, Inc.	Baa3 Stable	424	3,046	13.9%	510	107
Edison International	Baa2 Stable	5,365	36,716	14.6%	5,713	1,432
El Paso Electric Company	Baa2 Stable	292	2,096	13.9%	450	169
Electric Transmission Texas, LLC	Baa2 Stable	191	1,714	11.1%	302	35
Entergy Corporation	Baa2 Stable	4,018	29,571	13.6%	5,112	985
Evergy, Inc.	Baa2 Stable	1,932	14,653	13.2%	2,511	584
Eversource Energy	Baa2 Negative	2,284	29,159	7.8%	4,664	955
Exelon Corporation	Baa2 Stable	6,786	47,948	14.2%	7,551	1,501
FirstEnergy Corp.	Baa3 Stable	3,228	25,415	12.7%	4,172	1,021
Hawaiian Electric Industries, Inc.*	B1 Stable	466	3,366	13.8%	412	35
IDACORP, Inc.	Baa2 Negative	590	3,042	19.4%	923	168
IPALCO Enterprises, Inc.	Baa3 Negative	196	3,961	4.9%	1,164	95
ITC Holdings Corp.	Baa2 Stable	865	7,805	11.1%	864	305
Liberty Utilities Co.	Baa2 Stable	427	2,880	14.8%	617	137
Madison Gas and Electric Company	A1 Stable	225	844	26.6%	226	64
National Grid North America Inc.	Baa2 Stable	2,269	25,390	10.0%	5,246	-
New Jersey Natural Gas Company	A1 Stable	206	1,603	12.8%	425	-
NextEra Energy, Inc.	Baa1 Stable	12,406	80,887	15.3%	26,001	4,322
NiSource Inc.	Baa2 Stable	1,755	13,418	13.1%	2,657	494
Northwest Natural Gas Company	Baa1 Stable	209	1,585	13.2%	343	70
NorthWestern Corporation	Baa2 Stable	341	2,741	12.5%	536	152
OGE Energy Corp.	Baa1 Stable	931	5,359	17.4%	1,153	337

All ratios are based on GAAP "Adjusted" financial data and incorporate Moody's global standard adjustments for nonfinancial corporations, but may not include all analytical adjustments.
* Corporate family rating.
Source: Moody's Ratings

Exhibit 11

Industry outlook company list (continued)

Issuer	Rating and Outlook	CFO Pre-WC	Total Debt	CFO Pre-WC/Debt	Capex	Dividends
ONE Gas, Inc	A3 Stable	532	3,249	16.4%	702	147
Otter Tail Corporation	Baa2 Stable	452	1,009	44.8%	317	76
PG&E Corporation*	Ba1 Positive	6,140	61,097	10.1%	10,349	43
Pinnacle West Capital Corporation	Baa2 Stable	1,407	9,790	14.4%	1,730	412
PNG Companies LLC	Baa2 Negative	336	2,789	12.0%	547	1
PNM Resources, Inc.	Baa3 Stable	474	5,236	9.1%	1,130	134
Portland General Electric Company	A3 Negative	791	4,757	16.6%	1,307	196
PPL Corporation	Baa1 Stable	2,067	16,275	12.7%	2,589	745
Public Service Enterprise Group Incorporated	Baa2 Stable	3,206	22,076	14.5%	4,234	1,166
Puget Energy, Inc.	Baa3 Stable	1,015	8,522	11.9%	1,642	198
SEMCO Energy, Inc.	A3 Stable	(63)	343	-18.5%	82	456
Sempra	Baa2 Stable	4,961	32,776	15.1%	7,741	2,261
South Jersey Gas Company	A3 Stable	208	1,246	16.7%	229	25
Southern Company (The)	Baa1 Stable	9,282	61,353	15.1%	10,297	3,452
Southwest Gas Holdings, Inc.	Baa2 Stable	641	5,486	11.7%	906	270
Spire Inc.	Baa2 Stable	835	4,802	17.4%	815	170
TECO Finance, Inc.	Baa1 Negative	1,366	6,164	22.2%	1,768	165
UGI Utilities, Inc.	A3 Negative	425	1,782	23.8%	394	135
Unitil Corporation	Baa2 Stable	122	706	17.3%	139	27
WEC Energy Group, Inc.	Baa1 Stable	3,155	19,265	16.4%	2,700	1,062
Xcel Energy Inc.	Baa1 Stable	5,541	29,112	19.0%	6,795	1,149

All ratios are based on GAAP "Adjusted" financial data and incorporate Moody's global standard adjustments for nonfinancial corporations, but may not include all analytical adjustments.
* Corporate family rating.
Source: Moody's Ratings

© 2024 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.
CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.
ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Charter Documents - Director and Shareholder Affiliation Policy."
Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Calificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.
Additional terms with respect to Second Party Opinions (as defined in Moody's Investors Service Rating Symbols and Definitions): Please note that a Second Party Opinion ("SPO") is not a "credit rating". The issuance of SPOs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

REPORT NUMBER 1419463

Contacts

Nana Hamilton +1.212.553.9440
VP-Senior Analyst
nana.hamilton@moodys.com

Toby Shea +1.212.553.1779
VP-Sr Credit Officer
toby.shea@moodys.com

Jillian Cardona +1.212.553.4351
Analyst
jillian.cardona@moodys.com

Jim Hempstead +1.212.553.4318
MD - Global Infrastructure & Cyber Risk
james.hempstead@moodys.com

Gavin MacFarlane +1.416.214.3864
VP-Sr Credit Officer
gavin.macfarlane@moodys.com

Edna R Marinelarena +1.212.553.1383
AVP-Analyst
edna.marinelarena@moodys.com

Knox Gainer +1.646.947.9692
Analyst
knox.gainer@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

NEW REGULATORY FINANCE

Roger A. Morin, PhD

2006
PUBLIC UTILITIES REPORTS, INC.
Vienna, Virginia

mendation that is different than the expected ROE that the method assumes the utility will earn forever. For example, using an expected return on equity of 11% to determine the growth rate and using the growth rate to recommend a return on equity of 9% is inconsistent. It is not reasonable to assume that this regulated utility company is expected to earn 11% forever, but recommend a 9% return on equity. The only way this utility can earn 11% is that rates be set by the regulator so that the utility will in fact earn 11%. One is assuming, in effect, that the company will earn a return rate exceeding the recommended cost of equity forever, but then one is recommending that a different rate be granted by the regulator. In essence, using an ROE in the sustainable growth formula that differs from the final estimated cost of equity is asking the regulator to adopt two different returns.

The circularity problem is somewhat dampened by the self-correcting nature of the DCF model. If a high equity return is granted, the stock price will increase in response to the unanticipated favorable return allowance, lowering the dividend yield component of market return in compensation for the high g induced by the high allowed return. At the next regulatory hearing, more conservative forecasts of r would prevail. The impact on the dual components of the DCF formula, yield and growth, are at least partially offsetting.

Third, the empirical finance literature discussed earlier demonstrates that the sustainable growth method of determining growth is not as significantly correlated to measures of value, such as stock price and price/earnings ratios, as other historical growth measures or analysts' growth forecasts. Other proxies for growth, such as historical growth rates and analysts' growth forecasts, outperform retention growth estimates. See for example Timme and Eiseman (1989).

In summary, there are three proxies for the expected growth component of the DCF model: historical growth rates, analysts' forecasts, and the sustainable growth method. Criteria in choosing among the three proxies should include ease of use, ease of understanding, theoretical and mathematical correctness, and empirical validation. The latter two are crucial. The method should be logically valid and consistent, and should possess an adequate track record in predicting and explaining security value. The retention growth method is the weakest of the three proxies on both conceptual and empirical grounds. The research in this area has shown that the first two growth proxies do a better job of explaining variations in market valuation (M/B and P/E ratios) and are more highly correlated to measures of value than is the retention growth proxy.

NEW REGULATORY FINANCE

Roger A. Morin, PhD

2006
PUBLIC UTILITIES REPORTS, INC.
Vienna, Virginia

The model is analogous to the standard CAPM, but with the return on a minimum risk portfolio that is unrelated to market returns, R_Z, replacing the risk-free rate, R_F. The model has been empirically tested by Black, Jensen, and Scholes (1972), who find a flatter than predicted SML, consistent with the model and other researchers' findings. An updated version of the Black-Jensen-Scholes study is available in Brealey, Myers, and Allen (2006) and reaches similar conclusions.

The zero-beta CAPM cannot be literally employed to estimate the cost of capital, since the zero-beta portfolio is a statistical construct difficult to replicate. Attempts to estimate the model are formally equivalent to estimating the constants, a and b, in Equation 6-2. A practical alternative is to employ the Empirical CAPM, to which we now turn.

6.3 Empirical CAPM

As discussed in the previous section, several finance scholars have developed refined and expanded versions of the standard CAPM by relaxing the constraints imposed on the CAPM, such as dividend yield, size, and skewness effects. These enhanced CAPMs typically produce a risk-return relationship that is flatter than the CAPM prediction in keeping with the actual observed risk-return relationship. The ECAPM makes use of these empirical findings. The ECAPM estimates the cost of capital with the equation:

$$K = R_F + \acute{\alpha} + \beta \times (MRP - \acute{\alpha}) \qquad (6\text{-}5)$$

where $\acute{\alpha}$ is the "alpha" of the risk-return line, a constant, and the other symbols are defined as before. All the potential vagaries of the CAPM are telescoped into the constant $\acute{\alpha}$, which must be estimated econometrically from market data. Table 6-2 summarizes[10] the empirical evidence on the magnitude of alpha.[11]

[10] The technique is formally applied by Litzenberger, Ramaswamy, and Sosin (1980) to public utilities in order to rectify the CAPM's basic shortcomings. Not only do they summarize the criticisms of the CAPM insofar as they affect public utilities, but they also describe the econometric intricacies involved and the methods of circumventing the statistical problems. Essentially, the average monthly returns over a lengthy time period on a large cross-section of securities grouped into portfolios are related to their corresponding betas by statistical regression techniques; that is, Equation 6-5 is estimated from market data. The utility's beta value is substituted into the equation to produce the cost of equity figure. Their own results demonstrate how the standard CAPM underestimates the cost of equity capital of public utilities because of utilities' high dividend yield and return skewness.

[11] Adapted from Vilbert (2004).

TABLE 6-2
EMPIRICAL EVIDENCE ON THE ALPHA FACTOR

Author	Range of alpha
Fischer (1993)	−3.6% to 3.6%
Fischer, Jensen and Scholes (1972)	−9.61% to 12.24%
Fama and McBeth (1972)	4.08% to 9.36%
Fama and French (1992)	10.08% to 13.56%
Litzenberger and Ramaswamy (1979)	5.32% to 8.17%
Litzenberger, Ramaswamy and Sosin (1980)	1.63% to 5.04%
Pettengill, Sundaram and Mathur (1995)	4.6%
Morin (1989)	2.0%

For an alpha in the range of 1%–2% and for reasonable values of the market risk premium and the risk-free rate, Equation 6-5 reduces to the following more pragmatic form:

$$K = R_F + 0.25\,(R_M - R_F) + 0.75\,\beta(R_M - R_F) \qquad (6\text{-}6)$$

Over reasonable values of the risk-free rate and the market risk premium, Equation 6-6 produces results that are indistinguishable from the ECAPM of Equation 6-5.[12]

An alpha range of 1%–2% is somewhat lower than that estimated empirically. The use of a lower value for alpha leads to a lower estimate of the cost of capital for low-beta stocks such as regulated utilities. This is because the use of a long-term risk-free rate rather than a short-term risk-free rate already incorporates some of the desired effect of using the ECAPM. That is, the

[12] Typical of the empirical evidence on the validity of the CAPM is a study by Morin (1989) who found that the relationship between the expected return on a security and beta over the period 1926–1984 was given by:

$$\text{Return} = 0.0829 + 0.0520\,\beta$$

Given that the risk-free rate over the estimation period was approximately 6% and that the market risk premium was 8% during the period of study, the intercept of the observed relationship between return and beta exceeds the risk-free rate by about 2%, or 1/4 of 8%, and that the slope of the relationship is close to 3/4 of 8%. Therefore, the empirical evidence suggests that the expected return on a security is related to its risk by the following approximation:

$$K = R_F + x(R_M - R_F) + (1 - x)\beta(R_M - R_F)$$

where x is a fraction to be determined empirically. The value of x that best explains the observed relationship Return $= 0.0829 + 0.0520\,\beta$ is between 0.25 and 0.30. If $x = 0.25$, the equation becomes:

$$K = R_F + 0.25(R_M - R_F) + 0.75\beta(R_M - R_F)$$

long-term risk-free rate version of the CAPM has a higher intercept and a flatter slope than the short-term risk-free version which has been tested. Thus, it is reasonable to apply a conservative alpha adjustment. Moreover, the lowering of the tax burden on capital gains and dividend income enacted in 2002 may have decreased the required return for taxable investors, steepening the slope of the ECAPM risk-return trade-off and bring it closer to the CAPM predicted returns.[13]

To illustrate the application of the ECAPM, assume a risk-free rate of 5%, a market risk premium of 7%, and a beta of 0.80. The Empirical CAPM equation (6-6) above yields a cost of equity estimate of 11.0% as follows:

$$\begin{aligned} K &= 5\% + 0.25\,(12\% - 5\%) + 0.75 \times 0.80\,(12\% - 5\%) \\ &= 5.0\% + 1.8\% + 4.2\% \\ &= 11.0\% \end{aligned}$$

As an alternative to specifying alpha, see Example 6-1.

Some have argued that the use of the ECAPM is inconsistent with the use of adjusted betas, such as those supplied by Value Line and Bloomberg. This is because the reason for using the ECAPM is to allow for the tendency of betas to regress toward the mean value of 1.00 over time, and, since Value Line betas are already adjusted for such trend, an ECAPM analysis results in double-counting. This argument is erroneous. Fundamentally, the ECAPM is not an adjustment, increase or decrease, in beta. This is obvious from the fact that the expected return on high beta securities is actually lower than that produced by the CAPM estimate. The ECAPM is a formal recognition that the observed risk-return tradeoff is flatter than predicted by the CAPM based on myriad empirical evidence. The ECAPM and the use of adjusted betas comprised two separate features of asset pricing. Even if a company's beta is estimated accurately, the CAPM still understates the return for low-beta stocks. Even if the ECAPM is used, the return for low-beta securities is understated if the betas are understated. Referring back to Figure 6-1, the ECAPM is a return (vertical axis) adjustment and not a beta (horizontal axis) adjustment. Both adjustments are necessary. Moreover, recall from Chapter 3 that the use of adjusted betas compensates for interest rate sensitivity of utility stocks not captured by unadjusted betas.

[13] The lowering of the tax burden on capital gains and dividend income has no impact as far as non-taxable institutional investors (pension funds, 401K, and mutual funds) are concerned, and such investors engage in very large amounts of trading on security markets. It is quite plausible that taxable retail investors are relatively inactive traders and that large non-taxable investors have a substantial influence on capital markets.

NEW REGULATORY FINANCE

Roger A. Morin, PhD

2006
PUBLIC UTILITIES REPORTS, INC.
Vienna, Virginia

Any forward-looking cost of capital calculation already embodies tax effects since investors price securities on the basis of after-tax returns. Besides, a very large proportion of trading is conducted by tax-exempt financial institutions (pension funds, mutual funds, 401K, etc.) for whom tax issues are largely immaterial.

The existence of a negative risk premium is highly unlikely, as it is at serious odds with the basic tenets of finance, economics, and law. Using proper definitions for expected rates of return of equity and debt, the preponderance of the evidence indicates that the negative risk premium does not exist. Several risk premium studies cited in this chapter have found positive risk premiums well in excess of 5% over the last decade. Risk premiums do narrow during unusually turbulent and volatile interest rate environments, but then return to normal levels. They are most unlikely to ever become negative.

4.7 Risk Premium Determinants

Fundamentally, the primary determinant of expected returns is risk. To wit, the various paradigms of financial theory, including the Capital Asset Pricing Model and the Arbitrage Pricing Model covered in subsequent chapters, posit fundamental relationships between return and risk. There are also secondary influences on the relative magnitude of the risk premium, however, including the level of interest rates, default risk, and taxes.

Interest Rates

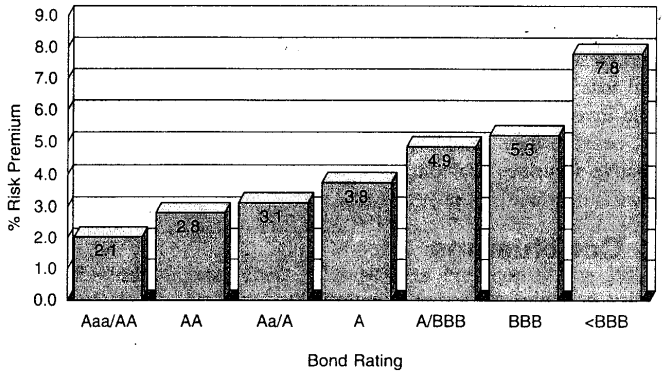
Published studies by Brigham, Shome, and Vinson (1985), Harris (1986), Harris and Marston (1992, 1993), Carleton, Chambers, and Lakonishok (1983), Morin, (2005), and McShane (2005), and others demonstrate that, beginning in 1980, risk premiums varied inversely with the level of interest rates—rising when rates fell and declining when interest rates rose. The reason for this relationship is that when interest rates rise, bondholders suffer a capital loss. This is referred to as interest rate risk. Stockholders, on the other hand, are more concerned with the firm's earning power. So, if bondholders' fear of interest rate risk exceeds shareholders' fear of loss of earning power, the risk differential will narrow and hence the risk premium will shrink. This is particularly true in high inflation environments. Interest rates rise as a result of accelerating inflation, and the interest rate risk of bonds intensifies more than the earnings risk of common stocks, which are partially hedged from the ravages of inflation. This phenomenon has been termed as a "lock-in" premium. Conversely in low interest rate environments, when bondholders' interest rate fears subside and shareholders' fears of loss of earning power dominate, the risk differential will widen and hence the risk premium will increase.

Harris (1986) showed that for every 100 basis point change in government bond yields, the equity risk premium for utilities changes 51 basis points in the opposite direction, for a net change in the cost of equity of 49 basis points. For example, a 100 basis point decline in government bond yields would lead to a 51 basis point increase in the equity risk premium and therefore an overall decrease in the cost of equity of 49 basis points, a result almost identical to the estimate reported in Morin (2005). As discussed earlier, similar results were uncovered by McShane (2005), who examined the statistical relationship between DCF-derived risk premiums and interest rates using a sample of natural gas distribution utilities.

The gist of the empirical research on this subject is that the cost of equity has changed only half as much as interest rates have changed in the past. The knowledge that risk premiums vary inversely to the level of interest rates can be used to adjust historical risk premiums to better reflect current market conditions. Thus, when interest rates are unusually high (low), the appropriate current risk premium is somewhat below (above) that long-run average. The empirical research cited above provides guidance as to the magnitude of the adjustment.

Risk premiums also tend to fluctuate with changes in investor risk aversion. Such changes can be tracked by observing the yield spreads between different bond rating categories over time. Brigham, Shome, and Vinson (1985) examined the relationship between risk premium and bond rating and found, unsurprisingly, that the risk premiums are higher for lower rated firms than for higher rated firms. Figure 4-5 shows the results graphically.

FIGURE 4-5
RISK PREMIUMS VS BOND RATINGS
ELECTRIC UTILITIES



Source: Brigham, Shome, and Vinson (1985).

to the DCF method, which may be sluggish in detecting changes in return requirements, especially when based on historical data.

One advantage of risk premium over DCF is that the former is a period-by-period (time-series) study of the cost of equity over the cost of debt, in contrast to the latter which is a point-in-time cross-sectional estimate. In other words, the risk premium approach takes a broader time-series perspective rather than a snapshot point-in-time viewpoint, and is therefore less vulnerable to the vagaries of any one particular capital market environment. A prospective risk premium test relies on a succession of DCF observations over long periods, and is not as vulnerable to a given capital market environment as a spot DCF test.

Of course, the estimation of the appropriate risk premium for either the equity market as a whole or for a specific utility company, is not an exact science. Therefore, it is necessary to evaluate a broad spectrum of data and apply alternative risk premium estimation approaches in order to derive a fair and reasonable estimate of the required equity risk premium. Equal emphasis should be accorded to risk premium results based on history and those based on prospective data. Each proxy for expected risk premium brings information to the judgment process from a different light. Neither proxy is without blemish, each has advantages and shortcomings. Historical risk premiums over long periods are available and verifiable, but may no longer be applicable if structural shifts have occurred. Prospective risk premiums may be more relevant since they encompass both history and current changes, but are nevertheless imperfect proxies and are subject to measurement error and to the vagaries of the DCF input proxies.

References

Bodie, Z., Kane, A., and Marcus, A.J. *Investments*, New York: McGraw-Hill Irwin, 6th ed., 2005.

Brealey, R., Myers, S., and Allen, P. *Principles of Corporate Finance,* 8th ed., New York: McGraw-Hill, 2006.

Brigham, E.F. and Ehrhardt, M. *Financial Management: Theory and Practice,* 8th ed., Hinsdale, IL: Dryden Press, 2005.

Brigham, E.F. and Shome, D.K. "Equity Risk Premium in the 1980's." Washington DC: Institute for Study of Regulation, 1982.

Brigham, E.F., Shome, D.K., and Vinson, S.R. "The Risk Premium Approach to Measuring a Utility's Cost of Equity." *Financial Management,* Spring 1985, 33–45.

Bruner, R.F., Eades, K.M., Harris, R.S., and Higgins R.C. "Best Practices in Estimating the Cost of Capital: Survey and Synthesis," *Financial Practice and Education*, Spring/Summer 1998, pp. 13–28.

Carleton, W.T. "Rate of Return, Rate Base, and Regulatory Lag Under Conditions of Changing Capital Costs." *Land Economics,* May 1974, 145–151.

Carleton, W.T., Chambers, W., and Lakonishok, J. "Inflation Risk and Regulatory Lag." *Journal of Finance,* May 1983.

Dimson, E., Marsh. P., and Staunton, M. *Triumph of the Optimists: 101 Years of Global Investment Returns*, Princeton, NJ: Princeton University Press, 2002.

Harris, R.S. "Using Analysts' Growth Forecasts to Estimate Shareholder Required Rates of Return." *Financial Management,* Spring 1986, 58–67.

Harris, R.S. and Marston, F.C. "Estimating Shareholder Risk Premia Using Analysts' Growth Forecasts." *Financial Management,* Summer 1992, 63–70.

Harris, R.S. and Marston, F.C. "Risk and Return: A Revisit Using Expected Returns." *The Financial Review,* Vol. 28 No. 1, February 1993, 117–137.

Homer, S. and Leibowitz, M.L. *Inside the Yield Book: New Tools for Bond Market Strategy.* Englewood Cliffs, NJ: Prentice-Hall, 1972.

Ibbotson Associates, *Stocks, Bonds, Bills, and Inflation, 2004 Yearbook (Valuation Edition).* Chicago, 2005.

McShane, K.C. Prepared Testimony on Fair Return on Equity for Hydro-Quebec, Foster Associates, Inc., 2005.

Morin, R.A. Prepared Testimony on Fair Return on Equity for Hydro-Quebec, Utility Research International, 2005.

Vander Weide, J.H. "Direct Testimony of James H. Vander Weide" before the Florida Public Service Commission, Docket No. 050078, April 2005.

LSEG Stock Reports Plus

ABBOTT LABORATORIES (ABT-N)

Healthcare Services & Equip. / Healthcare Equip. & Supplies / Medical Equip. & Supplies

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
135.55 (USD)	**6.4M**	**141.23**	**17.6**	**2.36**	**30.8%**	**10.1%**	**3.5%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	234.5B	**99.71**	**25.7**	**1.7%**	**42.3B**	**80.5%**	**2.6%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

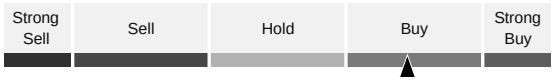
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
28 Analysts

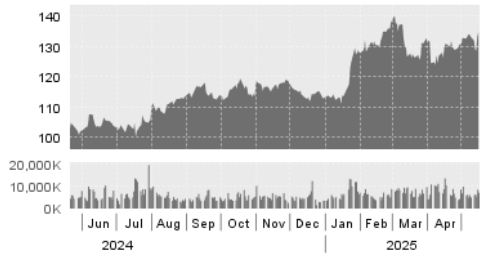
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



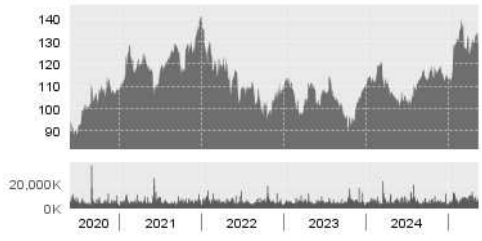


PRICE AND VOLUME CHARTS

1-Year Return: 30.2%



5-Year Return: 53.7%



BUSINESS SUMMARY

Abbott Laboratories is a global healthcare company. The Company is engaged in the discovery, development, manufacture, and sale of a broad and diversified line of health care products. The Company operates through four segments: Established Pharmaceutical Products, Diagnostic Products, Nutritional Products, and Medical Devices. The Established Pharmaceutical Products segment is engaged in the international sales of a broad line of branded generic pharmaceutical products. The Diagnostic Products segment is engaged in the worldwide sales of diagnostic systems and tests for blood banks, hospitals, commercial laboratories, and alternate-care testing sites. The Nutritional Products segment is involved in the worldwide sales of a broad line of adult and pediatric nutritional products. The Medical Devices segment includes the worldwide sales of rhythm management, electrophysiology, heart failure, vascular, structural heart, neuromodulation, and diabetes care products.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

ABBVIE INC (ABBV-N)
Pharma. & Medical Research / Pharmaceuticals / Pharmaceuticals

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
185.71 (USD)	**8.3M**	**218.66**	**79.0**	**6.56**	**88.2%**	**16.5%**	**7.4%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	325.1B	**153.58**	**14.6**	**3.5%**	**57.4B**	**74.5%**	**-5.9%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

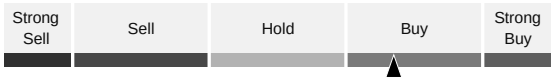
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
28 Analysts

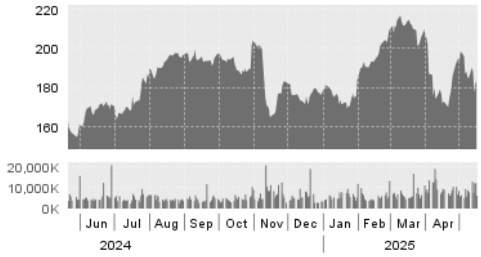
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



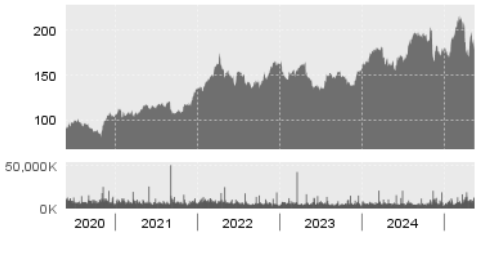


PRICE AND VOLUME CHARTS

1-Year Return: 11.6%



5-Year Return: 103.6%



BUSINESS SUMMARY

AbbVie Inc. is a global, diversified research-based biopharmaceutical company. The Company is engaged in research and development, manufacturing, commercialization and sale of medicines and therapies. Its product portfolio includes Immunology, Oncology, Aesthetics, Neuroscience, Eye Care and Other Key Products. Its Immunology products include rheumatology, dermatology and gastroenterology. Its Oncology products include Imbruvica, Venclexta/Venclyxto, Elahere, and Epkinly. The Company's Aesthetics portfolio consists of facial injectables, plastics and regenerative medicine, body contouring, and skincare products. Its Neuroscience products include Botox Therapeutic, Vraylar, Duopa and Duodopa, Ubrelvy, and Qulipta. Its Eye Care products include Ozurdex, Lumigan/Ganfort, Alphagan/Combigan, Restasis, and Other eye care. Its Other key products include Mavyret/Maviret, Creon, and Linzess/Constella. Its Venclexta is a B-cell lymphoma 2 (BCL-2) inhibitor used to treat blood cancers.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

ALPHABET INC (GOOGL-O)
Software & IT Services / Software & IT Services / Online Services

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
166.54 (USD)	**41.2M**	**207.05**	**18.6**	**0.84**	**34.8%**	**18.5%**	**10.2%**
2025 May 19 NASDAQ Exchange	Market Cap (Consol)	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	2.0T	**140.53**	**18.1**	**0.5%**	**359.7B**	**81.1%**	**-10.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

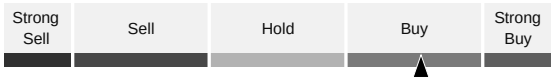
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

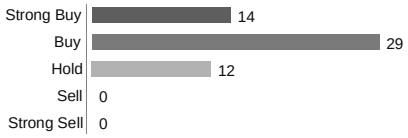
verus analytics

I/B/E/S MEAN

Buy
55 Analysts

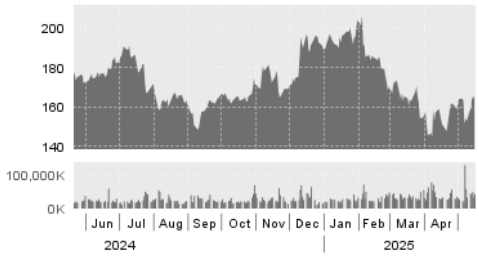
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



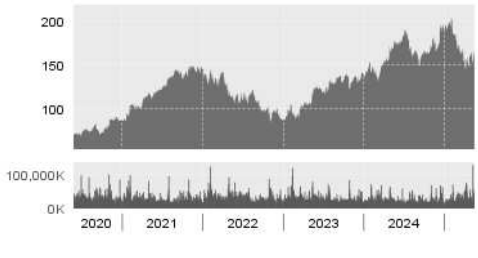


PRICE AND VOLUME CHARTS

1-Year Return: -5.4%



5-Year Return: 142.3%



BUSINESS SUMMARY

Alphabet Inc. is a holding company. The Company's segments include Google Services, Google Cloud, and Other Bets. The Google Services segment includes products and services such as ads, Android, Chrome, devices, Google Maps, Google Play, Search, and YouTube. The Google Cloud segment includes infrastructure and platform services, collaboration tools, and other services for enterprise customers. Its Other Bets segment is engaged in the sale of healthcare-related services and Internet services. Its Google Cloud provides enterprise-ready cloud services, including Google Cloud Platform and Google Workspace. Google Cloud Platform provides access to solutions such as artificial intelligence (AI) offerings, including its AI infrastructure, Vertex AI platform, and Gemini for Google Cloud; cybersecurity, and data and analytics. Google Workspace includes cloud-based communication and collaboration tools for enterprises, such as Calendar, Gmail, Docs, Drive, and Meet.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

AMDOCS (DOX-O)
Software & IT Services / Software & IT Services / IT Services & Consulting

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
91.22 (USD)	**575,100**	**94.61**	**19.2**	**2.11**	**15.3%**	**8.5%**	**9.7%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	10.2B	**74.41**	**12.6**	**2.3%**	**4.8B**	**>100%**	**1.8%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

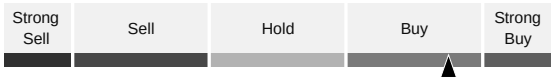
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

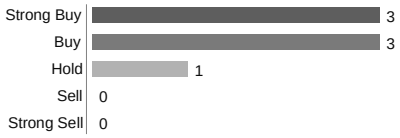
verus analytics

I/B/E/S MEAN

Buy
7 Analysts

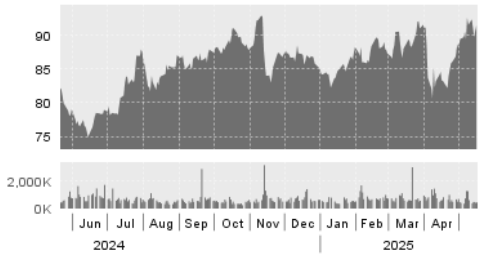
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



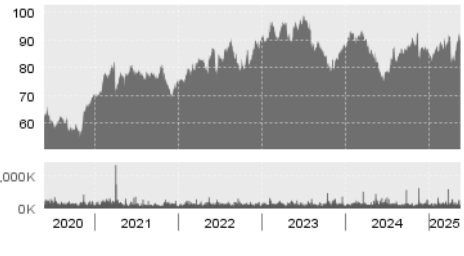


PRICE AND VOLUME CHARTS

1-Year Return: 11.6%



5-Year Return: 47.9%



BUSINESS SUMMARY

Amdocs Limited is a provider of software and services to communications and media companies in both developed countries and emerging markets. The Company's offerings are based on a product and service mix, using technologies and methodologies, such as the cloud and cloud native, microservices, development and operations (DevOps), low-code/no-code, edge computing, open source, bimodal operations, Site Reliability Engineering (SRE) and increasing amounts of automation through standard information technology (IT) tools, open Application programming interface (APIs) and artificial intelligence (AI), generative artificial intelligence (GenAI), and machine learning (ML). Its comprehensive line of services is designed to address every stage of a service provider's lifecycle and includes consulting, delivery, quality engineering (testing), systems integration, operations, network services, experience-driven services, data, cloud, and content services.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

AMGEN INC (AMGN-O)
Pharma. & Medical Research / Pharmaceuticals / Pharmaceuticals

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
275.85 (USD)	**3.0M**	**346.85**	**25.2**	**9.52**	**105.7%**	**5.1%**	**-0.52%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	146.5B	**253.30**	**13.3**	**3.5%**	**34.1B**	**83.8%**	**-6.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

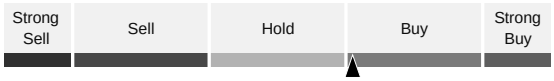
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

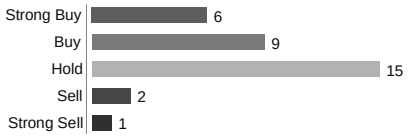
verus analytics

I/B/E/S MEAN

Buy
33 Analysts

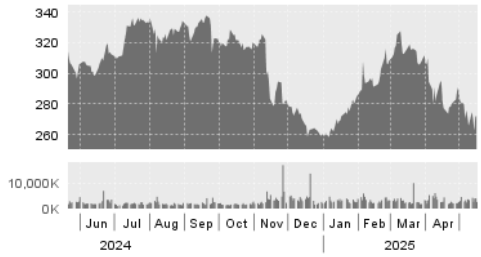
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



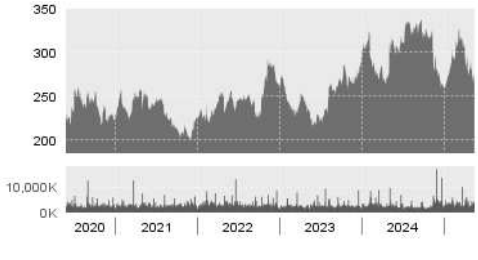


PRICE AND VOLUME CHARTS

1-Year Return: -11.7%



5-Year Return: 21.3%



BUSINESS SUMMARY

Amgen Inc. is a biotechnology company. It discovers, develops, manufactures and delivers medicines for the toughest diseases. It focuses on areas of high unmet medical need and leverages its expertise to strive for solutions that improve people's lives. It operates in the human therapeutics segment. Its marketed products portfolio includes EPOGEN (epoetin alfa); Aranesp (darbepoetin alfa); Parsabiv (etelcalcetide); Neulasta (pegfilgrastim); KANJINTI (trastuzumab-anns); Otezla; BLINCYTO (blinatumomab); ACTIMMUNE (interferon gamma-1b); Neulasta (pegfilgrastim); Sensipar/Mimpara (cinacalcet); Prolia (denosumab); ENBREL; QUINSAIR (levofloxacin); Repatha (evolocumab) and others. It markets ENBREL, a tumor necrosis factor blocker, in the United States and Canada. It markets Otezla, a small molecule that inhibits phosphodiesterase 4, in many countries around the world. It markets Repatha, a proprotein convertase subtilisin/kexin type 9 (PCSK9) inhibitor, in many countries around the world.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

APTARGROUP INC (ATR-N)

Applied Resources / Containers & Packaging / Non-Paper Packaging

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
158.08 (USD)	**338,237**	**178.03**	**28.9**	**1.80**	**15.2%**	**8.3%**	**9.9%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	10.4B	**130.85**	**25.8**	**1.1%**	**3.6B**	**95.3%**	**7.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

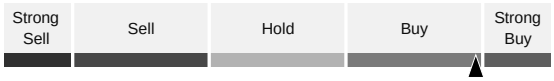
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

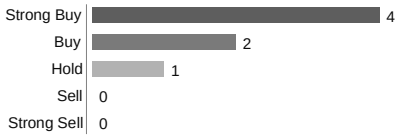
verus analytics

I/B/E/S MEAN

Buy
7 Analysts

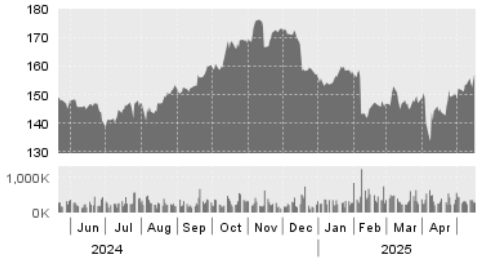
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



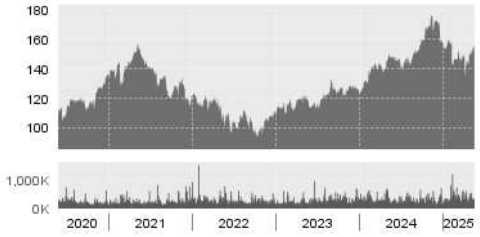


PRICE AND VOLUME CHARTS

1-Year Return: 7.0%



5-Year Return: 52.4%



BUSINESS SUMMARY

AptarGroup, Inc. is engaged in designing and manufacturing of drug and consumer product dosing, dispensing and protection technologies. The Company serves various end markets, including pharmaceutical, beauty, food, beverage, personal care and home care. It operates in three segments. The Aptar Pharma segment sells proprietary dispensing systems, drug delivery systems, sealing solutions and services for the prescription drug, consumer health care, injectables, active material science solutions and digital health market. It also specializes in nasal drug delivery for delivering drugs. The Aptar Beauty segment sells dispensing systems and sealing solutions for the beauty, personal care and home care markets. The Aptar Closures segment sells dispensing systems, sealing solutions and food service trays to the food, beverage, personal care, home care, beauty and healthcare markets. This segment also includes the food protection business and the elastomeric flow-control technology business.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

AUTOMATIC DATA PROCESSING INC (ADP-O)
Software & IT Services / Software & IT Services / IT Services & Consulting

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
322.96 (USD)	**1.6M**	**323.17**	**33.1**	**6.16**	**76.3%**	**9.3%**	**10.1%**
2025 May 19 NASDAQ Exchange	Market Cap (Consol)	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	129.6B	**231.27**	**30.5**	**1.9%**	**20.2B**	**85.0%**	**3.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

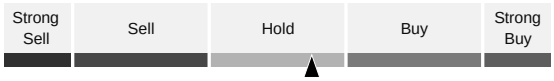
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Hold
17 Analysts

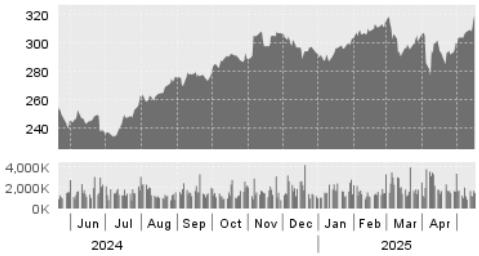
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



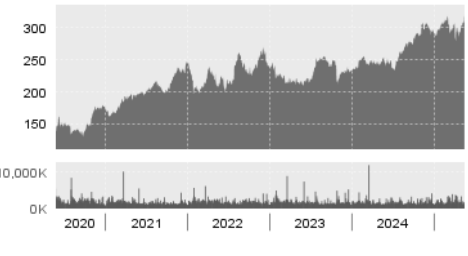


PRICE AND VOLUME CHARTS

1-Year Return: 28.0%



5-Year Return: 142.6%



BUSINESS SUMMARY

Automatic Data Processing, Inc. (ADP) is a global technology company engaged in providing cloud-based human capital management (HCM) solutions that unite HR, payroll, talent, time, tax and benefits administration. Its segments include Employer Services and Professional Employer Organization (PEO). Its Employer Services segment serves clients ranging from single-employee small businesses to large enterprises with tens of thousands of employees around the world, offering a range of technology-based HCM solutions, including its cloud-based platforms, and human resource outsourcing (HRO) solutions (other than PEO) solutions. Its offerings include Payroll Services, Benefits Administration, Talent Management, HR Management, Workforce Management, Compliance Services, Insurance Services and Retirement Services. Its PEO business, called ADP TotalSource, provides clients with employment administration outsourcing solutions. ADP serves over 1.1 million clients in 140 countries and territories.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

BRISTOL-MYERS SQUIBB CO (BMY-N)
Pharma. & Medical Research / Pharmaceuticals / Pharmaceuticals

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
47.22 (USD)	**18.2M**	**63.33**	**17.7**	**2.48**	**32.0%**	**46.5%**	**-4.1%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	95.1B	**39.35**	**7.1**	**5.3%**	**47.6B**	**82.3%**	**-14.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

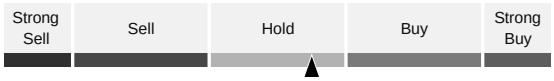
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

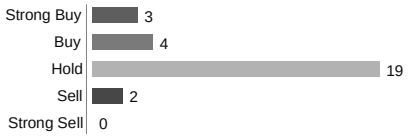
verus analytics

I/B/E/S MEAN

Hold
28 Analysts

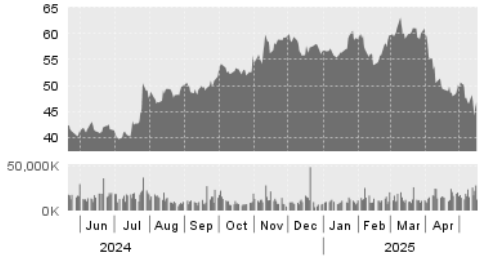
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



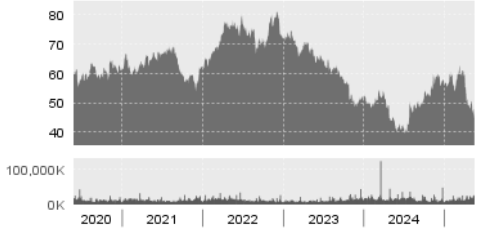


PRICE AND VOLUME CHARTS

1-Year Return: 7.2%



5-Year Return: -24.7%



BUSINESS SUMMARY

Bristol-Myers Squibb Company is a global biopharmaceutical company. It is engaged in the discovery, development and delivery of transformational medicines for patients facing serious diseases in areas: oncology, hematology, immunology, cardiovascular, neuroscience and other areas. Its platforms comprise chemically synthesized or small molecule drugs, including protein degraders; drugs produced from biological processes, called biologics; ADCs, CAR-T cell therapies, and radiopharmaceutical therapeutics. Small molecule drugs are typically administered orally in the form of a tablet or capsule, although other drug delivery mechanisms are also used. Biologics are typically administered through injections or by intravenous infusion. CAR-T cell therapies are administered by intravenous infusion. Its growth portfolio includes Opdivo, Opdivo Qvantig, Orencia, Yervoy, Reblozyl, Opdualag, and others. Its legacy portfolio includes Eliquis, Revlimid, Pomalyst/Imnovid, Sprycel and Abraxane.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

BROWN & BROWN INC (BRO-N)
Insurance / Insurance / Multiline Insurance

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
112.00 (USD)	**1.8M**	**125.68**	**31.2**	**0.60**	**16.2%**	**7.9%**	**-4.5%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	32.0B	**85.97**	**26.3**	**0.5%**	**5.0B**	**79.9%**	**-0.28%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

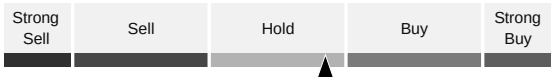
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

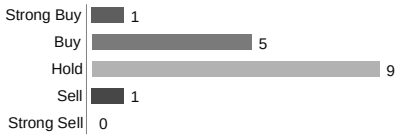
verus analytics

I/B/E/S MEAN

Hold
16 Analysts

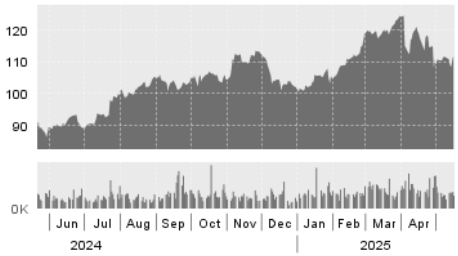
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



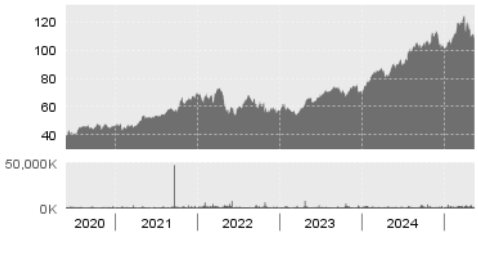


PRICE AND VOLUME CHARTS

1-Year Return: 24.7%



5-Year Return: 191.7%



BUSINESS SUMMARY

Brown & Brown, Inc. is an insurance brokerage company engaged in delivering risk management solutions to individuals and businesses. It markets and sells insurance products and services, primarily in the property, casualty and employee benefits areas. Its segments include Retail, Programs, and Wholesale Brokerage. The Retail segment provides a range of insurance products and services to commercial, public and quasi-public, professional and individual insured customers, and non-insurance services and products through its automobile dealer services F&I businesses. The Programs segment specializes in the development, underwriting and management of insurance program business, often designed for niche, underserved markets, and distributes these coverage to retail agencies, as well as affinity groups, wholesale entities and sold direct to consumers. Its Wholesale Brokerage segment markets and sells excess and surplus commercial insurance products and services to retail insurance agencies.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

BROWN-FORMAN CORP (BF'B-N)
Food & Beverages / Beverages / Distillers & Wineries

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
35.65 (USD)	**2.1M**	**49.89**	**17.1**	**0.91**	**28.0%**	**-2.3%**	**5.5%**
2025 May 19 NEW YORK Exchange	Market Cap (Consol)	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	17.0B	**30.48**	**20.0**	**2.5%**	**4.0B**	**66.5%**	**15.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

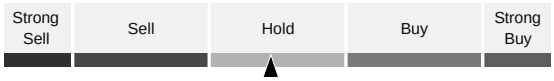
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Hold
20 Analysts

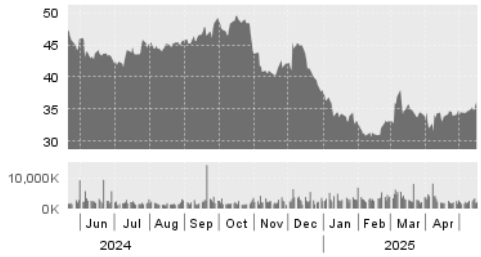
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



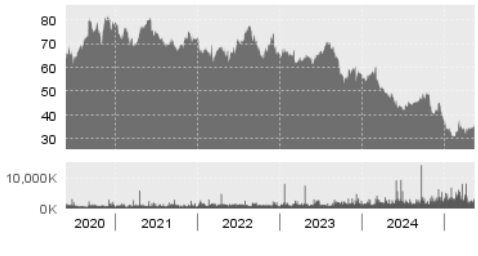


PRICE AND VOLUME CHARTS

1-Year Return: -26.4%



5-Year Return: -46.9%



BUSINESS SUMMARY

Brown-Forman Corporation manufactures, distills, bottles, imports, exports, markets, and sells a range of beverage alcohol products. Its brands include Jack Daniel's Tennessee Whiskey, Jack Daniel's Tennessee Honey, Gentleman Jack Rare Tennessee Whiskey, Jack Daniel's Tennessee Fire, Jack Daniel's Tennessee Apple, Jack Daniel's Bonded Tennessee Whiskey, Old Forester Whiskey Row Series, Jack Daniel's Sinatra Select, Old Forester Kentucky Straight Bourbon Whisky, Jack Daniel's Tennessee Rye, Old Forester Kentucky Straight Rye Whiskey, Jack Daniel's Winter Jack, Woodford Reserve Kentucky Bourbon, Woodford Reserve Double Oaked, Fords Gin, Woodford Reserve Kentucky Rye Whiskey, Slane Irish Whiskey, Woodford Reserve Kentucky Straight Wheat Whiskey, Coopers' Craft Kentucky Bourbon, Woodford Reserve Kentucky Straight Malt Whiskey, The GlenDronach, el Jimador and Part Time Rangers RTDs. The Company's brands are sold in more than 170 countries worldwide.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

CHURCH & DWIGHT CO INC (CHD-N)

Personal Products & Services / Personal Products & Services / Household Products

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
95.97 (USD)	**2.7M**	**116.46**	**41.2**	**1.18**	**13.4%**	**6.0%**	**-8.9%**
2025 May 19	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
NEW YORK Exchange	**23.6B**	**90.99**	**27.3**	**1.2%**	**6.1B**	**89.1%**	**-8.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

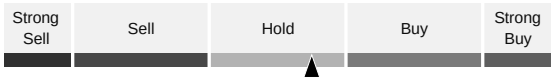
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

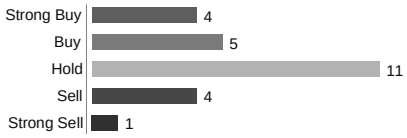
verus analytics

I/B/E/S MEAN

Hold
25 Analysts

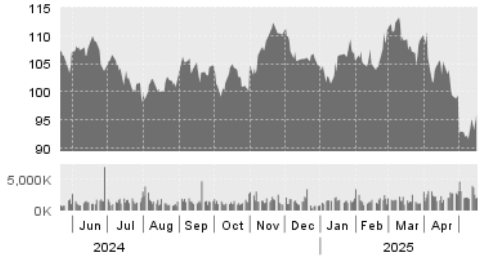
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



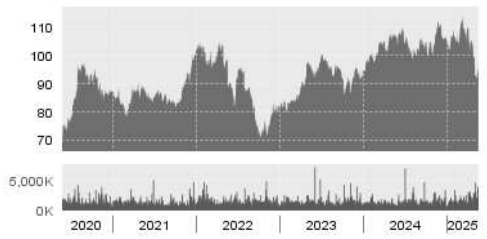


PRICE AND VOLUME CHARTS

1-Year Return: -9.8%



5-Year Return: 33.1%



BUSINESS SUMMARY

Church & Dwight Co., Inc. develops, manufactures and markets a range of consumer household and personal care products and specialty products focused on animal and food production, chemicals and cleaners. The Company's segments include Consumer Domestic, Consumer International, and Specialty Products Division (SPD). The Consumer Domestic segment includes each of its seven power brands, as well as other brands and household and personal care products. The Consumer International segment markets a variety of personal care, household and over-the-counter products in international subsidiary markets, including Australia, Canada, France, Germany, Japan, Mexico, China and the United Kingdom. Its SPD segment focuses on sales to businesses and participates in three product areas: animal nutrition, specialty chemicals and commercial and professional. The Company's brands include ARM & HAMMER; OXICLEAN; VITAFUSION and L'IL CRITTERS; BATISTE; WATERPIK; THERABREATH; and HERO.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

CISCO SYSTEMS INC (CSCO-O)

Technology Equipment / Communications & Networking / Communications & Networking

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
63.92 (USD)	**22.2M**	**66.50**	**26.1**	**1.64**	**21.4%**	**5.0%**	**14.6%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	253.1B	**44.50**	**16.3**	**2.6%**	**55.6B**	**80.9%**	**-1.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

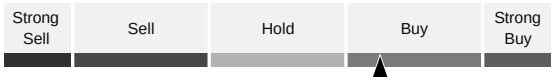
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

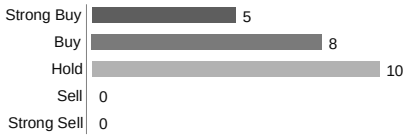
verus analytics

I/B/E/S MEAN

Buy
23 Analysts

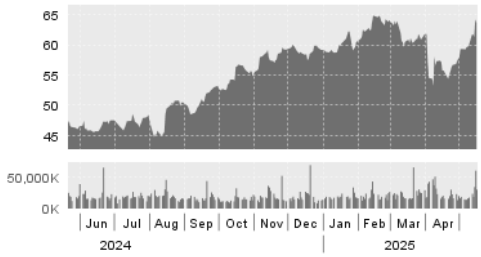
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



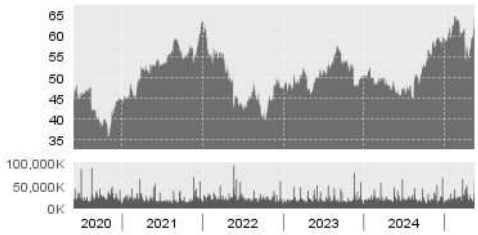


PRICE AND VOLUME CHARTS

1-Year Return: 32.7%



5-Year Return: 43.3%



BUSINESS SUMMARY

Cisco Systems, Inc. designs and sells a range of technologies that power the Internet. The Company is integrating its product portfolios across networking, security, collaboration, applications and cloud. The Company's segments include the Americas; Europe, Middle East, and Africa (EMEA), and Asia Pacific, Japan, and China (APJC). Its Networking product category represents its core networking technologies of switching, routing, wireless, fifth generation (5G), silicon, optics solutions and compute products. Its Security product category consists of its cloud and application security, industrial security, network security, and user and device security offerings. Its Collaboration product category consists of its meetings, collaboration devices, calling, contact center and platform as a service (CPaaS) offering. Its Observability product category consists of its full stack observability offerings.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

CME GROUP INC (CME-O)

Banking & Investment Svcs. / Investment Banking & Svcs. / Financial Market Operators

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
277.94 (USD)	**2.2M**	**286.48**	**28.0**	**5.00**	**13.4%**	**6.8%**	**5.9%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	99.6B	**190.70**	**24.6**	**1.8%**	**10.2B**	**91.8%**	**10.8%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

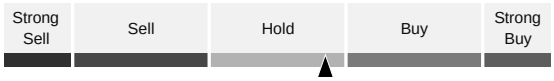
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

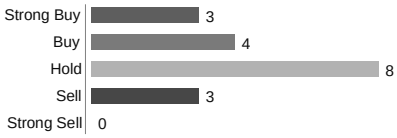
verus analytics

I/B/E/S MEAN

Hold
18 Analysts

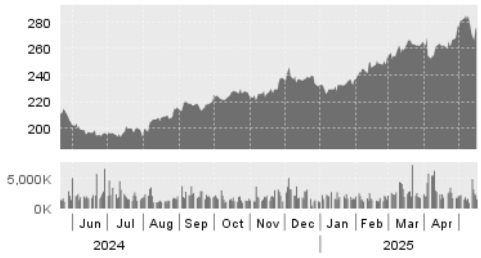
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



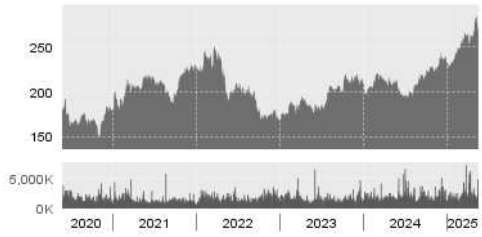


PRICE AND VOLUME CHARTS

1-Year Return: 30.4%



5-Year Return: 54.6%



BUSINESS SUMMARY

CME Group Inc. provides a derivatives marketplace. The Company enables clients to trade futures, options, cash and over the counter (OTC) markets, optimize portfolios, and analyze data. It exchanges offer a range of global benchmark products across all major asset classes based on interest rates, equity indexes, foreign exchange (FX), energy, agricultural products and metals. It offers futures and options on futures trading through the CME Globex platform, fixed income trading via BrokerTec and FX trading on the EBS platform. In addition, it operates central counterparty clearing provider, CME Clearing. Its products provide a means for hedging, speculation and asset allocation related to the risks associated with, among other things, interest rate sensitive instruments, and changes in the prices of agricultural, energy and metal commodities. It provides clearing and settlement services for a range of exchange-traded futures and options on futures contracts and OTC derivatives.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

COCA-COLA CO (KO-N)
Food & Beverages / Beverages / Non-Alcoholic Beverages

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
71.93 (USD)	**15.9M**	**74.38**	**28.8**	**2.04**	**41.0%**	**6.1%**	**-1.5%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	309.9B	**60.62**	**23.8**	**2.8%**	**46.9B**	**65.4%**	**2.7%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

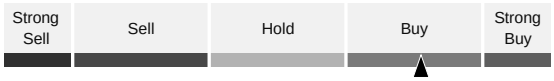
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

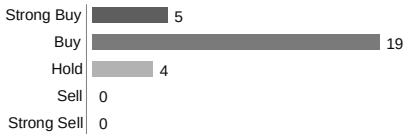
verus analytics

I/B/E/S MEAN

Buy
28 Analysts

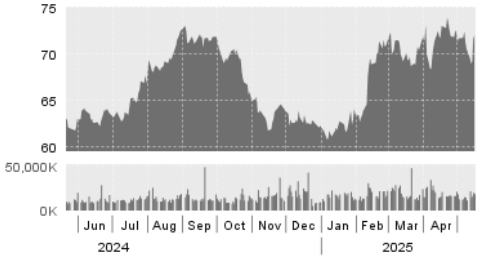
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



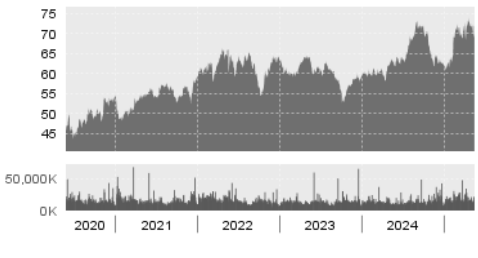


PRICE AND VOLUME CHARTS

1-Year Return: 14.1%



5-Year Return: 61.5%



BUSINESS SUMMARY

The Coca-Cola Company is a beverage company. The Company's segments include Europe, Middle East and Africa; Latin America; North America; Asia Pacific; Global Ventures; and Bottling Investments. It sells multiple brands across several beverage categories worldwide. Its portfolio of sparkling soft drink brands includes Coca-Cola, Sprite and Fanta. Its water, sports, coffee and tea brands include Dasani, smartwater, vitaminwater, Topo Chico, BODYARMOR, Powerade, Costa, Georgia, Fuze Tea, Gold Peak and Ayataka. Its juice, value-added dairy and plant-based beverage brands include Minute Maid, Simply, innocent, Del Valle, fairlife and AdeS. It operates in two lines of business: concentrate operations and finished product operations. Its concentrate operations sell beverage concentrates, syrups, including fountain syrups, and certain finished beverages to authorized bottling operations. Its finished product operations sell sparkling soft drinks and a variety of other finished beverages.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

COLGATE-PALMOLIVE CO (CL-N)

Personal Products & Services / Personal Products & Services / Personal Products

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
91.74 (USD)	**5.5M**	**109.30**	**25.9**	**2.08**	**976.7%**	**4.9%**	**-3.9%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	73.9B	**85.32**	**24.8**	**2.3%**	**19.9B**	**86.5%**	**4.9%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

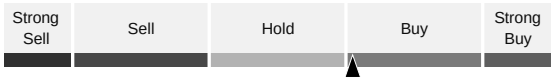
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

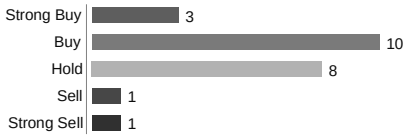
verus analytics

I/B/E/S MEAN

Buy
23 Analysts

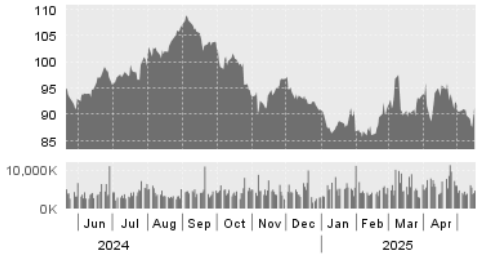
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



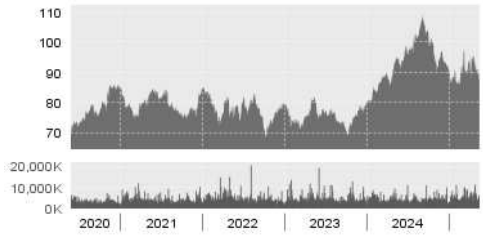


PRICE AND VOLUME CHARTS

1-Year Return: -2.5%



5-Year Return: 32.5%



BUSINESS SUMMARY

Colgate-Palmolive Company is a growth company. It is focused on Oral Care, Personal Care, Home Care and Pet Nutrition, it sells its products under brands, such as Colgate, Palmolive, elmex, hello, meridol, Sorriso, Tom's of Maine, EltaMD, Filorga, Irish Spring, Lady Speed Stick, PCA SKIN, Protex, Sanex, Softsoap, Speed Stick, Ajax, Axion, Fabuloso, Murphy, Soupline and Suavitel, as well as Hill's Science Diet and Hill's Prescription Diet. Its Oral, Personal and Home Care product segment is managed geographically in five segments, such as North America, Latin America, Europe, Asia Pacific and Africa/Eurasia, all of which sell primarily to a variety of traditional and e-commerce retailers, wholesalers, distributors, dentists and skin health professionals. Its Pet Nutrition products include specialty pet nutrition products manufactured and marketed by Hill's Pet Nutrition. The customers for Pet Nutrition products are authorized pet supply retailers, veterinarians and e-commerce retailers.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

COMCAST CORP (CMCSA-O)

Telecommunications / Telecommunications Services / Wireless Telecom Services

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
35.44 (USD)	**23.8M**	**45.31**	**8.7**	**1.32**	**18.6%**	**6.3%**	**4.2%**
2025 May 19 NASDAQ Exchange	Market Cap (Consol)	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	132.5B	**31.44**	**8.0**	**3.7%**	**123.6B**	**88.6%**	**-2.9%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

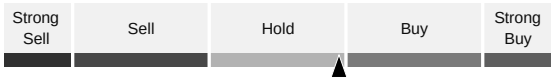
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

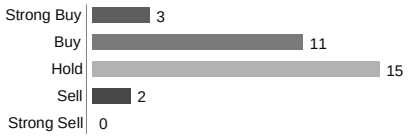
verus analytics

I/B/E/S MEAN

Hold
31 Analysts

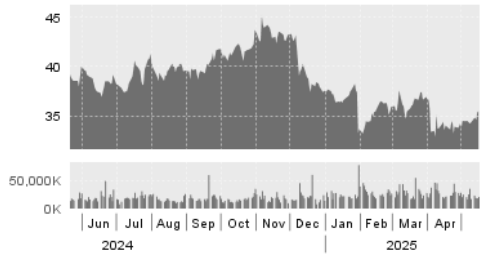
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



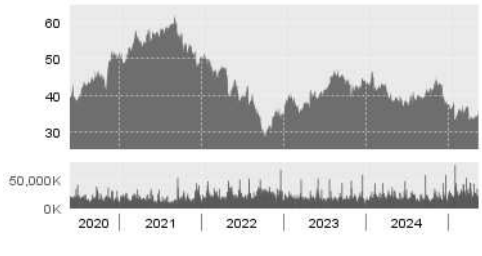


PRICE AND VOLUME CHARTS

1-Year Return: -9.8%



5-Year Return: -7.2%



BUSINESS SUMMARY

Comcast Corporation is a global media and technology company. The Company delivers broadband, wireless, and video through Xfinity, Comcast Business, and Sky; produces, distributes, and streams entertainment, sports, and news through brands, including NBC, Telemundo, Universal, Peacock, and Sky; and brings theme parks and attractions to life through Universal Destinations & Experiences. It operates through two primary businesses: Connectivity & Platforms and Content & Experiences. Connectivity & Platforms includes its broadband, wireless, video and wireline voice businesses in the United States, United Kingdom and Italy. It also includes the operations of its Sky-branded entertainment television networks in the United Kingdom and Italy. Content & Experiences includes its media and entertainment businesses that produce and distribute entertainment, sports, news and other content for global audiences and that own and operate theme parks and attractions in the United States and Asia.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

COSTCO WHOLESALE CORP (COST-O)
Retailers / Diversified Retail / Discount Stores

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
1,034.34 (USD)	**1.9M**	**1,078.24**	**60.4**	**5.20**	**32.9%**	**10.6%**	**4.0%**
2025 May 19	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
NASDAQ Exchange	**455.1B**	**788.20**	**54.8**	**0.5%**	**264.1B**	**72.2%**	**-2.7%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

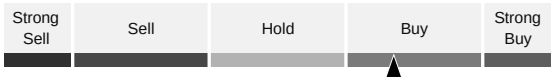
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
40 Analysts

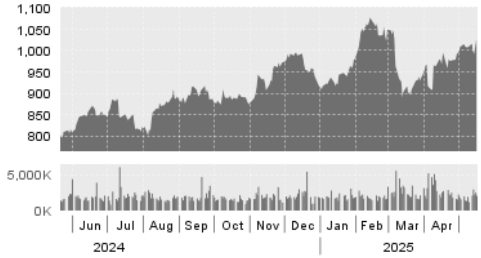
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



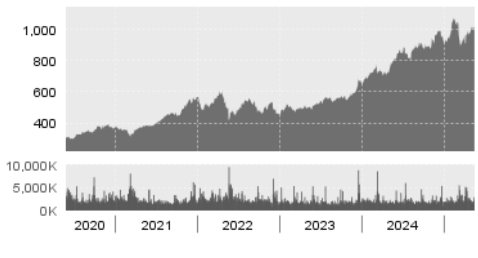


PRICE AND VOLUME CHARTS

1-Year Return: 30.0%



5-Year Return: 240%



BUSINESS SUMMARY

Costco Wholesale Corporation (Costco) operates membership warehouses and e-commerce sites that offer a selection of nationally branded and private-label products in a wide range of categories. The Company buys the majority of its merchandise directly from suppliers and route it to cross-docking consolidation points (depots) or directly to its warehouses. It operates 891 warehouses, including 614 in the United States and Puerto Rico, 108 in Canada, 40 in Mexico, 35 in Japan, 29 in the United Kingdom, 19 in Korea, 15 in Australia, 14 in Taiwan, seven in China, five in Spain, two in France, and one each in Iceland, New Zealand and Sweden. It also operates e-commerce sites in the United States, Canada, the United Kingdom, Mexico, Korea, Taiwan, Japan and Australia. The Company provides wide selection of merchandise, plus the convenience of specialty departments and exclusive member services.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

ELECTRONIC ARTS INC (EA-O)
Software & IT Services / Software & IT Services / Software

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
150.48 (USD)	**3.4M**	**168.50**	**35.5**	**0.76**	**16.1%**	**10.3%**	**3.3%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	38.0B	**115.21**	**18.3**	**0.5%**	**7.5B**	**>100%**	**16.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

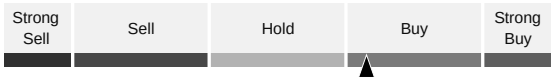
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

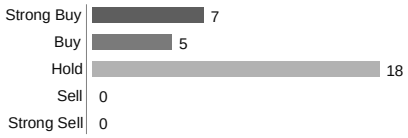
verus analytics

I/B/E/S MEAN

Buy
30 Analysts

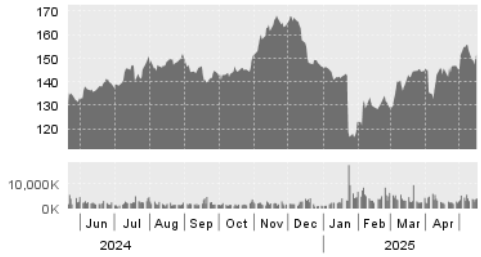
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



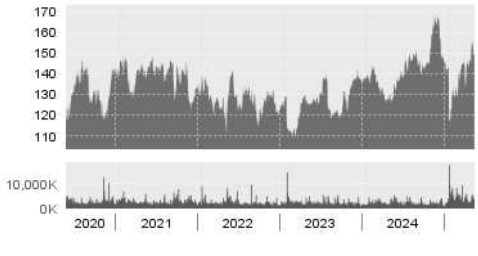


PRICE AND VOLUME CHARTS

1-Year Return: 17.8%



5-Year Return: 26.9%



BUSINESS SUMMARY

Electronic Arts Inc. is a digital interactive entertainment company. The Company develops, markets, publishes, and delivers games, content and services that can be played by consumers on a range of platforms, which include game consoles, personal computers (PCs), mobile phones and tablets. Its portfolio includes Intellectual Property (IP) that it either wholly owns, such as Apex Legends, Battlefield, and The Sims or licenses from others, such as the licenses within EA SPORTS FC and EA SPORTS Madden NFL. It develops and publishes games and services across diverse genres, such as sports, racing, first-person shooter, action, role-playing and simulation. The Company markets and sells its games and services through retail channels and through digital distribution channels. The Company also offers live services, including extra content, subscription offerings and sale of its base games and free-to-play games. The Company also offer its EA Play subscription service on consoles and PC.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

ARTHUR J. GALLAGHER & CO (AJG-N)
Insurance / Insurance / Multiline Insurance

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
343.82 (USD)	**1.4M**	**350.70**	**52.9**	**2.60**	**9.3%**	**14.6%**	**4.4%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	87.5B	**244.60**	**28.8**	**0.8%**	**12.0B**	**91.8%**	**5.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

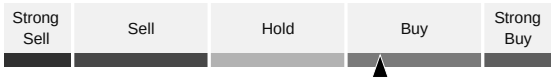
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

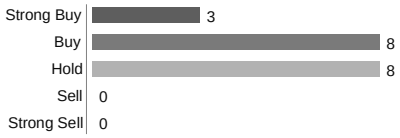
verus analytics

I/B/E/S MEAN

Buy
19 Analysts

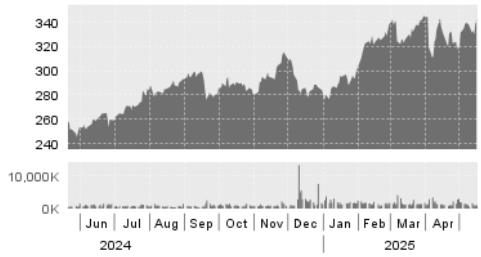
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



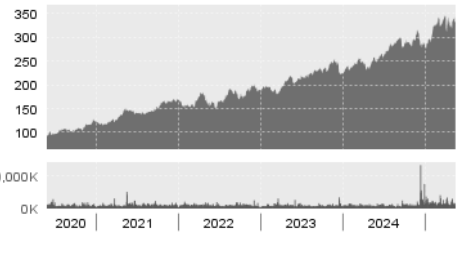


PRICE AND VOLUME CHARTS

1-Year Return: 33.4%



5-Year Return: 281%



BUSINESS SUMMARY

Arthur J. Gallagher & Co. is a global insurance brokerage, risk management and consulting services company. The Company's segments include brokerage, risk management and corporate. The brokerage segment operations provide brokerage and consulting services to entities of all types, including commercial, nonprofit, public sector entities, insurance companies and insurance capital providers, and to a lesser extent, individuals, in the areas of insurance and reinsurance placements, risk of loss management, and management of employer- sponsored benefit programs. The risk management segment operations provide contract claim settlement, claim administration, loss control services and risk management consulting for commercial, non-profit, captive and public sector entities, and various other organizations that choose to self-insure property/casualty coverage or choose to use a third party claims management organization rather than the claim services provided by an underwriting enterprise.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

GENERAL DYNAMICS CORP (GD-N)

Industrial Goods / Aerospace & Defense / Aerospace & Defense

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
281.37 (USD)	**1.2M**	**316.90**	**19.5**	**6.00**	**18.2%**	**11.5%**	**1.9%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	75.3B	**239.20**	**18.7**	**2.1%**	**49.2B**	**87.0%**	**15.2%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

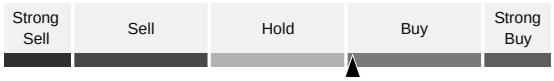
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

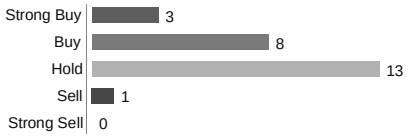
verus analytics

I/B/E/S MEAN

Buy
25 Analysts

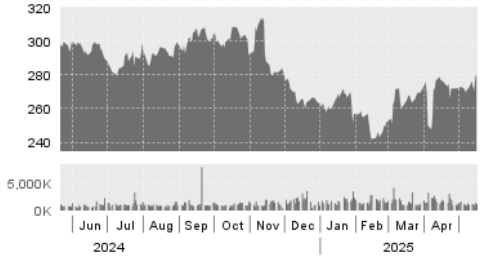
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



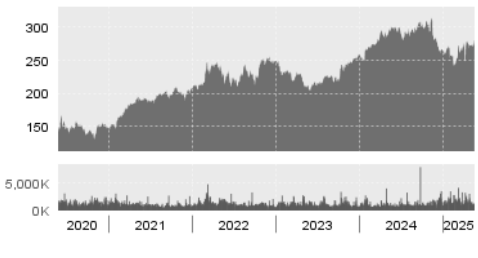


PRICE AND VOLUME CHARTS

1-Year Return: -5.9%



5-Year Return: 106.6%



BUSINESS SUMMARY

General Dynamics Corporation is a global aerospace and defense company. It offers a portfolio of products and services in business aviation; ship construction and repair; land combat vehicles, weapons systems and munitions, and technology products and services. Its segments include Aerospace, Marine Systems, Combat Systems and Technologies. The Aerospace segment produces business jets and is the standard bearer in new technology aircraft, aircraft repair, customer support and custom completion services. The Marine Systems segment designs and builds nuclear-powered submarines and is engaged in surface combatant and auxiliary ship design and construction for the U.S. Navy. The Combat Systems segment manufactures land combat solutions worldwide, including wheeled and tracked combat vehicles, weapons systems and munitions. The Technologies segment provides a full spectrum of services, technologies and products to a range of military, intelligence, federal civilian and state customers.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

GENERAL MILLS INC (GIS-N)

Food & Beverages / Food & Tobacco / Food Processing

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
54.83 (USD)	**4.4M**	**75.90**	**12.1**	**2.40**	**27.4%**	**-1.8%**	**-4.7%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	30.2B	**52.93**	**14.4**	**4.4%**	**19.6B**	**87.2%**	**-5.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

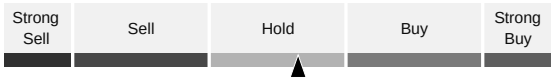
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

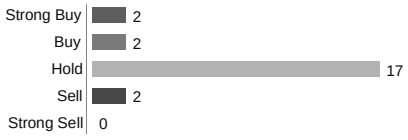
verus analytics

I/B/E/S MEAN

Hold
23 Analysts

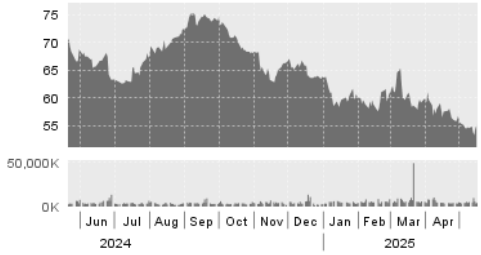
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



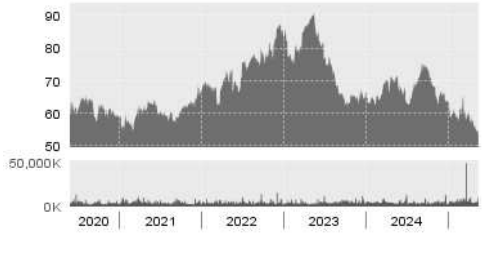


PRICE AND VOLUME CHARTS

1-Year Return: -23.0%



5-Year Return: -9.7%



BUSINESS SUMMARY

General Mills, Inc. is a global manufacturer and marketer of branded consumer foods with more than 100 brands in 100 countries across six continents. The Company's segments include North America Retail, International, North America Pet, and North America Foodservice. The North America Retail segment reflects business with a variety of grocery stores, mass merchandisers, membership stores, natural food chains, drug, dollar and discount chains, convenience stores, and e-commerce grocery providers. The International segment consists of retail and foodservice businesses outside of the United States and Canada. The North America Pet segment includes pet food products sold primarily in the United States and Canada in national pet superstore chains, e-commerce retailers, grocery stores, regional pet store chains, mass merchandisers, and veterinary clinics and hospitals. The North America Foodservice segment consists of foodservice businesses in the United States and Canada.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

GILEAD SCIENCES INC (GILD-O)
Pharma. & Medical Research / Pharmaceuticals / Pharmaceuticals

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
106.16 (USD)	**9.5M**	**119.96**	**22.4**	**3.16**	**32.5%**	**28.3%**	**1.5%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	127.5B	**62.07**	**13.1**	**3.0%**	**28.7B**	**89.7%**	**-1.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

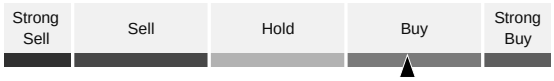
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
30 Analysts

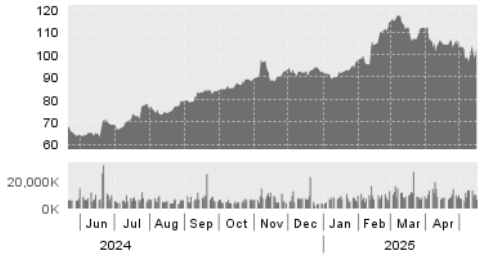
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



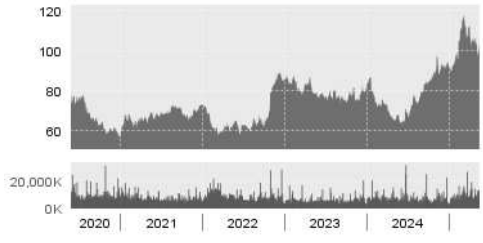


PRICE AND VOLUME CHARTS

1-Year Return: 56.8%



5-Year Return: 46.8%



BUSINESS SUMMARY

Gilead Sciences, Inc. is a biopharmaceutical company. The Company is engaged in advancing medicines to prevent and treat life-threatening diseases, including human immunodeficiency virus (HIV), viral hepatitis, COVID-19, cancer and inflammation. It is focused on discovering, developing and delivering medicines to address unmet medical needs in virology, oncology and other therapeutic areas. Its portfolio of marketed products includes Biktarvy, Genvoya, Descovy, Complera/Eviplera, Symtuza, Truvada, Stribild, Sunlenca, Epclusa, Vemlidy, Harvoni, Viread, Livdelzi, Veklury, Yescarta, Tecartus, Trodelvy, AmBisome, and Letairis. Its product candidates include Bulevirtide, Lenacapavir, Axicabtagene ciloleucel, Anitocabtagene autoleucel, Sacituzumab govitecan-hziy, and Domvanalimab and zimberelimab. Biktarvy is an oral formulation dosed once a day for the treatment of HIV-1 infection in certain patients. It operates in more than 35 countries worldwide.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

HERSHEY CO (HSY-N)
Food & Beverages / Food & Tobacco / Food Processing

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
156.55 (USD)	**1.7M**	**209.65**	**19.3**	**5.48**	**37.5%**	**-8.4%**	**-6.0%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	23.4B	**140.13**	**26.9**	**3.5%**	**10.8B**	**>100%**	**-4.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

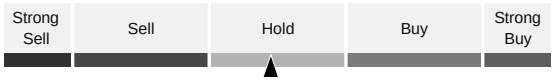
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

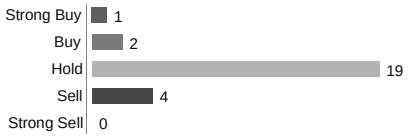
verus analytics

I/B/E/S MEAN

Hold
26 Analysts

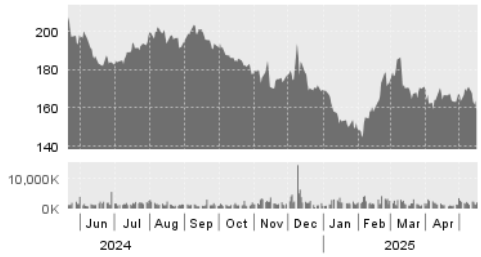
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



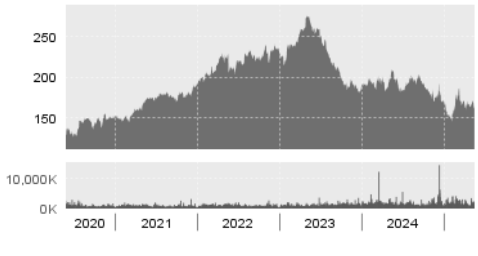


PRICE AND VOLUME CHARTS

1-Year Return: -24.4%



5-Year Return: 19.6%



BUSINESS SUMMARY

The Hershey Company is a snacks company. The Company's segments include North America Confectionery, North America Salty Snacks and International. The North America Confectionery segment is responsible for its traditional chocolate and non-chocolate confectionery market position in the United States and Canada. This includes its business in chocolate and non-chocolate confectionery, gum and refreshment products, protein bars, spreads, snack bites and mixes, as well as pantry and food service lines. This segment also includes its retail operations. The North America Salty Snacks segment is responsible for its salty snacking products in the United States. This includes ready-to-eat popcorn, baked and trans fat free snacks, pretzels and other snacks. The Company's portfolio includes chocolate and confectionery brands such as Hershey's, Reese's, Kisses, Kit Kat, Jolly Rancher, Ice Breakers, Shaq-a-licious alongside salty snacks including SkinnyPop and Dot's Homestyle Pretzels.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

HOME DEPOT INC (HD-N)
Retailers / Specialty Retailers / Home Improvement Retailers

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
379.38 (USD)	**2.9M**	**439.37**	**25.4**	**9.20**	**385.4%**	**5.1%**	**6.8%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	378.5B	**323.77**	**25.3**	**2.4%**	**159.5B**	**74.7%**	**-4.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

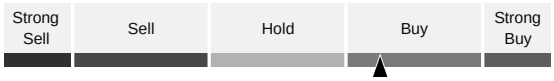
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

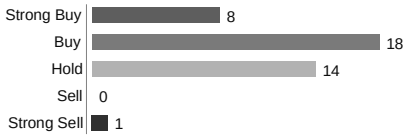
verus analytics

I/B/E/S MEAN

Buy
41 Analysts

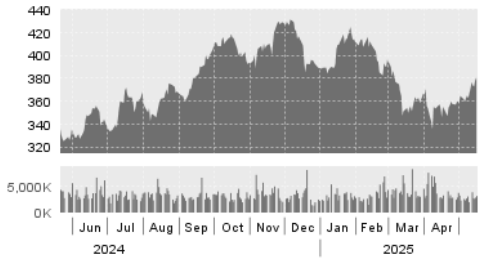
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



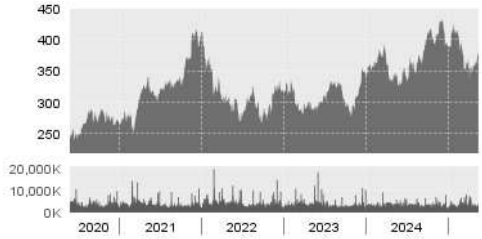


PRICE AND VOLUME CHARTS

1-Year Return: 10.2%



5-Year Return: 59.3%



BUSINESS SUMMARY

The Home Depot, Inc. is a home improvement retailer. The Company offers a wide assortment of building materials, home improvement products, lawn and garden products, decor products, and facilities maintenance, repair, and operations products, in stores and online. It also provides various services, including home improvement installation services, and tool and equipment rental. The Company operates 2,347 stores located throughout the United States, including the Commonwealth of Puerto Rico and the territories of the United States Virgin Islands and Guam, Canada, and Mexico. Its stores average approximately 104,000 square feet of enclosed space, with approximately 24,000 additional square feet of outside garden area. The Company serves two primary customer groups, including both do-it-yourself (DIY) and Do-It-For-Me (DIFM) customers and Professional Customers (Pros). It also maintains a network of distribution and fulfillment centers, as well as e-commerce websites.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

HORMEL FOODS CORP (HRL-N)
Food & Beverages / Food & Tobacco / Food Processing

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
30.12 (USD)	**2.6M**	**36.80**	**22.0**	**1.16**	**9.5%**	**6.8%**	**-1.5%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	16.8B	**27.59**	**18.1**	**3.9%**	**11.9B**	**89.9%**	**5.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

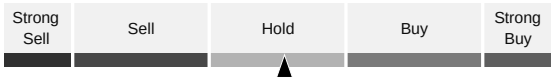
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Hold
12 Analysts

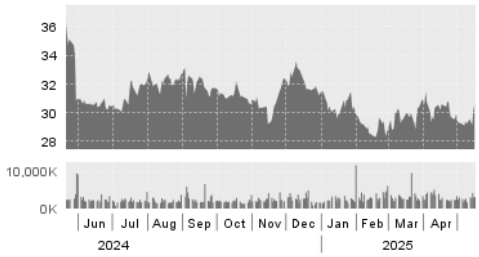
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



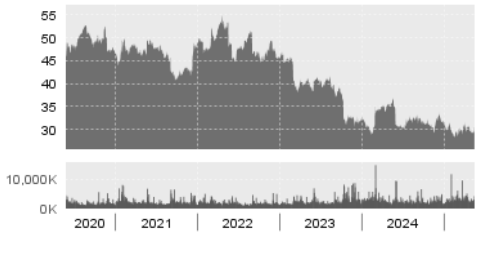


PRICE AND VOLUME CHARTS

1-Year Return: -17.0%



5-Year Return: -36.4%



BUSINESS SUMMARY

Hormel Foods Corporation is a global-branded food company. The Company develops, processes, and distributes a range of food products in a variety of markets. Its segments include Retail, Foodservice, and International. The Retail segment is primarily engaged in the processing, marketing, and sale of food products sold predominantly in the retail market. This segment also includes the Company's MegaMex Foods, LLC joint venture. The Foodservice segment consists primarily of the processing, marketing, and sale of food products to foodservice, convenience store, and commercial customers located in the United States. The International segment processes, markets, and sells its products internationally. This segment also includes the results from the Company's international joint ventures, international equity method investments, and international royalty arrangements. It has a global presence within several major international markets, including Australia, Brazil, Canada, China, and England.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

IDEX CORP (IEX-N)
Industrial Goods / Machinery & Heavy Vehicles / Indust. Machinery & Equip.

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
189.93 (USD)	**690,463**	**238.22**	**30.1**	**2.84**	**12.7%**	**12.0%**	**15.8%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	14.4B	**153.36**	**22.6**	**1.5%**	**3.3B**	**>100%**	**-4.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

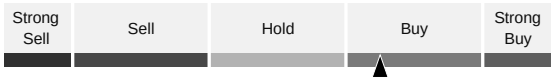
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

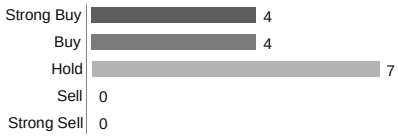
verus analytics

I/B/E/S MEAN

Buy
15 Analysts

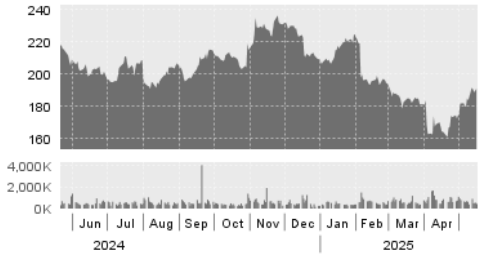
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



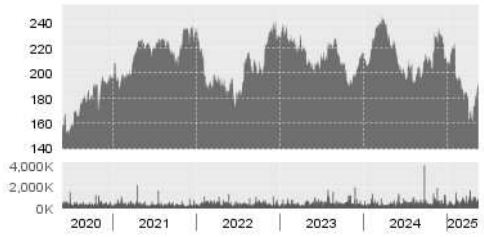


PRICE AND VOLUME CHARTS

1-Year Return: -14.6%



5-Year Return: 25.7%



BUSINESS SUMMARY

IDEX Corporation is a global applied solutions provider. The Company designs and builds engineered products and mission-critical components. Its segments include Fluid & Metering Technologies (FMT), Health & Science Technologies (HST) and Fire & Safety/Diversified Products (FSDP). The FMT segment designs, produces and distributes positive displacement pumps, valves, small volume provers, flow meters, injectors and other fluid-handling pump modules and systems and provides flow monitoring and other services. The HST segment designs, produces and distributes a range of precision fluidics, positive displacement pumps, powder and liquid processing technologies, drying systems, micro-precision components, pneumatic components and sealing solutions, and others. The FSDP segment designs, produces and distributes firefighting pumps, valves and controls, rescue tools, lifting bags and other components and systems; engineered stainless steel banding and clamping devices, and others.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

ILLINOIS TOOL WORKS INC (ITW-N)

Consumer Goods Conglomerates / Consumer Goods Conglomerates / Consumer Goods Conglomerates

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
251.71 (USD)	**1.3M**	**279.13**	**22.1**	**6.00**	**107.6%**	**1.8%**	**9.0%**
2025 May 19	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
NEW YORK Exchange	**73.6B**	**214.66**	**24.3**	**2.4%**	**15.8B**	**83.9%**	**-4.7%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

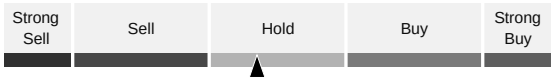
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

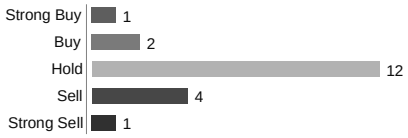
verus analytics

I/B/E/S MEAN

Hold
20 Analysts

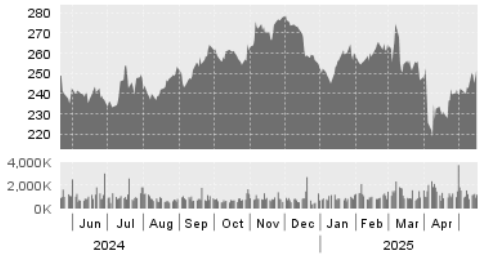
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



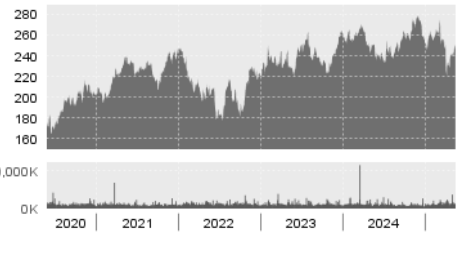


PRICE AND VOLUME CHARTS

1-Year Return: 0.44%



5-Year Return: 56.1%



BUSINESS SUMMARY

Illinois Tool Works Inc. is a global manufacturer of a diversified range of industrial products and equipment. The Company's segments include Automotive OEM; Food Equipment; Test & Measurement and Electronics; Welding; Polymers & Fluids; Construction Products, and Specialty Products. The Automotive OEM segment produces components and fasteners for automotive-related applications. The Food Equipment segment produces warewashing equipment, cooking equipment, refrigeration equipment, food processing equipment, ventilation and pollution control systems, and others. Its Welding segment produces arc welding equipment and metal arc welding consumables and related accessories. The Construction segment is a supplier of engineered fastening systems and solutions. The Specialty Products segment includes conveyor systems and line automation for the food and beverage industries; plastic consumables such as multipack cans and bottles and related equipment; components for medical devices, and others.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

INTERCONTINENTAL EXCHANGE INC (ICE-N)

Banking & Investment Svcs. / Investment Banking & Svcs. / Financial Market Operators

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
176.75 (USD)	**2.9M**	**179.44**	**36.6**	**1.92**	**10.3%**	**12.7%**	**11.4%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	101.1B	**131.79**	**25.1**	**1.1%**	**12.2B**	**92.8%**	**5.9%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

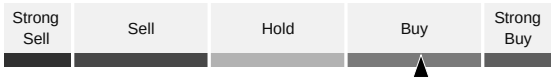
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

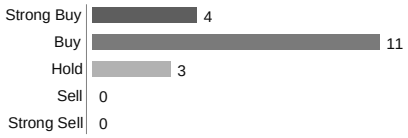
verus analytics

I/B/E/S MEAN

Buy
18 Analysts

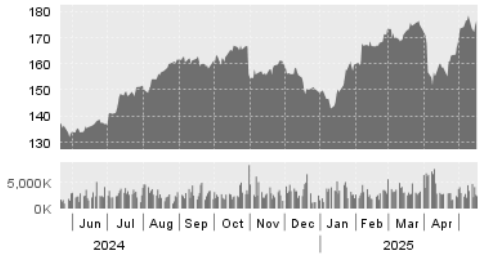
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



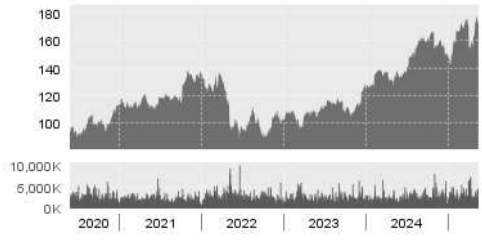


PRICE AND VOLUME CHARTS

1-Year Return: 27.7%



5-Year Return: 90.1%



BUSINESS SUMMARY

Intercontinental Exchange, Inc. provides financial technology and data services across major asset classes, helping its customers access workflow tools that increase transparency and efficiency. Its Exchanges segment operates regulated marketplace technology for the listing, trading and clearing of an array of derivatives contracts and financial securities as well as data and connectivity services related to its exchanges and clearing houses. Its Fixed Income and Data Services segment provides fixed income pricing, reference data, indices, analytics and execution services as well as global credit default swaps (CDS), clearing and multi-asset class data delivery technology. Its Mortgage Technology segment provides a technology platform that offers customers comprehensive, digital workflow tools that aim to address inefficiencies and mitigate risks that exist in the United States residential mortgage market life cycle, from application through closing, servicing and the secondary market.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

INTERNATIONAL BUSINESS (IBM-N)
Software & IT Services / Software & IT Services / IT Services & Consulting

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
268.41 (USD)	**4.8M**	**269.14**	**46.2**	**6.72**	**21.8%**	**3.7%**	**12.4%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	247.9B	**163.53**	**24.2**	**2.5%**	**62.8B**	**65.3%**	**1.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

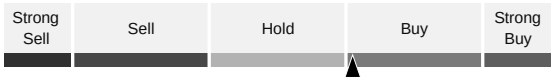
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

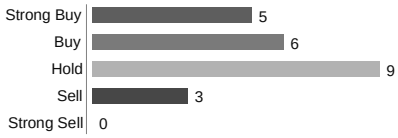
verus analytics

I/B/E/S MEAN

Buy
23 Analysts

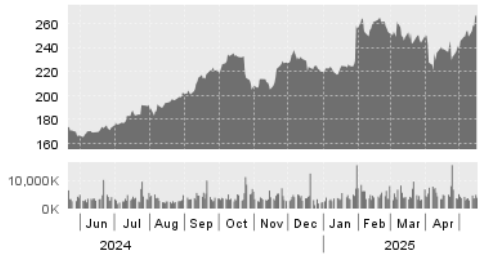
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



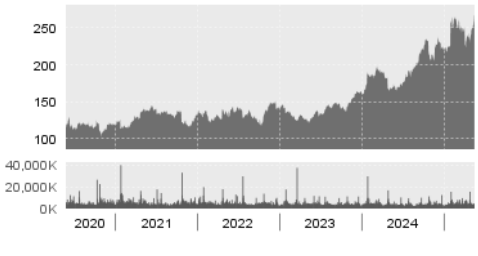


PRICE AND VOLUME CHARTS

1-Year Return: 58.8%



5-Year Return: 133.6%



BUSINESS SUMMARY

International Business Machines Corporation is a provider of global hybrid cloud and artificial intelligence (AI) and consulting expertise. The Company's segments include Software, Consulting, Infrastructure and Financing. The Software segment includes hybrid cloud and AI platforms, which allow clients to realize their digital and AI transformations across the applications, data, and environments in which they operate. The Consulting segment focuses on integrating skills on strategy, experience, technology and operations by domain and industry. The Infrastructure segment is focused on the hybrid cloud infrastructure market, providing on-premises and cloud-based server and storage solutions. In addition, it offers a portfolio of life-cycle services for hybrid cloud infrastructure deployment. The Financing segment provides client and commercial financing, facilitating its clients' acquisition of hardware, software and services. It helps clients in more than 175 countries.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

JOHNSON & JOHNSON (JNJ-N)

Pharma. & Medical Research / Pharmaceuticals / Pharmaceuticals

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
152.49 (USD)	**8.1M**	**169.99**	**17.0**	**5.20**	**29.4%**	**5.3%**	**-3.2%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	364.1B	**140.68**	**14.5**	**3.4%**	**89.3B**	**74.0%**	**-3.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

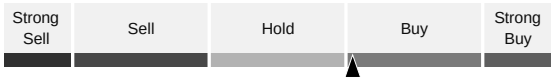
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

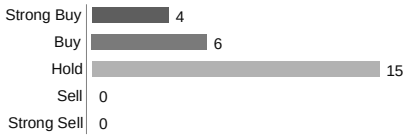
verus analytics

I/B/E/S MEAN

Buy
25 Analysts

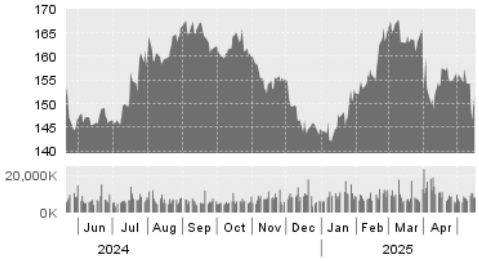
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



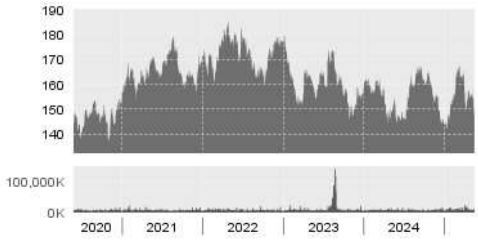


PRICE AND VOLUME CHARTS

1-Year Return: -1.4%



5-Year Return: 2.3%



BUSINESS SUMMARY

Johnson & Johnson and its subsidiaries are engaged in the research and development, manufacture, and sale of a range of products in the healthcare field. The Company's primary focus is products related to human health and well-being. The Company operates through two segments: Innovative Medicine and MedTech. The Innovative Medicine segment is focused on various therapeutic areas, including immunology, infectious diseases, neuroscience, oncology, pulmonary hypertension, and cardiovascular and metabolism. Medicines in this segment are distributed directly to retailers, wholesalers, distributors, hospitals, and healthcare professionals for prescription use. The MedTech segment includes a broad portfolio of products used in the orthopedic, surgery, cardiovascular, and vision fields. These products are distributed to wholesalers, hospitals and retailers, and used principally in the professional fields by physicians, nurses, hospitals, eyecare professionals, and clinics.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

KIMBERLY-CLARK CORP (KMB-N)

Personal Products & Services / Personal Products & Services / Personal Products

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT

Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
140.79 (USD)	**2.6M**	**150.45**	**19.2**	**5.04**	**229.8%**	**3.9%**	**-1.4%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	46.1B	**124.10**	**19.7**	**3.6%**	**19.7B**	**80.7%**	**2.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

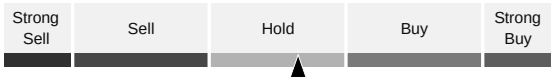
verus analytics

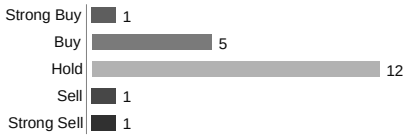
I/B/E/S MEAN

Hold

20 Analysts

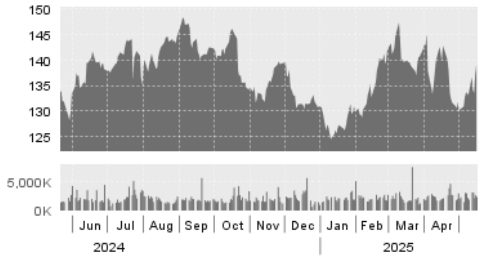
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



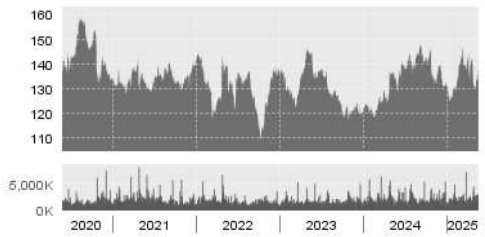


PRICE AND VOLUME CHARTS

1-Year Return: 4.8%



5-Year Return: 4.1%



BUSINESS SUMMARY

Kimberly-Clark Corporation is engaged in the manufacturing and marketing of a wide range of products made from natural or synthetic fibers and materials using advanced technologies in fibers, nonwovens and absorbency. The Company's segments include North America (NA), International Personal Care (IPC) and International Family Care and Professional (IFP). Its NA segment offers disposable diapers, training and youth pants, swim pants, baby wipes, and other products. These products are sold under the Huggies, Pull-Ups, GoodNites, Kotex, Poise, Depend, and other brand names. Its IPC segment consists of three categories, such as Baby & Child Care, Adult Care and Feminine Care, including disposable diapers, and other products, and are sold under the Huggies, Kotex, Goodfeel, Intimus, Depend and other brand names. Its IFP segment consists of two categories- Family Care and Professional, including facial and bathroom tissue, and are sold under the Kleenex, Scottex, Wypall and other brand names.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

ELI LILLY AND CO (LLY-N)

Pharma. & Medical Research / Pharmaceuticals / Pharmaceuticals

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
755.11 (USD)	**5.1M**	**972.53**	**61.4**	**6.00**	**77.7%**	**41.9%**	**-10.1%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	717.8B	**677.09**	**30.7**	**0.8%**	**49.0B**	**84.1%**	**-12.9%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

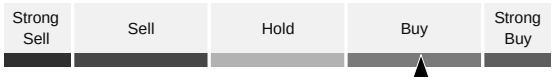
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

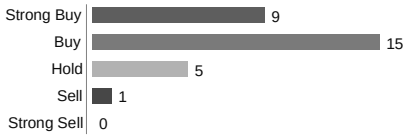
verus analytics

I/B/E/S MEAN

Buy
30 Analysts

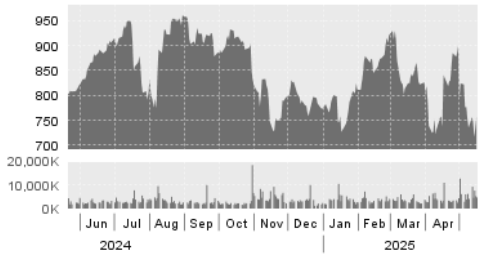
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



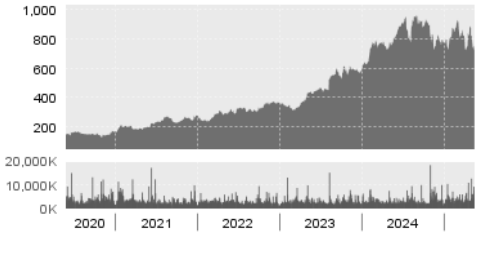


PRICE AND VOLUME CHARTS

1-Year Return: -1.9%



5-Year Return: 382%



BUSINESS SUMMARY

Eli Lilly and Company is a medicine company, which discovers, develops, manufactures and markets products in the human pharmaceutical products segment. Its cardiometabolic health products include Basaglar; Humalog, Humalog Mix 75/25, Humalog U-100, Humalog U-200, Humalog Mix 50/50, insulin lispro, and others; Humulin, Humulin 70/30, and others; Jardiance; Mounjaro; Trulicity, and Zepbound. Its oncology products include Cyramza, Erbitux, Tyvyt, and Verzenio. Its immunology products include Ebglyss, Olumiant, Omvoh, and Taltz. Its neuroscience products include Emgality and Kisunla. The Company, through its subsidiary, POINT Biopharma Global Inc., is engaged in radiopharmaceutical discovery, development, and manufacturing efforts, as well as clinical and pre-clinical radioligand therapies in development for the treatment of cancer. It is also developing an oral small molecule inhibitor of a4b7 integrin for inflammatory bowel disease (IBD). It also owns a lead therapeutic molecule, FXR314.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LOCKHEED MARTIN CORP (LMT-N)
Industrial Goods / Aerospace & Defense / Aerospace & Defense

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
473.06 (USD)	**1.3M**	**618.95**	**20.4**	**13.20**	**82.5%**	**9.3%**	**1.9%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	109.7B	**418.88**	**17.3**	**2.8%**	**71.8B**	**75.0%**	**9.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

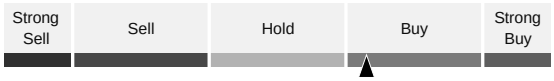
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

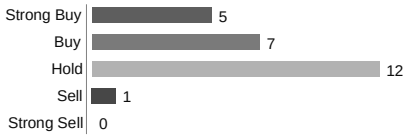
verus analytics

I/B/E/S MEAN

Buy
25 Analysts

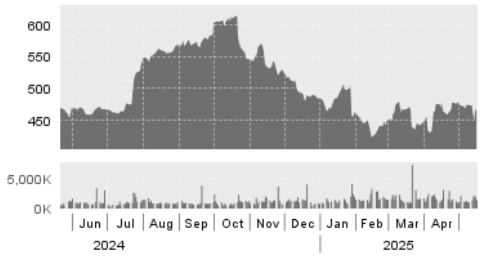
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



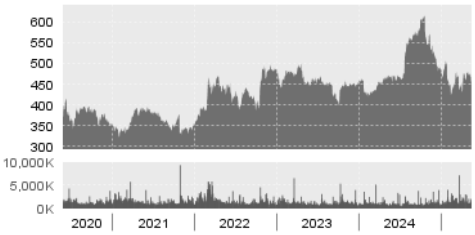


PRICE AND VOLUME CHARTS

1-Year Return: 1.5%



5-Year Return: 27.3%



BUSINESS SUMMARY

Lockheed Martin Corporation is a global aerospace and defense company. The Company is engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. Its segments include Aeronautics, Missiles and Fire Control (MFC), Rotary and Mission Systems (RMS) and Space. Aeronautics segment is engaged in the research, design, development, manufacture, integration, sustainment, support and upgrade of advanced military aircraft. MFC segment provides air and missile defense systems, manned and unmanned ground vehicles, energy management solutions, and others. RMS segment designs, manufactures, services and supports various military and commercial helicopters, surface ships, sea and land-based missile defense systems, and others. Its Space segment is engaged in the research and design, development, engineering and production of satellites, space transportation systems, and strategic, advanced strike, and defensive systems.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

MARSH & MCLENNAN COMPANIES (MMC-N)
Insurance / Insurance / Multiline Insurance

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
231.84 (USD)	**2.1M**	**248.00**	**28.4**	**3.26**	**30.5%**	**8.5%**	**5.3%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	114.0B	**201.77**	**23.8**	**1.4%**	**25.0B**	**91.9%**	**0.31%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

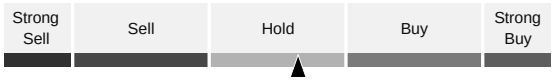
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

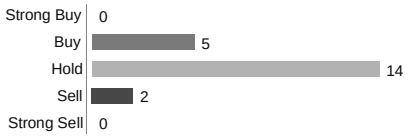
verus analytics

I/B/E/S MEAN

Hold
21 Analysts

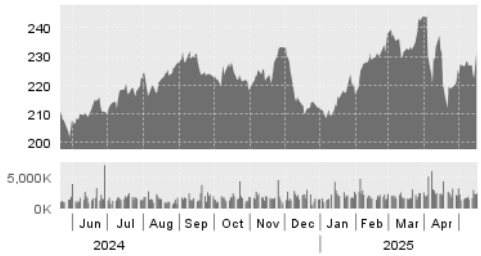
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



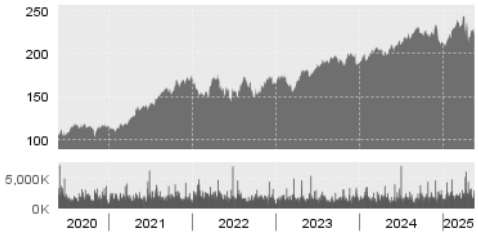


PRICE AND VOLUME CHARTS

1-Year Return: 10.4%



5-Year Return: 119.7%



BUSINESS SUMMARY

Marsh & McLennan Companies, Inc. is a professional services company in the areas of risk, strategy and people. The Company conducts business through two segments: Risk and Insurance Services, and Consulting. Risk and Insurance Services segment includes risk management activities (risk advice, risk transfer and risk control and mitigation solutions) as well as insurance and reinsurance broking and services. It conducts business in this segment through Marsh and Guy Carpenter. Marsh is an insurance broker and risk advisor, serving companies, institutions and individuals. Guy Carpenter is a reinsurance intermediary and advisor. Consulting segment includes health, wealth and career advice, solutions and products, and specialized management, strategic, economic and brand consulting services. It conducts business in this segment through Mercer and Oliver Wyman Group. Oliver Wyman Group serves as a critical strategic, economic and brand advisor to private sector and governmental clients.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

MCDONALD'S CORP (MCD-N)

Cyclical Consumer Services / Hotels & Entertainment Svcs. / Restaurants & Bars

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
321.23 (USD)	**3.1M**	**326.32**	**28.4**	**7.08**	**--**	**7.5%**	**3.2%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	227.8B	**243.53**	**25.7**	**2.2%**	**25.7B**	**75.9%**	**6.4%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

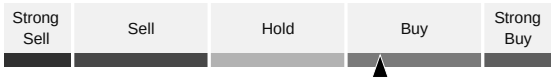
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
38 Analysts

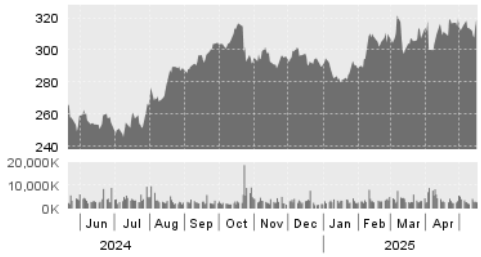
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



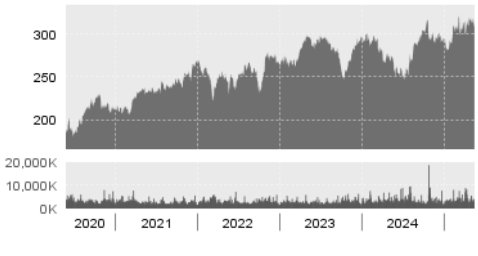


PRICE AND VOLUME CHARTS

1-Year Return: 17.9%



5-Year Return: 78.9%



BUSINESS SUMMARY

McDonald's Corporation is a global foodservice retailer. Its segment includes U.S., International Operated Markets, and International Developmental Licensed Markets & Corporate. The U.S. segment is its largest market and is 95% franchised. The International Operated Markets segment is comprised of markets, or countries in which it operates and franchises restaurants, including Australia, Canada, France, Germany, Italy, Poland, Spain, and the United Kingdom. This segment is 89% franchised. The International Developmental Licensed Markets & Corporate segment is comprised of developmental licensee and affiliate markets, including equity method investments in China and Japan. This segment is 99% franchised. Its menu features hamburgers and cheeseburgers, the Big Mac, the Quarter Pounder with Cheese, the Filet-O-Fish, and several chicken sandwiches, such as the McChicken and McCrispy as well as Chicken McNuggets, Fries, shakes, sundaes, cookies, soft drinks, coffee, and other beverages.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

MCKESSON CORP (MCK-N)

Pharma. & Medical Research / Pharmaceuticals / Pharmaceuticals

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
726.40 (USD)	**1.2M**	**728.48**	**28.1**	**2.84**	**--**	**12.3%**	**4.2%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	90.6B	**464.42**	**19.5**	**0.4%**	**359.1B**	**90.6%**	**20.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

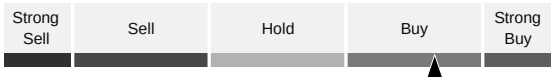
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

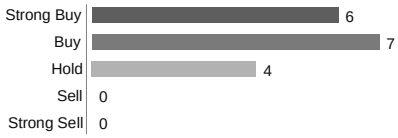
verus analytics

I/B/E/S MEAN

Buy
17 Analysts

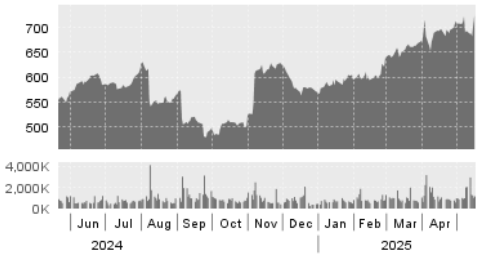
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



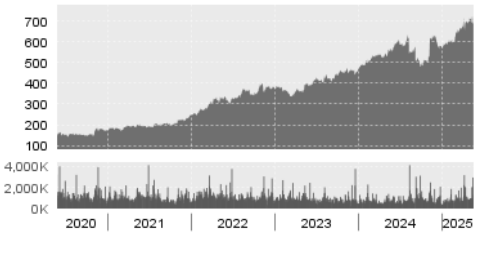


PRICE AND VOLUME CHARTS

1-Year Return: 28.7%



5-Year Return: 402%



BUSINESS SUMMARY

McKesson Corporation is a provider of diversified healthcare services. It is engaged in advancing health outcomes for patients everywhere. Its U.S. Pharmaceutical segment distributes branded, generic, specialty, biosimilar, and over the counter (OTC) pharmaceutical drugs and other healthcare-related products in the United States. Its Prescription Technology Solutions segment helps solve medication access, affordability, and adherence challenges for patients by working across healthcare to connect patients, pharmacies, providers, pharmacy benefit managers, health plans, and biopharma companies. Its Medical-Surgical Solutions segment provides medical-surgical supply distribution, logistics, and other services to healthcare providers, including physician offices, surgery centers, nursing homes, hospital reference labs, and home healthcare agencies. Its International segment includes its operations in Norway, which provides distribution and services to wholesale and retail customers.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

MERCK & CO INC (MRK-N)
Pharma. & Medical Research / Pharmaceuticals / Pharmaceuticals

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
77.23 (USD)	**16.5M**	**134.63**	**11.2**	**3.24**	**39.3%**	**13.7%**	**-0.99%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	191.0B	**73.31**	**8.5**	**4.2%**	**63.9B**	**80.8%**	**-9.8%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

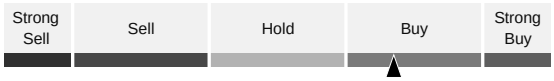
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

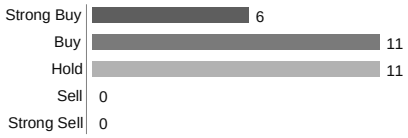
verus analytics

I/B/E/S MEAN

Buy
28 Analysts

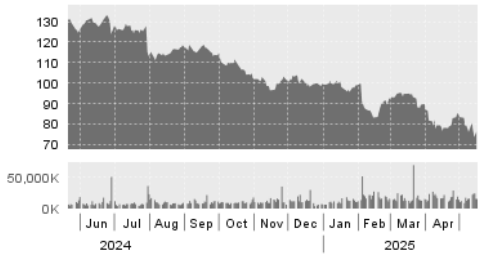
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



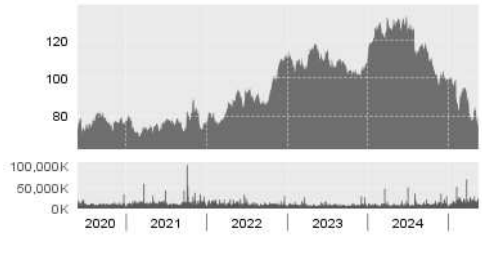


PRICE AND VOLUME CHARTS

1-Year Return: -41.1%



5-Year Return: 4.4%



BUSINESS SUMMARY

Merck & Co., Inc. is a global health care company that delivers health solutions through its prescription medicines, including biologic therapies, vaccines and animal health products. The Company's segments include Pharmaceutical and Animal Health. Pharmaceutical segment includes human health pharmaceutical and vaccine products. The Company sells its human health pharmaceutical products primarily to drug wholesalers and retailers, hospitals, government agencies and managed health care providers. It sells its human health vaccines primarily to physicians, wholesalers, distributors and government entities. Animal Health segment discovers, develops, manufactures and markets a range of veterinary pharmaceutical and vaccine products, as well as health management solutions and services, for the prevention, treatment and control of disease in all major livestock and companion animal species. It sells its products to veterinarians, distributors, animal producers, farmers and pet owners.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

MICROSOFT CORP (MSFT-O)
Software & IT Services / Software & IT Services / Software

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
458.87 (USD)	**23.7M**	**468.35**	**35.5**	**3.32**	**33.6%**	**13.7%**	**24.8%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	3.4T	**344.79**	**31.8**	**0.7%**	**270.0B**	**74.8%**	**10.6%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

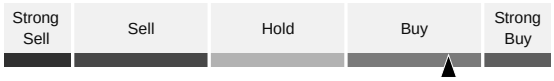
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

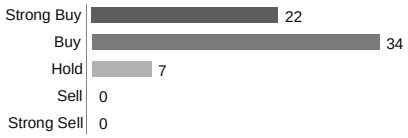
verus analytics

I/B/E/S MEAN

Buy
63 Analysts

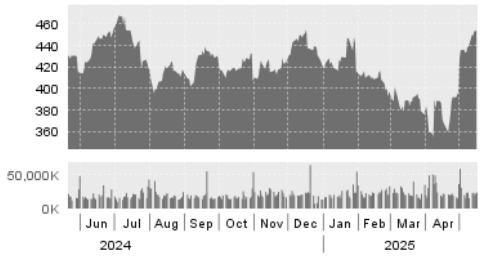
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



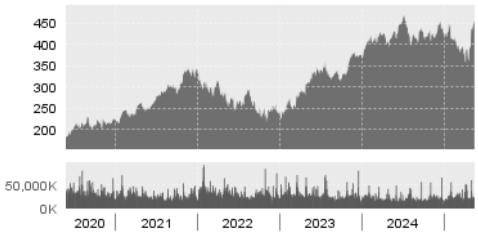


PRICE AND VOLUME CHARTS

1-Year Return: 9.2%



5-Year Return: 149.9%



BUSINESS SUMMARY

Microsoft Corporation is a technology company. The Company develops and supports software, services, devices, and solutions. The Company's segments include Productivity and Business Processes, Intelligent Cloud, and More Personal Computing. The Productivity and Business Processes segment consists of products and services in its portfolio of productivity, communication, and information services. This segment primarily comprises: Office Commercial, Office Consumer, LinkedIn, and Dynamics business solutions. The Intelligent Cloud segment consists of server products and cloud services, including Azure and other cloud services, SQL Server, Windows Server, Visual Studio, System Center, and related Client Access Licenses (CALs), and Nuance and GitHub; and Enterprise Services, including enterprise support services, industry solutions and Nuance professional services. The More Personal Computing segment primarily comprises Windows, Devices, Gaming, and search and news advertising.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

MONDELEZ INTERNATIONAL INC (MDLZ-O)
Food & Beverages / Food & Tobacco / Food Processing

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
65.72 (USD)	**7.7M**	**76.06**	**24.4**	**1.88**	**13.3%**	**2.3%**	**-2.4%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	84.6B	**53.95**	**21.0**	**2.9%**	**36.5B**	**87.1%**	**6.1%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

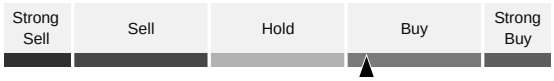
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

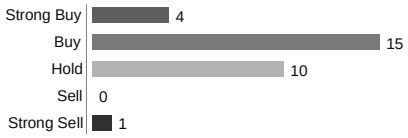
verus analytics

I/B/E/S MEAN

Buy
30 Analysts

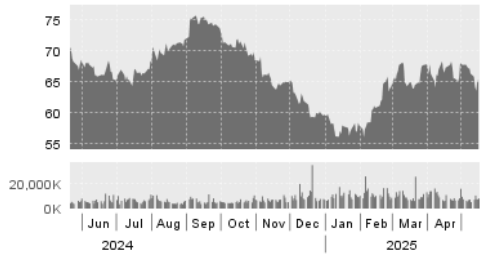
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



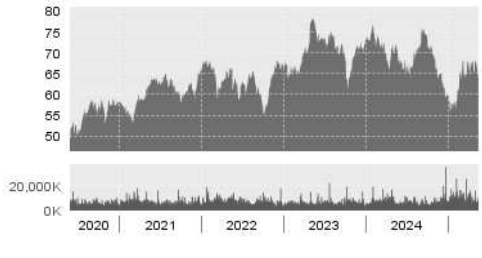


PRICE AND VOLUME CHARTS

1-Year Return: -7.7%



5-Year Return: 31.7%



BUSINESS SUMMARY

Mondelez International, Inc. is a snack company. The Company's core business is making and selling chocolate, biscuits and baked snacks. The Company also has additional businesses in adjacent, locally relevant categories including gum and candy, cheese and grocery and powdered beverages. Its portfolio includes global and local brands such as Oreo, Ritz, LU, Clif Bar and Tate's Bake Shop biscuits and baked snacks, as well as Cadbury Dairy Milk, Milka and Toblerone chocolate. The Company's segments include Latin America, AMEA, Europe and North America. It sells its products in over 150 countries and has operations in approximately 80 countries, including 147 principal manufacturing and processing facilities across 46 countries. It sells its products to supermarket chains, wholesalers, supercenters, club stores, mass merchandisers, distributors, convenience stores, gasoline stations, drug stores, value stores and other retail food outlets.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

NEWMARKET CORP (NEU-N)
Chemicals / Chemicals / Commodity Chemicals

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
650.81 (USD)	**38,868**	**652.73**	**12.9**	**11.00**	**35.8%**	**--**	**15.4%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	6.1B	**480.00**	**--**	**1.7%**	**2.8B**	**65.3%**	**19.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

NA
0 Analysts

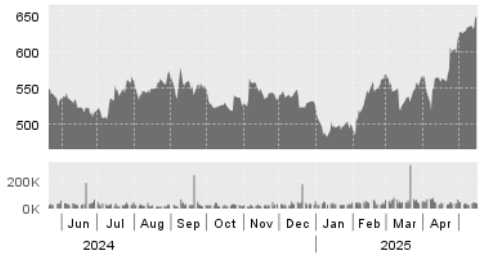
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



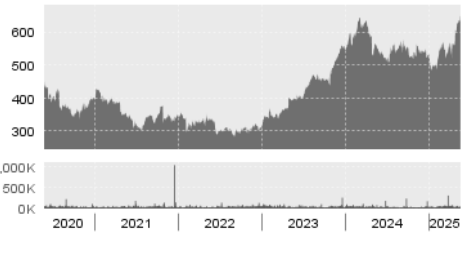
Strong Buy	0
Buy	0
Hold	0
Sell	0
Strong Sell	0

PRICE AND VOLUME CHARTS

1-Year Return: 18.1%



5-Year Return: 56.4%



BUSINESS SUMMARY

NewMarket Corporation is a holding company operating through its subsidiaries, Afton Chemical Corporation (Afton), Ethyl Corporation (Ethyl), and American Pacific Corporation (AMPAC). The Afton and Ethyl companies develop, manufacture, blend, and deliver chemical additives that enhance the performance of petroleum products. AMPAC is a manufacturer of specialty chemicals used in solid rocket motors for the aerospace and defense industries. The Company's segments are petroleum additives and specialty materials. The petroleum additives segment includes lubricant and fuel additives, which are necessary for the efficient and reliable operation of vehicles and machinery. The specialty materials segment includes critical materials used in solid rocket motors for space launch and military defense applications. Ethyl provides contracted manufacturing and related services to Afton and to third parties and is a marketer of antiknock compounds in North America.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

NORTHROP GRUMMAN CORP (NOC-N)
Industrial Goods / Aerospace & Defense / Aerospace & Defense

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
471.12 (USD)	**1.2M**	**555.57**	**18.6**	**8.24**	**25.4%**	**4.2%**	**-12.8%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	68.1B	**418.60**	**16.6**	**1.8%**	**40.4B**	**84.8%**	**8.7%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

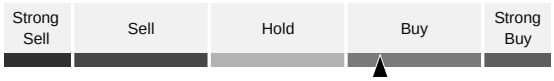
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

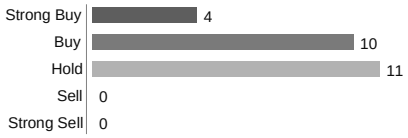
verus analytics

I/B/E/S MEAN

Buy
25 Analysts

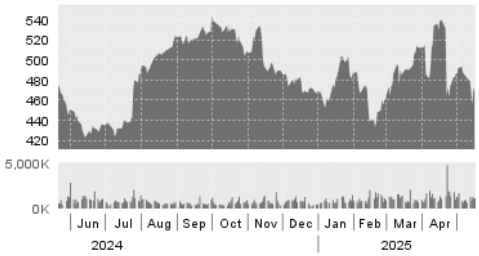
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



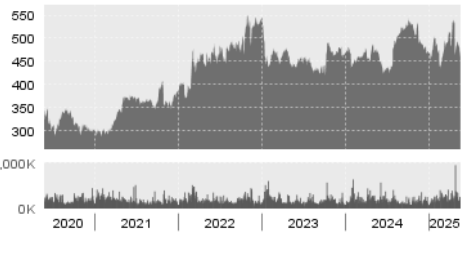


PRICE AND VOLUME CHARTS

1-Year Return: 0.19%



5-Year Return: 44.1%



BUSINESS SUMMARY

Northrop Grumman Corporation is a global aerospace and defense technology company. The Company operates through four segments: Aeronautics Systems, Defense Systems, Mission Systems and Space Systems. The Aeronautics Systems segment is engaged in the design, development, production, integration, sustainment and modernization of advanced aircraft systems for the United States Air Force, the United States Navy, and international customers. The Defense Systems segment is involved in the design, engineering, development, integration, and manufacturing of deterrent systems, advanced tactical weapons, and missile defense solutions. Multifunction systems and advanced mission solutions are offered by the Mission Systems segment. For national security, civil government, commercial, and international clients, the Space Systems segment designs, develops, integrates, produces, and operates space, missile defense, and launch systems to provide end-to-end mission solutions.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

PEPSICO INC (PEP-O)
Food & Beverages / Beverages / Non-Alcoholic Beverages

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
131.79 (USD)	**8.5M**	**182.13**	**19.4**	**5.69**	**50.1%**	**3.6%**	**-7.7%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	181.0B	**127.87**	**16.5**	**4.3%**	**91.5B**	**78.9%**	**-9.6%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

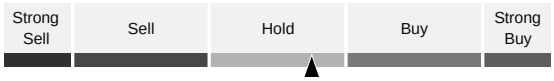
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

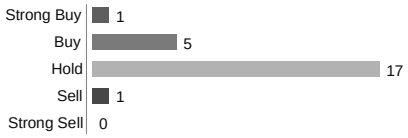
verus analytics

I/B/E/S MEAN

Hold
24 Analysts

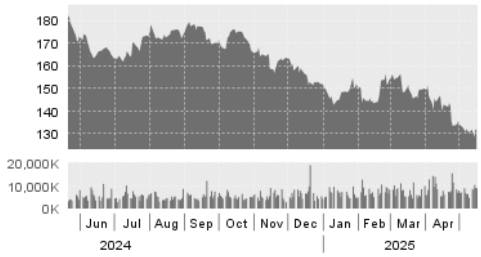
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



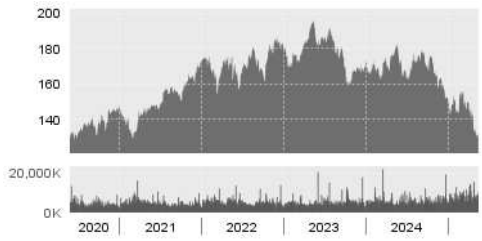


PRICE AND VOLUME CHARTS

1-Year Return: -27.7%



5-Year Return: 0.05%



BUSINESS SUMMARY

PepsiCo, Inc. is a global beverage and convenient food company. It has a portfolio of brands, including Lay's, Doritos, Cheetos, Gatorade, Pepsi-Cola, Mountain Dew, Quaker and SodaStream. Its segments include Frito-Lay North America (FLNA); Quaker Foods North America (QFNA); PepsiCo Beverages North America (PBNA); Latin America (LatAm); Europe; Africa, Middle East and South Asia (AMESA), and Asia Pacific, Australia and New Zealand and China Region (APAC). FLNA makes, markets, distributes and sells branded convenient foods, which include branded dips, Cheetos cheese-flavored snacks, Doritos tortilla chips, Fritos corn chips, Lay's potato chips, and others. QFNA's products include Cap'n Crunch cereal, Life cereal, Pearl Milling Company syrups and mixes, Quaker Chewy granola bars, Quaker grits, Quaker oatmeal, and others. PBNA makes, markets and sells beverage concentrates and fountain syrups under various beverage brands, including Aquafina, Bubly, Diet Pepsi, Gatorade, and others.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

PROCTER & GAMBLE CO (PG-N)

Personal Products & Services / Personal Products & Services / Personal Products

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
164.77 (USD)	**8.6M**	**180.43**	**26.2**	**4.23**	**30.8%**	**4.3%**	**-3.4%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	382.8B	**156.58**	**23.9**	**2.6%**	**83.9B**	**70.2%**	**-1.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

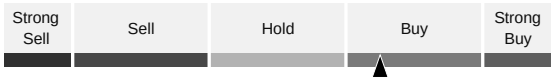
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

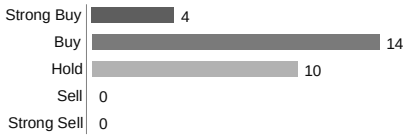
verus analytics

I/B/E/S MEAN

Buy
28 Analysts

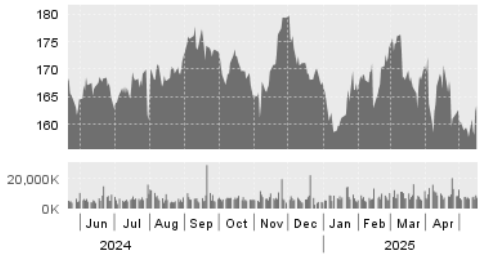
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



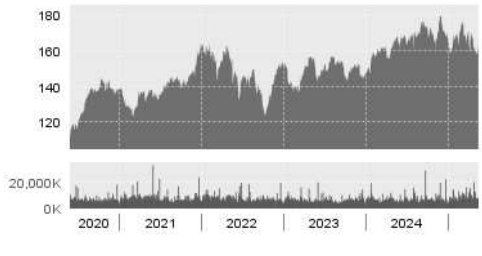


PRICE AND VOLUME CHARTS

1-Year Return: -1.7%



5-Year Return: 46.5%



BUSINESS SUMMARY

The Procter & Gamble Company is focused on providing branded consumer packaged goods to consumers across the world. The Company's segments include Beauty, Grooming, Health Care, Fabric & Home Care and Baby, Feminine & Family Care. The Company's products are sold in approximately 180 countries and territories primarily through mass merchandisers, e-commerce, including social commerce channels, grocery stores, membership club stores, drug stores, department stores, distributors, wholesalers, specialty beauty stores, including airport duty-free stores), high-frequency stores, pharmacies, electronics stores and professional channels. It also sells direct to individual consumers. It has operations in approximately 70 countries. It offers products under brands, such as Head & Shoulders, Herbal Essences, Pantene, Rejoice, Olay, Old Spice, Safeguard, Secret, SK-II, Braun, Gillette, Venus, Crest, Oral-B, Ariel, Downy, Gain, Tide, Always, Always Discreet, Tampax, Bounty and others.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

PROGRESSIVE CORP (PGR-N)
Insurance / Insurance / Prop. & Casualty Insurance

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
288.24 (USD)	**2.4M**	**292.99**	**19.4**	**0.40**	**33.1%**	**--**	**8.6%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	167.7B	**201.34**	**19.0**	**0.1%**	**78.5B**	**88.3%**	**6.9%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

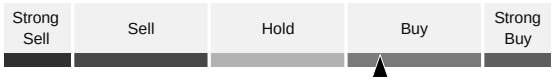
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

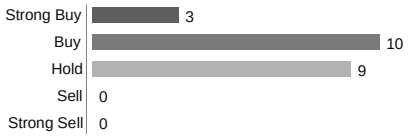
verus analytics

I/B/E/S MEAN

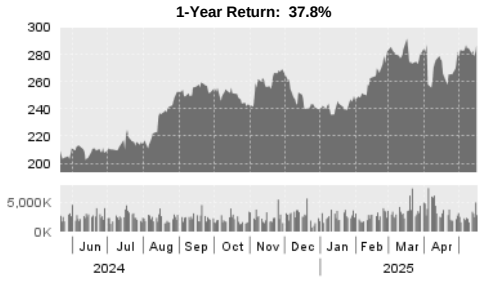
Buy
22 Analysts

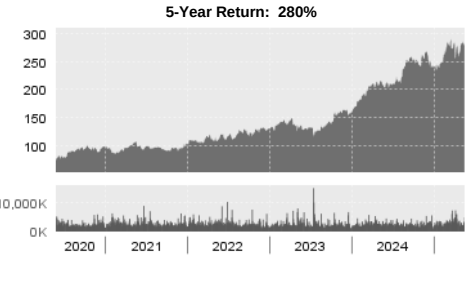
Mean recommendation from all analysts covering the company on a standardized 5-point scale.





PRICE AND VOLUME CHARTS





BUSINESS SUMMARY

The Progressive Corporation is an insurance holding company, which has insurance and non-insurance subsidiaries and affiliates. The Company's segments include Personal Lines, Commercial Lines and Other indemnity. The Personal Lines segment writes insurance for personal autos and special lines products. Its special lines of products include recreational vehicles, such as motorcycles, RVs, and watercraft. Its Personal Lines products are sold through both the agency and direct channels. The Commercial Lines segment writes auto-related liability and physical damage insurance, business-related general liability and commercial property insurance predominately for small businesses, and workers' compensation insurance primarily for the transportation industry. Its reinsurance activity includes both transactions which are regulated and those that are non-regulated. It offers shopping tools and services, such as Name Your Price, Snapshot, and HomeQuote Explorer.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

REPUBLIC SERVICES INC (RSG-N)

Indust. & Commercial Svcs. / Prof. & Commercial Svcs. / Environmental Svcs. & Equip.

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
250.37 (USD)	**1.4M**	**253.54**	**37.8**	**2.32**	**18.5%**	**9.2%**	**2.9%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	77.4B	**180.92**	**35.4**	**0.9%**	**16.2B**	**97.5%**	**9.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

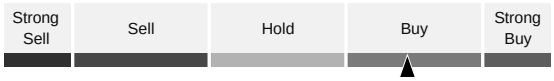
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

verus analytics

I/B/E/S MEAN

Buy
23 Analysts

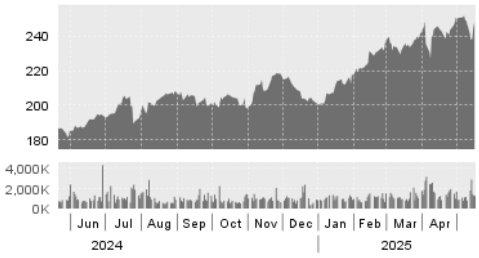
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



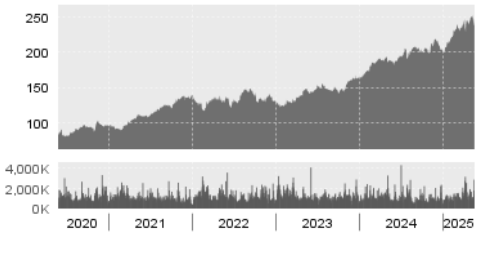


PRICE AND VOLUME CHARTS

1-Year Return: 33.1%



5-Year Return: 209%



BUSINESS SUMMARY

Republic Services, Inc. provides environmental services in the United States. It provides recycling, solid waste, special waste, hazardous waste and field services. Its segments include Group 1, Group 2 and Group 3. Group 1 is its recycling and waste business operating primarily in geographic areas located in the western United States. Group 2 is its recycling and waste business operating primarily in geographic areas located in the southeastern and mid-western United States, the eastern seaboard of the United States, and Canada. Group 3 is its environmental solutions business operating primarily in geographic areas located across the United States and Canada. It operates across the United States and Canada through 367 collection operations, 248 transfer stations, 75 recycling centers, 208 active landfills, two treatment, recovery and disposal facilities, 23 treatment, storage and disposal facilities, five saltwater disposal wells, 14 deep injection wells and one polymer center.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

ROPER TECHNOLOGIES INC (ROP-O)
Software & IT Services / Software & IT Services / Software

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
580.47 (USD)	**597,095**	**595.17**	**41.9**	**3.30**	**8.1%**	**7.9%**	**4.2%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	62.7B	**499.47**	**28.6**	**0.6%**	**7.2B**	**97.2%**	**0.59%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

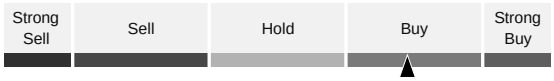
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

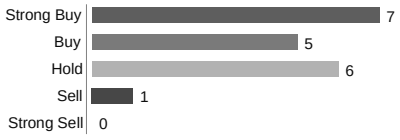
verus analytics

I/B/E/S MEAN

Buy
19 Analysts

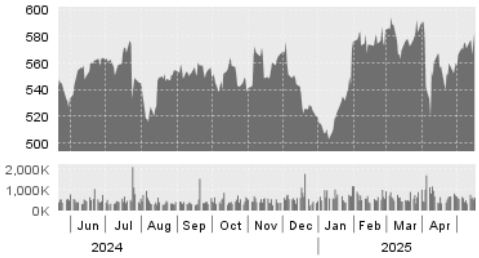
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



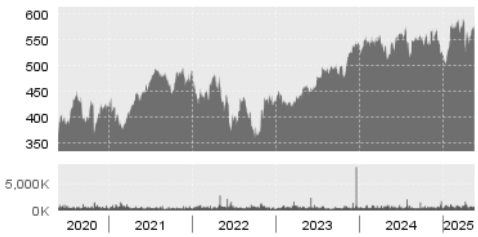


PRICE AND VOLUME CHARTS

1-Year Return: 7.1%



5-Year Return: 62.3%



BUSINESS SUMMARY

Roper Technologies, Inc. is a diversified technology company. It operates businesses that design and develop vertical software and technology-enabled products for a variety of defensible niche markets. The Company operates through three segments: Application Software, Network Software and Technology Enabled Products. The Application Software segment includes Aderant, Clinisys, Data Innovations, Deltek, Frontline, IntelliTrans, PowerPlan, Procare, Strata, Transact/CBORD, and Vertafore. The Network Software segment includes ConstructConnect, DAT, Foundry, iPipeline, iTradeNetwork, Loadlink, MHA, SHP, and SoftWriters. The Technology Enabled Products segment includes CIVCO Medical Solutions, FMI, Inovonics, IPA, Neptune, Northern Digital, rf IDEAS, and Verathon. Aderant is a comprehensive management software solution for law and other professional services firms. Data Innovations is a software solution that enables the enterprise management of hospitals and independent laboratories.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

THERMO FISHER SCIENTIFIC INC (TMO-N)

Healthcare Services & Equip. / Healthcare Equip. & Supplies / Advanced Medical Equipment

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
413.92 (USD)	**2.9M**	**627.88**	**24.3**	**1.72**	**13.7%**	**7.2%**	**-3.2%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	155.6B	**390.50**	**18.2**	**0.4%**	**42.9B**	**92.4%**	**-22.0%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

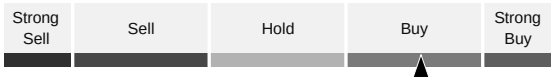
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

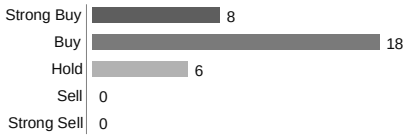
verus analytics

I/B/E/S MEAN

Buy
32 Analysts

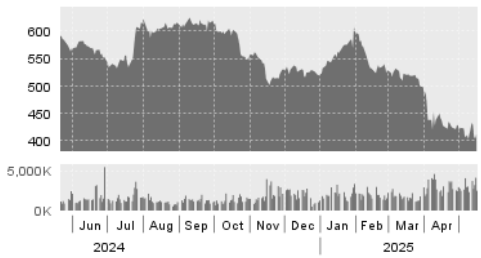
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



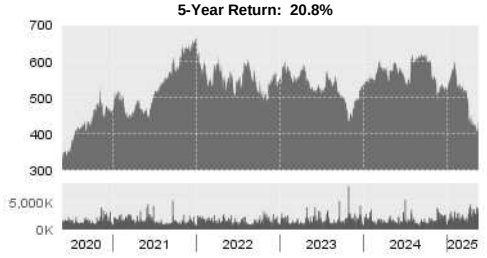


PRICE AND VOLUME CHARTS

1-Year Return: -30.5%



5-Year Return: 20.8%



BUSINESS SUMMARY

Thermo Fisher Scientific Inc. is engaged in accelerating life sciences research, solving complex analytical challenges, increasing laboratory productivity, and improving patient health through diagnostics and the development and manufacture of life-changing therapies. Through its Life Sciences Solutions segment, the Company provides a portfolio of reagents, instruments and consumables used in biological and medical research, discovery and production of new drugs and vaccines as well as diagnosis of infection and disease. Through its Analytical Instruments segment, the Company provides an offering of instruments and the supporting consumables, software and services that are used for a range of applications. The Company's Specialty Diagnostics segment offers a range of diagnostic test kits, reagents, culture media, instruments and associated products to serve customers in healthcare, clinical, pharmaceutical, industrial, and food safety laboratories.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

T-MOBILE US INC (TMUS-O)

Telecommunications / Telecommunications Services / Wireless Telecom Services

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
244.25 (USD)	**4.6M**	**276.49**	**23.8**	**3.52**	**19.4%**	**17.7%**	**-6.8%**
2025 May 19 NASDAQ Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	275.5B	**163.26**	**22.1**	**1.4%**	**82.7B**	**37.4%**	**-7.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

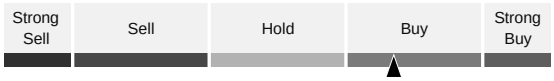
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

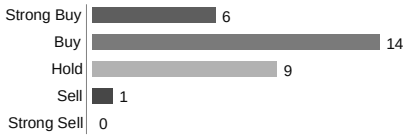
verus analytics

I/B/E/S MEAN

Buy
30 Analysts

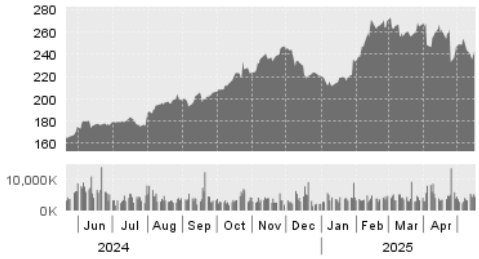
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



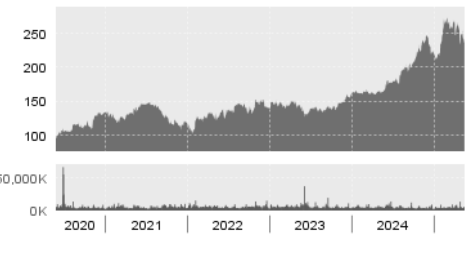


PRICE AND VOLUME CHARTS

1-Year Return: 48.9%



5-Year Return: 147.7%



BUSINESS SUMMARY

T-Mobile US, Inc. is a provider of wireless communications services, including voice, messaging and data, under its flagship brands, T-Mobile and Metro by T-Mobile, and Mint Mobile, in the United States, Puerto Rico and the United States Virgin Islands. It provides wireless communications services primarily using its 4G Long Term Evolution network and its 5G technology network. It also offers a selection of wireless devices, including handsets, tablets and other mobile communication devices, and accessories for sale, as well as financing through equipment installment plans. Its primary service plan offering is Go5G Plus, which includes unlimited talk, text and data on its network, 5G access at no extra cost, scam protection features and more. In addition to its wireless communications services, the Company also offers high speed Internet, which includes a fixed wireless product that utilizes the excess capacity of its nationwide 5G network. It also provides advertising solutions.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

TRAVELERS COMPANIES INC (TRV-N)
Insurance / Insurance / Prop. & Casualty Insurance

LSEG Stock Reports Plus

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
274.54 (USD)	**1.1M**	**275.03**	**14.9**	**4.40**	**14.1%**	**10.4%**	**7.3%**
2025 May 19 NEW YORK Exchange	Market Cap (Consol)	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	62.0B	**200.21**	**11.6**	**1.6%**	**47.0B**	**85.0%**	**13.3%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

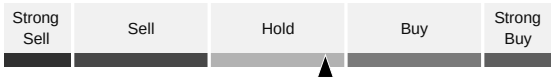
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

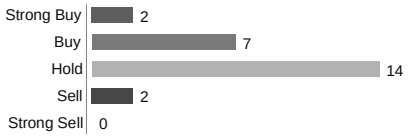
verus analytics

I/B/E/S MEAN

Hold
25 Analysts

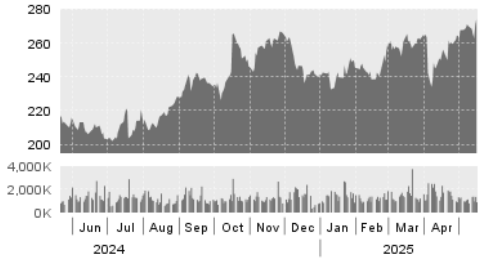
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



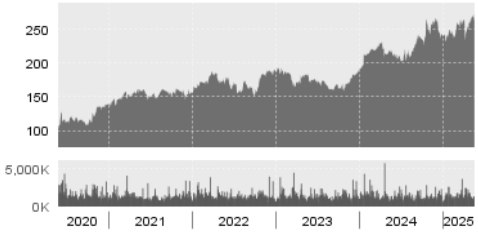


PRICE AND VOLUME CHARTS

1-Year Return: 25.0%



5-Year Return: 194.3%



BUSINESS SUMMARY

The Travelers Companies, Inc. is a provider of property casualty insurance for auto, home, and business. The Company's segments include Business Insurance, Bond & Specialty Insurance, and Personal Insurance. The Business Insurance segment offers a broad array of property and casualty insurance products and services. The Bond & Specialty Insurance segment offers surety, fidelity, management liability, professional liability, and other property and casualty coverages and related risk management services, primarily in the United States, and certain surety and specialty insurance products in Canada, the United Kingdom, and the Republic of Ireland, as well as Brazil. The Personal Insurance segment offers a broad range of property and casualty insurance products and services covering individuals personal risks, primarily in the United States, as well as in Canada. The Company, through its subsidiary, Corvus Insurance Holdings, Inc., is a cyber insurance managing general underwriter.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

VERIZON COMMUNICATIONS INC (VZ-N)

Telecommunications / Telecommunications Services / Integrated Telecom Services

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
44.31 (USD)	**17.2M**	**47.36**	**10.6**	**2.71**	**18.2%**	**2.6%**	**0.61%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	185.5B	**37.59**	**9.4**	**6.1%**	**135.3B**	**67.5%**	**5.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

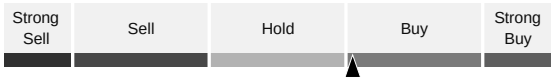
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

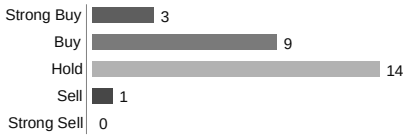
verus analytics

I/B/E/S MEAN

Buy
27 Analysts

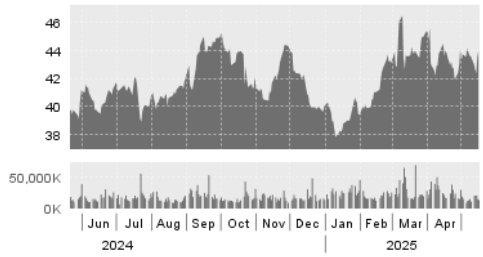
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



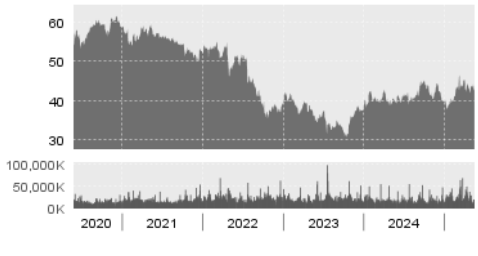


PRICE AND VOLUME CHARTS

1-Year Return: 10.6%



5-Year Return: -18.5%



BUSINESS SUMMARY

Verizon Communications Inc. is a holding company. The Company, through its subsidiaries, provides communications, technology, information and streaming products and services to consumers, businesses and government entities. Its Consumer segment provides wireless and wireline communications services. It also provides fixed wireless access (FWA) broadband through its 5G or 4G Long-Term Evolution (LTE) networks portfolio. The Company's Business segment provides wireless and wireline communications services and products, including FWA broadband, data, video and advanced communication services, corporate networking solutions, security and managed network services, local and long-distance voice services and network access to deliver various Internet of Things (IoT) services and products. It provides these products and services to businesses, public sector customers and wireless and wireline carriers across the U.S. and a subset of these products and services to customers around the world.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

WALMART INC (WMT-N)

Food & Drug Retailing / Food & Drug Retailing / Food Retail & Distribution

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
98.12 (USD)	**18.7M**	**105.30**	**41.9**	**0.94**	**22.8%**	**8.1%**	**5.3%**
2025 May 19 NEW YORK Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	786.0B	**64.16**	**36.7**	**1.0%**	**685.1B**	**36.1%**	**-5.7%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

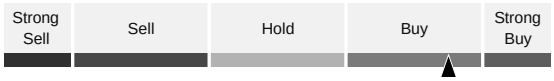
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

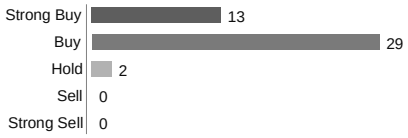
verus analytics

I/B/E/S MEAN

Buy
44 Analysts

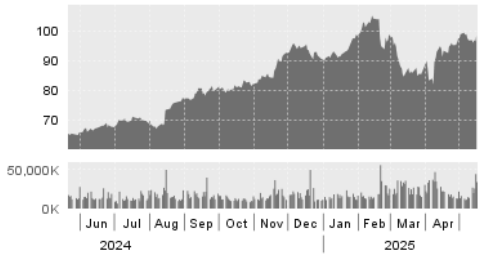
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



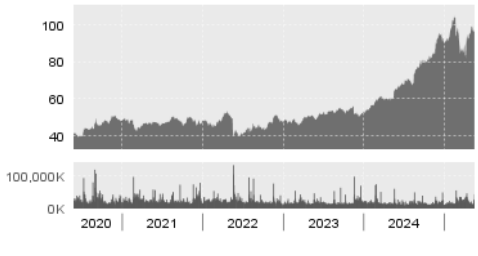


PRICE AND VOLUME CHARTS

1-Year Return: 51.8%



5-Year Return: 135.6%



BUSINESS SUMMARY

Walmart Inc. is a technology-powered omnichannel retailer. The Company is engaged in the operation of retail and wholesale stores and clubs, as well as eCommerce Websites and mobile applications, located throughout the United States (U.S.), Africa, Canada, Central America, Chile, China, India and Mexico. It operates in three reportable segments: Walmart U.S., Walmart International and Sam's Club U.S. The Walmart U.S. segment includes the Company's mass merchandising concept in the U.S., as well as eCommerce, which includes omni-channel initiatives and certain other business offerings such as advertising services. The Walmart International segment consists of the Company's operations outside of the U.S. through its subsidiaries, as well as eCommerce and omni-channel initiatives. The Sam's Club U.S. segment includes the warehouse membership clubs in the U.S., as well as samsclub.com and omni-channel initiatives.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

LSEG Stock Reports Plus

WASTE MANAGEMENT INC (WM-N)

Indust. & Commercial Svcs. / Prof. & Commercial Svcs. / Environmental Svcs. & Equip.

COMPANY IN CONTEXT REPORT
Report Date: 2025-May-20

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
231.95 (USD)	**1.8M**	**239.32**	**35.0**	**3.30**	**34.0%**	**10.5%**	**0.45%**
2025 May 19	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
NEW YORK Exchange	**92.5B**	**196.59**	**29.9**	**1.4%**	**22.9B**	**84.7%**	**1.5%**

VERUS OPINION



The Verus Opinion, provided by Verus Analytics Inc, is an empirically-derived and historically back-tested stock rating system with buy, hold, and sell opinions. To develop a rating, the quantitative system analyzes a company's earnings quality, balance sheet, and income statement, conducts technical and valuation analysis and evaluates the transactions made by the firm's management and directors (i.e. insiders).

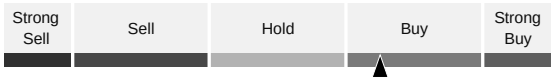
The Verus Opinion covers 4374 companies, with 17.9% rated Buy, 65.3% rated Hold, and 16.8% rated Sell as of 2025-05-16. Verus Analytics Inc is a private independent research firm, unaffiliated with Refinitiv, that specializes in engineering institutional ratings systems.

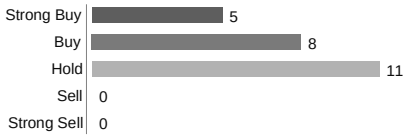
verus analytics

I/B/E/S MEAN

Buy
24 Analysts

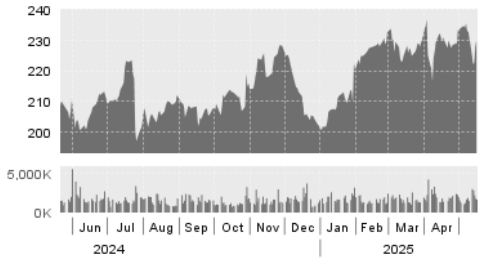
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



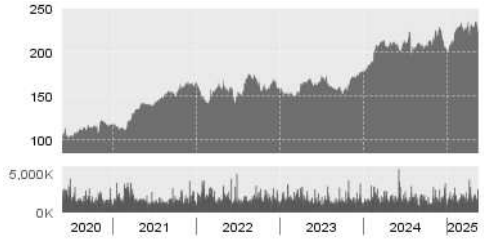


PRICE AND VOLUME CHARTS

1-Year Return: 10.2%



5-Year Return: 135.9%



BUSINESS SUMMARY

Waste Management, Inc. is a provider of environmental solutions. The Company provides collection, recycling, and disposal services to millions of residential, commercial, industrial, and municipal customers throughout the United States and Canada. Its segments include East Tier, West Tier, Recycling Processing and Sales, WM Renewable Energy, and WM Healthcare Solutions. East Tier primarily consists of geographic areas located in the Eastern U.S., the Great Lakes region and all of Canada. The West Tier primarily includes geographic areas located in the Western U.S., including the upper Midwest region and British Columbia, Canada. Recycling Processing and Sales includes the processing and sales of materials collected from residential, commercial, and industrial customers. WM Renewable Energy develops, operates, and promotes projects for the beneficial use of landfill gas. WM Healthcare Solutions includes Regulated Waste and Compliance Services and Secure Information Destruction services.

© 2025 LSEG. All rights reserved.

LSEG DATA & ANALYTICS

Stock Activity

Open	135.00
Day Low	134.57
Day High	135.83
52 Wk Low	99.71
52 Wk High	141.23
20 Day Avg Vol	6,417,841
Market Cap	235.83 B
Dividend	2.36 (1.74%)
Beta	0.74

Key Earnings Data

Earnings ESP	-0.80%
Most Accurate Est	1.24
Current Qtr Est	1.25
Current Yr Est	5.16
Exp Earnings Date	7/17/25
Prior Year EPS	4.67
Exp EPS Growth (3-5yr)	10.28%
Forward PE	26.29
PEG Ratio	2.56

Medical » Medical - Products

Research Reports for ABT

Analyst Snapshot

All Zacks' Analyst Reports »

News for ABT

Zacks News | Earnings | Other News

Is It Worth Investing in Abbott (ABT) Based on Wall Street's Bullish Views?
05/20/25-8:30AM EST Zacks

Abbott Reveals Positive Outcome From REFLECT Studies, Stock Climbs
05/19/25-6:47AM EST Zacks

ABT: What are Zacks experts saying now?
Zacks Private Portfolio Services

Abbott (ABT) Up 1.8% Since Last Earnings Report: Can It Continue?
05/16/25-10:30AM EST Zacks

Stock Activity

Open	184.86
Day Low	183.64
Day High	186.00
52 Wk Low	153.58
52 Wk High	218.66
20 Day Avg Vol	8,159,695
Market Cap	328.04 B
Dividend	6.56 (3.53%)
Beta	0.56

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	3.24
Current Qtr Est	3.24
Current Yr Est	12.29
Exp Earnings Date	7/24/25
Prior Year EPS	10.12
Exp EPS Growth (3-5yr)	12.26%
Forward PE	15.14
PEG Ratio	1.23

Medical » Large Cap Pharmaceuticals

Research Reports for ABBV

Analyst Snapshot **All Zacks' Analyst Reports »**

News for ABBV

Zacks News | Earnings | Other News

Pfizer Signs Experimental Drug Licensing Agreement With 3SBio
05/20/25-5:28AM EST Zacks

Should First Trust Morningstar Dividend Leaders ETF (FDL) Be on Your Investing Radar?
05/20/25-5:20AM EST Zacks

ABBV: What are Zacks experts saying now?
Zacks Private Portfolio Services

The Zacks Analyst Blog Highlights Bayer, Novo Nordisk, GSK, Merck and AbbVie
05/19/25-8:51AM EST Zacks

Stock Activity	
Open	167.76
Day Low	164.33
Day High	169.68
52 Wk Low	142.66
52 Wk High	208.70
20 Day Avg Vol	26,587,950
Market Cap	2,037.10 B
Dividend	0.80 (0.48%)
Beta	1.01

Key Earnings Data	
Earnings ESP	0.00%
Most Accurate Est	2.12
Current Qtr Est	2.12
Current Yr Est	9.47
Exp Earnings Date	7/22/25
Prior Year EPS	8.04
Exp EPS Growth (3-5yr)	13.99%
Forward PE	17.73
PEG Ratio	1.27

Computer and Technology » Internet - Services

Research Report for GOOG

Snapshot

All Zacks' Analyst Reports »

News for GOOG

Zacks News | Earnings | Other News

Investing Strategies to Navigate Market Volatility
05/12/25-3:47PM EST Zacks

Is Nuveen ESG Large-Cap Growth ETF (NULG) a Strong ETF Right Now?
05/12/25-5:20AM EST Zacks

GOOG: What are Zacks experts saying now?
Zacks Private Portfolio Services

Alphabet Inc. (GOOG) is Attracting Investor Attention: Here is What You Should Know
05/09/25-8:00AM EST Zacks

Stock Activity	
Open	90.78
Day Low	90.50
Day High	91.42
52 Wk Low	74.41
52 Wk High	94.61
20 Day Avg Vol	596,849
Market Cap	10.30 B
Dividend	2.11 (2.31%)
Beta	0.51

Key Earnings Data	
Earnings ESP	0.00%
Most Accurate Est	1.53
Current Qtr Est	1.53
Current Yr Est	6.20
Exp Earnings Date	8/6/25
Prior Year EPS	6.44
Exp EPS Growth (3-5yr)	9.81%
Forward PE	13.10
PEG Ratio	1.34

Computer and Technology » Computers - IT Services

Research Reports for DOX

Analyst Snapshot

All Zacks' Analyst Reports »

News for DOX

Zacks News | Earnings | Other News

Amdocs Q2 Earnings Top Estimates, Stock Falls on Dim Q3 Profit Outlook
05/08/25-4:45AM EST Zacks

Amdocs (DOX) Tops Q2 Earnings and Revenue Estimates
05/07/25-4:50PM EST Zacks

DOX: What are Zacks experts saying now?
Zacks Private Portfolio Services

CDW (CDW) Q1 Earnings and Revenues Surpass Estimates
05/07/25-7:20AM EST Zacks

Stock Activity

Open	275.91
Day Low	274.54
Day High	276.90
52 Wk Low	253.30
52 Wk High	346.85
20 Day Avg Vol	2,913,582
Market Cap	148.33 B
Dividend	9.52 (3.45%)
Beta	0.51

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	5.21
Current Qtr Est	5.21
Current Yr Est	20.79
Exp Earnings Date	8/5/25
Prior Year EPS	19.84
Exp EPS Growth (3-5yr)	5.31%
Forward PE	13.27
PEG Ratio	2.50

Medical » Medical - Biomedical and Genetics

Research Reports for AMGN

Analyst Snapshot

All Zacks' Analyst Reports »

News for AMGN

Zacks News | Earnings | Other News

Amgen vs Bristol Myers: Which Biotech Giant Has Better Prospects?
05/19/25-12:29PM EST Zacks

Novo Nordisk Shares Dip 3% on Sudden CEO Transition Announcement
05/19/25-9:15AM EST Zacks

AMGN: What are Zacks experts saying now?
Zacks Private Portfolio Services

Improve Your Retirement Income with These 3 Top-Ranked Dividend Stocks
05/19/25-8:10AM EST Zacks

Stock Activity

Open	159.33
Day Low	158.09
Day High	159.71
52 Wk Low	130.85
52 Wk High	178.03
20 Day Avg Vol	332,212
Market Cap	10.44 B
Dividend	1.80 (1.14%)
Beta	0.58

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.59
Current Qtr Est	1.59
Current Yr Est	5.87
Exp Earnings Date	7/24/25
Prior Year EPS	5.64
Exp EPS Growth (3-5yr)	6.23%
Forward PE	26.95
PEG Ratio	4.33

Industrial Products » Containers - Paper and Packaging

Research Reports for ATR

Analyst Snapshot **All Zacks' Analyst Reports »**

News for ATR

Zacks News | Earnings | Other News

Is AptarGroup (ATR) Outperforming Other Industrial Products Stocks This Year?
05/20/25-8:40AM EST Zacks

Surging Earnings Estimates Signal Upside for AptarGroup (ATR) Stock
05/19/25-11:20AM EST Zacks

ATR: What are Zacks experts saying now?
Zacks Private Portfolio Services

AptarGroup (ATR) Upgraded to Strong Buy: Here's What You Should Know
05/19/25-11:00AM EST Zacks

Stock Activity

Open	342.97
Day Low	339.65
Day High	344.25
52 Wk Low	244.60
52 Wk High	350.70
20 Day Avg Vol	1,406,452
Market Cap	88.05 B
Dividend	2.60 (0.76%)
Beta	0.78

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	2.41
Current Qtr Est	2.41
Current Yr Est	11.17
Exp Earnings Date	7/24/25
Prior Year EPS	10.09
Exp EPS Growth (3-5yr)	NA
Forward PE	30.77
PEG Ratio	NA

Finance » Insurance - Brokerage

Research Reports for AJG

Analyst Snapshot **All Zacks' Analyst Reports »**

News for AJG

Zacks News | Earnings | Other News

Arthur J. Gallagher Q1 Earnings Surpass Estimates on Higher Revenues
05/02/25-9:19AM EST Zacks

Arthur J. Gallagher (AJG) Reports Q1 Earnings: What Key Metrics Have to Say
05/01/25-6:30PM EST Zacks

AJG: What are Zacks experts saying now?
Zacks Private Portfolio Services

Arthur J. Gallagher (AJG) Q1 Earnings Surpass Estimates
05/01/25-4:35PM EST Zacks

Stock Activity

Open	321.36
Day Low	320.84
Day High	323.14
52 Wk Low	231.27
52 Wk High	323.17
20 Day Avg Vol	1,579,737
Market Cap	131.10 B
Dividend	6.16 (1.91%)
Beta	0.76

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	2.23
Current Qtr Est	2.23
Current Yr Est	9.98
Exp Earnings Date	7/30/25
Prior Year EPS	9.18
Exp EPS Growth (3-5yr)	9.66%
Forward PE	32.36
PEG Ratio	3.35

Computer and Technology » Internet - Software

Research Reports for ADP

Analyst Snapshot **All Zacks' Analyst Reports »**

News for ADP

Zacks News | Earnings | Other News

All You Need to Know About ADP (ADP) Rating Upgrade to Buy
05/19/25-11:00AM EST Zacks

Paycom Jumps 26% in a Month: Is the Stock Still Worth Buying?
05/19/25-10:09AM EST Zacks

ADP: What are Zacks experts saying now?
Zacks Private Portfolio Services

Are Computer and Technology Stocks Lagging Automatic Data Processing (ADP) This Year?
05/19/25-8:40AM EST Zacks

Stock Activity

Open	47.49
Day Low	47.47
Day High	48.26
52 Wk Low	39.50
52 Wk High	63.33
20 Day Avg Vol	17,987,138
Market Cap	96.10 B
Dividend	2.48 (5.25%)
Beta	0.39

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.67
Current Qtr Est	1.67
Current Yr Est	6.89
Exp Earnings Date	7/25/25
Prior Year EPS	1.15
Exp EPS Growth (3-5yr)	5.00%
Forward PE	6.85
PEG Ratio	1.37

Medical » Medical - Biomedical and Genetics

Research Reports for BMY

Analyst Snapshot

All Zacks' Analyst Reports »

News for BMY

Zacks News | Earnings | Other News

Amgen vs Bristol Myers: Which Biotech Giant Has Better Prospects?
05/19/25-12:29PM EST Zacks

Investors Heavily Search Bristol Myers Squibb Company (BMY): Here is What You Need to Know
05/14/25-8:00AM EST Zacks

BMY: What are Zacks experts saying now?
Zacks Private Portfolio Services

Should SPDR Russell 1000 Low Volatility Focus ETF (ONEV) Be on Your Investing Radar?
05/13/25-5:20AM EST Zacks

Stock Activity

Open	111.68
Day Low	111.47
Day High	112.34
52 Wk Low	85.97
52 Wk High	125.68
20 Day Avg Vol	1,798,363
Market Cap	32.10 B
Dividend	0.60 (0.54%)
Beta	0.87

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.01
Current Qtr Est	1.01
Current Yr Est	4.17
Exp Earnings Date	7/28/25
Prior Year EPS	3.84
Exp EPS Growth (3-5yr)	9.49%
Forward PE	26.83
PEG Ratio	2.83

Finance » Insurance - Brokerage

Research Reports for BRO

Analyst Snapshot

All Zacks' Analyst Reports »

News for BRO

Zacks News | Earnings | Other News

Is ProShares S&P 500 Dividend Aristocrats ETF (NOBL) a Strong ETF Right Now?
05/09/25-5:20AM EST Zacks

Are Options Traders Betting on a Big Move in Brown & Brown (BRO) Stock?
05/07/25-7:46AM EST Zacks

BRO: What are Zacks experts saying now?
Zacks Private Portfolio Services

Arthur J. Gallagher Q1 Earnings Surpass Estimates on Higher Revenues
05/02/25-9:19AM EST Zacks

Stock Activity

Open	35.69
Day Low	35.41
Day High	36.11
52 Wk Low	30.48
52 Wk High	49.88
20 Day Avg Vol	2,135,222
Market Cap	16.85 B
Dividend	0.91 (2.54%)
Beta	0.64

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.36
Current Qtr Est	0.36
Current Yr Est	1.81
Earnings Date	*BMO6/5/25
Prior Year EPS	2.14
Exp EPS Growth (3-5yr)	3.20%
Forward PE	19.38
PEG Ratio	6.06

Consumer Staples » Beverages - Alcohol

*BMO = Before Market Open *AMC = After Market Close

Research Reports for BF.B

Analyst Snapshot

All Zacks' Analyst Reports »

News for BF.B

Zacks News | Earnings | Other News

Molson Coors Brewing (TAP) Q1 Earnings and Revenues Lag Estimates
05/08/25-6:40AM EST Zacks

CABGY vs. BF.B: Which Stock Is the Better Value Option?
04/25/25-10:40AM EST Zacks

BF.B: What are Zacks experts saying now?
Zacks Private Portfolio Services

CABGY vs. BF.B: Which Stock Should Value Investors Buy Now?

Stock Activity

Open	95.85
Day Low	95.62
Day High	96.88
52 Wk Low	90.99
52 Wk High	116.46
20 Day Avg Vol	2,652,565
Market Cap	23.64 B
Dividend	1.18 (1.23%)
Beta	0.55

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.85
Current Qtr Est	0.85
Current Yr Est	3.48
Exp Earnings Date	8/1/25
Prior Year EPS	3.44
Exp EPS Growth (3-5yr)	7.15%
Forward PE	27.42
PEG Ratio	3.83

Consumer Staples » Consumer Products - Staples

Research Reports for CHD

Analyst Snapshot

All Zacks' Analyst Reports »

News for CHD

Zacks News | Earnings | Other News

Church & Dwight to Purchase Touchland, Boost Brand Portfolio
05/13/25-9:37AM EST Zacks

Church & Dwight Q1 Earnings Beat Estimates, Lower Organic Sales Hurt
05/01/25-11:54AM EST Zacks

CHD: What are Zacks experts saying now?
Zacks Private Portfolio Services

Church & Dwight (CHD) Q1 Earnings: How Key Metrics Compare to Wall Street Estimates
05/01/25-8:30AM EST Zacks

Stock Activity

Open	63.74
Day Low	63.07
Day High	63.85
52 Wk Low	44.64
52 Wk High	66.50
20 Day Avg Vol	22,075,608
Market Cap	254.29 B
Dividend	1.64 (2.57%)
Beta	0.89

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.80
Current Qtr Est	0.80
Current Yr Est	3.07
Exp Earnings Date	8/13/25
Prior Year EPS	3.73
Exp EPS Growth (3-5yr)	5.41%
Forward PE	17.09
PEG Ratio	3.16

Computer and Technology » Computer - Networking

Research Reports for CSCO

Analyst Snapshot

All Zacks' Analyst Reports »

News for CSCO

Zacks News | Earnings | Other News

CRWD Rises 25% in 6 Months: Should You Buy, Sell or Hold the Stock?
05/19/25-9:28AM EST Zacks

Don't Overlook Cisco (CSCO) International Revenue Trends While Assessing the Stock
05/19/25-8:15AM EST Zacks

CSCO: What are Zacks experts saying now?
Zacks Private Portfolio Services

Cisco Systems, Inc. (CSCO) Is a Trending Stock: Facts to Know Before Betting on It
05/19/25-8:00AM EST Zacks

Stock Activity

Open	278.27
Day Low	275.82
Day High	278.42
52 Wk Low	190.70
52 Wk High	286.48
20 Day Avg Vol	2,193,107
Market Cap	100.16 B
Dividend	5.00 (1.80%)
Beta	0.45

Key Earnings Data

Earnings ESP	1.37%
Most Accurate Est	2.97
Current Qtr Est	2.93
Current Yr Est	11.15
Exp Earnings Date	7/23/25
Prior Year EPS	10.26
Exp EPS Growth (3-5yr)	6.53%
Forward PE	24.92
PEG Ratio	3.82

Finance » Securities and Exchanges

Research Reports for CME

Analyst Snapshot

All Zacks' Analyst Reports »

News for CME

Zacks News | Earnings | Other News

Wall Street Cuts Virtu Financial's Outlook: How to Play the Stock?
05/20/25-7:54AM EST Zacks

Is CME Group (CME) Stock Outpacing Its Finance Peers This Year?
05/19/25-8:40AM EST Zacks

CME: What are Zacks experts saying now?
Zacks Private Portfolio Services

Here's How Much You'd Have If You Invested $1000 in CME Group a Decade Ago
05/19/25-7:30AM EST Zacks

Stock Activity

Open	71.80
Day Low	71.43
Day High	72.13
52 Wk Low	60.62
52 Wk High	74.38
20 Day Avg Vol	15,908,858
Market Cap	309.61 B
Dividend	2.04 (2.84%)
Beta	0.47

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.83
Current Qtr Est	0.83
Current Yr Est	2.96
Exp Earnings Date	7/22/25
Prior Year EPS	2.88
Exp EPS Growth (3-5yr)	6.33%
Forward PE	24.27
PEG Ratio	3.83

Consumer Staples » Beverages - Soft drinks

Research Reports for KO

Analyst Snapshot

All Zacks' Analyst Reports »

News for KO

Zacks News | Earnings | Other News

PepsiCo Strengthens Wellness Brands Portfolio With Poppi Acquisition
05/20/25-11:44AM EST Zacks

Are Consumer Staples Stocks Lagging Carlsberg (CABGY) This Year?
05/20/25-8:40AM EST Zacks

KO: What are Zacks experts saying now?
Zacks Private Portfolio Services

Buy 3 Wide Moat Stocks With Double-Digit Near-Term Upside Potential
05/20/25-8:00AM EST Zacks

Stock Activity

Open	91.71
Day Low	91.44
Day High	92.16
52 Wk Low	85.32
52 Wk High	109.30
20 Day Avg Vol	5,481,270
Market Cap	74.35 B
Dividend	2.08 (2.27%)
Beta	0.39

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.89
Current Qtr Est	0.89
Current Yr Est	3.65
Exp Earnings Date	7/25/25
Prior Year EPS	3.60
Exp EPS Growth (3-5yr)	5.16%
Forward PE	25.15
PEG Ratio	4.87

Consumer Staples » Consumer Products - Staples

Research Reports for CL

Analyst Snapshot

All Zacks' Analyst Reports »

News for CL

Zacks News | Earnings | Other News

Colgate Stock Slips 7% in a Month: What's the Best Move Now?
05/14/25-10:43AM EST Zacks

GO vs. CL: Which Stock Should Value Investors Buy Now?
05/13/25-10:40AM EST Zacks

CL: What are Zacks experts saying now?
Zacks Private Portfolio Services

Procter & Gamble Vs Colgate: Which is a Smarter Stock to Own Now?
05/01/25-11:07AM EST Zacks

Stock Activity

Open	35.38
Day Low	35.35
Day High	35.78
52 Wk Low	31.44
52 Wk High	45.31
20 Day Avg Vol	23,803,036
Market Cap	132.32 B
Dividend	1.32 (3.72%)
Beta	0.97

Key Earnings Data

Earnings ESP	-0.84%
Most Accurate Est	1.18
Current Qtr Est	1.19
Current Yr Est	4.36
Exp Earnings Date	7/22/25
Prior Year EPS	4.33
Exp EPS Growth (3-5yr)	4.70%
Forward PE	8.14
PEG Ratio	1.73

Consumer Discretionary » Cable Television

Research Reports for CMCSA

Analyst Snapshot

All Zacks' Analyst Reports »

News for CMCSA

Zacks News | Earnings | Other News

Charter and COX to Merge in a Mega Deal: ETFs Set to Gain
05/19/25-9:58AM EST Zacks

Investors Heavily Search Comcast Corporation (CMCSA): Here is What You Need to Know
05/09/25-8:00AM EST Zacks

CMCSA: What are Zacks experts saying now?
Zacks Private Portfolio Services

Disney's Q2 Earnings Coming Up: Time to Buy, Sell or Hold the Stock?
05/05/25-6:02AM EST Zacks

Stock Activity

Open	1,030.01
Day Low	1,030.01
Day High	1,037.87
52 Wk Low	788.20
52 Wk High	1,078.24
20 Day Avg Vol	1,930,696
Market Cap	458.92 B
Dividend	5.20 (0.50%)
Beta	1.00

Key Earnings Data

Earnings ESP	-0.71%
Most Accurate Est	4.22
Current Qtr Est	4.25
Current Yr Est	17.96
Earnings Date	*AMC5/29/25
Prior Year EPS	16.11
Exp EPS Growth (3-5yr)	9.36%
Forward PE	57.60
PEG Ratio	6.15

Retail-Wholesale » Retail - Discount Stores

*BMO = Before Market Open *AMC = After Market Close

Research Reports for COST

Analyst Snapshot

All Zacks' Analyst Reports »

News for COST

Zacks News | Earnings | Other News

Costco (COST) Beats Stock Market Upswing: What Investors Need to Know
05/19/25-4:45PM EST Zacks

Alibaba Q4 Earnings Surpass Estimates, Revenues Increase Y/Y
05/16/25-12:46PM EST Zacks

COST: What are Zacks experts saying now?
Zacks Private Portfolio Services

How Should Investors Approach Walmart Stock Post Q1 Earnings?

Stock Activity

Open	150.62
Day Low	149.97
Day High	151.82
52 Wk Low	115.21
52 Wk High	168.50
20 Day Avg Vol	3,326,224
Market Cap	37.74 B
Dividend	0.76 (0.51%)
Beta	0.74

Key Earnings Data

Earnings ESP	-5.56%
Most Accurate Est	-0.38
Current Qtr Est	-0.36
Current Yr Est	6.04
Exp Earnings Date	7/29/25
Prior Year EPS	6.82
Exp EPS Growth (3-5yr)	12.02%
Forward PE	18.50
PEG Ratio	1.54

Consumer Discretionary » Gaming

Research Reports for EA

Analyst Snapshot

All Zacks' Analyst Reports »

News for EA

Zacks News | Earnings | Other News

Are You a Momentum Investor? This 1 Stock Could Be the Perfect Pick
05/12/25-8:50AM EST Zacks

Electronic Arts Q4 Earnings and Revenues Increase Year Over Year
05/07/25-9:42AM EST Zacks

EA: What are Zacks experts saying now?
Zacks Private Portfolio Services

Compared to Estimates, Electronic Arts (EA) Q4 Earnings: A Look at Key Metrics
05/06/25-7:00PM EST Zacks

Stock Activity

Open	756.00
Day Low	746.05
Day High	763.50
52 Wk Low	677.09
52 Wk High	972.53
20 Day Avg Vol	4,959,485
Market Cap	715.64 B
Dividend	6.00 (0.79%)
Beta	0.48

Key Earnings Data

Earnings ESP	0.18%
Most Accurate Est	5.54
Current Qtr Est	5.53
Current Yr Est	22.08
Exp Earnings Date	8/14/25
Prior Year EPS	12.99
Exp EPS Growth (3-5yr)	31.21%
Forward PE	34.02
PEG Ratio	1.09

Medical » Large Cap Pharmaceuticals

Research Reports for LLY

Analyst Snapshot

All Zacks' Analyst Reports »

News for LLY

Zacks News | Earnings | Other News

Novo Nordisk Shares Dip 3% on Sudden CEO Transition Announcement
05/19/25-9:15AM EST Zacks

PFE vs. MRK: Which Oncology Drug Giant is a Better Buy Now?
05/19/25-7:29AM EST Zacks

LLY: What are Zacks experts saying now?
Zacks Private Portfolio Services

Novo Nordisk Stock Gains 14% in a Month: What Should Investors Do?
05/16/25-8:07AM EST Zacks

Stock Activity

Open	280.17
Day Low	280.17
Day High	282.88
52 Wk Low	239.20
52 Wk High	316.90
20 Day Avg Vol	1,323,609
Market Cap	75.52 B
Dividend	6.00 (2.13%)
Beta	0.49

Key Earnings Data

Earnings ESP	0.29%
Most Accurate Est	3.47
Current Qtr Est	3.46
Current Yr Est	14.91
Exp Earnings Date	7/23/25
Prior Year EPS	13.63
Exp EPS Growth (3-5yr)	9.96%
Forward PE	18.87
PEG Ratio	1.89

Aerospace » Aerospace - Defense

Research Reports for GD

Analyst Snapshot

All Zacks' Analyst Reports »

News for GD

Zacks News | Earnings | Other News

Boeing Secures a Contract for 210 Widebody Aircraft From Qatar Airways
05/16/25-9:11AM EST Zacks

General Dynamics Wins a $217M Contract to Support DDG-51 Warships
05/15/25-10:14AM EST Zacks

GD: What are Zacks experts saying now?
Zacks Private Portfolio Services

The Zacks Analyst Blog Highlights Lockheed Martin and General Dynamics
05/01/25-3:43AM EST Zacks

Stock Activity

Open	54.93
Day Low	54.76
Day High	55.35
52 Wk Low	52.93
52 Wk High	75.90
20 Day Avg Vol	4,377,665
Market Cap	30.22 B
Dividend	2.40 (4.38%)
Beta	0.05

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.71
Current Qtr Est	0.71
Current Yr Est	4.19
Exp Earnings Date	6/25/25
Prior Year EPS	4.52
Exp EPS Growth (3-5yr)	10.86%
Forward PE	13.10
PEG Ratio	1.21

Consumer Staples » Food - Miscellaneous

Research Reports for GIS

Analyst Snapshot

All Zacks' Analyst Reports »

News for GIS

Zacks News | Earnings | Other News

General Mills (GIS) Down 1.4% Since Last Earnings Report: Can It Rebound?
04/18/25-10:30AM EST Zacks

Pilgrim's Pride Looks Undervalued: Is Now the Time to Buy PPC Stock?
04/16/25-9:28AM EST Zacks

GIS: What are Zacks experts saying now?
Zacks Private Portfolio Services

GIS Stock Plunges More Than 18% in 6 Months: What Should You Do?
04/16/25-5:56AM EST Zacks

Stock Activity

Open	105.82
Day Low	105.76
Day High	109.18
52 Wk Low	62.07
52 Wk High	119.96
20 Day Avg Vol	9,416,175
Market Cap	132.06 B
Dividend	3.16 (2.98%)
Beta	0.26

Key Earnings Data

Earnings ESP	-1.51%
Most Accurate Est	1.96
Current Qtr Est	1.99
Current Yr Est	7.91
Exp Earnings Date	8/14/25
Prior Year EPS	4.62
Exp EPS Growth (3-5yr)	19.49%
Forward PE	13.41
PEG Ratio	0.69

Medical » Medical - Biomedical and Genetics

Research Reports for GILD

Analyst Snapshot

All Zacks' Analyst Reports »

News for GILD

Zacks News | Earnings | Other News

Gilead Sciences vs GSK: Which HIV Drugmaker is a Smarter Buy Now?
05/20/25-11:56AM EST Zacks

Is Invesco Biotechnology & Genome ETF (PBE) a Strong ETF Right Now?
05/20/25-5:20AM EST Zacks

GILD: What are Zacks experts saying now?
Zacks Private Portfolio Services

Stock Market News for May 20, 2025
05/20/25-3:52AM EST Zacks

Stock Activity

Open	156.50
Day Low	155.63
Day High	157.91
52 Wk Low	140.13
52 Wk High	209.65
20 Day Avg Vol	1,702,381
Market Cap	31.72 B
Dividend	5.48 (3.50%)
Beta	0.32

Key Earnings Data

Earnings ESP	-2.00%
Most Accurate Est	0.98
Current Qtr Est	1.00
Current Yr Est	5.96
Exp Earnings Date	8/7/25
Prior Year EPS	9.37
Exp EPS Growth (3-5yr)	4.61%
Forward PE	26.14
PEG Ratio	5.68

Consumer Staples » Food - Confectionery

Research Reports for HSY

Analyst Snapshot

All Zacks' Analyst Reports »

News for HSY

Zacks News | Earnings | Other News

Why These 4 Women-Run Companies Deserve a Spot in Your Portfolio?
05/19/25-10:10AM EST Zacks

Hershey Q1 Earnings Top Estimates, Sales Down Amid Volume Pressure
05/01/25-12:16PM EST Zacks

HSY: What are Zacks experts saying now?
Zacks Private Portfolio Services

Hershey (HSY) Reports Q1 Earnings: What Key Metrics Have to Say
05/01/25-8:30AM EST Zacks

Stock Activity

Open	386.37
Day Low	374.05
Day High	389.75
52 Wk Low	323.77
52 Wk High	439.31
20 Day Avg Vol	2,909,640
Market Cap	377.12 B
Dividend	9.20 (2.42%)
Beta	1.05

Key Earnings Data

Earnings ESP	-0.84%
Most Accurate Est	3.56
Current Qtr Est	3.59
Current Yr Est	14.99
Exp Earnings Date	*BMO5/20/25
Prior Year EPS	15.24
Exp EPS Growth (3-5yr)	7.05%
Forward PE	25.31
PEG Ratio	3.59

Retail-Wholesale » Retail - Home Furnishings

*BMO = Before Market Open *AMC = After Market Close

Research Reports for HD

Analyst Snapshot

All Zacks' Analyst Reports »

News for HD

Zacks News | Earnings | Other News

Home Depot Q1 Sales Beat Estimates, Stock Dips 2% on Earnings Miss
05/20/25-12:53PM EST Zacks

Leading Economic Indicator Drops in April
05/20/25-9:45AM EST Zacks

HD: What are Zacks experts saying now?
Zacks Private Portfolio Services

Pre-Markets Flat After "V-Shaped Rally" Off April Lows

Stock Activity

Open	30.09
Day Low	30.06
Day High	30.46
52 Wk Low	27.59
52 Wk High	36.80
20 Day Avg Vol	2,561,685
Market Cap	16.56 B
Dividend	1.16 (3.85%)
Beta	0.34

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.35
Current Qtr Est	0.35
Current Yr Est	1.61
Earnings Date	*BMO5/29/25
Prior Year EPS	1.58
Exp EPS Growth (3-5yr)	5.49%
Forward PE	18.71
PEG Ratio	3.41

Consumer Staples » Food - Meat Products

*BMO = Before Market Open *AMC = After Market Close

Research Reports for HRL

Analyst Snapshot

All Zacks' Analyst Reports »

News for HRL

Zacks News | Earnings | Other News

Beyond Meat (BYND) Reports Q1 Loss, Misses Revenue Estimates
05/07/25-4:40PM EST Zacks

Should PPC Stock Be in Your Portfolio Before Q1 Earnings?
04/24/25-9:23AM EST Zacks

HRL: What are Zacks experts saying now?
Zacks Private Portfolio Services

Pilgrim's Pride Looks Undervalued: Is Now the Time to Buy PPC Stock?

Stock Activity

Open	189.05
Day Low	187.76
Day High	189.43
52 Wk Low	153.36
52 Wk High	238.22
20 Day Avg Vol	687,507
Market Cap	14.35 B
Dividend	2.84 (1.50%)
Beta	1.07

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.99
Current Qtr Est	1.99
Current Yr Est	8.10
Exp Earnings Date	7/30/25
Prior Year EPS	7.89
Exp EPS Growth (3-5yr)	12.00%
Forward PE	23.46
PEG Ratio	1.95

Industrial Products » Manufacturing - General Industrial

Research Reports for IEX

Analyst Snapshot

All Zacks' Analyst Reports »

News for IEX

Zacks News | Earnings | Other News

IDEX Q1 Earnings Surpass Estimates, Sales Increase Year Over Year
05/01/25-11:26AM EST Zacks

Idex (IEX) Q1 Earnings: How Key Metrics Compare to Wall Street Estimates
05/01/25-8:30AM EST Zacks

IEX: What are Zacks experts saying now?
Zacks Private Portfolio Services

Idex (IEX) Surpasses Q1 Earnings and Revenue Estimates
05/01/25-7:15AM EST Zacks

Stock Activity

Open	251.50
Day Low	249.63
Day High	252.12
52 Wk Low	214.66
52 Wk High	279.13
20 Day Avg Vol	1,306,870
Market Cap	73.75 B
Dividend	6.00 (2.38%)
Beta	1.12

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	2.54
Current Qtr Est	2.54
Current Yr Est	10.26
Exp Earnings Date	7/29/25
Prior Year EPS	10.15
Exp EPS Growth (3-5yr)	4.53%
Forward PE	24.54
PEG Ratio	5.41

Industrial Products » Manufacturing - General Industrial

Research Reports for ITW

Analyst Snapshot

All Zacks' Analyst Reports »

News for ITW

Zacks News | Earnings | Other News

Implied Volatility Surging for Illinois Tool Works Stock Options
05/07/25-8:40AM EST Zacks

Illinois Tool Works Tops Q1 Earnings Estimates, Reaffirms '25 View
04/30/25-11:03AM EST Zacks

ITW: What are Zacks experts saying now?
Zacks Private Portfolio Services

Illinois Tool Works (ITW) Q1 Earnings: Taking a Look at Key Metrics Versus Estimates
04/30/25-9:00AM EST Zacks

Stock Activity

Open	175.90
Day Low	175.54
Day High	177.38
52 Wk Low	131.79
52 Wk High	179.44
20 Day Avg Vol	2,856,846
Market Cap	101.39 B
Dividend	1.92 (1.09%)
Beta	1.12

Key Earnings Data

Earnings ESP	1.16%
Most Accurate Est	1.75
Current Qtr Est	1.73
Current Yr Est	6.91
Exp Earnings Date	8/7/25
Prior Year EPS	6.07
Exp EPS Growth (3-5yr)	13.43%
Forward PE	25.56
PEG Ratio	1.90

Finance » Securities and Exchanges

Research Reports for ICE

Analyst Snapshot

All Zacks' Analyst Reports »

News for ICE

Zacks News | Earnings | Other News

What Makes IntercontinentalExchange (ICE) a Strong Momentum Stock: Buy Now?
05/12/25-11:00AM EST Zacks

CME Hits 52-Week High: Time to Buy Despite Expensive Valuation?
05/08/25-12:28PM EST Zacks

ICE: What are Zacks experts saying now?
Zacks Private Portfolio Services

The Zacks Analyst Blog Highlights Meta Platforms, JPMorgan Chase and Intercontinental Exchange
05/05/25-8:04AM EST Zacks

Stock Activity

Open	267.40
Day Low	266.01
Day High	269.28
52 Wk Low	163.53
52 Wk High	269.28
20 Day Avg Vol	4,756,178
Market Cap	249.46 B
Dividend	6.72 (2.50%)
Beta	0.64

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	2.64
Current Qtr Est	2.64
Current Yr Est	10.95
Exp Earnings Date	7/23/25
Prior Year EPS	10.33
Exp EPS Growth (3-5yr)	4.35%
Forward PE	24.52
PEG Ratio	5.64

Computer and Technology » Computer - Integrated Systems

Research Reports for IBM

Analyst Snapshot

All Zacks' Analyst Reports »

News for IBM

Zacks News | Earnings | Other News

The Zacks Analyst Blog Highlights Oracle, IBM, Merck and Earth Science Tech
05/15/25-5:17AM EST Zacks

Top Analyst Reports for Oracle, IBM & Merck
05/14/25-5:44PM EST Zacks

IBM: What are Zacks experts saying now?
Zacks Private Portfolio Services

Investing in IBM (IBM)? Don't Miss Assessing Its International Revenue Trends
05/13/25-8:16AM EST Zacks

Stock Activity

Open	152.33
Day Low	152.12
Day High	154.04
52 Wk Low	140.68
52 Wk High	169.99
20 Day Avg Vol	8,083,306
Market Cap	366.90 B
Dividend	4.96 (3.25%)
Beta	0.42

Key Earnings Data

Earnings ESP	-0.38%
Most Accurate Est	2.64
Current Qtr Est	2.65
Current Yr Est	10.60
Exp Earnings Date	7/16/25
Prior Year EPS	9.98
Exp EPS Growth (3-5yr)	6.23%
Forward PE	14.38
PEG Ratio	2.31

Medical » Large Cap Pharmaceuticals

Research Reports for JNJ

Analyst Snapshot

All Zacks' Analyst Reports »

News for JNJ

Zacks News | Earnings | Other News

Here's Why Johnson & Johnson (JNJ) is a Strong Value Stock
05/16/25-8:40AM EST Zacks

Why Is Johnson & Johnson (JNJ) Down 4.9% Since Last Earnings Report?
05/15/25-10:30AM EST Zacks

JNJ: What are Zacks experts saying now?
Zacks Private Portfolio Services

ISRG Stock Gains More than 8% YTD: Will the Uptrend Continue?
05/15/25-5:49AM EST Zacks

Stock Activity

Open	140.76
Day Low	140.35
Day High	141.68
52 Wk Low	124.10
52 Wk High	150.45
20 Day Avg Vol	2,629,117
Market Cap	46.72 B
Dividend	5.04 (3.58%)
Beta	0.35

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.66
Current Qtr Est	1.66
Current Yr Est	7.09
Exp Earnings Date	7/22/25
Prior Year EPS	7.30
Exp EPS Growth (3-5yr)	3.97%
Forward PE	19.84
PEG Ratio	4.99

Consumer Staples » Consumer Products - Staples

Research Reports for KMB

Analyst Snapshot

All Zacks' Analyst Reports »

News for KMB

Zacks News | Earnings | Other News

ADRNY or KMB: Which Is the Better Value Stock Right Now?
05/19/25-10:40AM EST Zacks

Stock Market News for Apr 23, 2025
04/23/25-8:40AM EST Zacks

KMB: What are Zacks experts saying now?
Zacks Private Portfolio Services

Kimberly-Clark's Q1 Earnings Top Estimates, Organic Sales Down 1.6%
04/22/25-11:54AM EST Zacks

Stock Activity	
Open	471.23
Day Low	470.89
Day High	477.10
52 Wk Low	418.88
52 Wk High	618.95
20 Day Avg Vol	1,414,062
Market Cap	110.84 B
Dividend	13.20 (2.79%)
Beta	0.29

Key Earnings Data	
Earnings ESP	-0.45%
Most Accurate Est	6.58
Current Qtr Est	6.61
Current Yr Est	27.24
Exp Earnings Date	7/22/25
Prior Year EPS	28.47
Exp EPS Growth (3-5yr)	10.52%
Forward PE	17.33
PEG Ratio	1.65

Aerospace » Aerospace - Defense

Research Reports for LMT

Analyst Snapshot

All Zacks' Analyst Reports »

News for LMT

Zacks News | Earnings | Other News

RTX Ships AN/TPY-2 Radar to the US Missile Defense Agency
05/20/25-9:18AM EST Zacks

RTX Wins $581M Contract for Next Generation Jammer Mid-Band System
05/19/25-8:57AM EST Zacks

LMT: What are Zacks experts saying now?
Zacks Private Portfolio Services

General Dynamics Wins a $217M Contract to Support DDG-51 Warships
05/15/25-10:14AM EST Zacks

Stock Activity

Open	231.39
Day Low	230.01
Day High	232.43
52 Wk Low	201.77
52 Wk High	248.00
20 Day Avg Vol	2,099,999
Market Cap	114.23 B
Dividend	3.26 (1.41%)
Beta	0.85

Key Earnings Data

Earnings ESP	-0.38%
Most Accurate Est	2.65
Current Qtr Est	2.66
Current Yr Est	9.57
Exp Earnings Date	7/17/25
Prior Year EPS	8.80
Exp EPS Growth (3-5yr)	8.52%
Forward PE	24.22
PEG Ratio	2.84

Finance » Insurance - Brokerage

Research Reports for MMC

Analyst Snapshot **All Zacks' Analyst Reports »**

News for MMC

Zacks News | Earnings | Other News

Reasons Why Investors Should Hold on to Marsh & McLennan Shares Now
05/20/25-7:51AM EST Zacks

Arthur J. Gallagher Q1 Earnings Surpass Estimates on Higher Revenues
05/02/25-9:19AM EST Zacks

MMC: What are Zacks experts saying now?
Zacks Private Portfolio Services

Allstate Q1 Earnings Beat on Strong Premium Despite Massive CAT Loss
05/01/25-7:10AM EST Zacks

Stock Activity	
Open	321.22
Day Low	318.88
Day High	321.72
52 Wk Low	243.53
52 Wk High	326.32
20 Day Avg Vol	3,189,617
Market Cap	229.69 B
Dividend	7.08 (2.20%)
Beta	0.57

Key Earnings Data	
Earnings ESP	0.00%
Most Accurate Est	3.13
Current Qtr Est	3.13
Current Yr Est	12.23
Exp Earnings Date	8/4/25
Prior Year EPS	11.72
Exp EPS Growth (3-5yr)	7.82%
Forward PE	26.26
PEG Ratio	3.36

Retail-Wholesale » Retail - Restaurants

Research Reports for MCD

Analyst Snapshot

All Zacks' Analyst Reports »

News for MCD

Zacks News | Earnings | Other News

The Zacks Analyst Blog Highlights McDonald, RTX, S&P Global and New England Realty Associates
05/19/25-8:56AM EST Zacks

Top Stock Reports for McDonald's, RTX & S&P Global
05/16/25-3:49PM EST Zacks

MCD: What are Zacks experts saying now?
Zacks Private Portfolio Services

McDonald's Trades Near 52-Week High: Can the Stock Keep Sizzling?
05/16/25-8:14AM EST Zacks

Stock Activity

Open	726.25
Day Low	717.48
Day High	731.00
52 Wk Low	464.42
52 Wk High	731.00
20 Day Avg Vol	1,137,960
Market Cap	90.88 B
Dividend	2.84 (0.39%)
Beta	0.53

Key Earnings Data

Earnings ESP	0.97%
Most Accurate Est	8.35
Current Qtr Est	8.27
Current Yr Est	37.30
Exp Earnings Date	8/6/25
Prior Year EPS	33.05
Exp EPS Growth (3-5yr)	13.45%
Forward PE	19.58
PEG Ratio	1.46

Medical » Medical - Dental Supplies

Research Reports for MCK

Analyst Snapshot

All Zacks' Analyst Reports »

News for MCK

Zacks News | Earnings | Other News

Cooper Companies Q2 Earnings Likely to Reflect Seasonal Trends
05/20/25-6:48AM EST Zacks

MCK Stock Gains More Than 4% Following Strong Q4: Should You Buy Now?
05/19/25-5:54AM EST Zacks

MCK: What are Zacks experts saying now?
Zacks Private Portfolio Services

3 Reasons Growth Investors Will Love McKesson (MCK)
05/14/25-11:45AM EST Zacks

Stock Activity

Open	77.55
Day Low	77.42
Day High	79.18
52 Wk Low	73.31
52 Wk High	134.63
20 Day Avg Vol	16,287,978
Market Cap	193.93 B
Dividend	3.24 (4.20%)
Beta	0.43

Key Earnings Data

Earnings ESP	-0.49%
Most Accurate Est	2.02
Current Qtr Est	2.03
Current Yr Est	8.92
Exp Earnings Date	7/29/25
Prior Year EPS	7.65
Exp EPS Growth (3-5yr)	12.15%
Forward PE	8.65
PEG Ratio	0.71

Medical » Large Cap Pharmaceuticals

Research Reports for MRK

Analyst Snapshot **All Zacks' Analyst Reports »**

News for MRK

Zacks News | Earnings | Other News

MRK, Daiichi Begin Pivotal Esophageal Cancer Study With ADC Drug
05/20/25-9:22AM EST Zacks

Pfizer Buys Rights to PD-1 & VEGF Inhibitor From China Biotech
05/20/25-7:46AM EST Zacks

MRK: What are Zacks experts saying now?
Zacks Private Portfolio Services

The Zacks Analyst Blog Highlights Bayer, Novo Nordisk, GSK, Merck and AbbVie
05/19/25-8:51AM EST Zacks

Stock Activity

Open	455.59
Day Low	454.32
Day High	457.56
52 Wk Low	344.79
52 Wk High	468.35
20 Day Avg Vol	23,491,564
Market Cap	3,410.57 B
Dividend	3.32 (0.72%)
Beta	0.99

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	3.35
Current Qtr Est	3.35
Current Yr Est	13.30
Exp Earnings Date	7/29/25
Prior Year EPS	11.80
Exp EPS Growth (3-5yr)	14.76%
Forward PE	34.50
PEG Ratio	2.34

Computer and Technology » Computer - Software

Research Reports for MSFT

Analyst Snapshot

All Zacks' Analyst Reports »

News for MSFT

Zacks News | Earnings | Other News

Top AI Stocks to Add to Your Portfolio for Impressive Returns
05/20/25-1:30PM EST Zacks

UiPath Shares Down 37% Over a Year: Is a Turnaround in Play?
05/20/25-12:10PM EST Zacks

MSFT: What are Zacks experts saying now?
Zacks Private Portfolio Services

C3.ai Trading at a Premium at 6.39X: Time to Hold or Sell the Stock?
05/20/25-11:54AM EST Zacks

Stock Activity

Open	65.81
Day Low	65.66
Day High	66.30
52 Wk Low	53.95
52 Wk High	76.06
20 Day Avg Vol	7,638,921
Market Cap	85.10 B
Dividend	1.88 (2.86%)
Beta	0.50

Key Earnings Data

Earnings ESP	1.49%
Most Accurate Est	0.68
Current Qtr Est	0.67
Current Yr Est	3.02
Exp Earnings Date	7/29/25
Prior Year EPS	3.36
Exp EPS Growth (3-5yr)	4.27%
Forward PE	21.80
PEG Ratio	5.11

Consumer Staples » Food - Miscellaneous

Research Reports for MDLZ

Analyst Snapshot

All Zacks' Analyst Reports »

News for MDLZ

Zacks News | Earnings | Other News

CAG Trading Cheaper Than Industry: What's Next for Investors?
05/20/25-8:23AM EST Zacks

Coty Trading Cheaper Than Industry: What's the Next Best Move?
05/20/25-8:04AM EST Zacks

MDLZ: What are Zacks experts saying now?
Zacks Private Portfolio Services

Flowers Foods Q1 Earnings & Revenues Miss Estimates, FY25 View Lowered
05/16/25-12:49PM EST Zacks

Open	653.71
Day Low	647.11
Day High	653.71
52 Wk Low	480.00
52 Wk High	653.71
20 Day Avg Vol	38,397
Market Cap	6.14 B
Dividend	11.00 (1.69%)
Beta	0.41

Key Earnings Data

Earnings ESP	NA
Most Accurate Est	NA
Current Qtr Est	NA
Current Yr Est	NA
Exp Earnings Date	8/4/25
Prior Year EPS	48.22
Exp EPS Growth (3-5yr)	NA
Forward PE	NA
PEG Ratio	NA

Basic Materials » Chemical - Specialty

Research Report for NEU

Snapshot

All Zacks' Analyst Reports »

News for NEU

Zacks News | Earnings | Other News

Premium Research for NEU

Zacks Rank	NA
Zacks Industry Rank	Bottom 42% (141 out of 245)
Zacks Sector Rank	Top 38% (6 out of 16)
Style Scores	

Stock Activity

Open	469.89
Day Low	469.89
Day High	477.87
52 Wk Low	418.60
52 Wk High	555.57
20 Day Avg Vol	1,373,826
Market Cap	67.81 B
Dividend	8.24 (1.75%)
Beta	0.15

Key Earnings Data

Earnings ESP	-0.45%
Most Accurate Est	6.70
Current Qtr Est	6.73
Current Yr Est	27.97
Exp Earnings Date	7/24/25
Prior Year EPS	26.08
Exp EPS Growth (3-5yr)	3.28%
Forward PE	18.47
PEG Ratio	5.64

Aerospace » Aerospace - Defense

Research Reports for NOC

Analyst Snapshot

All Zacks' Analyst Reports »

News for NOC

Zacks News | Earnings | Other News

RTX Ships AN/TPY-2 Radar to the US Missile Defense Agency
05/20/25-9:18AM EST Zacks

RTX Wins $581M Contract for Next Generation Jammer Mid-Band System
05/19/25-8:57AM EST Zacks

NOC: What are Zacks experts saying now?
Zacks Private Portfolio Services

Should You Invest in the Invesco S&P 500 Equal Weight Industrials ETF (RSPN)?
05/19/25-5:20AM EST Zacks

Stock Activity

Open	131.75
Day Low	131.35
Day High	132.17
52 Wk Low	127.87
52 Wk High	182.13
20 Day Avg Vol	8,387,429
Market Cap	180.69 B
Dividend	5.42 (4.11%)
Beta	0.47

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	2.04
Current Qtr Est	2.04
Current Yr Est	7.87
Exp Earnings Date	7/10/25
Prior Year EPS	8.16
Exp EPS Growth (3-5yr)	4.42%
Forward PE	16.74
PEG Ratio	3.78

Consumer Staples » Beverages - Soft drinks

Research Reports for PEP

Analyst Snapshot

All Zacks' Analyst Reports »

News for PEP

Zacks News | Earnings | Other News

PepsiCo Strengthens Wellness Brands Portfolio With Poppi Acquisition
05/20/25-11:44AM EST Zacks

PepsiCo (PEP) Ascends But Remains Behind Market: Some Facts to Note
05/16/25-4:45PM EST Zacks

PEP: What are Zacks experts saying now?
Zacks Private Portfolio Services

Celsius Holdings Up 70% in Three Months: How Should Investors Play?
05/14/25-10:30AM EST Zacks

Stock Activity

Open	164.61
Day Low	164.60
Day High	166.00
52 Wk Low	156.58
52 Wk High	180.43
20 Day Avg Vol	8,604,490
Market Cap	386.31 B
Dividend	4.23 (2.57%)
Beta	0.41

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.42
Current Qtr Est	1.42
Current Yr Est	6.78
Exp Earnings Date	7/29/25
Prior Year EPS	6.59
Exp EPS Growth (3-5yr)	4.96%
Forward PE	24.31
PEG Ratio	4.90

Consumer Staples » Consumer Products - Staples

Research Reports for PG

Analyst Snapshot **All Zacks' Analyst Reports »**

News for PG

Zacks News | Earnings | Other News

Procter & Gamble Stock Slips 5% in a Month: Buy the Dip or Stay Wary?
05/16/25-5:52AM EST Zacks

Brokers Suggest Investing in P&G (PG): Read This Before Placing a Bet
05/15/25-8:30AM EST Zacks

PG: What are Zacks experts saying now?
Zacks Private Portfolio Services

Investors Heavily Search Procter & Gamble Company (The) (PG): Here is What You Need to Know
05/12/25-8:00AM EST Zacks

Stock Activity

Open	250.49
Day Low	250.00
Day High	252.14
52 Wk Low	180.92
52 Wk High	253.54
20 Day Avg Vol	1,344,013
Market Cap	78.24 B
Dividend	2.32 (0.93%)
Beta	0.66

Key Earnings Data

Earnings ESP	-0.57%
Most Accurate Est	1.74
Current Qtr Est	1.75
Current Yr Est	6.89
Exp Earnings Date	7/23/25
Prior Year EPS	6.46
Exp EPS Growth (3-5yr)	9.46%
Forward PE	36.33
PEG Ratio	3.84

Business Services » Waste Removal Services

Research Reports for RSG

Analyst Snapshot

All Zacks' Analyst Reports »

News for RSG

Zacks News | Earnings | Other News

Here's Why Investors Must Hold RSG Stock in Their Portfolios Now
05/20/25-5:45AM EST Zacks

Why Republic Services (RSG) is a Top Momentum Stock for the Long-Term
05/16/25-8:50AM EST Zacks

RSG: What are Zacks experts saying now?
Zacks Private Portfolio Services

Why Republic Services (RSG) is a Top Growth Stock for the Long-Term
05/15/25-8:45AM EST Zacks

Stock Activity

Open	577.91
Day Low	573.74
Day High	578.34
52 Wk Low	499.47
52 Wk High	595.17
20 Day Avg Vol	593,114
Market Cap	62.41 B
Dividend	3.30 (0.57%)
Beta	1.08

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	4.82
Current Qtr Est	4.82
Current Yr Est	19.92
Exp Earnings Date	7/23/25
Prior Year EPS	18.31
Exp EPS Growth (3-5yr)	10.50%
Forward PE	29.17
PEG Ratio	2.78

Computer and Technology » Computers - IT Services

Research Reports for ROP

Analyst Snapshot **All Zacks' Analyst Reports »**

News for ROP

Zacks News | Earnings | Other News

Roper Exhibits Strong Prospects Despite Persisting Headwinds
05/20/25-11:36AM EST Zacks

Should You Invest in the Invesco Water Resources ETF (PHO)?
05/19/25-5:20AM EST Zacks

ROP: What are Zacks experts saying now?
Zacks Private Portfolio Services

Roper Q1 Earnings Top Estimates, Application Software Sales Up Y/Y
04/28/25-8:49AM EST Zacks

Stock Activity

Open	286.92
Day Low	285.63
Day High	288.92
52 Wk Low	201.34
52 Wk High	292.99
20 Day Avg Vol	2,488,988
Market Cap	168.97 B
Dividend	0.40 (0.14%)
Beta	0.40

Key Earnings Data

Earnings ESP	5.10%
Most Accurate Est	3.71
Current Qtr Est	3.53
Current Yr Est	15.80
Exp Earnings Date	7/15/25
Prior Year EPS	14.05
Exp EPS Growth (3-5yr)	10.22%
Forward PE	18.24
PEG Ratio	1.79

Finance » Insurance - Property and Casualty

Research Reports for PGR

Analyst Snapshot

All Zacks' Analyst Reports »

News for PGR

Zacks News | Earnings | Other News

Why These 4 Women-Run Companies Deserve a Spot in Your Portfolio?
05/19/25-10:10AM EST Zacks

Zacks Investment Ideas feature highlights: UnitedHealth, Progressive and HCI
05/19/25-8:32AM EST Zacks

PGR: What are Zacks experts saying now?
Zacks Private Portfolio Services

After 30% Slide, is UNH Stock a Buy? Use the 3-Day Rule to Decide
05/16/25-1:10PM EST Zacks

Stock Activity

Open	273.94
Day Low	272.92
Day High	274.79
52 Wk Low	200.21
52 Wk High	275.03
20 Day Avg Vol	1,147,807
Market Cap	62.20 B
Dividend	4.20 (1.53%)
Beta	0.53

Key Earnings Data

Earnings ESP	1.43%
Most Accurate Est	3.56
Current Qtr Est	3.51
Current Yr Est	18.39
Exp Earnings Date	7/18/25
Prior Year EPS	21.58
Exp EPS Growth (3-5yr)	4.01%
Forward PE	14.93
PEG Ratio	3.72

Finance » Insurance - Property and Casualty

Research Reports for TRV

Analyst Snapshot

All Zacks' Analyst Reports »

News for TRV

Zacks News | Earnings | Other News

American Financial Trades Above 50-Day SMA: Time to Hold AFG Stock?
05/20/25-7:18AM EST Zacks

CB Raises Dividend, Okays Buyback: Is the Stock a Buy Now?
05/19/25-1:24PM EST Zacks

TRV: What are Zacks experts saying now?
Zacks Private Portfolio Services

Arch Capital Trades Above 50-Day SMA: Time to Hold ACGL Stock?
05/19/25-8:28AM EST Zacks

Stock Activity

Open	412.65
Day Low	409.89
Day High	415.40
52 Wk Low	390.50
52 Wk High	627.88
20 Day Avg Vol	2,982,352
Market Cap	156.25 B
Dividend	1.72 (0.42%)
Beta	0.82

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	5.22
Current Qtr Est	5.22
Current Yr Est	22.33
Exp Earnings Date	7/23/25
Prior Year EPS	21.86
Exp EPS Growth (3-5yr)	8.48%
Forward PE	18.54
PEG Ratio	2.18

Medical » Medical - Instruments

Research Reports for TMO

Analyst Snapshot

All Zacks' Analyst Reports »

News for TMO

Zacks News | Earnings | Other News

Top Analyst Reports for Microsoft, Broadcom & McDonald's
04/28/25-5:22PM EST Zacks

Centene Q1 Earnings Beat Estimates on Marketplace Business Strength
04/25/25-12:29PM EST Zacks

TMO: What are Zacks experts saying now?
Zacks Private Portfolio Services

Thermo Fisher's Q1 Earnings Top Estimates, Revenues Beat, Stock Up
04/23/25-11:53AM EST Zacks

Stock Activity

Open	245.12
Day Low	239.12
Day High	245.63
52 Wk Low	163.26
52 Wk High	276.49
20 Day Avg Vol	4,633,589
Market Cap	277.33 B
Dividend	3.52 (1.44%)
Beta	0.69

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	2.70
Current Qtr Est	2.70
Current Yr Est	10.56
Exp Earnings Date	7/30/25
Prior Year EPS	9.66
Exp EPS Growth (3-5yr)	17.21%
Forward PE	23.14
PEG Ratio	1.34

Computer and Technology » Wireless National

Research Reports for TMUS

Analyst Snapshot

All Zacks' Analyst Reports »

News for TMUS

Zacks News | Earnings | Other News

T-Mobile vs. AT&T: Which Telecom Stock is a Better Buy Right Now?
05/20/25-11:20AM EST Zacks

Lumen Surges 30% in a Month: Where Will the Stock Head From Here?
05/20/25-7:13AM EST Zacks

TMUS: What are Zacks experts saying now?
Zacks Private Portfolio Services

Are You a Growth Investor? This 1 Stock Could Be the Perfect Pick
05/14/25-8:45AM EST Zacks

Stock Activity

Open	44.26
Day Low	44.23
Day High	44.55
52 Wk Low	37.59
52 Wk High	47.36
20 Day Avg Vol	18,261,762
Market Cap	186.82 B
Dividend	2.71 (6.12%)
Beta	0.39

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	1.18
Current Qtr Est	1.18
Current Yr Est	4.69
Exp Earnings Date	7/28/25
Prior Year EPS	4.59
Exp EPS Growth (3-5yr)	2.87%
Forward PE	9.45
PEG Ratio	3.29

Computer and Technology » Wireless National

Research Reports for VZ

Analyst Snapshot

All Zacks' Analyst Reports »

News for VZ

Zacks News | Earnings | Other News

T-Mobile vs. AT&T: Which Telecom Stock is a Better Buy Right Now?
05/20/25-11:20AM EST Zacks

Lumen Surges 30% in a Month: Where Will the Stock Head From Here?
05/20/25-7:13AM EST Zacks

VZ: What are Zacks experts saying now?
Zacks Private Portfolio Services

Should First Trust Morningstar Dividend Leaders ETF (FDL) Be on Your Investing Radar?
05/20/25-5:20AM EST Zacks

Stock Activity

Open	98.56
Day Low	96.52
Day High	98.82
52 Wk Low	64.16
52 Wk High	105.30
20 Day Avg Vol	18,559,368
Market Cap	785.05 B
Dividend	0.94 (0.96%)
Beta	0.70

Key Earnings Data

Earnings ESP	0.00%
Most Accurate Est	0.72
Current Qtr Est	0.72
Current Yr Est	2.59
Exp Earnings Date	8/21/25
Prior Year EPS	2.51
Exp EPS Growth (3-5yr)	7.90%
Forward PE	37.82
PEG Ratio	4.79

Retail-Wholesale » Retail - Supermarkets

Research Reports for WMT

Analyst Snapshot

All Zacks' Analyst Reports »

News for WMT

Zacks News | Earnings | Other News

The Zacks Analyst Blog Highlights Walmart, Home Depot, Target, Lowe and TJX
05/20/25-8:00AM EST Zacks

The Zacks Analyst Blog Highlights Walmart, Palantir Technologies and Uber Technologies
05/20/25-7:56AM EST Zacks

WMT: What are Zacks experts saying now?
Zacks Private Portfolio Services

Ride Out the Market Storm with Low-Volatility ETF Strategies
05/20/25-7:06AM EST Zacks

Stock Activity

Open	232.21
Day Low	232.21
Day High	234.31
52 Wk Low	196.59
52 Wk High	239.32
20 Day Avg Vol	1,839,634
Market Cap	93.34 B
Dividend	3.30 (1.42%)
Beta	0.67

Key Earnings Data

Earnings ESP	-0.53%
Most Accurate Est	1.89
Current Qtr Est	1.90
Current Yr Est	7.57
Exp Earnings Date	7/23/25
Prior Year EPS	7.23
Exp EPS Growth (3-5yr)	9.98%
Forward PE	30.65
PEG Ratio	3.07

Business Services » Waste Removal Services

Research Reports for WM

Analyst Snapshot **All Zacks' Analyst Reports »**

News for WM

Zacks News | Earnings | Other News

Here's Why Investors Must Hold WM Stock in Their Portfolios Now
05/20/25-5:52AM EST Zacks

Automatic Data Processing Q3 Earnings & Revenues Beat Estimates
04/30/25-8:57AM EST Zacks

WM: What are Zacks experts saying now?
Zacks Private Portfolio Services

WM Earnings Beat Estimates in Q1, Revenues Appreciate 17% Y/Y
04/29/25-11:22AM EST Zacks

Company	Ticker	Domici	Industry Name	Safety Ranl	Financial St	Beta	Dividend Yi	Market Cap	Proj EPS Growth Rate		S&P	Moody's
Abbott Labs.	ABT	US	Med Supp Non-Invasive	1	A+	0.7	1.84	223673.4	6	0.06	AA-	Aa3
AbbVie Inc.	ABBV	US	Drug	1	A+	0.7	3.7	313555.1	5	0.05	A-	A3
Alphabet Inc.	GOOG	US	Internet	1	A++	0.95	0.53	2078453	12.5	0.125	AA+	Aa2
Amdocs Ltd.	DOX	US	IT Services	1	A	0.8	2.14	10122.94	6.5	0.065	BBB	Baa1
Amgen	AMGN	US	Biotechnology	1	A	0.7	3.63	140975.5	5.5	0.055	BBB+	Baa1
AptarGroup	ATR	US	Packaging & Container	1	A	0.9	1.21	10078.93	10.5	0.105	BBB-	Baa2
Automatic Data Proc.	ADP	US	Human Resources	1	A++	0.9	1.99	125898.9	7	0.07	AA-	Aa3
Bristol-Myers Squibb	BMY	US	Drug	1	A+	0.75	5.62	88504.73	2.5	0.025	A	A2
Brown & Brown	BRO	US	Financial Svcs. (Div.)	1	A	0.95	0.59	30965.22	11	0.11	BBB-	Baa3
Brown-Forman 'B'	BF/B	US	Beverage	1	A	0.75	2.87	16876.25	9.5	0.095	A-	A1
Church & Dwight	CHD	US	Household Products	1	A	0.5	1.27	22938.7	6	0.06	BBB+	A3
Cisco Systems	CSCO	US	Telecom. Equipment	1	A+	0.9	2.68	243750.3	5.5	0.055	AA-	A1
CME Group	CME	US	Brokers & Exchanges	1	A+	0.8	1.88	95755.63	5.5	0.055	AA-	Aa3
Coca-Cola	KO	US	Beverage	1	A+	0.7	2.95	297664.7	7	0.07	A+	A1
Colgate-Palmolive	CL	US	Household Products	1	A	0.55	2.38	70968.48	10	0.1	A+	Aa3
Comcast Corp.	CMCSA	US	Cable TV	1	A	0.95	3.59	130578.1	7.5	0.075	A-	A3
Costco Wholesale	COST	US	Retail Store	1	A+	0.75	0.52	439976.1	10	0.1	AA	Aa3
Electronic Arts	EA	US	Entertainment Tech	1	A+	0.7	0.52	38574.26	12.5	0.125	BBB+	Baa1
Gallagher (Arthur J.)	AJG	US	Financial Svcs. (Div.)	1	A	0.9	0.79	72323.02	14.5	0.145	BBB	Baa2
Gen'l Dynamics	GD	US	Aerospace/Defense	1	A+	0.9	2.22	72652.12	9.5	0.095	A	A2
Gen'l Mills	GIS	US	Food Processing	1	B++	0.4	4.56	29170.8	3	0.03	BBB	Baa2
Gilead Sciences	GILD	US	Drug	1	A	0.75	3.21	122581.5	6.5	0.065	A-	A3
Hershey Co.	HSY	US	Food Processing	1	A+	0.6	3.48	32763.99	5	0.05	A	A1
Home Depot	HD	US	Retail Building Supply	1	A++	0.9	2.47	370573.1	6	0.06	A	A2
Hormel Foods	HRL	US	Food Processing	1	A	0.5	3.98	16035.43	5	0.05	A-	A1
IDEX Corp.	IEX	US	Machinery	1	A	0.95	1.46	14267.18	5.5	0.055	BBB	Baa2
Illinois Tool Works	ITW	US	Machinery	1	A	0.95	2.45	71826.02	6.5	0.065	A+	A1
Intercontinental Exch.	ICE	US	Brokers & Exchanges	1	A	0.95	1.12	98693.56	6.5	0.065	A-	A3
Int'l Business Mach.	IBM	US	Computer Software	1	A+	0.85	2.79	239617.1	6	0.06	A-	A3
Johnson & Johnson	JNJ	US	Drug	1	A++	0.65	3.55	352087.3	4.5	0.045	AAA	Aaa
Kimberly-Clark	KMB	US	Household Products	1	A	0.55	3.78	44311.97	6.5	0.065	A	A2
Lilly (Eli)	LLY	US	Drug	1	A++	0.85	0.84	678020.4	25.5	0.255	A+	Aa3
Lockheed Martin	LMT	US	Aerospace/Defense	1	A	0.7	2.94	104658.9	9.5	0.095	A-	A2
Marsh & McLennan	MMC	US	Financial Svcs. (Div.)	1	A	0.9	1.51	109341.9	10.5	0.105	A-	A3
McDonald's Corp.	MCD	US	Restaurant	1	A++	0.75	2.37	219924	8.5	0.085	BBB+	Baa1
McKesson Corp.	MCK	US	Med Supp Non-Invasive	1	A	0.75	0.46	85967.28	10	0.1	BBB+	A3
Merck & Co.	MRK	US	Drug	1	A	0.7	4.41	184856.6	13.5	0.135	A+	Aa3
Microsoft Corp.	MSFT	US	Computer Software	1	A++	0.9	0.77	3367609	12	0.12	AAA	Aaa
Mondelez Int'l	MDLZ	US	Food Processing	1	A+	0.65	2.96	84964.1	6.5	0.065	BBB	Baa1
NewMarket Corp.	NEU	US	Chemical (Specialty)	1	A	0.75	1.74	5979.81	5.5	0.055	BBB+	Baa2
Northrop Grumman	NOC	US	Aerospace/Defense	1	A	0.6	1.94	65739.59	7.5	0.075	BBB+	Baa1
PepsiCo, Inc.	PEP	US	Beverage	1	A	0.55	4.22	176233.4	6	0.06	A+	A1
Procter & Gamble	PG	US	Household Products	1	A++	0.6	2.68	370484.5	4.5	0.045	AA-	Aa3
Progressive Corp.	PGR	US	Insurance (Prop/Cas.)	1	A	0.8	0.14	163007.6	23.5	0.235	A	A2
Republic Services	RSG	US	Environmental	1	A	0.75	0.98	74277.84	12	0.12	BBB+	A3
Roper Tech.	ROP	US	Computer Software	1	A	0.9	0.61	60847.03	7.5	0.075	BBB+	Baa2
Thermo Fisher Sci.	TMO	US	Med Supp Non-Invasive	1	A	0.9	0.42	153281.4	8	0.08	A-	A3
T-Mobile US	TMUS	US	Telecom. Services	1	A	0.75	1.55	269308	18	0.18	BBB	Baa2
Travelers Cos.	TRV	US	Insurance (Prop/Cas.)	1	A+	0.95	1.68	59502.9	10.5	0.105	A	A2
Verizon Communic.	VZ	US	Telecom. Services	1	A+	0.65	6.42	178558.4	0.5	0.005	BBB+	Baa1
Walmart Inc.	WMT	US	Retail Store	1	A++	0.7	0.97	776963.9	10	0.1	AA	Aa2
Waste Management	WM	US	Environmental	1	A	0.75	1.48	89515.48	7.5	0.075	A-	A3

Consensus Forecast of U.S. Interest Rates and Key Assumptions

	History								Consensus Forecasts-Quarterly Avg.					
	Average For Week Ending				Average For Month			Latest Qtr	2Q	3Q	4Q	1Q	2Q	3Q
Interest Rates	May 23	May 16	May 9	May 2	Apr	Mar	Feb	1Q 2025	**2025**	**2025**	**2025**	**2026**	**2026**	**2026**
Federal Funds Rate	4.33	4.33	4.33	4.33	4.33	4.33	4.33	4.33	**4.3**	**4.2**	**3.9**	**3.7**	**3.5**	**3.4**
Prime Rate	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	**7.5**	**7.4**	**7.1**	**6.8**	**6.6**	**6.5**
SOFR	4.27	4.30	4.30	4.38	4.35	4.33	4.34	4.33	**4.3**	**4.2**	**4.0**	**3.7**	**3.5**	**3.3**
Commercial Paper, 1-mo.	4.31	4.32	4.33	4.31	4.34	4.32	4.31	4.32	**4.3**	**4.2**	**3.9**	**3.7**	**3.4**	**3.3**
Treasury bill, 3-mo.	4.37	4.40	4.34	4.32	4.32	4.34	4.33	4.34	**4.3**	**4.1**	**3.9**	**3.6**	**3.4**	**3.3**
Treasury bill, 6-mo.	4.33	4.29	4.27	4.22	4.20	4.27	4.30	4.28	**4.2**	**4.1**	**3.8**	**3.6**	**3.5**	**3.3**
Treasury bill, 1 yr.	4.13	4.12	4.02	3.92	3.95	4.06	4.19	4.14	**4.0**	**3.9**	**3.8**	**3.6**	**3.5**	**3.4**
Treasury note, 2 yr.	3.99	4.00	3.83	3.69	3.78	3.97	4.21	4.15	**3.9**	**3.8**	**3.7**	**3.5**	**3.5**	**3.4**
Treasury note, 5 yr.	4.10	4.10	3.94	3.81	3.91	4.04	4.28	4.25	**4.0**	**4.0**	**3.9**	**3.8**	**3.7**	**3.7**
Treasury note, 10 yr.	4.51	4.47	4.33	4.23	4.28	4.28	4.45	4.45	**4.4**	**4.3**	**4.3**	**4.2**	**4.2**	**4.2**
Treasury bond, 30 yr.	5.01	4.92	4.81	4.70	4.71	4.60	4.68	4.71	**4.8**	**4.7**	**4.6**	**4.6**	**4.6**	**4.5**
Corporate Aaa bond	5.73	5.66	5.63	5.52	5.56	5.38	5.39	5.44	**5.4**	**5.4**	**5.3**	**5.3**	**5.2**	**5.2**
Corporate Baa bond	6.20	6.14	6.12	6.01	6.06	5.81	5.82	5.86	**6.2**	**6.2**	**6.2**	**6.1**	**6.1**	**6.0**
State & Local bonds	4.48	4.46	4.46	4.48	4.50	4.22	4.16	4.19	**4.6**	**4.6**	**4.5**	**4.4**	**4.5**	**4.4**
Home mortgage rate	6.86	6.81	6.76	6.76	6.73	6.65	6.84	6.82	**6.8**	**6.7**	**6.5**	**6.4**	**6.3**	**6.3**
	History								Consensus Forecasts-Quarterly					
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Key Assumptions	2023	2023	2023	2024	2024	2024	2024	2025	**2025**	**2025**	**2025**	**2026**	**2026**	**2026**
Fed's AFE Index	114.6	115.0	116.6	115.5	117.3	114.9	117.9	119.8	**115.1**	**114.4**	**113.6**	**113.0**	**112.9**	**113.0**
Real GDP	2.4	4.4	3.2	1.6	3.0	3.1	2.4	-0.2	**1.3**	**0.4**	**0.9**	**1.4**	**1.8**	**2.0**
GDP Price Index	1.9	3.2	1.5	3.0	2.5	1.9	2.3	3.7	**2.9**	**3.4**	**2.8**	**2.6**	**2.2**	**2.3**
Consumer Price Index	3.0	3.5	2.8	3.7	2.8	1.4	3.0	3.8	**2.7**	**3.7**	**3.1**	**2.8**	**2.5**	**2.5**
PCE Price Index	2.9	2.7	1.7	3.4	2.5	1.5	2.4	3.6	**2.7**	**3.5**	**2.9**	**2.7**	**2.4**	**2.3**

Long Range Forecasts:

The table below contains results of our semi-annual long-range CONSENSUS survey. There are also Top 10 and Bottom 10 averages for each variable. Shown are estimates for the years 2026 through 2031 and averages for the five-year periods 2027-2031 and 2032-2036. Apply these projections cautiously. Few economic, demographic and political forces can be evaluated accurately over such long time spans.

		Average For The Year						Five-Year Averages	
		2026	2027	2028	2029	2030	2031	2027-2031	2032-2036
1. Federal Funds Rate	**CONSENSUS**	**3.4**	**3.2**	**3.2**	**3.2**	**3.1**	**3.1**	**3.2**	**3.1**
	Top 10 Average	3.7	3.5	3.4	3.4	3.4	3.4	3.4	3.4
	Bottom 10 Average	3.1	3.0	2.9	2.9	2.8	2.9	2.9	2.8
2. Prime Rate	**CONSENSUS**	**6.5**	**6.4**	**6.3**	**6.3**	**6.2**	**6.2**	**6.3**	**6.2**
	Top 10 Average	6.7	6.6	6.5	6.6	6.5	6.5	6.5	6.5
	Bottom 10 Average	6.2	6.2	6.0	6.0	5.9	5.9	6.0	5.9
3. SOFR	**CONSENSUS**	**3.4**	**3.3**	**3.2**	**3.1**	**3.1**	**3.1**	**3.2**	**3.1**
	Top 10 Average	3.6	3.4	3.3	3.3	3.3	3.3	3.3	3.3
	Bottom 10 Average	3.2	3.2	3.0	2.9	2.9	2.9	3.0	2.8
4. Commercial Paper, 1-Mo	**CONSENSUS**	**3.4**	**3.3**	**3.2**	**3.1**	**3.1**	**3.1**	**3.2**	**3.1**
	Top 10 Average	3.5	3.4	3.3	3.2	3.2	3.2	3.3	3.3
	Bottom 10 Average	3.3	3.3	3.1	3.0	3.0	3.0	3.1	2.9
5. Treasury Bill Yield, 3-Mo	**CONSENSUS**	**3.3**	**3.2**	**3.2**	**3.1**	**3.1**	**3.1**	**3.1**	**3.1**
	Top 10 Average	3.6	3.4	3.4	3.4	3.3	3.3	3.4	3.3
	Bottom 10 Average	3.1	2.9	2.9	2.8	2.8	2.8	2.9	2.8
6. Treasury Bill Yield, 6-Mo	**CONSENSUS**	**3.3**	**3.2**	**3.2**	**3.1**	**3.1**	**3.1**	**3.2**	**3.1**
	Top 10 Average	3.6	3.4	3.4	3.3	3.3	3.3	3.3	3.3
	Bottom 10 Average	3.1	3.0	3.0	2.9	2.9	2.9	3.0	2.8
7. Treasury Bill Yield, 1-Yr	**CONSENSUS**	**3.3**	**3.3**	**3.3**	**3.2**	**3.2**	**3.2**	**3.2**	**3.2**
	Top 10 Average	3.6	3.5	3.4	3.4	3.4	3.4	3.4	3.4
	Bottom 10 Average	3.1	3.1	3.1	3.1	3.0	3.0	3.1	3.0
8. Treasury Note Yield, 2-Yr	**CONSENSUS**	**3.4**	**3.4**	**3.5**	**3.4**	**3.4**	**3.4**	**3.4**	**3.4**
	Top 10 Average	3.7	3.6	3.7	3.6	3.6	3.6	3.6	3.6
	Bottom 10 Average	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.1
9. Treasury Note Yield, 5-Yr	**CONSENSUS**	**3.7**	**3.7**	**3.7**	**3.7**	**3.7**	**3.7**	**3.7**	**3.7**
	Top 10 Average	3.9	3.9	3.9	3.9	3.9	3.9	3.9	4.0
	Bottom 10 Average	3.4	3.5	3.5	3.5	3.4	3.4	3.5	3.4
10. Treasury Note Yield, 10-Yr	**CONSENSUS**	**4.0**	**4.1**	**4.0**	**4.0**	**4.0**	**4.0**	**4.0**	**4.0**
	Top 10 Average	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
	Bottom 10 Average	3.8	3.9	3.8	3.8	3.8	3.8	3.8	3.8
11. Treasury Bond Yield, 30-Yr	**CONSENSUS**	**4.5**	**4.4**	**4.4**	**4.3**	**4.3**	**4.3**	**4.4**	**4.3**
	Top 10 Average	4.7	4.7	4.6	4.6	4.6	4.6	4.6	4.7
	Bottom 10 Average	4.2	4.3	4.1	4.1	4.1	4.1	4.1	4.1
12. Corporate Aaa Bond Yield	**CONSENSUS**	**5.2**	**5.2**	**5.2**	**5.1**	**5.1**	**5.1**	**5.1**	**5.1**
	Top 10 Average	5.4	5.5	5.4	5.4	5.4	5.4	5.4	5.4
	Bottom 10 Average	5.0	5.0	4.9	4.9	4.9	4.9	4.9	4.9
13. Corporate Baa Bond Yield	**CONSENSUS**	**6.0**	**6.0**	**6.0**	**6.0**	**6.0**	**6.0**	**6.0**	**6.0**
	Top 10 Average	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
	Bottom 10 Average	5.8	5.9	5.8	5.8	5.8	5.7	5.8	5.8
14. State & Local Bonds Yield	**CONSENSUS**	**4.3**	**4.3**	**4.3**	**4.2**	**4.2**	**4.2**	**4.3**	**4.1**
	Top 10 Average	4.5	4.5	4.5	4.4	4.4	4.4	4.4	4.4
	Bottom 10 Average	4.1	4.2	4.1	4.1	4.1	4.1	4.1	3.8
15. Home Mortgage Rate	**CONSENSUS**	**6.2**	**6.2**	**6.1**	**6.0**	**6.0**	**6.0**	**6.1**	**5.9**
	Top 10 Average	6.4	6.4	6.4	6.3	6.3	6.3	6.3	6.3
	Bottom 10 Average	5.9	6.0	5.8	5.8	5.8	5.7	5.8	5.6
A. Fed's AFE Nominal $ Index	**CONSENSUS**	**113.3**	**112.7**	**112.7**	**112.2**	**111.7**	**111.3**	**112.1**	**110.8**
	Top 10 Average	114.2	113.3	113.4	112.9	112.5	112.2	112.8	112.4
	Bottom 10 Average	112.2	111.9	112.0	111.3	110.7	110.3	111.3	109.1
		Year-Over-Year, % Change						Five-Year Averages	
		2026	2027	2028	2029	2030	2031	2027-2031	2032-2036
B. Real GDP	**CONSENSUS**	**1.5**	**1.9**	**2.0**	**2.0**	**1.9**	**2.0**	**2.0**	**1.9**
	Top 10 Average	1.9	2.1	2.2	2.2	2.2	2.2	2.2	2.1
	Bottom 10 Average	1.1	1.8	1.8	1.8	1.7	1.7	1.8	1.8
C. GDP Chained Price Index	**CONSENSUS**	**2.4**	**2.2**	**2.1**	**2.1**	**2.1**	**2.1**	**2.1**	**2.1**
	Top 10 Average	2.6	2.3	2.2	2.2	2.2	2.2	2.2	2.2
	Bottom 10 Average	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0
D. Consumer Price Index	**CONSENSUS**	**2.5**	**2.2**	**2.2**	**2.1**	**2.1**	**2.2**	**2.2**	**2.2**
	Top 10 Average	2.9	2.4	2.3	2.3	2.3	2.3	2.3	2.3
	Bottom 10 Average	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.1
E. PCE Price Index	**CONSENSUS**	**2.4**	**2.0**	**2.0**	**1.9**	**1.9**	**1.9**	**1.9**	**1.9**
	Top 10 Average	2.8	2.3	2.2	2.1	2.1	2.1	2.2	2.1
	Bottom 10 Average	2.1	1.8	1.8	1.8	1.7	1.8	1.8	1.8

Ibbotson® SBBI®

2015 Classic Yearbook

Market Results for
Stocks, Bonds, Bills, and Inflation
1926–2014



MORNINGSTAR®

Chapter 7

Company Size and Return

One of the most remarkable discoveries of modern finance is the finding of a relationship between company size and return.[1] Historically on average, small companies have higher returns than those of large ones. Earlier chapters of this book document this phenomenon for the smallest stocks on the New York Stock Exchange, or NYSE. The relationship between company size and return cuts across the entire size spectrum; it is not restricted to the smallest stocks. This chapter examines returns across the entire range of company size.

Construction of the Size Decile Portfolios

The portfolios used in this chapter are those created by the Center for Research in Security Prices, or CRSP, at the University of Chicago's Booth School of Business. CRSP has refined the methodology of creating size-based portfolios and has applied this methodology to the entire universe of NYSE/AMEX/NASDAQ-listed securities going back to 1926.

The NYSE universe excludes closed-end mutual funds, preferred stocks, real estate investment trusts, foreign stocks, American Depository Receipts, unit investment trusts, and Americus Trusts. All companies on the NYSE are ranked by the combined market capitalization of all their eligible equity securities. The companies are then split into 10 equally populated groups or deciles. Eligible companies traded on the NYSE, the NYSE MKT LLC (formerly known as the American Stock Exchange, or AMEX), and the NASDAQ Stock Market (formerly the NASDAQ National Market) are then assigned to the appropriate deciles according to their capitalization in relation to the NYSE breakpoints. The portfolios are rebalanced using closing prices for the last trading day of March, June, September, and December. Securities added during the quarter are assigned to the appropriate portfolio when two consecutive month-end prices are available. If the final NYSE price of a security that becomes delisted is a month-end price, then that month's return is included in the quarterly return of the portfolio. When a month-end NYSE price is missing, the month-end value is derived from merger terms, quotations on regional exchanges, and other sources. If a month-end value is not available, the last available daily price is used.

In October 2008, NYSE Euronext acquired the American Stock Exchange and rebranded the index as NYSE Amex. Later, in May 2012, it was renamed NYSE MKT LLC. For the sake of continuity, we refer to this index as AMEX, its historical name.

Base security returns are monthly holding period returns. All distributions are added to the month-end prices. Appropriate adjustments are made to prices to account for stock splits and dividends. The return on a portfolio for one month is calculated as the value weighted average of the returns for the individual stocks in the portfolio. Annual portfolio returns are calculated by compounding the monthly portfolio returns.

Aspects of the Company Size Effect

The company size phenomenon is remarkable in several ways. First, the greater risk of small-cap does not, in the context of the capital asset pricing model, fully account for their higher returns over the long term. In the CAPM only systematic, or beta risk, is rewarded; small-cap stock returns have exceeded those implied by their betas.

Second, the calendar annual return differences between small- and large-cap companies are serially correlated. This suggests that past annual returns may be of some value in predicting future annual returns. Such serial correlation, or autocorrelation, is practically unknown in the market for large-cap stocks and in most other equity markets but is evident in the size premium series.

Table 7-5: Size-Decile Portfolios of the NYSE/AMEX/NASDAQ Number of Companies, Historical and Recent Market Capitalization

Decile	Historical Average Percentage of Total Capitalization	Recent Number of Companies	Recent Decile Market Capitalization (in Thousands)	Recent Percentage of Total Capitalization
1-Largest	64.03%	185	14,808,784,274	64.25%
2	14.04	199	3,247,447,914	14.09
3	6.88	194	1,579,432,904	6.85
4	4.56	221	1,042,428,212	4.52
5	3.03	215	694,147,086	3.01
6	2.56	265	585,657,120	2.54
7	1.99	317	449,325,255	1.95
8	1.51	417	333,731,801	1.45
9	0.80	395	173,673,205	0.75
10-Smallest	0.61	948	135,401,288	0.59
Mid-Cap 3-5	14.47	630	3,316,008,202	14.39
Low-Cap 6-8	6.05	999	1,368,714,176	5.94
Micro-Cap 9-10	1.41	1,343	309,074,493	1.34

Data from 1926–2014. Source: Morningstar and CRSP. Calculated (or Derived) based on data from CRSP US Stock Database and CRSP US Indices Database ©2015 Center for Research in Security Prices (CRSP®), The University of Chicago Booth School of Business. Used with permission.

Historical average percentage of total capitalization shows the average, over the last 89 years, of the decile market values as a percentage of the total NYSE/AMEX/NASDAQ calculated each month. Number of companies in deciles, recent market capitalization of deciles, and recent percentage of total capitalization are as of Sept. 30, 2014.

Decile	Recent Market Capitalization (in Thousands)	Company Name
1-Largest	$591,015,721	Apple Inc
2	24,272,837	Cummins Inc
3	10,105,622	Murphy Oil Corp
4	5,844,592	Alaska Airgroup Inc
5	3,724,186	Great Plains Energy Inc
6	2,542,913	Wolverine World Wide Inc
7	1,686,860	Wesco Aircraft Holdings Inc
8	1,010,634	First Bancorp P R
9	548,839	G P Strategies Corp
10-Smallest	300,725	M V Oil Trust

Source: Morningstar and CRSP. Calculated (or Derived) based on data from CRSP US Stock Database and CRSP US Indices Database ©2015 Center for Research in Security Prices (CRSP®), The University of Chicago Booth School of Business. Used with permission. Market capitalization and name of largest company in each decile are as of Sept. 30, 2014.

Long-Term Returns in Excess of Systematic Risk

The capital asset pricing model, or CAPM, does not fully account for the higher returns of small-cap stocks. Table 7-6 shows the returns in excess of the riskless rate over the past 89 years for each decile of the NYSE/AMEX/NASDAQ.

The CAPM can be expressed as follows:

$$k_s = r_f + (\beta_s \times ERP)$$

where,

k_s = the expected return for company **s**;
r_f = the expected return of the riskless asset;
β_s = the beta of the stock of company **s**; and,
ERP = the expected equity risk premium, or the amount by which investors expect the future return on equities to exceed that on the riskless asset.

Table 7-6 uses the CAPM to estimate the return in excess of the riskless rate and compares this estimate to historical performance. According to the CAPM, the expected return on a security should consist of the riskless rate plus an additional return to compensate for the systematic risk of the security. The return in excess of the riskless rate is estimated in the context of the CAPM by multiplying the equity risk premium by β (beta). The equity risk premium is the return that compensates investors for taking on risk equal to the risk of the market as a whole (systematic risk). Beta measures the extent to which a security or portfolio is exposed to systematic risk. The beta of each decile indicates the degree to which the decile's return moves with that of the overall market.

A beta greater than one indicates that the security or portfolio has greater systematic risk than the market; according to the CAPM equation, investors are compensated for taking on this additional risk. Yet, Table 7-6 illustrates that the smaller deciles have had returns that are not fully explained by their higher betas. This return in excess of that predicted by CAPM increases as one moves from the largest companies in decile 1 to the smallest in decile 10. The excess return is especially pronounced for micro-cap stocks (deciles 9-10). This size-related phenomenon has prompted a revision to the CAPM, which includes a size premium.

S&P Global
Market Intelligence

Table 3: Electric authorized ROEs

Settled ROE determinations vs. fully litigated ROE determinations

	All cases			Settled cases			Fully litigated cases		
Year	Average ROE (%)	Median ROE (%)	Number of observations	Average ROE (%)	Median ROE (%)	Number of observations	Average ROE (%)	Median ROE (%)	Number of observations
2010	10.37	10.30	61	10.39	10.30	34	10.35	10.10	27
2011	10.29	10.17	42	10.12	10.07	16	10.39	10.25	26
2012	10.17	10.08	58	10.06	10.00	29	10.28	10.25	29
2013	10.03	9.95	49	10.12	9.98	32	9.85	9.75	17
2014	9.91	9.78	38	9.73	9.75	17	10.05	9.83	21
2015	9.84	9.60	31	10.04	9.60	15	9.66	9.62	16
2016	9.77	9.75	42	9.80	9.85	17	9.74	9.60	25
2017	9.74	9.60	53	9.75	9.60	29	9.73	9.56	24
2018	9.60	9.58	48	9.57	9.63	26	9.63	9.53	22
2019	9.66	9.65	47	9.76	9.73	20	9.58	9.50	27
2020	9.44	9.45	55	9.46	9.45	23	9.43	9.41	32
2021	9.38	9.38	55	9.57	9.50	25	9.22	9.20	30
2022	9.54	9.50	53	9.62	9.50	21	9.48	9.35	32
2023	9.60	9.50	63	9.52	9.54	24	9.64	9.50	39
2024	9.74	9.70	55	9.80	9.80	19	9.71	9.70	36

General rate cases vs. limited-issue riders

	All cases			General rate cases			Limited-issue riders		
Year	Average ROE (%)	Median ROE (%)	Number of observations	Average ROE (%)	Median ROE (%)	Number of observations	Average ROE (%)	Median ROE (%)	Number of observations
2010	10.37	10.30	61	10.29	10.26	58	11.87	12.30	3
2011	10.29	10.17	42	10.19	10.14	40	12.30	12.30	2
2012	10.17	10.08	58	10.02	10.00	51	11.57	11.40	6
2013	10.03	9.95	49	9.82	9.82	40	11.34	11.40	7
2014	9.91	9.78	38	9.76	9.75	32	10.96	11.00	5
2015	9.84	9.60	31	9.60	9.53	23	10.87	11.00	6
2016	9.77	9.75	42	9.60	9.60	32	10.31	10.55	10
2017	9.74	9.60	53	9.68	9.60	42	10.01	9.95	10
2018	9.60	9.58	48	9.56	9.58	38	9.74	9.70	10
2019	9.66	9.65	47	9.65	9.65	33	9.68	9.31	14
2020	9.44	9.45	55	9.39	9.48	42	9.62	9.20	13
2021	9.38	9.38	55	9.39	9.50	35	9.37	9.20	19
2022	9.54	9.50	53	9.58	9.53	34	9.47	9.35	19
2023	9.60	9.50	63	9.66	9.60	48	9.40	9.35	15
2024	9.74	9.70	55	9.78	9.78	41	9.65	9.70	14

Vertically integrated cases vs. distribution-only cases

	All cases			Vertically integrated cases			Distribution-only cases		
Year	Average ROE (%)	Median ROE (%)	Number of observations	Average ROE (%)	Median ROE (%)	Number of observations	Average ROE (%)	Median ROE (%)	Number of observations
2010	10.37	10.30	61	10.42	10.40	41	9.98	10.00	17
2011	10.29	10.17	42	10.33	10.20	28	9.85	10.00	12
2012	10.17	10.08	58	10.10	10.20	39	9.75	9.73	12
2013	10.03	9.95	49	9.95	10.00	31	9.37	9.36	9
2014	9.91	9.78	38	9.94	9.90	19	9.49	9.55	13
2015	9.84	9.60	31	9.75	9.70	17	9.17	9.07	6
2016	9.77	9.75	42	9.77	9.78	20	9.31	9.33	12
2017	9.74	9.60	53	9.80	9.65	28	9.43	9.55	14
2018	9.60	9.58	48	9.68	9.73	23	9.38	9.50	15
2019	9.66	9.65	47	9.74	9.73	25	9.37	9.60	8
2020	9.44	9.45	55	9.55	9.50	27	9.10	9.30	15
2021	9.38	9.38	55	9.53	9.50	25	9.04	9.45	10
2022	9.54	9.50	53	9.75	9.70	25	9.11	9.20	9
2023	9.60	9.50	63	9.80	9.70	36	9.24	9.30	12
2024	9.74	9.70	55	9.84	9.83	32	9.53	9.50	9

Data compiled Jan. 28, 2025.
ROE = return on equity.
Source: Regulatory Research Associates, a group within S&P Global Commodity Insights.

S&P Global
Market Intelligence

Table 1: ROEs authorized January 1990-December 2020

		Electric utilities			Gas utilities		
Year	Period	Average ROE (%)	Median ROE (%)	Number of observations	Average ROE (%)	Median ROE (%)	Number of observations
1990	Full year	12.70	12.77	38	12.68	12.75	33
1991	Full year	12.54	12.50	42	12.45	12.50	31
1992	Full year	12.09	12.00	45	12.02	12.00	28
1993	Full year	11.46	11.50	28	11.37	11.50	40
1994	Full year	11.21	11.13	28	11.24	11.27	24
1995	Full year	11.58	11.45	28	11.44	11.30	13
1996	Full year	11.40	11.25	18	11.12	11.25	17
1997	Full year	11.33	11.58	10	11.30	11.25	12
1998	Full year	11.77	12.00	10	11.51	11.40	10
1999	Full year	10.72	10.75	6	10.74	10.65	6
2000	Full year	11.58	11.50	9	11.34	11.16	13
2001	Full year	11.07	11.00	15	10.96	11.00	5
2002	Full year	11.21	11.28	14	11.17	11.00	19
2003	Full year	10.96	10.75	20	10.99	11.00	25
2004	Full year	10.81	10.70	21	10.63	10.50	22
2005	Full year	10.51	10.35	24	10.41	10.40	26
2006	Full year	10.32	10.23	26	10.40	10.50	15
2007	Full year	10.30	10.20	38	10.22	10.20	35
2008	Full year	10.41	10.30	37	10.39	10.45	32
2009	Full year	10.52	10.50	41	10.22	10.26	30
2010	Full year	10.37	10.30	61	10.15	10.10	39
2011	Full year	10.29	10.17	42	9.92	10.03	16
2012	Full year	10.17	10.08	58	9.94	10.00	35
2013	Full year	10.03	9.95	49	9.68	9.72	21
2014	Full year	9.91	9.78	38	9.78	9.78	26
2015	Full year	9.84	9.60	31	9.60	9.68	16
	1st quarter	10.29	10.50	9	9.48	9.50	6
	2nd quarter	9.60	9.60	7	9.42	9.52	6
	3rd quarter	9.76	9.80	8	9.47	9.50	4
	4th quarter	9.57	9.58	18	9.68	9.73	10
2016	**Full year**	**9.77**	**9.75**	**42**	**9.54**	**9.50**	**26**
	1st quarter	9.87	9.60	15	9.60	9.25	3
	2nd quarter	9.63	9.50	14	9.47	9.60	7
	3rd quarter	9.66	9.60	5	10.14	9.90	6
	4th quarter	9.74	9.60	19	9.68	9.55	8
2017	**Full year**	**9.74**	**9.60**	**53**	**9.72**	**9.60**	**24**
	1st quarter	9.75	9.90	13	9.68	9.80	6
	2nd quarter	9.54	9.50	13	9.43	9.50	7
	3rd quarter	9.67	9.70	11	9.69	9.60	13
	4th quarter	9.42	9.50	11	9.53	9.60	14
2018	**Full year**	**9.60**	**9.58**	**48**	**9.59**	**9.60**	**40**
	1st quarter	9.73	9.70	12	9.55	9.70	4
	2nd quarter	9.58	9.50	12	9.73	9.73	3
	3rd quarter	9.55	9.60	7	9.80	9.90	3
	4th quarter	9.71	9.70	16	9.73	9.70	22
2019	**Full year**	**9.66**	**9.65**	**47**	**9.71**	**9.70**	**32**
	1st quarter	9.58	9.50	19	9.35	9.40	9
	2nd quarter	9.55	9.45	9	9.55	9.65	3
	3rd quarter	9.30	9.33	10	9.52	9.45	8
	4th quarter	9.32	9.50	17	9.47	9.50	14
2020	**Full year**	**9.44**	**9.45**	**55**	**9.46**	**9.42**	**34**

Data compiled Jan. 27, 2021.
Source: Regulatory Research Associates, a group within S&P Global Market Intelligence

2.

Average Equity Returns Authorized January 1980 - December 1989

(Return Percent - No. of Observations)

Period	Electric Utilities	Gas Utilities	Telephone Utilities
1980 1st Quarter	13.97 (21)	13.45 (13)	12.65 (5)
2nd Quarter	14.26 (25)	14.38 (9)	13.02 (10)
3rd Quarter	14.30 (25)	13.87 (12)	12.96 (13)
4th Quarter	14.32 (33)	14.36 (23)	13.36 (13)
1980 Full Year	14.23(104)	14.05 (57)	12.94 (40)
1981 1st Quarter	14.87 (21)	14.69 (9)	13.98 (15)
2nd Quarter	15.03 (40)	14.61 (10)	14.16 (13)
3rd Quarter	15.31 (26)	14.86 (18)	14.37 (16)
4th Quarter	15.58 (36)	15.70 (23)	14.71 (30)
1981 Full Year	15.22(123)	15.11 (60)	14.33 (84)
1982 1st Quarter	15.71 (29)	15.55 (15)	14.65 (13)
2nd Quarter	15.60 (35)	15.62 (18)	15.00 (19)
3rd Quarter	15.63 (27)	15.72 (22)	15.21 (11)
4th Quarter	15.97 (34)	15.82 (30)	15.05 (14)
1982 Full Year	15.76(125)	15.62 (85)	15.13 (84)
1983 1st Quarter	15.53 (26)	15.41 (15)	14.75 (15)
2nd Quarter	15.10 (18)	14.84 (14)	14.75 (17)
3rd Quarter	15.39 (23)	15.24 (16)	14.98 (18)
4th Quarter	15.35 (28)	15.41 (20)	14.75 (20)
1983 Full Year	15.36 (95)	15.25 (65)	14.79 (71)
1984 1st Quarter	15.08 (19)	15.39 (8)	14.15 (12)
2nd Quarter	15.07 (15)	15.07 (7)	14.25 (10)
3rd Quarter	15.38 (22)	15.57 (12)	14.98 (10)
4th Quarter	15.69 (19)	15.83 (12)	14.76 (7)
1984 Full Year	15.32 (75)	15.51 (39)	14.50 (39)
1985 1st Quarter	15.51 (15)	15.03 (6)	14.62 (10)
2nd Quarter	15.27 (12)	15.44 (4)	14.08 (10)
3rd Quarter	14.91 (14)	14.64 (9)	14.58 (10)
4th Quarter	15.11 (17)	14.44 (15)	14.58 (14)
1985 Full Year	15.20 (58)	14.75 (34)	14.50 (40)
1986 1st Quarter	14.35 (14)	14.05 (4)	14.04 (8)
2nd Quarter	14.27 (16)	13.88 (9)	14.03 (12)
3rd Quarter	13.16 (10)	13.80 (5)	13.88 (12)
4th Quarter	13.52 (9)	13.63 (9)	13.88 (3)
1986 Full Year	13.93 (49)	13.46 (26)	13.98 (16)
1987 1st Quarter	12.92 (12)	12.81 (7)	13.46 (1)
2nd Quarter	13.15 (10)	13.13 (5)	13.21 (3)
3rd Quarter	13.17 (16)	12.58 (6)	13.88 (4)
4th Quarter	12.79 (19)	12.72 (12)	13.98 (4)
1987 Full Year	12.98 (57)	12.74 (30)	13.85 (12)
1988 1st Quarter	12.74 (8)	12.94 (5)	12.78 (2)
2nd Quarter	12.70 (7)	12.42 (4)	12.98 (1)
3rd Quarter	12.65 (8)	12.78 (9)	13.21 (3)
4th Quarter	12.98 (10)	12.98 (13)	13.50 (7)
1988 Full Year	12.79 (33)	12.85 (31)	13.13 (13)
1989 1st Quarter	13.04 (9)	12.98 (4)	12.98 (3)
2nd Quarter	13.22 (7)	13.25 (3)	12.75 (5)
3rd Quarter	12.38 (2)	12.58 (7)	13.75 (3)
4th Quarter	12.84 (9)	12.94 (10)	12.88 (7)
* 1989 Full Year	12.97 (27)	12.88 (31)	12.97 (18)

Special Research Study
January 1986

Argus Utility Regulatory Service

Copyright 1986, Argus Research Corporation
Not to be reproduced without express permission

RETURNS AUTHORIZED
JULY 1974 — DECEMBER 1985

ARGUS RESEARCH CORPORATION, 42 BROADWAY, NEW YORK, N. Y. 10004

Year	ROE	Year	ROE
1974	13.1	1980	14.1
1975	13.2	1981	15.2
1976	13.1	1982	15.8
1977	13.3	1983	15.4
1978	13.2	1984	15.4
1979	13.5	1985	15.2

TABLE OF CONTENT

Commission	Page	Commission	Page
Alabama	4	Montana	64
Arizona	6	Nebraska	66
Arkansas	8	Nevada	68
California	10	New Hampshire	70
Colorado	14	New Jersey	73
Connecticut	16	New Mexico	74
Delaware	18	New York	76
District of Columbia	20	North Carolina	82
Florida	22	North Dakota	86
Georgia	24	Ohio	88
.waii	26	Oklahoma	92
idaho	28	Oregon	94
Illinois	30	Pennsylvania	96
Indiana	34	Rhode Island	100
Iowa	36	South Carolina	102
Kansas	40	South Dakota	104
Kentucky	42	Tennessee	106
Louisiana	44	Texas	108
Maine	46	Utah	112
Maryland	48	Vermont	114
Massachusetts	50	Virginia	116
Michigan	54	Washington	118
Minnesota	56	West Virginia	120
Mississippi	58	Wisconsin	122
Missouri	60	Wyoming	126

NOTE: This Research Study has been prepared solely for the use of our clients and under no circumstance is it to be duplicated or disseminated to a party or parties outside your organization.

COMMENTS — 14 Feb, 2024 | 15:04 —
APAC, United States of America, Latin America, Canada, EMEA, APAC

Rising Risks: Outlook For North American Investor-Owned Regulated Utilities Weakens

Primary Credit Analyst:	**Gabe Grosberg**
Secondary Contact:	**Paul Montiel**
Sector	Utilities & Power, Oil & Gas, Infrastructure & Utilities, Utilities & Power, Midstream
Tags	Americas, Latin America, APAC, EMEA
Topic	Confronting Credit Headwinds , Seeking Energy & Climate Resilience , Outlook 2024

View Analyst Contact Information

Table of Contents

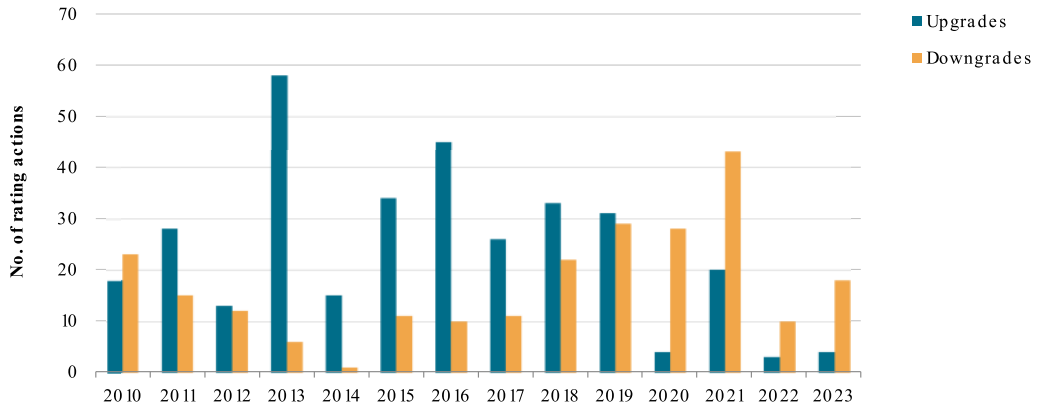
Key Takeaways

- We are updating our 2024 outlook on the investor-owned North American regulated utility industry to negative.
- Given the relatively high percentage of companies with negative outlooks, we expect that 2024 will likely be the fifth consecutive year that downgrades outpace upgrades.
- The industry faces rising physical risks and high cash flow deficits that may not be sufficiently funded in a credit-supportive manner.
- Still, we expect that the utility industry will maintain a median investment-grade rating of 'BBB+'.
- We also expect that a smaller percentage of companies rated 'BBB' or lower are more likely to implement measures to maintain or even improve credit quality.

Credit quality for North American investor-owned regulated utilities has weakened over the past four years, with downgrades outpacing upgrades by more than three times. We expect downgrades to again surpass upgrades in 2024 for the fifth consecutive year. In the decade prior to 2020, upgrades generally outpaced downgrades in the industry.

Chart 1

Upgrades and downgrades for North American regulated utilities



Source: S&P Global Ratings.

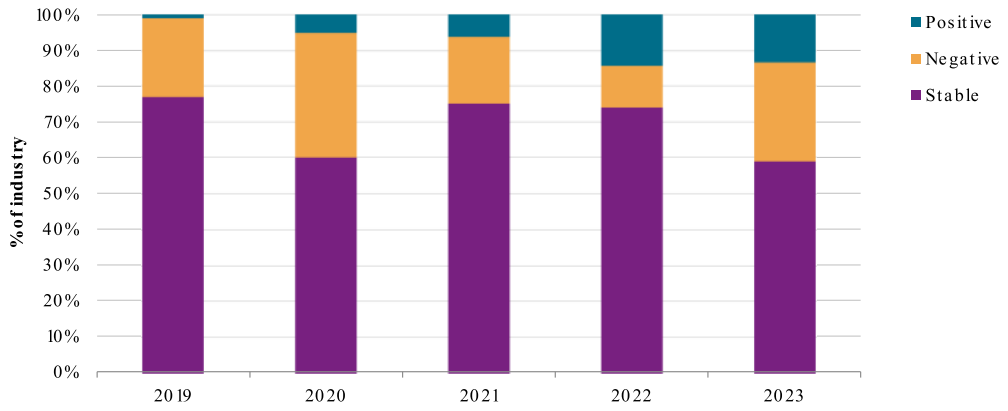
Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

High Percentage Of Negative Outlooks

Currently, about 28% of the industry has a negative outlook or is listed on CreditWatch with negative implications. This is now the third time in the past five years that the year-end percentage of negative outlooks and CreditWatch listings has exceeded 20%. Given the current high percentage of negative outlooks it is increasingly likely that credit quality will again weaken in 2024.

Chart 2

Outlooks for the North American regulated utilities industry
At year end.

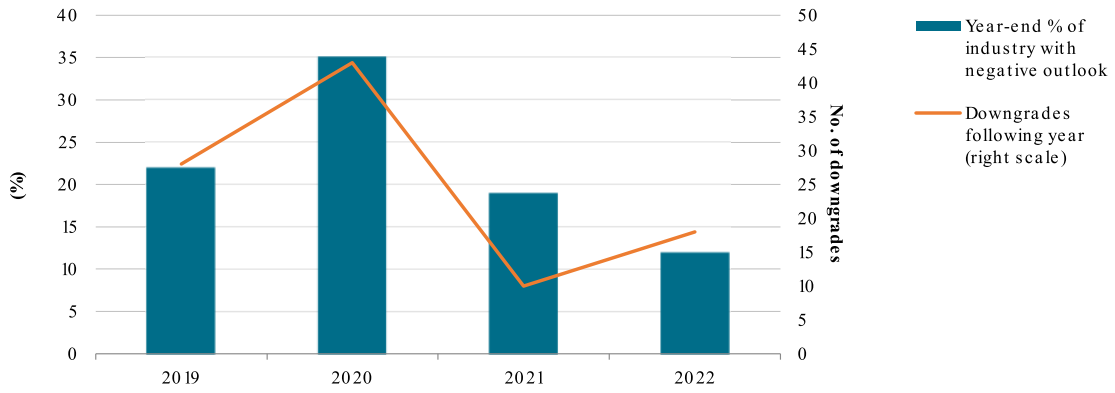


Source: S&P Global Ratings.
Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

Future rating actions are typically correlated with our outlooks. The industry's share of negative outlooks reached a record high of 35% at year-end 2020, and the following year saw a record 43 downgrades. The industry's current percentage of negative outlooks is significantly larger than it was at year-ends 2021 and 2022, when downgrades still materially outpaced upgrades the following year. As such, given the current high percentage of negative outlooks, we anticipate that 2024 will be another challenging year for the industry's credit quality.

Chart 3

North American regulated utilities' correlation of negative outlooks to downgrades



Source: S&P Global Ratings.

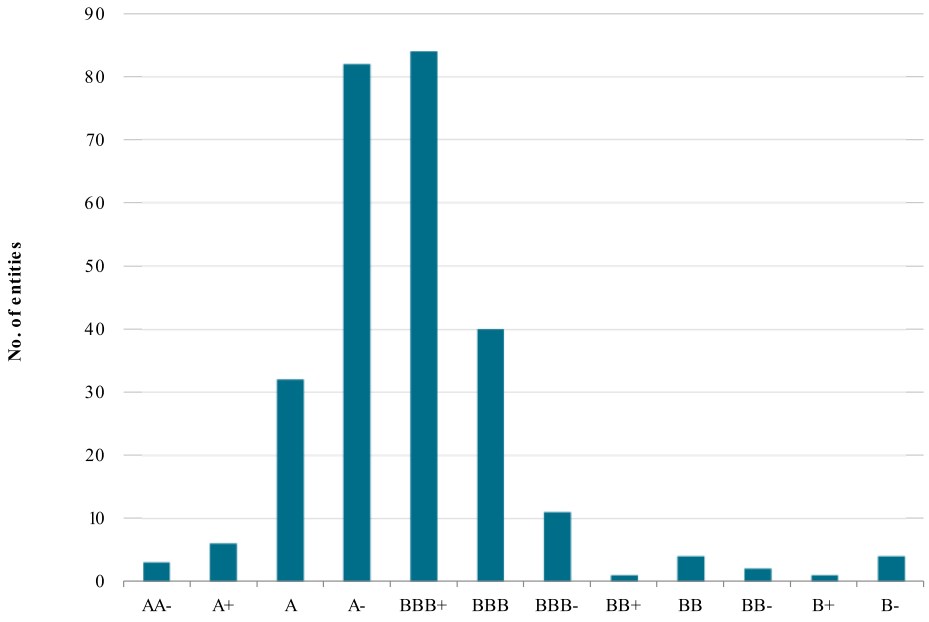
Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

Median Credit Rating To Remain Investment Grade

The median rating among North American investor-owned regulated utilities is 'BBB+'. Despite our expectations for downgrades to again outpace upgrades in 2024, we expect that the median rating will remain 'BBB+'. To weaken the median rating to 'BBB', the industry would need about 70 downgrades to 'BBB' from the 'BBB+' level or above. This degree of credit weakening is well above our base-case expectations for 2024. However, this magnitude of weakening could occur over the next three years if this negative pace persists.

Chart 4

North American regulated utilities ratings distribution
As of Feb. 1, 2024.



Source: S&P Global Ratings.
Copyright © 2024 by Standard &Poor's Financial Services LLC. All rights reserved.

Headwinds To Credit Quality

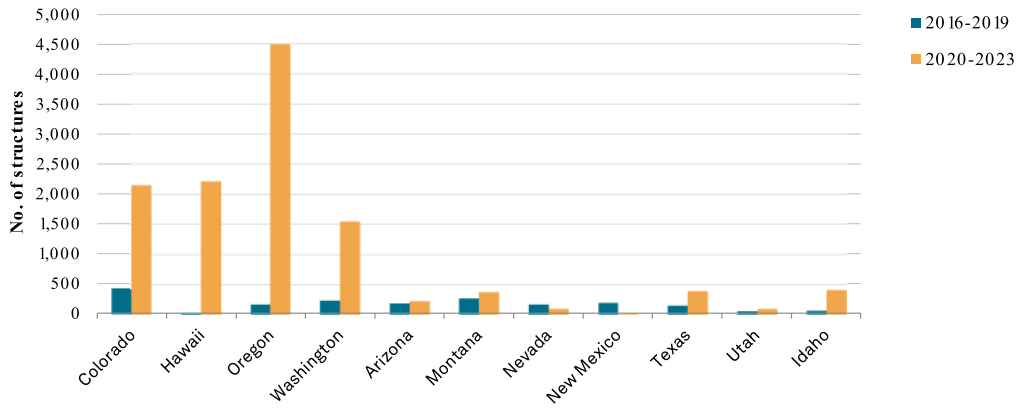
The industrywide negative outlook reflects rising physical risks as well as financial measures, which are weakening due to rising capital spending and cash flow deficits that are not funded in a sufficiently credit supportive manner. Furthermore, much of the industry operates with minimal financial cushion from their downgrade threshold. This increases the susceptibility to a downgrade if negative events occur beyond our base case.

Increase in physical risk

Climate change and an increase in wildfire risks are threatening credit quality. Wildfire risk was generally limited to California utilities just five years ago but has spread over the past several years.

Chart 5

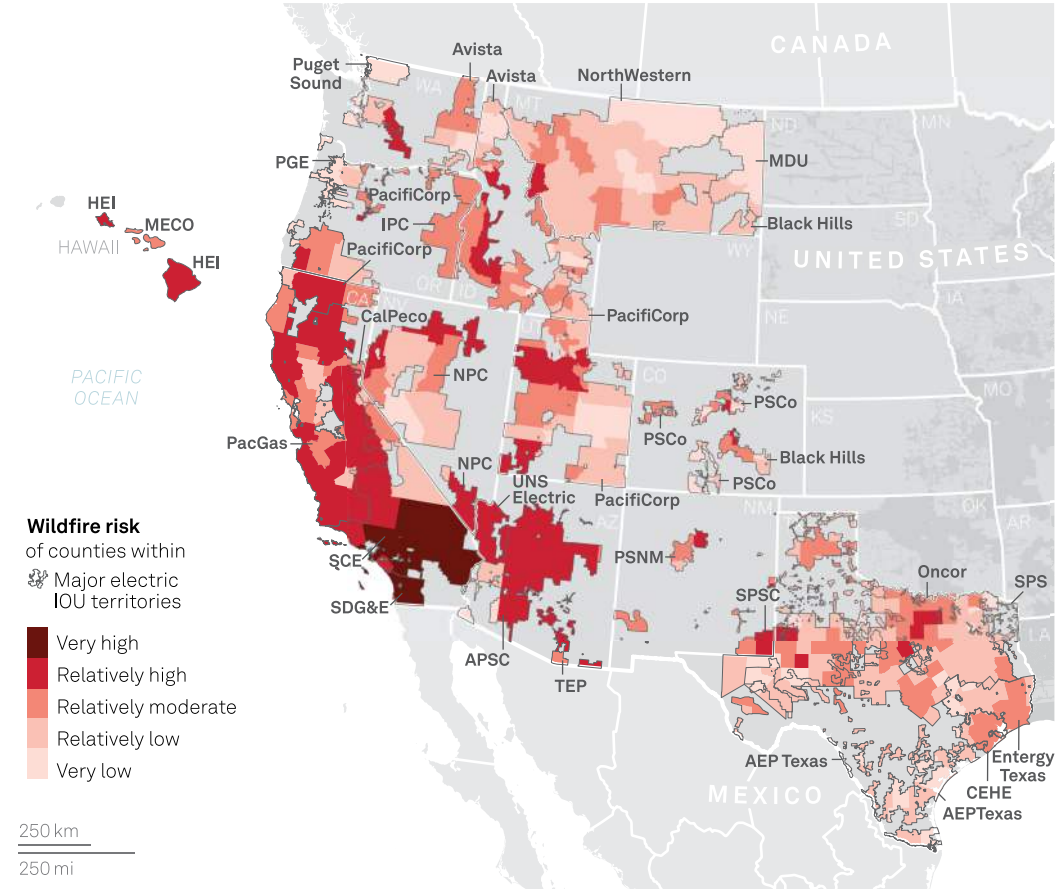
Structures destroyed by wildfires in Western U.S. states
Excludes California



Sources: Headwaters Economics; National Fire and Aviation Management (FAMWeb).
Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

Since 2020, the number of structures destroyed by wildfires in Colorado, Hawaii, Idaho, Oregon, Washington, and Texas have all increased by more than 100% compared to 2016-2019. Meanwhile, Arizona, Montana, and Utah have each experienced increases of at least 20% over the same timeframe. Additionally, areas designated as high fire risk continue to increase across the Western U.S. due to climate change. To reduce these risks, many utilities are actively implementing mitigation plans designed to reduce wildfire exposure and litigation risks.

Wildfire risk across West Coast electricity territories



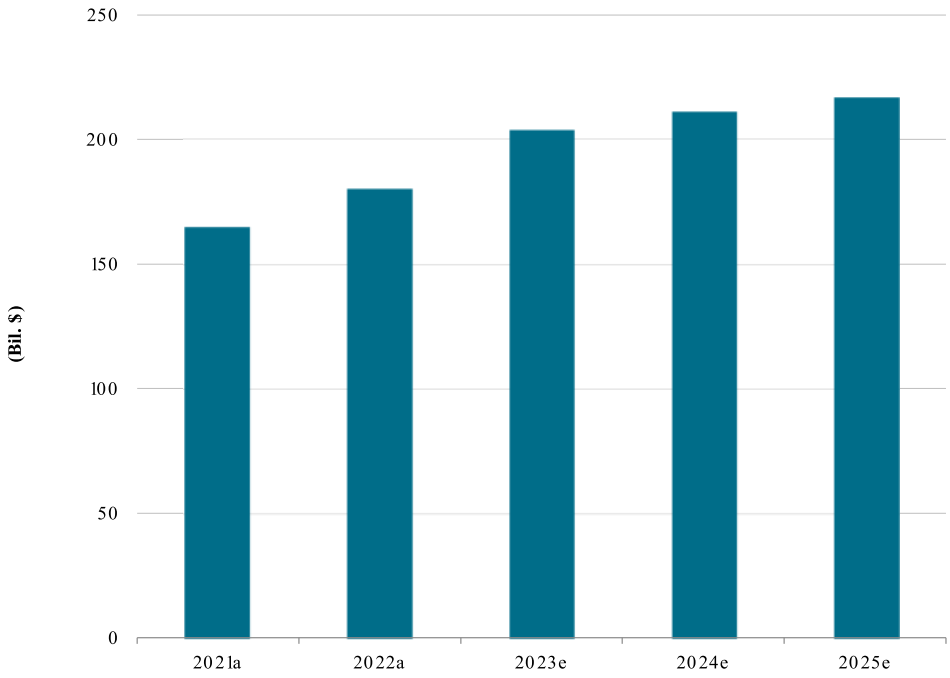
Source: FEMA, S&P Global Market Intelligence.
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Increase in capital expenditure and cash flow deficits

The industry's capital spending remains at record levels, supporting initiatives for safety, reliability, energy transition, and growth. We consider these trends long term and expect that capital spending will only continue to increase over this decade.

Chart 6

North American regulated utilities' capital expenditure is rising

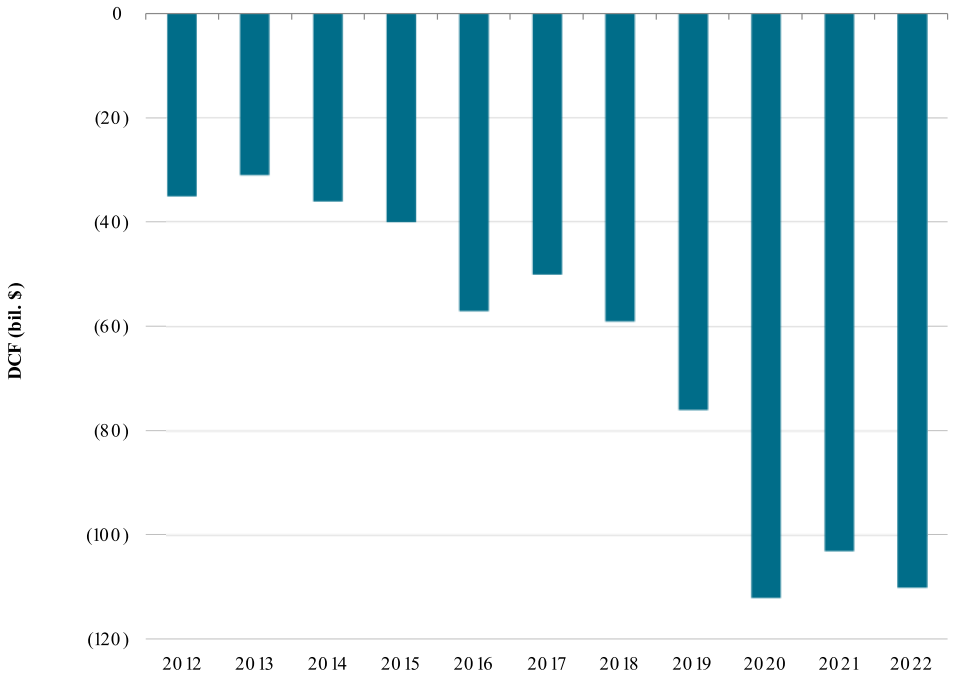


a--Actual. e--Estimate. Source: S&P Global Ratings.

Accordingly, cash flow deficits have increased, pressuring the industry's credit quality. For 2024, our base case assumes that the industry will fund its approximate $85 billion of cash flow deficits with about $40 billion in asset sales and equity issuance.

Chart 7

Discretionary cash flow (DCF) of rated investor-owned utilities

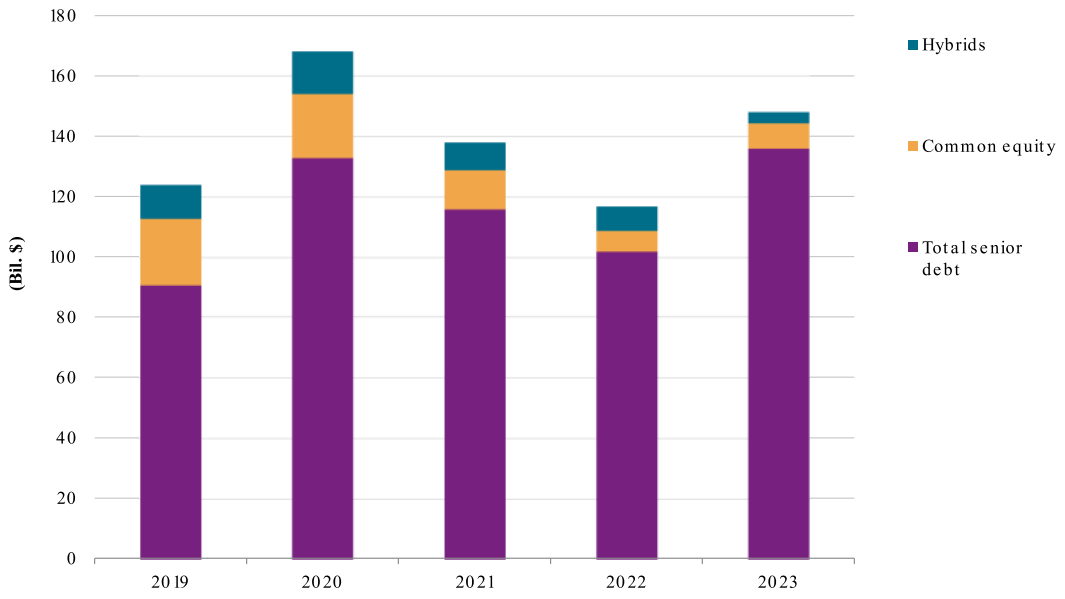


Source: S&P Global Ratings.
Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

For 2023, the industry's actual equity issuance was considerably below our expectations, resulting in a weakening of financial performance and credit quality. If this trend persists, credit quality will again likely experience pressure in 2024.

Chart 8

Capital market issuance for North American regulated utilities



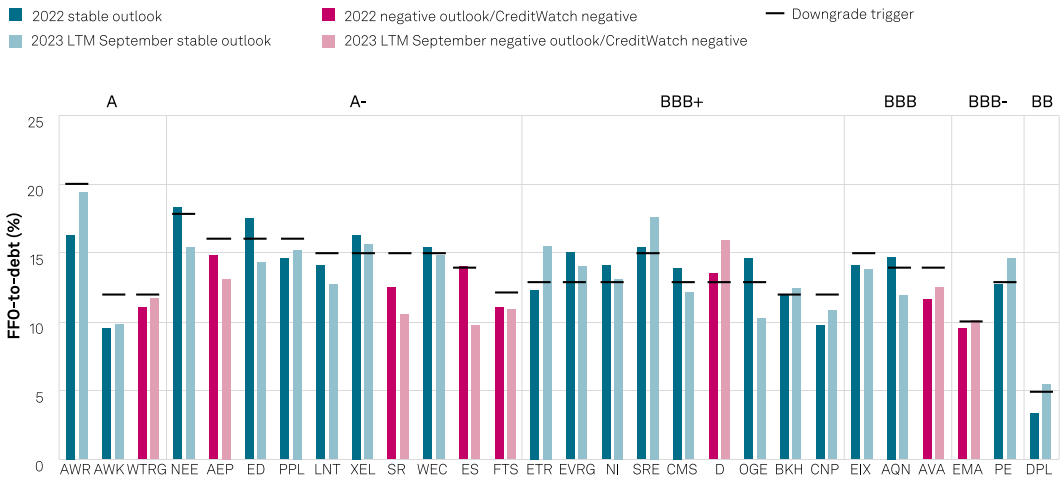
Senior debt includes first-mortgage bonds and senior unsecured. Hybrids includes junior subordinated debt, preferreds, subordinated debt, and equity units. Source: S&P Global Ratings, S&P Market Intelligence.

Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

Strained financial cushion

About 35% of the industry is sustaining performance with minimal financial cushion, reflecting funds from operations (FFO) to debt that is less than 100 basis points (bps) above their downgrade threshold. The limited financial cushion affects a company's ability to absorb unexpected events beyond the base case for our ratings, increasing its susceptibility to a downgrade. Such unexpected events include higher interest rates, changes to inflation, delays to offshore wind projects, and rising taxes.

North American regulated utilities with minimal financial cushion



Data as of Feb. 6, 2024. FFO--Funds from operations. LTM--Last 12 months. AWR--American States Water Co. AWK--American Water Works Co. Inc. WTRG--Essential Utilities Inc. NEE--NextEra Energy Inc. AEP--American Electric Power Co. Inc. ED--Consolidated Edison Inc. PPL--PPL Corp. LNT--Alliant Energy Corp. XEL--Xcel Energy Inc. SR--Spire Inc. WEC--WEC Energy Group Inc. ES--Eversource Energy. FTS--Fortis Inc. ETR--Entergy Corp. EVRG--Evergy Inc. NI--NiSource Inc. SRE--Sempra. CMS--CMS Energy Corp. D--Dominion Energy Inc. OGE--OGE Energy Corp. BKH--Black Hills Corp. CNP--CenterPoint Energy Inc. EIX--Edison International. AQN--Algonquin Power & Utilities Corp. AVA--Avista Corp. EMA--Emera Inc. PE--Puget Energy Inc. DPL--DPL Inc.
Source: S&P Global Ratings. Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

Upcoming debt maturities amid higher interest rates

The industry has considerable near-term debt maturities that must be refinanced, as well as rising discretionary cash flow deficits that are mostly funded with debt. Because of the regulatory lag, which is the timing difference between when a utility incurs costs and when it's recovered from ratepayers, rising interest rates weaken financial performance. S&P Global economists expect the federal funds rate will stabilize in 2024 and then begin to modestly decrease. Accordingly, as interest rates stabilize, it will ease pressure on the industry's financial performance.

Additionally, the spread between the 10-year treasury and the average authorized return on equity (ROE) has narrowed. Over the past three years, the 10-year treasury has increased by about 250 bps to about 4.0% from about 1.5% at year-end 2020. At the same time, average authorized ROE has essentially remained flat at about 9.5%. The narrowing of this spread directly hinders the industry's financial performance.

Elevated inflation rates

Although the rate of inflation has slowed from 2022 levels, it remains elevated relative to historical levels. We anticipate this will result in higher operations and maintenance (O&M) costs that could weaken financial performance. While some utilities have interim mechanisms that reduce the regulatory lag, most will have to file rate cases on a more frequent basis if inflation remains higher over the longer term.

Delayed renewable energy projects

Recently, several large offshore wind projects were delayed or canceled because of rising costs for these more challenging projects. For example, we recently placed Eversource Energy's ratings on CreditWatch with negative implications directly related to its share of higher costs associated with its offshore wind projects.

Alternative minimum tax (AMT)

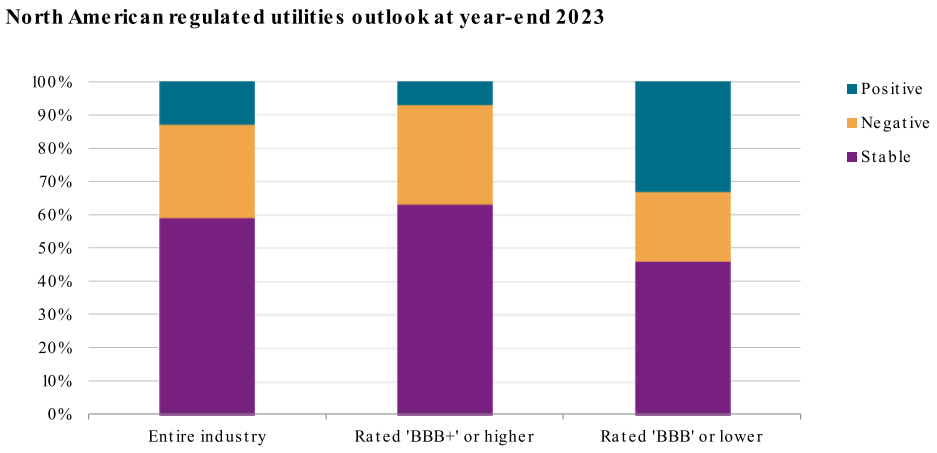
The Inflation Reduction Act of 2022 includes a 15% corporate AMT that we expect will weaken the financial measures of only about 10% of the industry. This is because the ATM is applicable to corporations with at least $1 billion of income that also do not have sufficient offsetting tax credits. Accordingly, we expect that most fully integrated large utilities with a growing or significant renewable generation portfolio will use their renewable tax credits to minimize or eliminate the AMT. However, the AMT could weaken financial measures of large electric transmission and distribution utilities, large natural gas local distribution companies, and large water utilities.

Lower-Rated Companies Will Likely Protect Credit Quality

We expect a majority of the industry's future downgrades will come from companies that are currently rated 'BBB+' or higher, as about 30% of companies in this category have a negative outlook. Overall, these higher-rated companies account for about 75% of the industry's portfolio. Conversely, we expect companies rated 'BBB' or lower will likely take measures to support or improve credit quality. This reflects the more than 30% of companies in this category that have a positive outlook.

Consequently, there is a broad industry trend that is bifurcating higher-rated and lower-rated companies that will likely result in weakening credit quality for the higher-rated companies and stable to improving credit quality for the smaller percentage of lower-rated companies. We believe this trend is consistent with the industry's current economic conditions of robust growth, cash flow deficits, and higher interest rates. Some higher-rated companies are determining that, under current conditions, they have excess credit capacity while lower-rated companies believe it is most optimal for them to operate at a higher rating.

Chart 9



Source: S&P Global Ratings.

Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

This report does not constitute a rating action.

Primary Credit Analyst:	Gabe Grosberg, New York + 1 (212) 438 6043; **gabe.grosberg@spglobal.com**
Secondary Contact:	Paul Montiel, New York; **paul.montiel@spglobal.com**

No content (including ratings, credit-related analyses and data, valuations, model, software, or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced, or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees, or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness, or availability of the Content. S&P Parties are not responsible for any errors or omissions

(negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment, and experience of the user, its management, employees, advisors, and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for

a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, **www.spglobal.com/ratings** (free of charge), and **www.ratingsdirect.com** (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at **www.spglobal.com/usratingsfees**.

Although much research effort has gone into investigating the size effect, the economic rationale for the size effect is difficult to unravel.[7] Smaller companies are less able to deal with significant events that affect revenues and cash flows than large companies. For example, the loss of sales from a few large customers would exert a far greater effect on a small company that on a larger company with a large customer base. Presumably, small stocks provided less utility to the investor, and require a higher return. The size effect may be a statistical mirage, whereby size is proxying for the effect of different economic variables. Small firms may have low price-earnings ratios or low market prices, for example. The size effect is most likely the result of a liquidity premium, whereby investors in small stocks demand greater returns as compensation for lack of marketability and liquidity. Investors prefer high to low liquidity, and demand higher returns from less liquid investments, holding other factors constant. Another plausible explanation for the size effect is the higher information search costs incurred by investors for small companies relative to large companies. In short, size is a significant factor that increases both business risk and financial risk and, therefore, the cost of capital.

Cost of Equity and Size Premium

Given the evidence of a small firm premium, that is, small market-cap stocks experience higher returns than large market-cap stocks with equivalent betas, the CAPM understates the risk of smaller utilities, and a cost of equity based purely on a CAPM beta will therefore produce too low an estimate for these small companies. This has led some analysts to add a premium to the estimated cost of equity for smaller companies. For example, let us say that small-cap stocks have earned about 2% more than large stocks over the past decade. In order to estimate the cost of equity for a small-cap stock with a beta of 0.80, a risk-free rate of 5% and a market risk premium (''MRP'') of 7%, you would perform the following calculation:[8]

$$\begin{aligned} K &= R_F + \beta\,(MRP) + \text{Small size premium} \\ &= 5\% + 0.80\,(7\%) + 2\% \\ &= 12.6\% \end{aligned}$$

[7] See Roll (1981).

[8] This procedure opens the door to a whole series of similar adjustments reflecting numerous market inefficiencies (e.g., dividend yield, skewness, low M/B ratio, etc.). In order to resist this temptation, a superior alternative to considering the size premium explicitly is to identify the economic reasons for the premium and develop more direct measures of risk. For example, if the higher risk of small water utilities comes from the higher operating leverage associated with their operations relative to larger utilities, the betas could be adjusted for operating leverage and use these higher betas for small-cap utilities.

Society of Utility and
Regulatory Financial Analysts

SURFA
Society of Utility and Regulatory Financial Analysts

THE COST OF CAPITAL –

A PRACTITIONER'S GUIDE

BY

DAVID C. PARCELL

PREPARED FOR THE SOCIETY OF UTILITY AND REGULATORY FINANCIAL ANALYSTS (SURFA)

2010 EDITION

Author's Note: This manual has been prepared as an educational reference on cost of capital concepts. Its purpose is to describe a broad array of cost of capital models and techniques. No cost of equity model or other concept is recommended or emphasized, nor is any procedure for employing any model recommended. Furthermore, no opinions or preferences are expressed by either the author or the Society of Utility and Regulatory Financial Analysts.

This part of the manual describes the major cost of equity methods. In doing so, no particular method is being endorsed. Rather, the description of each model is done from an informational perspective in order for the reader to review the theoretical basis of each model, the assumptions of each model, and various ways to estimate the inputs of each model. The following chapters describe, in alphabetical order, the most commonly-used cost of equity models – capital asset pricing model, comparable earnings, discounted cash flow, and risk premium.

Use of Models

All methods and models are necessarily based upon simplifying assumptions which are employed in order to make the particular method usable in rate proceedings or for other uses in finance. It is often argued that certain of these assumptions are not reflective of actual capital market behavior. While this is true, it is important for the analyst to recognize and focus not on the strict existence of the model's assumptions but rather whether the relaxation of these assumptions limits the usefulness of the model to explain or predict economic phenomena, including stock prices. In the final analysis, the value of any return on equity method depends on its ability to capture market expectations and provide a reasonable working approximation of stock valuation. "The 'end result' doctrine is reminiscent of the philosophy of economic positivism, which states that the value of a model or theory should not be assessed by the severity or realism of its assumptions, but rather by its ability to explain or accurately economic phenomena." (Morin, 2006, 14).

On the other hand, economic and financial models are simplified representations, constructed by theoreticians, which attempt to describe how investors should act or react in making investment decisions in the "real world." Thus, models attempt to describe how investors behave. However, it is unlikely that the typical investor consults models to learn how to behave in the financial markets. In particular, as noted above, each model employs simplifying assumptions which permit an application of economic and financial theory to assist in developing rigorous models to explain investor behavior. As noted, it is not necessary for these assumptions to be explicitly verifiable for the models to be useful tools. Yet, both analysts

and regulators should recognize that no model can be refined to the extent that the cost of common equity for any firm can be reduced to a simple formulistic exercise and be exactly measured. Investor expectations differ and it is apparent that all investors do not rely upon the same information and models in making investment decisions. Consequently, so single model and model variant can be demonstrated to capture all investor expectations.

Furthermore, no single model is so inherently precise that it can be relied on solely to the exclusion of other theoretically sound models. Each model requires the exercise of judgment as to the reasonableness of the underlying assumptions of the methodology and on the reasonableness of the proxies used to validate the theory. Each model has its own way of examining investor behavior, its own premises, and its own set of simplifications of reality. Each method proceeds from different fundamental premises, most of which cannot be validated empirically. Investors clearly do not subscribe to any singular method, nor does the stock price reflect the application of any one single method by investors. Therefore, it is essential that estimates of investors' required rate of return produced by one method be compared with those produced by other methods, and that all cost of equity estimates be required to pass fundamental tests of reasonableness and economic logic. "The concept of a fair rate of return, therefore, represents a range or a zone of reasonableness" (Phillips, 1988, 357-358).

Two texts have evaluated the various cost of equity models (Kolbe, Read and Hall, 1986; Thompson, 1991). These texts, while informative to the process of evaluating alternative methods, do not establish a single model as superior to the others. In addition, the texts do not evaluate the alternative methodologies available for implementing each model. Nevertheless, they do provide informative insights to the interested reader.

Classification of Models

There are numerous ways that the various cost of equity models can be classified. One way is to classify models according to their underlying financial theory. The capital asset pricing model (CAPM) is based upon portfolio theory; the comparable earnings method is based upon the economic concept of opportunity cost; the discounted cash flow (DCF) model is based on the

NEW REGULATORY FINANCE

Roger A. Morin, PhD

2006
PUBLIC UTILITIES REPORTS, INC.
Vienna, Virginia

models, such as the Arbitrage Pricing Model (APM) and the Fama-French Three-Factor Model, assert that there are several broad factors that influence security returns and formally quantify the impact of these factors on security returns. What weights should be assigned to the competing approaches? Who is the winner? The quick answer is that all the relevant capital market data and financial theories available should be used in estimating the cost of capital.

15.2 Use of Multiple Methods

There are four broad generic methodologies available to measure the cost of equity: DCF, Risk Premium, and Capital Asset Pricing Model (CAPM), which are market-oriented, and Comparable Earnings, which is accounting-oriented. Each generic market-based methodology in turn contains several variants: For example, the Empirical CAPM and the Fama-French Three-Factor Model are sub-species of the CAPM methodology. The multiple-stage DCF model is a variation of the generic DCF approach.

Each methodology requires the exercise of considerable judgment on the reasonableness of the assumptions underlying the methodology and on the reasonableness of the proxies used to validate the theory. The inability of the DCF model to account for changes in relative market valuation, discussed below, is a vivid example of the potential shortcomings of the DCF model when applied to a given company. Similarly, the inability of the CAPM to account for variables that affect security returns other than beta tarnishes its use.

No one individual method provides the necessary level of precision for determining a fair return, but each method provides useful evidence to facilitate the exercise of an informed judgment. Reliance on any single method or preset formula is inappropriate when dealing with investor expectations because of possible measurement difficulties and vagaries in individual companies' market data.

Examples of such vagaries include dividend suspension, insufficient or unrepresentative historical data due to a recent merger, increased competition, impending merger or acquisition, and a new corporate identity due to restructuring activities. To illustrate, there were difficulties in applying cost of capital methodologies while the electric utility industry was experiencing structural change in the late 1990s and early 2000s. The traditional cost of equity estimation methodologies were difficult to implement during the fast-changing circumstances of the electric utility industry during that period. This is because utility company historical data had become less meaningful for an industry in a state of change. Past earnings and dividend trends were simply not indicative of the future. For example, historical growth rates of earnings and dividends had been depressed by eroding margins due to a variety of factors, including structural transformation and the transition to a more competitive

environment. As a result, historical data were not representative of the future long-term earning power of these companies. Moreover, historical growth rates were not representative of future trends for several electric utilities involved in mergers and acquisitions, as these companies going forward were not the same companies for which historical data were available. A similar argument applied to historical risk measures. Historical risk measures, such as beta, were downward-biased in assessing the current industry risk circumstances.

As a general proposition, it is extremely dangerous to rely on only one generic methodology to estimate equity costs. The difficulty is compounded when only one variant of that methodology is employed. It is compounded even further when that one methodology is applied to a single company. Hence, several methodologies applied to several comparable-risk companies should be employed to estimate the cost of common equity. The advantage of using several different approaches is that the results of each one can be used to check the others. If the cost of equity estimation process is limited to one methodology, such as DCF or CAPM, it may severely bias the results. One major problem that results from using only one methodology is the lack of corroborating evidence. There is simply no objective cross check on the result. All the market data and financial theories available should be used in making an estimate.

There is no single model that conclusively determines or estimates the expected return for an individual firm. Each methodology possesses its own way of examining investor behavior, its own premises, and its own set of simplifications of reality. Each method proceeds from different fundamental premises that cannot be validated empirically. Investors do not necessarily subscribe to any one method, nor does the stock price reflect the application of any one single method by the price-setting investor. There is no monopoly as to which method is used by investors. In the absence of any hard evidence as to which method outdoes the other, all relevant evidence should be used and weighted equally, in order to minimize judgmental error, measurement error, and conceptual infirmities. A regulator should rely on the results of a variety of methods applied to a variety of comparable groups, and not on one particular method. There is no guarantee that a single DCF result is necessarily the ideal predictor of the stock price and of the cost of equity reflected in that price, just as there is no guarantee that a single CAPM or Risk Premium result constitutes the perfect explanation of that stock price. The DCF, CAPM, and Risk Premium models are three different ways of getting a handle on the same problem.

If a regulatory commission relies on a single cost of equity estimate or on a single methodology, that commission greatly limits its flexibility and increases the risk of authorizing unreasonable rates of return. The results from one

methodology or from a one-company sample are likely to contain a high degree of measurement error and may be distorted by short-term aberrations. A commission's hands should not be bound to one single company-specific estimate of equity costs, nor should the commission ignore relevant evidence and back itself into a corner.

The financial literature supports the use of multiple methods. Professor Eugene Brigham, a widely respected scholar and finance academician, asserts:[1]

> Three methods typically are used: (1) the Capital Asset Pricing Model (CAPM), (2) the discounted cash flow (DCF) method, and (3) the bond-yield-plus-risk-premium approach. These methods are not mutually exclusive—no method dominates the others, and all are subject to error when used in practice. Therefore, when faced with the task of estimating a company's cost of equity, we generally use all three methods and then choose among them on the basis of our confidence in the data used for each in the specific case at hand.

Another prominent finance scholar, Professor Stewart Myers, in an early pioneering article on regulatory finance, stated:[2]

> Use more than one model when you can. Because estimating the opportunity cost of capital is difficult, only a fool throws away useful information. That means you should not use any one model or measure mechanically and exclusively. Beta is helpful as one tool in a kit, to be used in parallel with DCF models or other techniques for interpreting capital market data.

Reliance on multiple tests recognizes that no single methodology produces a precise definitive estimate of the cost of equity. As stated in Bonbright, Danielsen, and Kamerschen (1988), "*no single or group test or technique is conclusive.*" Only a fool discards relevant evidence.

15.3 Musings on DCF

While the DCF model has been fashionable in regulatory proceedings, although not nearly as much in academic circles, uncritical acceptance of the standard DCF equation vests the model with a degree of accuracy that simply is not

[1] See Brigham and Ehrhardt (2005).

[2] See Myers (1972).

Regulated Utilities

Credit risks are rising

This report does not constitute a rating action.

Gabe Grosberg
New York
gabe.grosberg@
spglobal.com
+1 212 438 6043



What's changed?

Industry outlook. In February we revised our industry outlook to negative, reflecting the industry's high percentage of companies with negative outlooks and that operate with only minimal financial cushion from their downgrade threshold; record-breaking capital spending that is leading to high cash flow deficits, which are not sufficiently funded in a credit-supportive manner; and rising wildfire risks.

Growth. Following nearly two decades of flat to negative electricity sales because of conservation, we expect the industry will likely grow at 1%-2% annually, primarily from data centers, the onshoring of manufacturing, and electric vehicles. We assess this development as supportive of credit quality, allowing the industry to spread its fixed costs across a wider base.

Hybrid security issuance at about $12 billion this year is on pace to set a record. We assess hybrids as supporting the industry's financial performance by funding a portion of its large cash flow deficits in a more credit-supportive manner than senior debt.

What to look out for?

Management of regulatory risk. The industry has filed more than 130 rate cases, requesting revenue increases of more than $22 billion to recover its record-breaking $200 billion in annual capital spending.

Wildfire mitigation plans. We expect the industry will implement plans that significantly reduce the likelihood of a utility causing/contributing to a wildfire and that allow for the recovery of wildfire costs should the utility be obligated to pay them. Recent legislation in Utah that addressed liability caps and a wildfire fund is supportive of credit quality.

Downgrades again outpacing upgrades modestly. However, given that more than a quarter of the industry has a negative outlook and that about 35% of the industry operates with only minimal financial cushion from their downgrade threshold, 2024 will likely be the fifth consecutive year that the industry's downgrades outpace upgrades.

What are the key risks around the baseline?

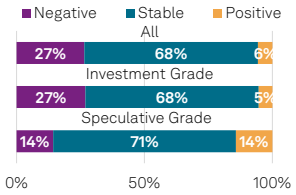
Wildfires. Utilities operating in Alberta, Arizona, California, Colorado, Florida, Idaho, Nevada, New Mexico, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming are all experiencing increasing wildfire risks, raising the industry's credit risks.

Insurance. The industry's wildfire insurance availability and rising costs have forced some California utilities to move to a self-insurance model. We asses this trend as negative for the industry's credit quality.

Common equity. To date, common equity issuance has only been at about $1 billion, a level likely to be insufficient to the fund the industry's cash flow deficits ($80 billion-$100 billion) in a credit supportive manner.

Rating Trends

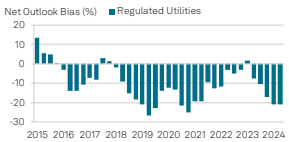
Outlook Distribution



Ratings Statistics (YTD)*

	IG	SG	All
Ratings	227	7	234
Downgrades	18	0	18
Upgrades	17	2	19

Ratings Outlook Net Bias



Sector Forecasts (Median)

2024	IG	SG
Revenue growth (Y/Y%)	7.3	3.3
EBITDA growth (Y/Y%)	9.6	2.6
EBITDA margin (%)	35.9	26.4
Capex growth (Y/Y%)	9.5	11.6
Debt/EBITDA (x)	4.5	5.7
FFO/Debt (%)	17.2	12.5
FOCF/Debt (%)	-4.0	-5.1

All data as of end-June 2024.
* Year-to-date. Current ratings only.

Related Research

Will The Issuance Of Hybrid Securities Protect The Credit Quality Of North American Investor-Owner Regulated Utilities?, July 1, 2024

North American Utility Regulatory Jurisdictions Update: Ontario Remains Unchanged, March 11, 2024

Rising Risks: Outlook For North American Investor-Owned Regulated Utilities Weakens, Feb. 14, 2024

NEW REGULATORY FINANCE

Roger A. Morin, PhD

2006
PUBLIC UTILITIES REPORTS, INC.
Vienna, Virginia

EXAMPLE 9-1

Southeastern Electric's sustainable growth rate is required for upcoming rate case testimony. As a gauge of the expected return on equity, authorized rates of return in recent decisions for eastern U.S. electric utilities as reported by Value Line for 2005 and 2006 averaged 11%, with a standard deviation of 1%. In other words, the majority of utilities were authorized to earn 11%, with the allowed return on equity ranging from 10% to 12%. As a gauge of the expected retention ratio, the average 2006 payout ratio of 34 eastern electric utilities as compiled by Value Line was 60%, which indicates an average retention ratio of 40%, with a standard deviation of 5%. This was consistent with the long-run target retention ratio indicated by the management of Southeastern Electric. It is therefore reasonable to postulate that investors expect a retention ratio ranging from 35% to 45% for the company with a likely value of 40%. In Table 9-4 below, expected retention ratios of 35% to 45% and assumed returns on equity from 10% to 12% are multiplied to produce sustainable growth rates ranging from 3.8% to 5.4% with a likely value of 4.6%.

TABLE 9-4
SUSTAINABLE GROWTH METHOD ILLUSTRATION

Expected Retention Ratio (b)	Expected Return on Book Equity (r)		
	10%	11%	12%
35%	3.5%	3.9%	4.2%
40%	4.0%	4.4%	4.8%
45%	4.5%	5.0%	5.4%

It should be pointed out that published forecasts of the expected return on equity by analysts such as Value Line are sometimes based on end-of-period book equity rather than on average book equity. The following formula[15]

[15] The return on year-end common equity, r, is defined as $r = E/B_t$, where E is earnings per share, and B_t is the year-end book value per share. The return on average common equity, r_a, is defined as: $r_a = E/B_a$ where B_a = average book value per share. The latter is by definition: $B_a = (B_t + B_{t-1})/2$ where B_t is the year-end book equity per share and B_{t-1} is the beginning-of-year book equity per share. Dividing r by r_a and substituting:

$$\frac{r}{r_a} = \frac{E/B_t}{E/B_a} = \frac{B_a}{B_t} + \frac{B_t + B_{t-1}}{2B_t}$$

Solving for r_a, a formula for translating the return on year-end equity into the return on average equity is obtained, using reported beginning-of-the year and end-of-year common equity figures:

$$r_a = r\,\frac{2B_t}{B_t + B_{t-1}}$$

adjusts the reported end-of-year values so that they are based on average common equity, which is the common regulatory practice:

$$r_a = r_t \frac{2B_t}{B_t + B_{t-1}} \tag{9-10}$$

The sustainable growth method can also be extended to include external financing. From Chapter 8, the expanded growth estimate is given by:

$$g = br + sv$$

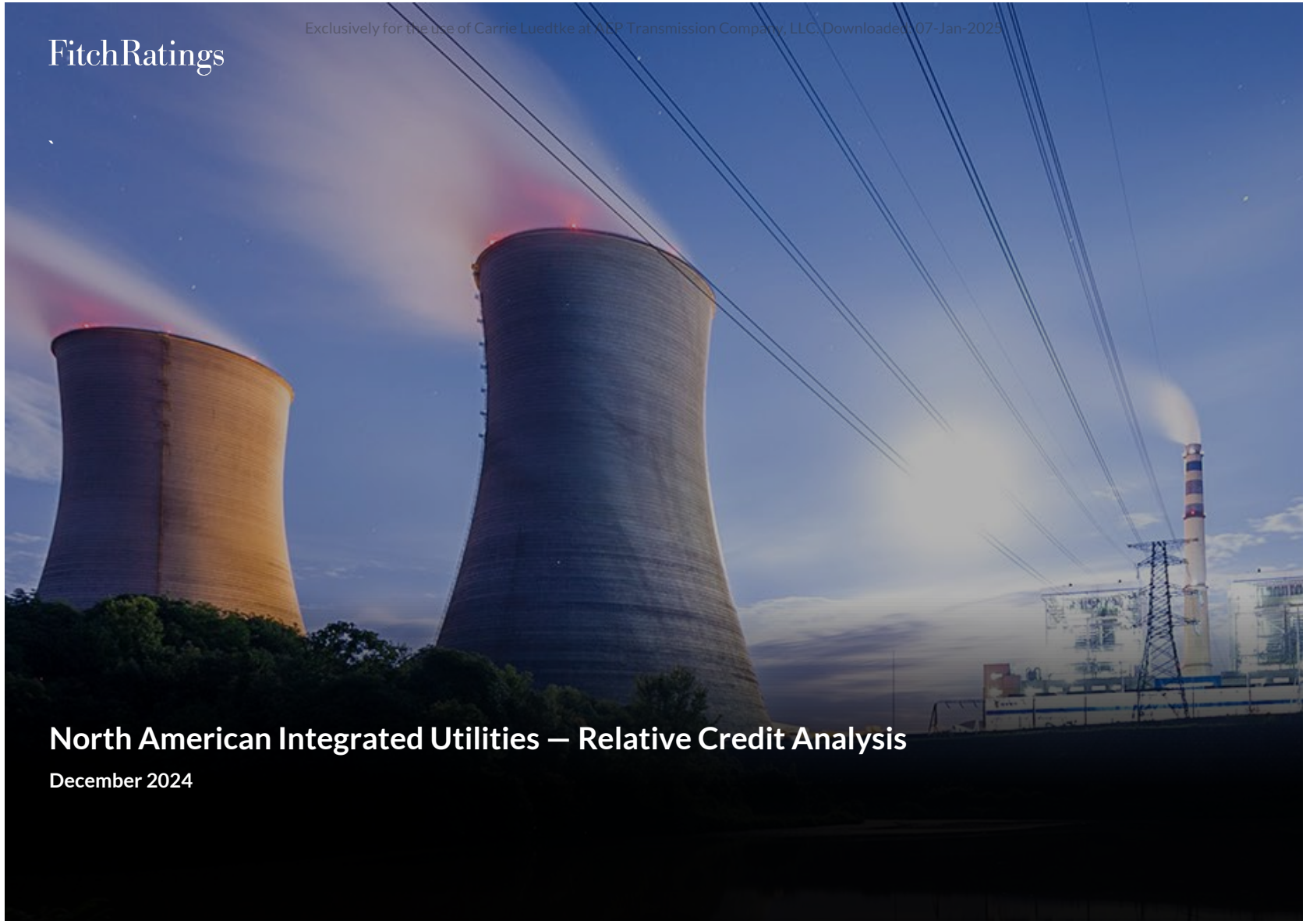
where b and r are defined as previously, s is the expected percent growth in number of shares to finance investment, and v is the profitability of the equity investment. The variable s measures the long-run expected stock financing that the utility will undertake. If the utility's investments are growing at a stable rate and if the earnings retention rate is also stable, then s will grow at a stable rate. The variable s can be estimated by taking a weighted average of past percentage increases in the number of shares. This measurement is difficult, however, owing to the sporadic and episodic nature of stock financing, and smoothing techniques must be employed. The variable v is the profitability of the equity investment and can be measured as the difference of market price and book value per share divided by the latter, as discussed in Chapter 8.

There are three problems in the practical application of the sustainable growth method. The first is that it may be even more difficult to estimate what b, r, s, and v investors have in mind than it is to estimate what g they envisage. It would appear far more economical and expeditious to use available growth forecasts and obtain g directly instead of relying on four individual forecasts of the determinants of such growth. It seems only logical that the measurement and forecasting errors inherent in using four different variables to predict growth far exceed the forecasting error inherent in a direct forecast of growth itself.

Second, there is a potential element of circularity in estimating g by a forecast of b and ROE for the utility being regulated, since ROE is determined in large part by regulation. To estimate what ROE resides in the minds of investors is equivalent to estimating the market's assessment of the outcome of regulatory hearings. Expected ROE is exactly what regulatory commissions set in determining an allowed rate of return. In other words, the method requires an estimate of return on equity before it can even be implemented. Common sense would dictate the inconsistency of a return on equity recom-

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

FitchRatings



North American Integrated Utilities — Relative Credit Analysis

December 2024

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

North American Integrated Utilities — Relative Credit Analysis

Rate This Content

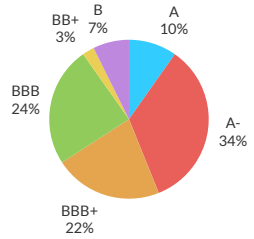
Fitch's Peer Reviews

This report provides Fitch Ratings' views about North American Integrated Utilities. It is based on Fitch's North American Utilities: Rating Navigator Companion and compares issuers based on their business and financial characteristics.

Key Takeaways

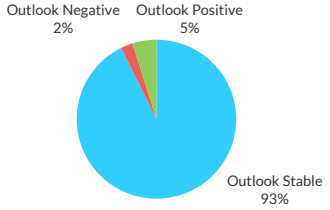
- Improvement in median credit metrics as integrated utility companies (IUCs) recover previously deferred fuel and storm costs.
- Some IUCs witnessing strong sales growth driven by data centers, new manufacturing facilities and electrification trends.
- Tax subsidies and tax transferability allows IUCs to shift to clean generation without undue cost burden on ratepayers.
- Capital expenditures (Capex) to remain high to meet clean energy goals, improve reliability, enhance wildfire mitigation and meet rising power demand.

Ratings Distribution



Source: Fitch Ratings

Ratings Outlook/Watch



Source: Fitch Ratings

Peer Review Snapshot

Name	IDR	Outlook	Latest rating action[a]		Rating headroom	Key positive sensitivity[b c]	Key negative sensitivity[b c]	2022	2023	Key rating driver
Alabama Power Company	A	Stable	26 Sep 2024	↔	Low	↑ FFO leverage below 3.0x	↓ FFO leverage above 4.0x	4.7x	4.3x	Constructive regulation; High coal concentration; Strong credit metrics
Florida Power & Light Company	A	Stable	23 May 2024	↔	High	↑ N/A	↓ FFO leverage above 4.0x	3.9x	3.0x	Constructive regulation; Robust growth; Strong credit metrics
Wisconsin Electric Power Co.	A	Stable	20 Feb 2024	↔	High	↑ FFO leverage below 3.0x	↓ FFO leverage above 4.3x	4.7x	3.5x	Large capex offset by balanced funding and credit supportive rate regulation
Wisconsin Public Service Corporation	A	Stable	20 Feb 2024	↔	High	↑ FFO leverage below 3.0x	↓ FFO leverage above 4.3x	4.6x	3.6	Large capex offset by balanced funding and credit supportive rate regulation
Indiana Michigan Power Company	A-	Stable	15 Nov 2024	↔	High	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	3.8x	3.6x	Strong service territory growth; Favorable regulatory environment
Consumers Energy Company	A-	Stable	08 Apr 2024	↔	Low	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	4.4x	4.2x	Constructive regulatory environment and solid credit metrics
Dominion Energy South Carolina, Inc.	A-	Stable	05 Apr 2024	↔	Low	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	4.5x	5.2x	Strong service territory growth; Favorable regulatory environment
Virginia Electric and Power Company	A-	Stable	05 Apr 2024	↔	High	↑ N/A	↓ FFO leverage above 4.5x	4.2x	3.6x	Strong service territory growth; Favorable regulatory environment; Large offshore wind project
DTE Electric Company	A-	Stable	21 Mar 2024	↔	Low	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	3.6x	4.5x	Elevated capex; Supportive regulatory environment
Tampa Electric Company	A-	Negative	30 May 2024	↔	Low	↑ FFO leverage below 3.3x	↓ FFO leverage above 4.3x	3.9x	4.3x	Low business risk; Supportive regulation; Upcoming key rate decision
Allegheny Generating Company	A-	Stable	02 Oct 2024	↑	High	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	3.6x	3.8x	FERC regulated; Entire output sold to its utility parent
Monongahela Power Co.	A-	Stable	02 Oct 2024	↑	Low	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	7.9x	5.6x	Integrated utility with reasonably balanced regulation and solid credit metrics

[a] ↔ Affirmation/Review No Action; ↗ ↘ Outlook change; ↑↓ Upgrade, downgrade; [b] ↑ Positive rating sensitivity; ↓ Negative rating sensitivity. Note: Credit metrics omitted for issuers with private financials. IDR – Issuer Default Rating.
Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Peer Review Snapshot

Name	IDR	Outlook	Latest rating action[a]	Rating headroom	Key positive sensitivity[b c]	Key negative sensitivity[b c]	2022	2023	Key rating driver
Oklahoma Gas & Electric Co.	A-	Stable	02 May 2024 ↔	Low	↑ FFO leverage below 3.3x	↓ FFO leverage above 4.3x	3.5x	4.0x	Mostly constructive regulation; Elevated capex; Lower leverage headroom
Georgia Power Company	A-	Positive	26 Sep 2024 ↔	Low	↑ FFO leverage below 4.0x	↓ FFO leverage above 5.0x	6.6x	4.3x	Strong sales growth; Significantly lower project construction risk, Constructive regulation
Mississippi Power Company	A-	Stable	26 Sep 2024 ↔	Medium	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	3.4x	4.1x	Stable regulation; Steady credit metrics
Northern States Power Company – Minnesota	A-	Stable	07 Feb 2024 ↔	High	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	3.9x	3.3x	Strong financial metrics; Large capex plan
Northern States Power Company – Wisconsin	A-	Stable	07 Feb 2024 ↔	High	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	3.7x	3.7x	Constructive regulatory environment; Large capex plan
Public Service Company of Colorado	A-	Stable	07 Feb 2024 ↔	Low	↑ FFO leverage below 3.3x	↓ FFO leverage above 4.3x	4.2x	4.1x	Constructive regulatory environment; Large capex plan
Indianapolis Power & Light Company	BBB+	Stable	28 Jun 2024 ↔	Low	↑ FFO leverage below 3.7x	↓ FFO leverage above 4.7x	4.9x	5.6x	Elevated capex through 2026 pressure short-term credit metrics
Appalachian Power Company	BBB+	Stable	15 Nov 2024 ↔	Low	↑ FFO leverage below 4.0x	↓ FFO leverage above 4.8x	4.8x	5.4x	Weaker credit metrics; Challenging regulatory environment
Public Service Company of Oklahoma	BBB+	Stable	15 Nov 2024 ↔	Low	↑ FFO leverage below 4.0x	↓ FFO leverage above 4.8x	5.5x	5.2x	Weakening credit metrics; Unpredictable regulation; Renewable buildout
Black Hills Power, Inc.	BBB+	Stable	26 Jan 2024 ↔	High	↑ FFO leverage below 3.8x	↓ FFO leverage above 4.8x	4.2x	3.9x	GRC moratorium in SD through mid-2026; Sufficient credit metrics
Montana-Dakota Utilities Co.	BBB+	Stable	25 Jul 2024 ↔	Low	↑ FFO leverage below 3.8x	↓ FFO leverage above 4.8x	N/A	N/A	Generally supportive regulation in North Dakota; Manageable capex; Adequate credit metrics
Otter Tail Power Company	BBB+	Stable	27 Aug 2024 ↔	High	↑ FFO leverage below 3.8x	↓ FFO leverage above 4.5x	N/A	N/A	MN and N.D. regulation balanced, S.D. is challenging; Strong credit metrics; Large capex
Arizona Public Service Co.	BBB+	Stable	26 Mar 2024 ↔	Low	↑ FFO leverage below 3.8x	↓ FFO leverage above 4.8x	4.6x	4.7x	Improving regulation; Strong sales growth; Wildfire risk; Large capex; Pressure on credit metrics
Puget Sound Energy Inc.	BBB+	Stable	26 Apr 2024 ↔	High	↑ N/A	↓ FFO leverage above 4.8x	4.7x	4.0x	Improving regulatory outcomes; Improving credit metrics
San Diego Gas & Electric Company	BBB+	Stable	05 Sep 2024 ↔	High	↑ FFO leverage below 3.8x	↓ FFO leverage above 5.0x	3.9x	3.2x	Generally supportive regulation; Strong credit metrics; Wildfire risk
Liberty Utilities Co.	BBB	Stable	19 Mar 2024 ↔	High	↑ FFO leverage below 4.8x	↓ FFO leverage above 5.8x	4.5x	5.0x	Diversified and balanced regulatory environment; Adequate credit metrics
Kentucky Power Company	BBB	Stable	15 Nov 2024 ↔	Low	↑ FFO leverage below 4.5x	↓ FFO leverage above 5.5x	7.3x	9.9x	Weak credit metrics; Unfavorable regulatory environment; Challenged service territory
Southwestern Electric Power Co.	BBB	Stable	15 Nov 2024 ↔	Medium	↑ FFO leverage below 4.5x	↓ FFO leverage above 5.5x	4.8x	5.1x	Weakening credit metrics; Unpredictable regulation
Cleco Power, LLC	BBB	Stable	06 Jun 2024 ↔	High	↑ FFO leverage below 3.5x	↓ FFO leverage above 4.5x	3.6x	3.2x	Constructive Louisiana regulation; Strong credit metrics
Southern California Edison Company	BBB	Stable	18 Dec 2023 ↔	Low	↑ FFO leverage below 4.5x	↓ FFO leverage above 5.3x	7.2x	6.0x	Wildfire risk management; GRC outcome pending
El Paso Electric Company	BBB	Stable	24 Apr 2024 ↔	High	↑ FFO leverage below 4.5x	↓ FFO leverage above 5.3x	4.4x	4.1x	Large capital program; More challenging regulatory environment
Northern Indiana Public Service Company	BBB	Stable	16 Jul 2024 ↔	Low	↑ FFO leverage below 5.0x	↓ FFO leverage above 6.0x	N/A	N/A	Low business risk; Supportive regulation
NorthWestern Corporation	BBB	Stable	05 Dec 2024 ↔	High	↑ FFO leverage below 4.8x	↓ FFO leverage above 5.8x	N/A	N/A	Challenging regulatory framework in Montana; Wildfire risk; Persistent regulatory lag
NorthWestern Energy Public Service Corp.	BBB	Stable	05 Dec 2024 ↔	Low	↑ FFO leverage below 4.8x	↓ FFO leverage above 5.8x	N/A	N/A	S.D. regulation can be challenging; Supportive rate design; Adequate metrics
Southwestern Public Service Company	BBB	Stable	06 Mar 2024 ↔	High	↑ FFO leverage below 4.3x	↓ FFO leverage above 5.3x	3.7x	4.6x	Wildfire risk exposure; Strong financial metrics; Robust growth
Pacific Gas and Electric Company	BB+	Positive	12 Apr 2024 ↔	Low	↑ FFO leverage below 5.0x	↓ FFO leverage above 5.5x	5.9x	6.2x	Significant focus on wildfire safety has resulted in improved post-2018 performance

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Peer Review Snapshot

Name	IDR	Outlook	Latest rating action[a]	Rating headroom	Key positive sensitivity[b c]	Key negative sensitivity[b c]	2022 (x)	2023 (x)	Key rating driver
Hawaiian Electric Company, Inc.	B	Stable	25 Oct 2024 ↗	N/A	↑ Finalization of the Maui 2023 wildfire settlement agreement coupled with the clear financing plan to fund the payments in a credit supportive manner	↓ Inability to fund financial liability from Maui wildfires lawsuits;	3.5x	3.5x	Wildfire settlement agreement pending; Financial impact from wildfire lawsuits
Hawaii Electric Light Company, Inc.	B	Stable	25 Oct 2024 ↗	N/A	↑ Positive ratings actions at HECO	↓ Negative ratings action at HECO	3.0x	2.8x	Wildfire settlement agreement pending; Financial impact from wildfire lawsuits
Maui Electric Company Limited	B	Stable	25 Oct 2024 ↗	N/A	↑ Positive ratings actions at HECO	↓ Negative ratings action at HECO	3.9x	4.1x	Wildfire settlement agreement pending; Financial impact from wildfire lawsuits

[a] ↔ Affirmation/Review No Action; ↗ ↘ Outlook change; ↑↓ Upgrade, downgrade; [b] ↑ Positive rating sensitivity; ↓ Negative rating sensitivity.
Note: Credit metrics omitted for issuers with private financials. IDR – Issuer Default Rating. N/A – Not applicable.
Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Sector Trends

Transition of Generation Mix: The power generation mix in the U.S. continues to transition toward cleaner technologies. Natural gas increased its market share to 43% in 2023, while coal's contribution declined to 16%, down from 50% in 2005. Renewables are also gaining market share, driven by federal tax incentives, state renewable polices, falling costs and consumer preferences. Most IUCs are investing heavily in solar, wind and battery storage to replace retiring coal plants.

The U.S. Energy Information Administration (EIA) projects the market share of wind and solar to increase to 41%, while that of natural gas to decline to 26% by 2030. However, recent trends suggest otherwise. The surge in power demand from data centers, increased focus on reliability, and a fossil friendly new Trump administration and Congress will be favorable to natural gas.

Growth in Power Demand: After two decades of flat growth, U.S. electricity demand is poised to surge due to the rapid proliferation of data centers, which are significant consumers of power. Fitch believes electricity demand could grow 2.0% to 2.5% annually until 2030, with a third of that demand led by data centers. Additional key drivers include onshoring of manufacturing and electrification of transportation, buildings and oil & gas sectors. Certain IUCs with regional advantages could demonstrate above average sales growth such as those located in Virginia, Georgia , Arizona , Oklahoma and Indiana.

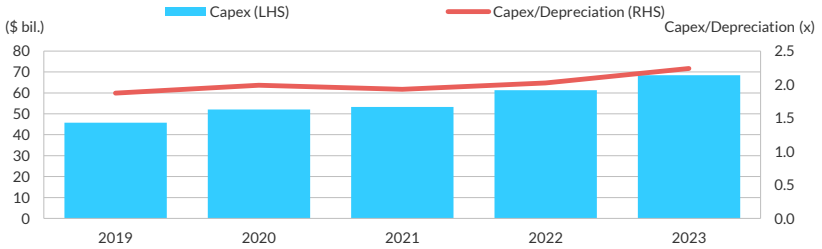
Rate Design is Key: Data center growth will modestly increase commercial margins for IUCs and allow fixed costs to be spread over a larger megawatt hour (MWH) base, resulting in downward pressure on customer bills. However, several challenges exist, such as accurately predicting the demand from this new customer class, substantial investments in new generation and transmission, and risk of stranded costs if the load does not materialize as expected. Long-term commitments from data centers will be key along with alternative rate designs to ensure IUCs can recover costs to serve these large loads as well as balance the cost of service across all customers.

Bill Affordability: The average residential price for electricity increased 6% in 2023, following an 11% increase in 2022. Even though prices have moderated in 2024, bill affordability remains a prominent issue for IUCs and could affect future regulatory outcomes. To avoid sharp spike in customer bills, IUCs have periodically deferred recovery of higher fuel and purchased power costs following jump in natural gas prices as well as storm restoration costs following extreme weather events.

What to Watch

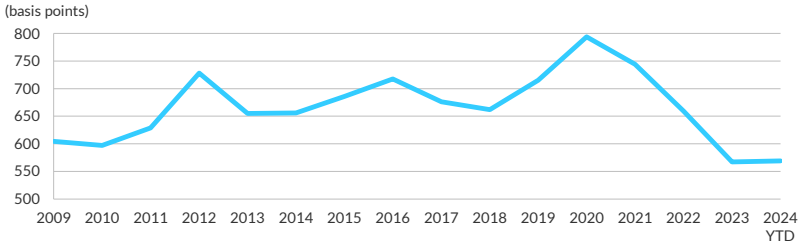
- Power demand and alternative tariff structures to serve data centers.
- Effects of bill affordability on the regulatory outcomes.
- Extreme weather events and utility restoration response.
- Potential changes to energy policies and tax regime under the new Trump administration.

IUC Total Capex and Capex/Depreciation



Source: Fitch Ratings

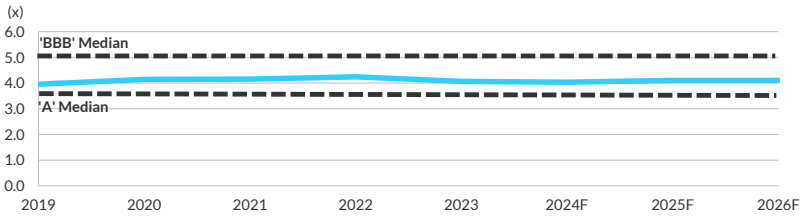
Integrated Electric Utilities Authorized ROEs Versus 30-Year Treasury Spread



Source: Fitch Ratings, U.S. Federal Reserve, S&P Capital IQ

Trend in Median FFO Leverage

Integrated Utilities



Source: Fitch Ratings.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Sector Financial Highlights

High Capex: IUCs continue to spend heavily on storm and extreme weather hardening, grid modernization and renewable generation among other capital expenditures (capex). Based on data from Edison Electrical Institute (EEI), industry capex—which includes both IUCs and transmission and distribution utilities—is projected to increase 8.4% in 2024, after growing 14.0% in 2023. EEI projections for 2024 to 2026 are likely to be revised higher as capex tends to be underestimated for outer years. Many IUCs target 7%–9% rate base growth and are expecting additional opportunities to invest in new generation and transmission infrastructure to meet rising power demand.

Stagnant ROEs: Fitch expects median authorized return on equity (ROE) for IUCs to remain flat at current levels, mirroring the recent trend. The median ROE for IUCs is 9.8% for the rate outcomes year-to-date (YTD), compared to 9.7% in 2023. The historic spread between median authorized ROEs and 10-year U.S. Treasury rates has been 600 basis points (bps) to 700bps. Most recently approved ROEs for IUCs shows that the spread remains compressed and is at a cyclical low. Fitch believes state regulators will be reluctant to approve increases in ROE, even though interest rates have risen, as they look for ways to offset utilities' requests for rate increases.

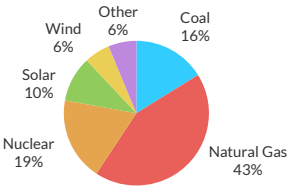
While authorized ROEs are an important indicator of regulatory construct, Fitch views an IUC's ability to earn its authorized ROE as a key input in its regulatory assessment. The gap between authorized and earned ROEs for IUCs has narrowed in recent years, which is credit positive. However, regulatory lag could widen if utilities are unable to manage operating and maintenance (O&M) costs within the levels allowed in their rate orders. Those IUCs operating in jurisdictions with historical test years are most vulnerable.

Modestly Improving Leverage Metrics: Fitch expects median IUC leverage metrics to modestly improve to 4.0x in 2024, from 4.1x in 2023, driven by the recovery of deferred fuel balances and storm restoration costs. Several IUCs such as Florida Power & Light Company (FPL), Georgia Power Company and Virginia Electric Power Company (VEPCO) saw large increases in fuel and power purchase costs as natural gas prices spiked in 2022 following Russia's invasion of Ukraine. These utilities agreed to defer recovery of these costs over a longer timeframe (anywhere between 21 months and 36 months) to avoid sharp customer bill increases. Some of the IUCs have either issued or are planning to issue securitization debt to recover deferred fuel costs. The IUCs will recover most of the remaining deferred fuel balances in 2025.

Extreme weather activity has increased and there continue to be catastrophic hurricanes and storms leading to significant restoration costs incurred by IUCs. Unusually large storm restoration costs are also typically recovered over an extended period of time. These deferrals, whether related to fuel or storms, are typically financed with debt, putting pressure on leverage metrics. Additionally, wildfire related costs for some California IUCs are recovered with a significant delay leading to high leverage metrics in the interim. Overall, Fitch projects median FFO leverage for IUCs to remain broadly in line with their rating levels.

U.S. Utility-Scale Electricity Generation by Fuel Source

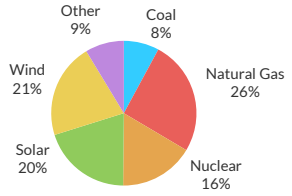
Actuals as of Year-End 2023



Source: Fitch Ratings, U.S. Energy Information Administration

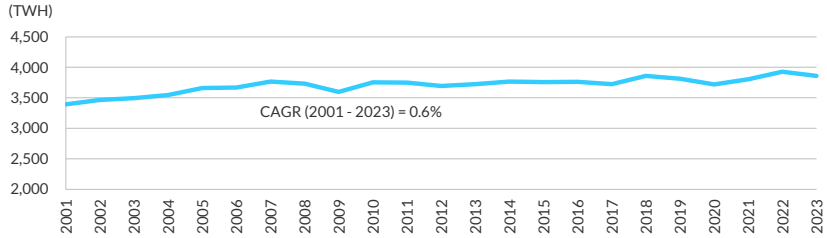
U.S. Utility-Scale Electricity Generation by Fuel Source

Projections as of Year-End 2030



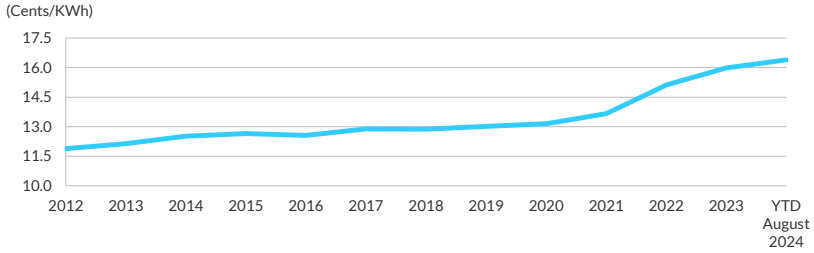
Source: Fitch Ratings, U.S. Energy Information Administration

U.S. Retail Sales of Electricity



Source: Fitch Ratings, U.S. Energy Information Administration

Average U.S. Residential Price of Electricity



Source: Fitch Ratings, EIA

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Ratings Navigator Factor Review

Midpoint of Ratings Navigator's Factor Range – by Company

Issuer		Sector-Specific						Financial Profile		
Name	IDR/Outlook	Operating Environment	Management and Corp. Governance	Regulatory Environment	Market Position	Asset Base and Operations	Commodity Exposure	Profitability	Financial Structure	Financial Flexibility
Alabama Power Company	A/Stable	aa	a	a	bbb	bbb+	bbb+	a-	a	a
Florida Power & Light Company	A/Stable	aa	a	a	a-	a-	bbb+	a-	a	a
Wisconsin Electric Power Co.	A/Stable	aa	a	a	a-	a-	bbb+	a-	a	a
Wisconsin Public Service Corporation	A/Stable	aa	a	a	a-	a-	bbb+	a-	a-	a-
Indiana Michigan Power Co.	A-/Stable	aa	a	a-	bbb+	bbb+	bbb+	bbb+	a-	a-
Consumers Energy Company	A-/Stable	aa	a	a-	bbb+	bbb+	bbb+	a-	a-	a-
Dominion Energy South Carolina, Inc.	A-/Stable	aa	a-	a-	bbb+	bbb+	bbb+	bbb+	a-	a-
Virginia Electric and Power Company	A-/Stable	aa	a-	a-	a	bbb	bbb+	bbb+	a-	a-
DTE Electric Co.	A-/Stable	aa	a	a-	bbb+	bbb+	bbb+	a-	a-	a-
Tampa Electric Company	A-/Negative	aa	a-	a-	a-	bbb	bbb+	bbb+	a-	a-
Allegheny Generating Co.	A-/Stable	aa	bbb+	a	bbb+	a-	bbb	a	a-	a-
Monongahela Power Co.	A-/Stable	aa	bbb	bbb+	bbb	bbb	a	bbb	a-	a-
Oklahoma Gas & Electric Co.	A-/Stable	aa	bbb+	bbb+	a-	bbb	bbb+	a-	a-	a-
Georgia Power Company	A-/Stable	aa	a	a-	a-	a-	bbb+	bbb	a	bbb+
Mississippi Power Company	A-/Stable	aa	a	a-	bbb	bbb	bbb+	bbb+	a-	a-
Northern States Power Company – Minnesota	A-/Stable	aa	a	a-	a-	bbb+	bbb+	bbb+	a-	a-
Northern States Power Company – Wisconsin	A-/Stable	aa	a	a	a-	bbb+	bbb+	a-	a-	a-
Public Service Company of Colorado	A-/Stable	aa	a	bbb+	a-	bbb+	bbb+	a-	a-	a-

b/ccc rating categories bb rating category bbb rating category a rating category aa rating category High Importance factor. Note: Only issuers with public financials displayed.
Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Issuer		Sector-Specific						Financial Profile		
Name	IDR/Outlook	Operating Environment	Management and Corp. Governance	Regulatory Environment	Market Position	Asset Base and Operations	Commodity Exposure	Profitability	Financial Structure	Financial Flexibility
Indianapolis Power & Light Co.	BBB+/Stable	aa	a-	a-	bbb+	bbb	bbb+	bbb+	bbb+	bbb
Appalachian Power Co.	BBB+/Stable	aa	a	bbb+	bbb	bbb+	bbb+	bbb+	bbb+	bbb+
Public Service Company of Oklahoma	BBB+/Stable	aa	a	bbb+	a-	bbb+	bbb+	bbb	bbb	bbb+
Black Hills Power, Inc.	BBB+/Stable	aa	bbb+	bbb	bbb+	bbb-	a-	bbb	bbb+	bbb+
Otter Tail Power Company	BBB+/Stable	aa	bbb+	bbb	bbb	bbb	bbb+	bbb	bbb+	a-
Arizona Public Service Co.	BBB+/Stable	aa	a	bbb+	bbb+	bbb+	bbb+	bbb+	bbb+	bbb+
Puget Sound Energy Inc.	BBB+/Stable	aa	a-	bbb	bbb	bbb	bbb+	bbb	bbb+	bbb
San Diego Gas & Electric Co.	BBB+/Stable	aa	a-	bbb+	bbb+	a-	a-	bbb+	bbb+	bbb+
Liberty Utilities Co.	BBB/Stable	aa	bbb+	bbb+	bbb+	bbb	bbb+	bbb	bbb	bbb+
Kentucky Power Co.	BBB/Stable	aa	a	bbb-	bbb-	bbb-	bbb+	bbb-	bbb-	bbb
Southwestern Electric Power Co.	BBB/Stable	aa	a	bbb	bbb+	bbb	bbb+	bbb	bbb	bbb
Cleco Power, LLC	BBB/Stable	aa	a-	bbb	bbb-	bbb	bbb+	bbb	bbb+	bbb+
Southern California Edison Company	BBB/Stable	aa	a	bbb	bbb-	bbb+	a-	bb+	bbb	bbb-
El Paso Electric Company	BBB/Stable	aa	a-	bbb-	bbb+	bbb-	bbb	bbb	bbb	bbb
NorthWestern Corporation	BBB/Stable	aa	a	bbb	bbb	bbb	bbb	bbb	bbb	bbb
NorthWestern Energy Public Service Corp.	BBB/Stable	aa	a	bbb	bbb	bbb	bbb	bbb	bbb	bbb
Southwestern Public Service Company	BBB/Stable	aa	a	bbb	a-	bbb	bbb+	bbb	bbb+	bbb+
Pacific Gas and Electric Company	BB+/Positive	aa	bbb	bbb-	bbb-	bb	a-	bb	bb+	bb+
Hawaiian Electric Company, Inc.	B/Stable	aa	bb+	bbb+	b	b	bbb	b	bbb+	b

b/ccc rating categories bb rating category bbb rating category a rating category aa rating category High Importance factor. Note: Only issuers with public financials displayed.
Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Difference Between Factor Range Midpoint and IDR

Issuer		Sector-Specific						Financial Profile		
Name	IDR/Outlook	Operating Environment	Management and Corp. Governance	Regulatory Environment	Market Position	Asset Base and Operations	Commodity Exposure	Profitability	Financial Structure	Financial Flexibility
Alabama Power Company	A/Stable	+3	0	0	-3	-2	-2	-1	0	0
Florida Power & Light Company	A/Stable	+3	0	0	-1	-1	-2	-1	0	0
Wisconsin Electric Power Co.	A/Stable	+3	0	0	-1	-1	-2	-1	0	0
Wisconsin Public Service Corporation	A/Stable	+3	0	0	-1	-1	-2	-1	-1	-1
Indiana Michigan Power Co.	A-/Stable	+4	+1	0	-1	-1	-1	-1	0	0
Consumers Energy Company	A-/Stable	+4	+1	0	-1	-1	-1	0	0	0
Dominion Energy South Carolina, Inc.	A-/Stable	+4	0	0	-1	-1	-1	-1	0	0
Virginia Electric and Power Company	A-/Stable	+4	0	0	+1	-2	-1	-1	0	0
DTE Electric Co.	A-/Stable	+4	+1	0	-1	-1	-1	0	0	0
Tampa Electric Company	A-/Negative	+4	0	0	0	-2	-1	-1	0	0
Allegheny Generating Co.	A-/Stable	+4	-1	+1	-1	0	-2	+1	0	0
Monongahela Power Co.	A-/Stable	+4	-2	-1	-2	-2	+1	-2	0	0
Oklahoma Gas & Electric Co.	A-/Stable	+4	-1	-1	0	-2	-1	0	0	0
Georgia Power Company	A-/Stable	+4	+1	0	0	0	-1	-2	+1	-1
Mississippi Power Company	A-/Stable	+4	+1	0	-2	-2	-1	-1	0	0
Northern States Power Company – Minnesota	A-/Stable	+4	+1	0	0	-1	-1	-1	0	0
Northern States Power Company – Wisconsin	A-/Stable	+4	+1	+1	0	-1	-1	0	0	0
Public Service Company of Colorado	A-/Stable	+4	+1	-1	0	-1	-1	0	0	0
Indianapolis Power & Light Co.	BBB+/Stable	+5	+1	+1	0	-1	0	0	0	-1
Appalachian Power Co.	BBB+/Stable	+5	+2	0	-1	0	0	0	0	0
Public Service Company of Oklahoma	BBB+/Stable	+5	+2	0	+1	0	0	-1	-1	0
Black Hills Power, Inc.	BBB+/Stable	+5	0	-1	0	-2	+1	-1	0	0
Otter Tail Power Company	BBB+/Stable	+5	0	-1	-1	-1	0	-1	0	+1
Arizona Public Service Co.	BBB+/Stable	+5	+2	0	0	0	0	0	0	0
Puget Sound Energy Inc.	BBB+/Stable	+5	+1	-1	-1	-1	0	-1	0	-1
San Diego Gas & Electric Co.	BBB+/Stable	+5	+1	0	0	+1	+1	0	0	0
Liberty Utilities Co.	BBB/Stable	+6	+1	+1	+1	0	+1	0	0	+1
Kentucky Power Co.	BBB/Stable	+6	+3	-1	-1	-1	+1	-1	-1	0
Southwestern Electric Power Co.	BBB/Stable	+6	+3	0	+1	0	+1	0	0	0
Cleco Power, LLC	BBB/Stable	+6	+2	0	-1	0	+1	0	+1	+1
Southern California Edison Company	BBB/Stable	+6	+3	0	-1	+1	+2	-2	0	-1

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Difference Between Factor Range Midpoint and IDR

Issuer		Sector-Specific						Financial Profile		
Name	IDR/Outlook	Operating Environment	Management and Corp. Governance	Regulatory Environment	Market Position	Asset Base and Operations	Commodity Exposure	Profitability	Financial Structure	Financial Flexibility
El Paso Electric Company	BBB/Stable	+6	+2	-1	+1	-1	0	0	0	0
NorthWestern Corporation	BBB/Stable	+6	+3	0	0	0	0	0	0	0
NorthWestern Energy Public Service Corp.	BBB/Stable	+6	+3	0	0	0	0	0	0	0
Southwestern Public Service Company	BBB/Stable	+6	+3	0	+2	0	+1	0	+1	+1
Pacific Gas and Electric Company	BB+/Positive	+8	+2	+1	+1	-1	+4	-1	0	0
Hawaiian Electric Company, Inc.	B/Stable	+12	+4	+7	0	0	+6	0	+7	0

Navigator factor in line with IDR (+/1 one notch) Navigator factor below IDR Navigator factor above IDR
Source: Fitch Ratings

The tables above summarise the midpoint of each factor range assessed in the respective Ratings Navigator for each company. The upper table, 'Midpoint of Ratings Navigator's Factor Range – by Company', indicates the rating category in which each factor of the Ratings Navigator is assessed. The lower table, 'Difference Between IDR and Factor Range Midpoint', indicates the number of notches above or below the IDR for each Ratings Navigator factor, highlighting those factors where the companies are assessed better or worse than their IDRs.

For an interactive version of the Navigator review tool click here. For factor-by-factor details on our key observations, and why they are relevant for our ratings in this sector, see our sector-specific Ratings Navigator – Addendum to the Corporate Criteria

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Regulatory Environment

Regulation is a key credit risk factor for utilities. The regulatory framework across our rated IUC universe varies based on tariff-setting mechanisms, bill affordability, and the influence of intervenors and policy makers. Tariff-setting mechanisms that allow utilities to recover costs promptly, thus limiting regulatory lag, are favorable to risk profiles. A supportive state regulatory environment typically provides for periodic rate-adjustment mechanisms for variable operating costs, including fuel and purchased power.

A benign and supportive regulatory environment could lead to a rating uplift, all other conditions being equal, even if credit metrics do not align with those of the relative rating level. Conversely, an extended period of adverse or punitive regulatory actions could lead to lower ratings, as regulatory constructs often tend to be sticky and take a long time to turn around.

The 'Regulatory environment' factor is assessed as highly important for all IUCs. The only exception is Hawaiian Electric Company (HECO), whose current ratings are being driven by its wildfire liability exposure, resulting in the 'regulatory environment' factor assessed as of moderate importance.

Consistency in the regulatory framework and predictability in decision making is most beneficial to a regulated utility's credit profile. Alabama Power Company, FPL and IUCs serving in the state of Wisconsin benefit from a highly constructive regulatory environment reflected in their 'regulatory environment' factor assessment of 'a'. FPL has a stronger track record of achieving regulatory outcomes, in large part driven by customer bills significantly below peer utilities, which is reflected in its 'regulatory environment' factor assessment one notch higher than its peer, Tampa Electric Company.

The use of historical rate base and test years, long time frames for final rate decisions and a utility's inability to implement interim rate increases can further accentuate regulatory lag. States such as Arizona, Colorado and Texas use historical test years, which puts pressure on utilities' abilities to earn their allowed ROEs. Regulation in other states, such as Montana, Washington and South Dakota, can be challenging as well. As a result, the 'regulatory environment' factor is assessed as 'bbb' for IUCs located in these states.

In California, Fitch views regulatory practices as generally balanced and credit supportive. However, an active legislature exposes utilities to a relatively high degree of political risk, dating back to the energy crisis of 2001 to 2002. Timeliness of wildfire-related cost recovery has been hampered. Since the passage of Assembly Bill (AB) 1054, a wildfire insurance fund provides a $21 billion liquidity source to participating investor-owned utilities. For these reasons, the 'Timeliness of Cost Recovery' subfactor is assessed as 'b' and the 'Degree of Transparency and Predictability' subfactor is assessed as 'bb' for both Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE). These subfactors are assessed several notches higher for San Diego Gas and Electric Company (SDG&E) due to significantly lower wildfire exposure.

Issuer	Regulatory Environment	Degree of Transparency and Predictability	Timeliness of Cost Recovery	Trend in Authorized ROEs	Mechanisms Available to Stabilize Cash Flows	Mechanisms Supportive of Creditworthiness
Alabama Power Company	a	a	a	a	bbb	NA
Allegheny Generating Company	a	a	a	a	a	a
Consumers Energy Company	a-	a	a	a	bbb	bbb
Dominion Energy South Carolina, Inc.	a-	a	a	bbb	bbb	bbb
DTE Electric Company	a-	a	a	a	bbb	bbb
Florida Power & Light Company	a	bbb	a	a	bbb	NA
Indiana Michigan Power Company	a-	a	a	a	bbb	bbb
Monongahela Power Company	bbb+	a	bbb	bbb	bbb	a
Tampa Electric Company	a-	a	a	bbb	bbb	bbb
Virginia Electric and Power Company	a-	a	a	a	bbb	bbb
Wisconsin Electric Power Company	a	a	a	a	bbb	bbb
Wisconsin Public Service Corporation	a	a	a	a	bbb	bbb

Source: Fitch Ratings. **Importance** Higher Moderate Lower

Issuer	Regulatory Environment	Degree of Transparency and Predictability	Timeliness of Cost Recovery	Trend in Authorized ROEs	Mechanisms Available to Stabilize Cash Flows	Mechanisms Supportive of Creditworthiness
Appalachian Power Company	bbb+	bbb	a	a	bbb	bbb
Arizona Public Service Company	bbb+	bbb	bbb	a	bbb	a
Black Hills Power, Inc.	bbb	bbb	bbb	bbb	bbb	bbb
Georgia Power Company	a-	a	bbb	a	bbb	NA
Indianapolis Power & Light Company	a-	a	a	a	bbb	bbb
Mississippi Power Company	a-	bbb	a	bbb	bbb	NA
Northern States Power Company-Minnesota	a-	a	a	bbb	bbb	bbb
Northern States Power Company-Wisconsin	a	a	a	a	bbb	bbb
Oklahoma Gas and Electric Company	bbb+	bbb	bbb	bbb	bbb	bbb
Otter Tail Power Company	bbb	bbb	bbb	bbb	bbb	bbb
Public Service Company of Colorado	bbb+	a	bbb	bbb	bbb	bbb
Public Service Company of Oklahoma	bbb+	bbb	bbb	bbb	bbb	bbb
Puget Sound Energy, Inc.	bbb	bbb	bbb	bbb	bbb	bbb

Source: Fitch Ratings. **Importance** Higher Moderate Lower

Issuer	Regulatory Environment	Degree of Transparency and Predictability	Timeliness of Cost Recovery	Trend in Authorized ROEs	Mechanisms Available to Stabilize Cash Flows	Mechanism Supportive o Creditworthin
Cleco Power LLC	bbb	bbb	bbb	bbb	bbb	bbb
El Paso Electric Company	bbb-	bbb	bb	bbb	bbb	bbb
Hawaiian Electric Company, Inc.	bbb+	bbb	bbb	bbb	a	bbb
Kentucky Power Company	bbb-	bbb	bbb	bbb	bbb	bbb
Liberty Utilities Co.	bbb+	bbb	bbb	bbb	bbb	bbb
NorthWestern Corporation	bbb	bbb	bb	bbb	bbb	bbb
NorthWestern Energy Public Service Corporation	bbb	bbb	bb	bb	bbb	bbb
Pacific Gas and Electric Company	bbb-	bb	b	a	a	NA
San Diego Gas & Electric Company	bbb+	a	bbb	a	a	bbb
Southern California Edison Company	bbb	bb	b	a	a	NA
Southwestern Electric Power Company	bbb	bbb	bbb	bbb	bbb	bbb
Southwestern Public Service Company	bbb	bb	bbb	bbb	bbb	bbb

Source: Fitch Ratings. **Importance** Higher Moderate Lower

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Market Position

Customer mix, economic health, service territory vibrancy and sensitivity to weather or disaster disruptions can significantly affect an IUC's risk profile. Greater exposure to the residential customer segment provides for a high degree of demand stability. Conversely, higher exposure to the industrial segment implies greater volume volatility during an economic cycle. Stagnant or declining sales could result in revenue being too low to cover the high fixed costs of providing utility service. The 'Market Position' factor is assessed as moderate importance for all IUCs.

Robust sales growth could have favorable results for an IUC's gross margins, as seen in Texas and Florida. These two states experienced substantial above average customer and sales growth in recent years, driven primarily by large population influxes. Following years of modest sales growth, IUCs across most of the U.S. (excluding the Northeast) are now experiencing significant demand growth from data centers and increased electrification trends. States such as Virginia, Georgia, Texas, Arizona and Wisconsin are especially favorably positioned. As a result, the 'Geographic location' subfactor is assessed as 'a' for IUCs located in these states.

Sensitivity to extreme weather, including storms and wildfires, is increasingly becoming a differentiating factor for a utility's credit quality. Exposure to event risk due to extreme weather in a utility's service territory could constrain its credit profile without mitigating measures, such as a wildfire protection plan or regulatory framework that allows for timely cost recovery. The 'Geographic location' subfactor is assessed as 'bb' for Cleco Power given the susceptibility of its service territory to storms and hurricanes and risk of a potentially large storm restoration burden relative to the small size of the utility.

The degree of wildfire exposure, a key event risk for IUCs, depends on geographic location, topography of the service territory and resilience of existing infrastructure, among other factors. IUCs that have experienced catastrophic utility-sparked wildfires are assessed with a 'Geographic location' subfactor of 'b'. Examples include SCE and HECO. This subfactor is assessed 'ccc' for PG&E as Fitch believes that its large forest cover in its service territory together with expanding wild-urban interface makes it most susceptible to wildfire risk among all Fitch-rated IUC utilities. As the utility hardens its infrastructure, including undergrounding, Fitch expects the assessment of this subfactor could improve.

IUCs with a higher reliance on industrial sales are assessed 'bbb' for the 'Customer mix' subfactor. Examples include Alabama Power, Indiana Michigan Power and Monongahela Power. This subfactor is also assessed as 'bbb' for Appalachian Power, Mississippi Power and Kentucky Power due to a relatively higher proportion of low-income customers in their service territories, making bill affordability concerns more acute.

Navigator Factor and Sub-Factor Midpoints

Issuer	Market Position	Market Structure	Consumption Growth Trend	Customer Mix	Geographic Location	Supply Demand Dynamics
Alabama Power Company	bbb	a	bbb	bbb	bbb	bbb
Allegheny Generating Company	bbb+	a	bbb	a	bbb	bbb
Consumers Energy Company	bbb+	a	bbb	a	bbb	bbb
Dominion Energy South Carolina, Inc.	bbb+	bbb	a	a	a	bbb
DTE Electric Company	bbb+	a	bbb	a	bbb	bbb
Florida Power & Light Company	A-	a	bbb	a	a	a
Indiana Michigan Power Company	bbb+	a	bbb	bbb	bbb	bbb
Monongahela Power Company	bbb	bbb	bbb	bbb	bbb	bbb
Tampa Electric Company	a-	a	a	a	bbb	bbb
Virginia Electric and Power Company	a	a	a	a	a	a
Wisconsin Electric Power Company	a-	a	bbb	a	bbb	bbb
Wisconsin Public Service Corporation	a-	a	bbb	a	a	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Issuer	Market Position	Market Structure	Consumption Growth Trend	Customer Mix	Geographic Location	Supply Demand Dynamics
Appalachian Power Company	bbb	bbb	bbb	bbb	bbb	bbb
Arizona Public Service Company	bbb+	a	a	bbb	a	bbb
Black Hills Power, Inc.	bbb+	bbb	a	bbb	bbb	bbb
Georgia Power Company	a-	a	a	a	a	bbb
Indianapolis Power & Light Company	bbb+	a	bbb	a	bbb	bbb
Mississippi Power Company	bbb	bbb	bbb	bbb	bbb	bbb
Northern States Power Company-Minnesota	a-	a	bbb	a	bbb	bbb
Northern States Power Company-Wisconsin	a-	a	bbb	a	bbb	bbb
Oklahoma Gas and Electric Company	a-	bbb	a	a	bbb	bbb
Otter Tail Power Company	bbb	bbb	bbb	bbb	bbb	bbb
Public Service Company of Colorado	a-	a	bbb	a	bbb	bbb
Public Service Company of Oklahoma	a-	bbb	a	a	bbb	bbb
Puget Sound Energy, Inc.	bbb	bbb	bb	bbb	bbb	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Issuer	Market Position	Market Structure	Consumption Growth Trend	Customer Mix	Geographic Location	Supply Demand Dynamics
Cleco Power LLC	bbb-	bbb	bbb	bbb	bb	bbb
El Paso Electric Company	bbb+	bbb	a	a	bbb	bbb
Hawaiian Electric Company, Inc.	b	b	b	bbb	b	b
Kentucky Power Company	bbb-	bbb	bb	bbb	bbb	bbb
Liberty Utilities Co.	bbb+	a	bbb	a	a	bbb
NorthWestern Corporation	bbb	bbb	bbb	bbb	bbb	bbb
NorthWestern Energy Public Service Corporation	bbb	bbb	bbb	bbb	bbb	bbb
Pacific Gas and Electric Company	bbb-	a	bb	a	ccc	a
San Diego Gas & Electric Company	bbb+	bbb	bbb	a	bbb	bbb
Southern California Edison Company	bbb-	a	bb	a	b	bbb
Southwestern Electric Power Company	bbb+	bbb	a	bbb	bbb	bbb
Southwestern Public Service Company	a-	bbb	a	a	bbb	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Asset Base and Operations

The 'Asset Base and Operations' factor focuses on a qualitative and comparative assessment of an IUC's physical infrastructure. This assessment may influence its current and expected relative price competitiveness and drive capital reinvestment needs. The age and quality of an IUC's infrastructure will drive the need to invest in capital improvements of fixed assets.

A record of poor service reliability, frequent service outages and delays in restoration of service due to weather and other disasters can contribute to customer dissatisfaction and increase political and regulatory risks. Service disruptions may result in higher purchased power costs that may or may not be readily recoverable from customers.

New generation projects in relatively capital-intensive or innovative technologies have completion risks due to potential project delays and cost overruns. These factors can result in financial stress if there are delays in cost recovery or recovery disallowances. Consequently, they could increase the importance of the 'Asset Base and Operations' factor to higher from moderate, which is a default for the sector.

This has been the case with Georgia Power during its decade-long construction of the Vogtle nuclear units. The commercial operation of Vogtle Unit 3 in 2023 and Unit 4 in 2024 has significantly reduced project risk. Fitch expects to lower the importance of the 'Asset Base and Operations' factor pending a successful record of operation at both units.

VEPCO is also exposed to large project construction risks given its $9.8 billion investment in the construction of a 2.6 GW regulated offshore wind farm. Fitch considers the approved rider recovery mechanism for the project favorable but remains concerned about the impact of significant delays or cost escalation, which have been observed for several offshore wind projects in the U.S. and around the world. Fitch views the minority sale of 50% noncontrolling interest in the project to private equity firm Stonepeak Partners, LLC as an important risk mitigant.

As a result of the aforementioned reasons, Fitch has assessed the 'Capital and Technological Intensity of Capex' subfactor as 'bb' for both Georgia Power and VEPCO. This subfactor is assessed as 'b' for HECO and PG&E due to the significant investments needed to harden their infrastructure against wildfire risk.

HECO, PG&E and Southwestern Public Service Company are also assigned higher importance to their 'Asset Base and Operations' factor due to high wildfire exposure in their service territories and size of related financial liabilities.

Navigator Factor and Sub-Factor Midpoints

Issuer	Asset Base and Operations	Diversity of Assets	Operations Reliability and Cost Competitiveness	Exposure to Environmental Regulations	Capital and Technological Intensity of Capex
Alabama Power Company	bbb+	bbb	a	bbb	bbb
Allegheny Generating Company	a-	a	a	a	a
Consumers Energy Company	bbb+	bbb	a	bbb	bbb
Dominion Energy South Carolina, Inc.	bbb+	a	bbb	bbb	bbb
DTE Electric Company	bbb+	bbb	a	bbb	bbb
Florida Power & Light Company	A-	a	a	bbb	bbb
Indiana Michigan Power Company	bbb+	bbb	a	bbb	bbb
Monongahela Power Company	bbb	bbb	bbb	bbb	bbb
Tampa Electric Company	bbb	bbb	bbb	bbb	bbb
Virginia Electric and Power Company	bbb	a	a	bbb	bb
Wisconsin Electric Power Company	a-	a	a	bbb	bbb
Wisconsin Public Service Corporation	a-	a	a	bbb	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Issuer	Asset Base and Operations	Diversity of Assets	Operations Reliability and Cost Competitiveness	Exposure to Environmental Regulations	Capital and Technological Intensity of Capex
Appalachian Power Company	bbb+	bbb	bbb	bbb	bbb
Arizona Public Service Company	bbb+	a	bbb	bbb	bbb
Black Hills Power, Inc.	bbb-	bb	bbb	bbb	bbb
Georgia Power Company	a-	a	a	bbb	bb
Indianapolis Power & Light Company	bbb	bbb	bbb	bbb	bbb
Mississippi Power Company	bbb	bbb	bbb	bbb	bbb
Northern States Power Company-Minnesota	bbb+	bbb	bbb	bbb	bbb
Northern States Power Company-Wisconsin	bbb+	bbb	bbb	bbb	bbb
Oklahoma Gas and Electric Company	bbb	bbb	bbb	bbb	bbb
Otter Tail Power Company	bbb	bbb	a	bbb	bbb
Public Service Company of Colorado	bbb+	bbb	bbb	bbb	bbb
Public Service Company of Oklahoma	bbb+	bbb	a	bbb	bbb
Puget Sound Energy, Inc.	bbb	bbb	bbb	bb	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Issuer	Asset Base and Operations	Diversity of Assets	Operations Reliability and Cost Competitiveness	Exposure to Environmental Regulations	Capital and Technological Intensity of Capex
Cleco Power LLC	bbb	bbb	bbb	bbb	bbb
El Paso Electric Company	bbb-	bb	a	bbb	bbb
Hawaiian Electric Company, Inc.	b	b	b	bb	b
Kentucky Power Company	bbb-	bb	bbb	bbb	bbb
Liberty Utilities Co.	bbb	bbb	a	bbb	bbb
NorthWestern Corporation	bbb	bbb	bbb	bbb	bbb
NorthWestern Energy Public Service Corporation	bbb	bbb	bbb	bbb	bbb
Pacific Gas and Electric Company	bb	NA	bb	bbb	b
San Diego Gas & Electric Company	a-	bbb	bbb	a	bbb
Southern California Edison Company	bbb+	a	a	bb	bbb
Southwestern Electric Power Company	bbb	bbb	a	bbb	bbb
Southwestern Public Service Company	bbb	bbb	bbb	bbb	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Commodity Exposure

The vast majority of North American IUCs have some form of periodic revenue-adjustment mechanism that allow for timely recovery of fuel and purchased power costs, limiting cash flow fluctuations related to fuel price volatility. As a result, Fitch views the 'Commodity Exposure' factor to have a lower importance for most IUCs. Northwestern Corporation's moderate importance to 'Commodity Exposure' factor reflect its unusual electric supply cost mechanism that apportions 90% to 10% risk-sharing between customers and shareholders.

It is important to note, however, that there is considerable variation in the timing and efficacy of these commodity-related adjustments for IUCs. For example, several IUCs accumulated large deferred fuel balances in 2021 and 2022 due to high and volatile natural gas and purchased power costs. The utilities are recovering these costs over 21 to 36 months, in many cases, putting temporary pressure on credit metrics.

The low natural gas price environment in 2023 and 2024 relieved some of the pressure on customer bills caused by the recovery of deferrals. Another period of high natural gas prices could result in regulators attempting to minimize rising consumer rates through even longer fuel cost recovery timelines. These regulatory adjustments to standard fuel-recovery mechanisms can lead to gradual deterioration of utility creditworthiness.

For HECO, the 'Underlying Supply Mix' subfactor is assessed at 'bb' due to high exposure to oil, an expensive and volatile commodity, as part of its fuel mix.

Navigator Factor and Sub-Factor Midpoints

Issuer	Commodity Exposure	Ability to Pass Through Changes in Fuel	Underlying Supply Mix	Hedging Strategy
Alabama Power Company	bbb+	a	bbb	a
Allegheny Generating Company	bbb	NA	NA	NA
Consumers Energy Company	bbb+	bbb	bbb	a
Dominion Energy South Carolina, Inc.	bbb+	a	bbb	a
DTE Electric Company	bbb+	bbb	bbb	a
Florida Power & Light Company	bbb+	a	bbb	a
Indiana Michigan Power Company	bbb+	bbb	bbb	a
Monongahela Power Company	a	a	NA	NA
Tampa Electric Company	bbb+	a	bbb	bbb
Virginia Electric and Power Company	bbb+	bbb	bbb	bbb
Wisconsin Electric Power Company	bbb+	bbb	bbb	a
Wisconsin Public Service Corporation	bbb+	bbb	bbb	a

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Issuer	Commodity Exposure	Ability to Pass Through Changes in Fuel	Underlying Supply Mix	Hedging Strategy
Appalachian Power Company	bbb+	bbb	bbb	bbb
Arizona Public Service Company	bbb+	bbb	bbb	a
Black Hills Power, Inc.	a-	bbb	a	a
Georgia Power Company	bbb+	bbb	bbb	a
Indianapolis Power & Light Company	bbb+	bbb	bbb	a
Mississippi Power Company	bbb+	a	bbb	a
Northern States Power Company-Minnesota	bbb+	bbb	bbb	a
Northern States Power Company-Wisconsin	bbb+	bbb	bbb	a
Oklahoma Gas and Electric Company	bbb+	bbb	bbb	bbb
Otter Tail Power Company	bbb+	a	a	bbb
Public Service Company of Colorado	bbb+	bbb	bbb	a
Public Service Company of Oklahoma	bbb+	bbb	bbb	bbb
Puget Sound Energy, Inc.	bbb+	a	bbb	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Issuer	Commodity Exposure	Ability to Pass Through Changes in Fuel	Underlying Supply Mix	Hedging Strategy
Cleco Power LLC	bbb+	a	bbb	bbb
El Paso Electric Company	bbb	bbb	bbb	bbb
Hawaiian Electric Company, Inc.	bbb	bbb	bb	a
Kentucky Power Company	bbb+	bbb	bbb	a
Liberty Utilities Co.	bbb+	a	bbb	a
NorthWestern Corporation	bbb	bbb	bbb	bbb
NorthWestern Energy Public Service Corporation	bbb	bbb	bbb	bbb
Pacific Gas and Electric Company	a-	a	bbb	a
San Diego Gas & Electric Company	a-	a	bbb	bbb
Southern California Edison Company	a-	a	bbb	a
Southwestern Electric Power Company	bbb+	bbb	bbb	a
Southwestern Public Service Company	bbb+	bbb	bbb	a

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Profitability

Fitch assesses the 'Profitability' factor as of moderate importance for all IUCs. The utility sector is characterized by large capital investments in long-dated property, plant and equipment. IUCs with extensive capex programs tend to experience long periods of negative free cash flow (FCF) during investment peaks. This is due to the time lag between investment and cash flow from related assets. This results in assessment of the 'Profitability' factor in the 'bbb' category for most IUCs.

In contrast to other IUCs, the 'Profitability' factor is assessed 'b' for HECO, bb' for PG&E and 'bb+' for SCE to reflect structural negative cash flow over investment cycle due to the additional cash outflows related to large wildfire liabilities.

Some utilities benefit from recovery riders that permit a return on, and a return of, invested capital during large-scale infrastructure projects. This tends to improve the profitability measures. IUCs typically receive higher authorized ROE than transmission and distribution utilities due to the perceived higher risks of maintaining an electric generating fleet. Weak profitability can result from a significant lag between capital investment and its recovery in tariffs. A long-dated, large capital investment program can intensify the effects of regulatory lag on profitability measures.

We also consider the timeliness of recovery of pass-through items, such as gas or purchased power. This is driven by the frequency of tariff resets to recover higher market prices than those at the times rates were set. Monthly or quarterly resets are preferable to annual true-ups, which may result in significant under- or over-collection. Situations where large deferred balances exist and collection is extended over many years places a strain on liquidity and can be problematic for the rating.

The 'Free Cash Flow' subfactor for Mississippi Power is assessed as 'a' given its free cash flow generation due to modest capex requirements. This subfactor is assessed 'bb' for PG&E given its substantial capex program relative to internally generated cash flow.

Navigator Factor and Sub-Factor Midpoints

Issuer	Profitability	Free Cash Flow	Volatility of Profitability
Alabama Power Company	a-	bbb	a
Allegheny Generating Company	a	a	a
Consumers Energy Company	a-	bbb	a
Dominion Energy South Carolina, Inc.	bbb+	bbb	bbb
DTE Electric Company	a-	bbb	a
Florida Power & Light Company	a-	bbb	a
Indiana Michigan Power Company	bbb+	a	a
Monongahela Power Company	bbb	bbb	bbb
Tampa Electric Company	bbb+	bbb	a
Virginia Electric and Power Company	bbb+	bbb	bbb
Wisconsin Electric Power Company	a-	bbb	a
Wisconsin Public Service Corporation	a-	bbb	a

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Issuer	Profitability	Free Cash Flow	Volatility of Profitability
Appalachian Power Company	bbb+	bbb	a
Arizona Public Service Company	bbb+	bbb	a
Black Hills Power, Inc.	bbb	bbb	bbb
Georgia Power Company	bbb	bbb	bbb
Indianapolis Power & Light Company	bbb+	bbb	bbb
Mississippi Power Company	bbb+	a	bbb
Northern States Power Company-Minnesota	bbb+	bbb	a
Northern States Power Company-Wisconsin	a-	bbb	a
Oklahoma Gas and Electric Company	a-	bbb	a
Otter Tail Power Company	bbb	bbb	bbb
Public Service Company of Colorado	a-	bbb	a
Public Service Company of Oklahoma	bbb	bbb	bbb
Puget Sound Energy, Inc.	bbb	bbb	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Issuer	Profitability	Free Cash Flow	Volatility of Profitability
Cleco Power LLC	bbb	bbb	bbb
El Paso Electric Company	bbb	bbb	bbb
Hawaiian Electric Company, Inc.	b	bbb	b
Kentucky Power Company	bbb-	bbb	bb
Liberty Utilities Co.	bbb	bbb	bbb
NorthWestern Corporation	bbb	bbb	bbb
NorthWestern Energy Public Service Corporation	bbb	bbb	bbb
Pacific Gas and Electric Company	bb	bb	bb
San Diego Gas & Electric Company	bbb+	bbb	a
Southern California Edison Company	bb+	bbb	bb
Southwestern Electric Power Company	bbb	bbb	bbb
Southwestern Public Service Company	bbb	bbb	bbb

Source: Fitch Ratings. **Importance** ■ Higher ■ Moderate ■ Lower

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Financial Structure and Financial Flexibility

Fitch's methodology assumes cash flow is a superior measure of income generation than accrual-based earnings measures. Funds Flow from operations (FFO) leverage is the primary measure for assessing IUCs' financial structures, as it more accurately reflects cash flow available to service debt. It is also one of the main sensitivities driving rating assignments, along with the regulatory environment. EBITDA leverage often does not accurately represent a utility's financial health, as EBITDA can include many non-cash items due to the regulatory nature of the business, and frequent revenue and cost deferrals for future recovery. Hence, Fitch gives higher weight to FFO leverage as compared to EBITDA leverage in its overall assessment of the Financial Structure factor.

Fitch expects Financial Structure, as reflected in the FFO Leverage sub-factor, to be in line or up to a notch lower than the assigned IDR for each issuer. Fitch assesses 'Financial Structure' factor for all IUCs as of higher importance, with the exception of HECO. HECO's Financial Structure factor is several notches above the IDR and has moderate importance at this point. While their FFO leverage is currently more in-line with the 'BBB' credit ratings, HECO's 'B' IDR reflects the exposure to large third-party liabilities related to wildfires in Maui in August 2023.

Fitch's Navigator assigns a median FFO leverage of 5.0x as appropriate for 'BBB' rated IUCs and 3.5x for 'A' rated IUCs.

Navigator Factor and Sub-Factor Midpoints

Issuer	Financial Structure	EBITDA Leverage	FFO Leverage
Alabama Power Company	a	a	a
Allegheny Generating Company	a-	bbb	a
Consumers Energy Company	a-	a	a
Dominion Energy South Carolina, Inc.	a-	a	a
DTE Electric Company	a-	bbb	a
Florida Power & Light Company	a	a	a
Indiana Michigan Power Company	a-	bbb	a
Monongahela Power Company	a-	bbb	a
Tampa Electric Company	a-	bbb	a
Virginia Electric and Power Company	a-	a	a
Wisconsin Electric Power Company	a	a	a
Wisconsin Public Service Corporation	a-	bbb	a

Source: Fitch Ratings. **Importance** Higher Moderate Lower

Issuer	Financial Structure	EBITDA Leverage	FFO Leverage
Appalachian Power Company	bbb+	bbb	bbb
Arizona Public Service Company	bbb+	bb	bbb
Black Hills Power, Inc.	bbb+	bbb	a
Georgia Power Company	a	a	a
Indianapolis Power & Light Company	bbb+	bbb	bbb
Mississippi Power Company	a-	bbb	bbb
Northern States Power Company-Minnesota	a-	bbb	a
Northern States Power Company-Wisconsin	a-	a	a
Oklahoma Gas and Electric Company	a-	bbb	a
Otter Tail Power Company	bbb+	bbb	bbb
Public Service Company of Colorado	a-	bbb	a
Public Service Company of Oklahoma	bbb	bbb	bbb
Puget Sound Energy, Inc.	bbb+	bbb	a

Source: Fitch Ratings. **Importance** Higher Moderate Lower

Issuer	Financial Structure	EBITDA Leverage	FFO Leverage
Cleco Power LLC	bbb+	bbb	a
El Paso Electric Company	bbb	bbb	bbb
Hawaiian Electric Company, Inc.	bbb+	bbb	a
Kentucky Power Company	bbb-	bb	bbb
Liberty Utilities Co.	bbb	bb	bbb
NorthWestern Corporation	bbb	bb	bbb
NorthWestern Energy Public Service Corporation	bbb	bb	bbb
Pacific Gas and Electric Company	bb+	bb	bbb
San Diego Gas & Electric Company	bbb+	bbb	bbb
Southern California Edison Company	bbb	bb	bbb
Southwestern Electric Power Company	bbb	bbb	bbb
Southwestern Public Service Company	bbb+	bbb	bbb

Source: Fitch Ratings. **Importance** Higher Moderate Lower

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Financial Structure and Financial Flexibility

Financial Flexibility measures an issuer's ability to meet debt service obligations and manage volatility without eroding credit quality. The more conservatively capitalized an issuer, the greater its financial flexibility. For most IUCs, financial flexibility is scored as being moderately important as most have access to capital markets and are able to refinance their debt obligations or issue new debt as needed.

The 'Financial Flexibility' factor for Indianapolis Power & Light Company, Puget Sound Energy, El Paso Electric Company and HECO is assessed as of higher importance. These companies are each owned by parent companies with high debt levels. The ability to service this holding company debt depends on the dividends from the ownership of a single state utility. Those dividends are constrained by the regulatory capital structure of the utility. The parent holding companies may face difficulty in accessing capital markets to refinance their already elevated holding company debt levels. In addition, the parent holding companies of these IUCs are owned by financial sponsors, increasing their reliance on their sponsor for equity infusions.

Additional considerations to assess 'Financial Flexibility' factor for IUCs include committed, long-dated bank lines and the proportion of short-term debt in the capital structure. These factors are incorporated in the 'Liquidity' sub-factor. Given the expected negative FCF for many IUCs, internal liquidity measures look weak and pull down the overall Liquidity assessment for most IUCs.

In general, the requirement to maintain an authorized capital structure results in a strong 'a' assessment of the 'Financial Discipline' sub-factor for most IUCs. Exceptions include Tampa Electric Company and Indianapolis Power & Light Company due to ownership by a weaker parent and the parent's reliance on distributions from the utility to service holding company debt. The 'Financial Discipline' subfactor is assessed 'bb' for HECO and PG&E given weak capital access for the holding company in adverse circumstances.

Other factors contributing to 'Financial Flexibility' assessment are the ability to revise plans for capital spending, strong banking relationships, and access to a range of debt and equity markets.

FFO Interest Coverage has generally been quite strong for the IUCs due to the declining cost of debt in the last decade. Higher interest rate environment in the recent years has put pressure on coverage ratios although they remain predominately in-line with the issuers' IDRs.

Navigator Factor and Sub-Factor Midpoints

Issuer	Financial Flexibility	Financial Discipline	Liquidity	FFO Interest Coverage
Alabama Power Company	a	a	NA	a
Allegheny Generating Company	a-	a	bbb	a
Consumers Energy Company	a-	a	bbb	bbb
Dominion Energy South Carolina, Inc.	a-	a	bbb	a
DTE Electric Company	a-	a	bbb	a
Florida Power & Light Company	A	a	bb	a
Indiana Michigan Power Company	a-	a	bbb	a
Monongahela Power Company	a-	a	bbb	a
Tampa Electric Company	a-	bbb	NA	a
Virginia Electric and Power Company	a-	a	bb	a
Wisconsin Electric Power Company	a	a	bb	a
Wisconsin Public Service Corporation	a-	a	bb	a

Source: Fitch Ratings. **Importance** Higher Moderate Lower

Issuer	Financial Flexibility	Financial Discipline	Liquidity	FFO Interest Coverage
Appalachian Power Company	bbb+	a	bb	bbb
Arizona Public Service Company	bbb+	a	bbb	a
Black Hills Power, Inc.	bbb+	a	bbb	bbb
Georgia Power Company	bbb+	a	bbb	a
Indianapolis Power & Light Company	bbb	bbb	bb	bbb
Mississippi Power Company	a-	a	NA	a
Northern States Power Company-Minnesota	a-	a	bbb	a
Northern States Power Company-Wisconsin	a-	a	bbb	a
Oklahoma Gas and Electric Company	a-	a	bbb	a
Otter Tail Power Company	a-	a	bbb	a
Public Service Company of Colorado	a-	a	bbb	a
Public Service Company of Oklahoma	bbb+	a	bb	bbb
Puget Sound Energy, Inc.	bbb	a	bb	bbb

Source: Fitch Ratings. **Importance** Higher Moderate Lower

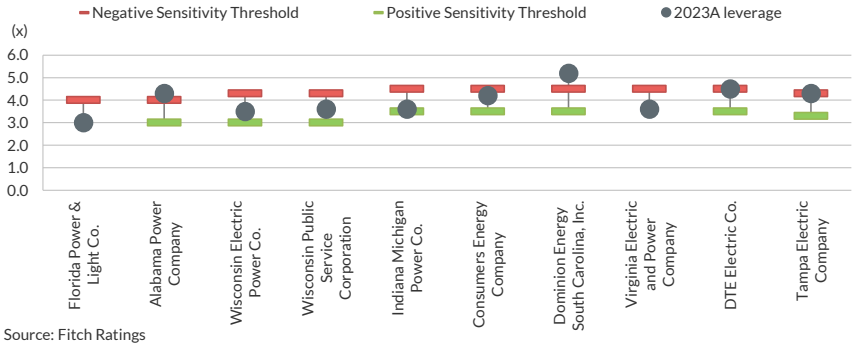
Issuer	Financial Flexibility	Financial Discipline	Liquidity	FFO Interest Coverage
Cleco Power LLC	bbb+	a	bbb	bbb
El Paso Electric Company	bbb	a	bb	bbb
Hawaiian Electric Company, Inc.	b	bb	b	a
Kentucky Power Company	bbb	a	bb	bbb
Liberty Utilities Co.	bbb+	a	bbb	bbb
NorthWestern Corporation	bbb	a	bb	a
NorthWestern Energy Public Service Corporation	bbb	a	bb	a
Pacific Gas and Electric Company	bb+	bb	bb	bbb
San Diego Gas & Electric Company	bbb+	a	bb	bbb
Southern California Edison Company	bbb-	a	bb	bb
Southwestern Electric Power Company	bbb	a	bb	bbb
Southwestern Public Service Company	bbb+	a	bbb	a

Source: Fitch Ratings. **Importance** Higher Moderate Lower

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

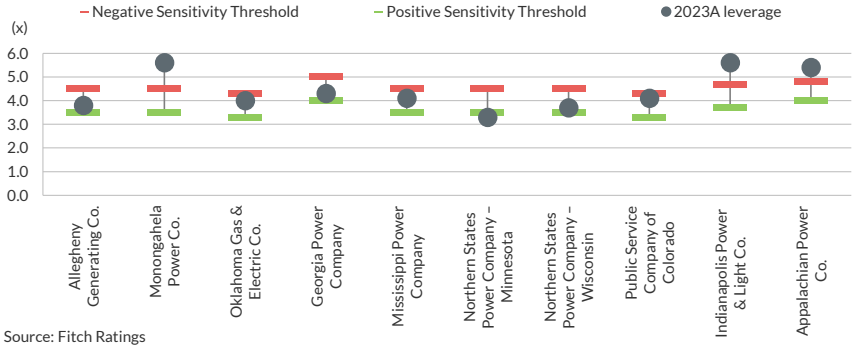
Rating Headroom Review

Rating Headroom by Leverage



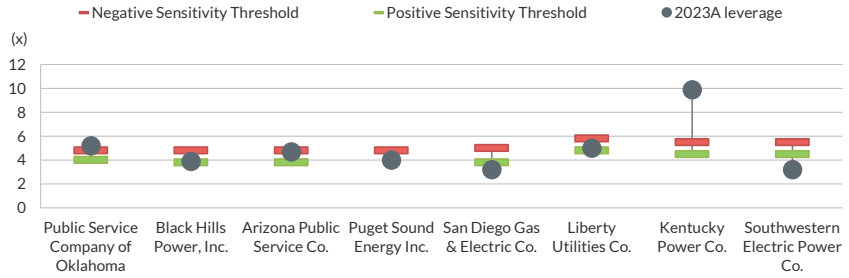
Source: Fitch Ratings

Rating Headroom by Leverage



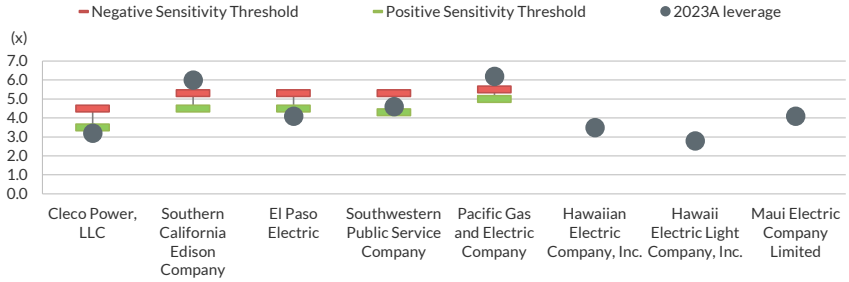
Source: Fitch Ratings

Rating Headroom by Leverage



Source: Fitch Ratings

Rating Headroom by Leverage



Source: Fitch Ratings

What Is Rating Headroom?

Rating Headroom can be presented on one or two charts depending on the size of the peer group

Rating headroom measures an issuer's financial flexibility against the quantitative rating guidelines set. The analysis excludes qualitative guidelines, which may also affect rating evolution.

Ratings carry multiple guidelines. This analysis only compares leverage metrics (typically EBITDA and EBITDAR-based depending on existence of material leases). Ratings can survive negative headroom if we forecast sufficient recovery within the rating horizon.

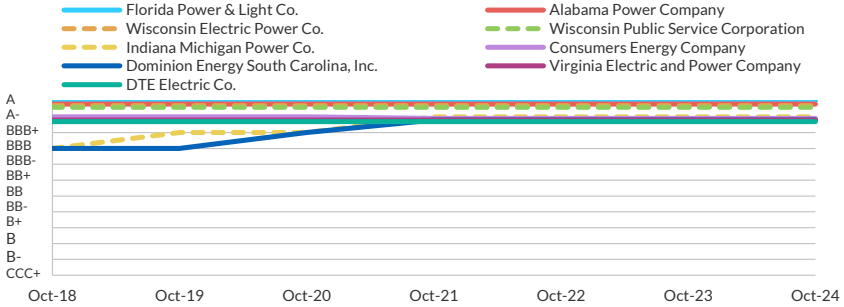
Low or negative headroom on a single rating guideline may not necessarily lead to rating downgrades, which would depend on the extent and duration of a breach.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Rating History

Rating History

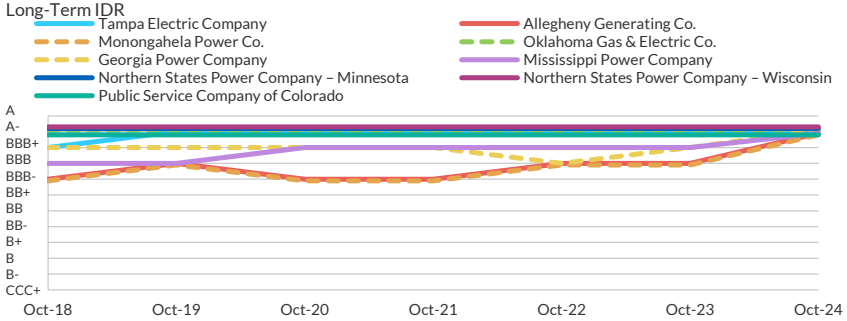
Long-Term IDR



Source: Fitch Ratings

Rating History

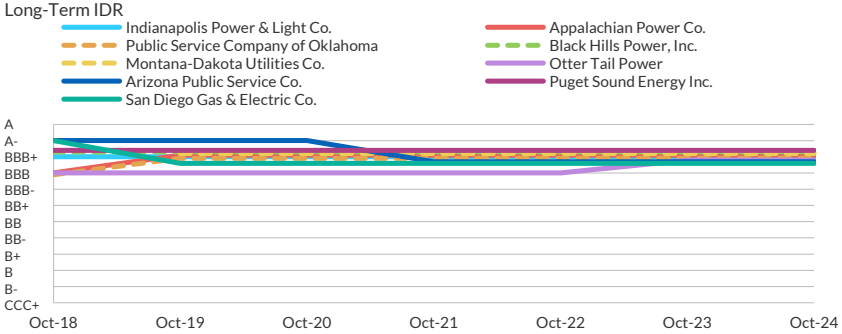
Long-Term IDR



Source: Fitch Ratings

Rating History

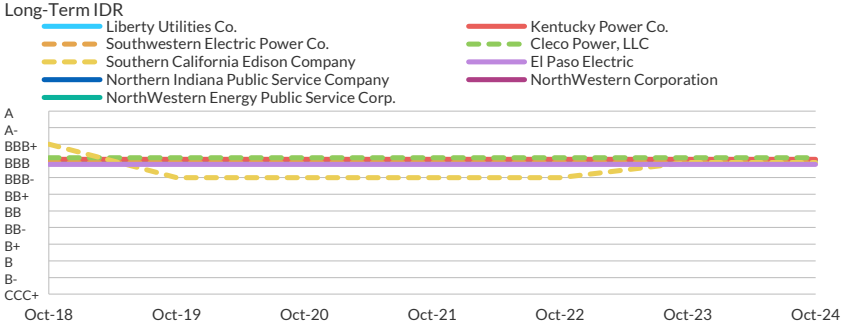
Long-Term IDR



Source: Fitch Ratings

Rating History

Long-Term IDR

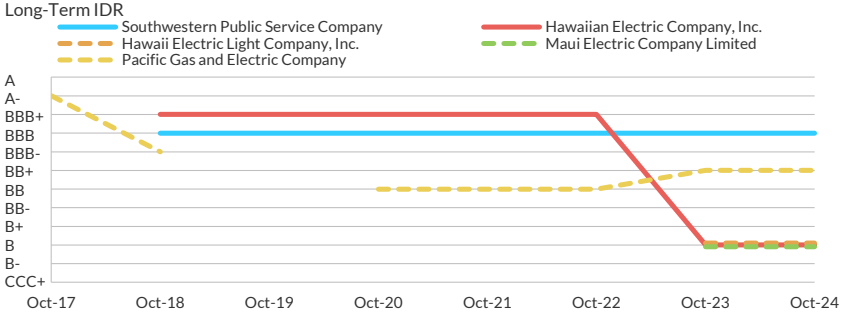


Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Rating History

Long-Term IDR



Source: Fitch Ratings

Rating history can be presented on one or two charts depending on the size of the peer group

Alternatively, it can focus on outliers with the most volatile rating activity. Flat lines for companies with stable ratings will typically not be relevant, except to highlight such stability for an issuer compared to its peers' higher volatility, and can be excluded.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Rating Guidelines Comparator

Issuer	IDR/Outlook	Positive and Negative Sensitivities
Alabama Power Company	A/Stable	[+]Positive rating action is unlikely unless The Southern Company is upgraded by one notch or more and FFO leverage sustains below 3.0x. [-]Downgrade of parent, The Southern Company, by one notch; [-]A sharp industrial slowdown in Alabama Power's service territory that depresses margins as well as curtails its flexibility to continue to earn attractive ROEs; [-]Unexpected negative regulatory developments that cause a mismatch between incurrence and recovery of capital and operating expenses; [-]Sustained FFO leverage above 4.0x
Florida Power & Light Company	A/Stable	[+]Positive rating actions for FPL appear unlikely at this time. [-]Unfavorable changes in Florida's regulatory policies for timely recovery of utility capital investments, fuel and purchased power costs, and storm-related costs; [-]Increasing risk profile of its parent company from higher debt leverage or aggressive corporate strategy; [-]Sustained FFO leverage above 4.0x.
Wisconsin Electric Power Co.	A/Stable	[+]An upgrade at WEC and improvement in WE's FFO leverage to 3.0x or better, along with continued, balanced rate regulation in Wisconsin. [-]A downgrade at WEC; [-]Meaningful sustained deterioration in Wisconsin rate regulation; [-]FFO leverage greater than 4.3x on a sustained basis.
Wisconsin Public Service Corporation	A/Stable	[+] An upgrade at WEC and improvement in WPS's FFO leverage to 3.0x or better. [-]A downgrade at WEC Energy Group, Inc.; [-]Meaningful sustained deterioration in Wisconsin rate regulation; [-]FFO leverage above 4.3x on a sustained basis.
Indiana Michigan Power Co.	A-/Stable	[+]Sustained FFO leverage at or below 3.5x and an upgrade of AEP; [+]Continued balanced jurisdictional rate regulation. [-]Sustained FFO leverage exceeding 4.5x on a sustained basis; [-]A downgrade of one notch or more at AEP; [-]Unexpected adverse regulatory development.
Consumers Energy Company	A-/Stable	[+]A positive rating action on Consumers Energy would also require an equally positive rating action on its parent, CMS, under Fitch's Parent and Subsidiary Linkage Criteria; [+]FFO leverage expected to be less than 3.5x on a sustained basis. [-]FFO leverage expected to exceed 4.5x on a sustained basis; [-]A material deterioration of the Michigan regulatory environment; [-]A downgrade to CMS Energy's Long-Term IDR.
Dominion Energy South Carolina, Inc.	A-/Stable	[+]Sustained FFO leverage at or below 3.5x. [-]Unfavorable state regulatory or legislative developments. [-]FFO leverage consistently and materially exceeding 4.5x. [-]A downgrade of two notches or more at DEI under Fitch's parent and subsidiary linkage criteria.
Virginia Electric and Power Company	A-/Stable	[+]Positive rating action is not likely in the near future given the capex plan and CVOW construction. [-]An increase in FFO leverage above 4.5x; [-]Material escalation of CVOW costs above current estimate of $9.8 billion and/or delays beyond scheduled YE 2026 completion; [-]Failure to complete the sale of 50% CVOW interest by the end of 2024; [-]Significant project costs not deemed recoverable by the SCC and/or denial of rider recovery for CVOW; [-]Breach of a major CVOW EPC or supplier contract; [-]Unfavorable regulatory or legislative developments; [-]A downgrade of two notches or more at DEI under Fitch's parent and subsidiary linkage criteria
DTE Electric Co.	A-/Stable	[+]Sustained FFO leverage of 3.5x or better. [-]A notch downgrade at the parent DTE; [-]An adverse change in Michigan's regulatory environment; [-]Sustained FFO leverage greater than 4.5x.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Issuer	IDR/Outlook	Positive and Negative Sensitivities
Tampa Electric Company	A-/Negative	[+]Although unlikely, an upgrade to TEC's rating would require a rating upgrade at Emera; and [+]TEC's FFO leverage below 3.3x on a sustainable basis. []Outlook on Emera revise to Stable [-]A downgrade at Emera; [-]Although not anticipated by Fitch, a material deterioration in the Florida regulatory compact; [-]TEC's FFO leverage above 4.3x on a sustained basis.
Allegheny Generating Co.	A-/Stable	[+]An upgrade at FE and sustained prospects for FFO leverage better than 3.5x at MP and AGC. Under Fitch's PSL Rating Criteria, FE's utility subsidiary IDRs are limited to a two-notch differential above FE's IDR. [-]Adverse rating actions at FE would trigger negative rating actions at MP and AGC due to parent and subsidiary rating linkage considerations; [-]FFO leverage of more than 4.5x or worse on a sustained basis. [-]Unexpected, significant and sustained deterioration in federal or state rate regulation would likely lead to adverse credit rating actions for FE, FET and FE's utility and transmission-only utilities.
Monongahela Power Co.	A-/Stable	[+]An upgrade at FE and sustained prospects for FFO leverage better than 3.5x at MP and AGC. Under Fitch's PSL Rating Criteria, FE's utility subsidiary IDRs are limited to a two-notch differential above FE's IDR. [-]Adverse rating actions at FE would trigger negative rating actions at MP and AGC due to parent and subsidiary rating linkage considerations; [-]FFO leverage of more than 4.5x or worse on a sustained basis. [-]Unexpected, significant and sustained deterioration in federal or state rate regulation would likely lead to adverse credit rating actions for FE, FET and FE's utility and transmission-only utilities.
Oklahoma Gas & Electric Co.	A-/Stable	[+]While not expected at this time, given the large capex program and business risk associated with potential wildfires, FFO leverage below 3.3x on a sustained basis could result in a positive rating action. [-]FFO leverage exceeding 4.3x on a sustained basis; [-]Any unexpected material deterioration in the regulatory environment that limits the utility's ability to recover cost of capital investments in a timely manner without material disallowance.
Georgia Power Company	A-/Stable	[+]Constructive resolution of 2025 base rate proceeding; [+]Strong operating performance of Vogtle units 3 and 4; [+]FFO leverage sustaining below 4.0x. [-]Deterioration in the regulatory environment in Georgia; [-]FFO leverage sustaining above 5.0x.
Mississippi Power Company	A-/Stable	[+]FFO leverage sustaining below 3.5x. [-]Unfavorable outcomes in pending and future rate proceedings; [-]FFO leverage above 4.5x on a sustainable basis
Northern States Power Company – Minnesota	A-/Stable	[+]A positive rating action is unlikely in the near term due to the large capex plan; [+]FFO leverage expected to remain less than 3.5x on a sustained basis. [-]FFO leverage expected to exceed 4.5x on a sustained basis; [-]A material deterioration of the regulatory environment that meaningfully reduces the stability and predictability of earnings and cash flow; [-]A shift in management strategy that results in weaker financial support from Xcel
Northern States Power Company – Wisconsin	A-/Stable	[+]A positive rating action is unlikely in the near term due to the large capex plan; [+]FFO leverage expected to remain less than 3.5x on a sustained basis. [-]FFO leverage expected to exceed 4.5x on a sustained basis; [-]A material deterioration of the regulatory environment that meaningfully reduces the stability and predictability of earnings and cash flow; [-]A shift in management strategy that results in weaker financial support from Xcel.
Public Service Company of Colorado	A-/Stable	[+]A positive rating action is unlikely in the near term due to the large capex plan; [+]FFO leverage expected to remain less than 3.3x on a sustained basis. [-]FFO leverage expected to exceed 4.3x on a sustained basis;

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Issuer	IDR/Outlook	Positive and Negative Sensitivities
		[-]Financial liability arising from adverse ruling on the wildfire lawsuits without a path to timely recovery of such costs could lead to a downgrade depending on the magnitude and financing of associated liabilities; [-]A material deterioration of the regulatory environment that meaningfully reduces the stability and predictability of earnings and cash flow; [-]A shift in management strategy that results in weaker financial support from Xcel.
Indianapolis Power & Light Co.	BBB+/Stable	[+]If IPALCO is upgraded and if AES Indiana's FFO leverage sustains below 3.7x, as Fitch intends to maintain a two-notch IDR differential between IPALCO and AES Indiana. [-]Negative regulatory development resulting in FFO leverage rising above 4.7x on a sustained basis.
Appalachian Power Co.	BBB+/Stable	[+]Sustained FFO leverage at or below 4.0x; [+]Continued balanced jurisdictional rate regulation. [-]Sustained FFO leverage exceeding 4.8x on a sustained basis; [-]Unexpected regulatory development.
Public Service Company of Oklahoma	BBB+/Stable	[+]Sustained FFO leverage at or below 4.0x; [+]Continued balanced jurisdictional rate regulation. [-]Sustained FFO leverage exceeding 4.8x on a sustained basis; [-]Unexpected adverse regulatory development.
Black Hills Power, Inc.	BBB+/Stable	[+]Sustained FFO leverage above 3.8x may lead to a positive rating action. [-]Unexpected adverse regulatory decisions; [-]FFO leverage sustained above 4.8x.
Otter Tail Power Company	BBB+/Stable	[+]Better-than-expected regulatory outcomes in future GRC proceedings; [+]Sustained FFO leverage below 3.8x; [+]Successful execution and balanced funding of the large capital investment program. [-]Adverse future regulatory outcomes; [-]Failure to maintain a balanced equity component in its capital structure; [-]Sustained FFO leverage above 4.5x.
Arizona Public Service Co.	BBB+/Stable	[+] A reasonable outcome in APS's future GRC's. [+] Sustained FFO leverage of better than 3.8x along with a constructive regulatory environment in Arizona. [-] An adverse outcome in APS's future GRC's. [-] Deterioration and increased politicization of Arizona's regulatory environment. [-] An unexpected wildfire that cause great economic and financial harm. [-] Sustained FFO leverage of more than 4.8x.
Puget Sound Energy Inc.	BBB+/Stable	[+]A positive rating action is not likely at this time, given PSE's potential wildfire risk. [-]A downgrade at PE would lead to a downgrade at PSE; [-]FFO leverage sustained above 4.8x; [-]Wildfire activity that gives rise to significant financial liability.
San Diego Gas & Electric Co.	BBB+/Stable	[+]A track record of successful implementation of AB 1054 in providing appropriate cost recovery for SDG&E or its peers, combined with FFO leverage that is sustained below 3.8x. [-]Major fires break out in SDG&E's service territory, leading to substantially unrecoverable liabilities; [-]The implementation of the wildfire recovery framework is unfavorable in providing sufficient cost recovery in a timely manner; [-]FFO leverage above 5.0x on a sustained basis.
Liberty Utilities Co.	BBB/Stable	[+]FFO leverage expected to remain at less than 4.8x on a sustained basis. [-]FFO leverage expected to exceed 5.8x on a sustained basis; [-]Adverse regulatory decisions that result in less-timely cost recovery or significantly weaker financial metrics; [-]A two-notch downgrade of APUC's Long-Term IDR would result in a downgrade of LUCo's Long-Term IDR.
Kentucky Power Co.	BBB/Stable	[+]Sustained FFO leverage at or below 4.5x; [+]Continued balanced jurisdictional rate regulation.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Issuer	IDR/Outlook	Positive and Negative Sensitivities
		[-]Sustained FFO leverage exceeding 5.5x on a sustained basis; [-]Unexpected adverse regulatory development.
Southwestern Electric Power Co.	BBB/Stable	[+]Sustained FFO leverage at or below 4.5x; [+]Continued balanced jurisdictional rate regulation. [-]Sustained FFO leverage exceeding 5.5x on a sustained basis; [-]Unexpected adverse regulatory development.
Cleco Power, LLC	BBB/Stable	[+]Although not anticipated in the near term, an upgrade at Cleco could lead to an upgrade of Cleco Power; [+]Sustained FFO leverage of below 3.5x. [-]FFO leverage weakening above 4.5x on a sustained basis; [-]An unexpected deterioration in Louisiana regulation and/or an unfavorable rate case filing; [-]An upstream dividend distribution that would result in a material weakness in credit ratios; [-]Material deterioration in Cleco Power's financial profile due to inability to recover costs related to any potential plant closures.
Southern California Edison Company	BBB/Stable	[+]Consistent, incremental progress reducing firestorm risk in the intermediate-to-long term; [+]Regulatory approval to recover 2017-2018 wildfire costs in rates; [+]More manageable utility-triggered wildfire activity consistent with post-2017/2018 levels in the intermediate term; [+]Successful implementation of AB 1054 with regard to resiliency initiatives, durability of the wildfire insurance fund and CPUC interpretation of standards and procedures; [+]Better than expected regulatory outcomes with respect to timeliness and substance; [+]FFO leverage of 4.5x or better on a sustained basis. [-]Continuing catastrophic wildfire activity that depletes the wildfire fund faster than expected, exposing the company to incremental wildfire liabilities; [-]Execution risk associated with AB 1054, including safety certification issuance, implementation of the wildfire insurance fund or unexpectedly large prudence disallowance by the CPUC; [-]Ineffective operating response to wildfires; [-]Poor public safety power shutoff execution, communication and management; [-]Adverse political, legislative or regulatory developments; [-]FFO-adjusted leverage exceeding 5.3x for a sustained period.
El Paso Electric Company	BBB/Stable	[+]Given the large capex plan and challenging regulatory environment, a positive rating action is unlikely in the near term; [+]Over the longer term, a positive rating action could occur if regulatory lag were to improve materially and if Fitch were to expect FFO leverage to remain less than 4.5x on a sustained basis. [-]Materially unfavorable regulatory developments; [-]FFO leverage expected to exceed 5.3x on a sustained basis.
Northern Indiana Public Service Company	BBB/Stable	[+]NI and NIPSCO could be upgraded if consolidated FFO leverage is consistently below 5.0x. [-]Consolidated FFO leverage sustains above 6.0x with low probability of recovery; [-]Material adverse changes in NI's regulatory construct that result in unexpected lag or disallowance in recovering capex.
NorthWestern Corporation	BBB/Stable	[+]A significant improvement in Montana's regulatory environment; [+]Sustained FFO leverage maintained at or below 4.8x [-]Deterioration in Montana's regulatory environment; [-]Sustained FFO leverage to exceed 5.8x. [-]
NorthWestern Energy Public Service Corp.	BBB/Stable	[+]A significant improvement in South Dakota and Nebraska's regulatory environment; [+]Sustained FFO leverage maintained at or below 4.8x. [-]Deterioration in South Dakota and Nebraska's regulatory environment; [-]Sustained FFO leverage to exceed 5.8x. [-]
Southwestern Public Service Company	BBB/Stable	[+]A material improvement in the regulatory environment that results in higher authorized ROEs and a reduction in regulatory lag; [+]FFO leverage expected to remain less than 4.3x on a sustained basis.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Issuer	IDR/Outlook	Positive and Negative Sensitivities
		[-]FFO leverage projected to exceed 5.3x on a sustained basis; [-]A material deterioration of the Texas or New Mexico regulatory environment that meaningfully reduces the stability and predictability of earnings and cash flow; [-]Financial liability arising from potential wildfire lawsuits without a path to timely recovery of such costs could lead to a downgrade depending on the magnitude and financing of associated liabilities; [-]A shift in management strategy that results in weaker financial support from Xcel.
Pacific Gas and Electric Company	BB+/Positive	[+]Continued meaningful reduction in the size and scale of prospective utility-linked wildfires in PG&E's service territory and their impact on customers; [+]CPUC determination of PG&E prudence in its review of anticipated 2021 Dixie Fire related claims and efficient administration of AB 1054 wildfire fund withdrawals; [+]Consistent improvement in PG&E's safety culture and reputation; [+]Robust AB 1054 wildfire fund levels relative to future utility claims; [+]Improvement in FFO-leverage to better than 5.0x. [-]Continuation of catastrophic wildfire activity on par with or worse than the Northern California wildfires of 2017 and the Camp Fire of 2018 and resulting large third-party liabilities; [-]Delays in disbursement of claims from the AB 1054 fund or subsequent disallowance of withdrawals from the AB 1054 fund resulting in reimbursements to the fund; [-]More rapid than expected drawdown of the AB 1054 fund due to persistent wildfire activity and large third-party liabilities; [-]Inability to address equipment failures and deliver demonstrable improvement in safety culture; [-]Failure to ameliorate reputational challenges; [-]Deterioration in jurisdictional rate regulation; [-]Unfavorable legislative developments; [-]These or other factors resulting in FFO-leverage of worse than 5.5x on a sustained basis.
Hawaiian Electric Company, Inc.	B/Stable	[+]Finalization of the Maui 2023 wildfire settlement agreement coupled with the clear financing plan to fund the payments in a credit supportive manner. [+]The ratings are unlikely to be restored to prior levels due to heightened risk arising from increasing wildfire activity in utility subsidiaries' service territory and the incremental cost of expected wildfire-mitigation spending, which is expected to pressure credit metrics; [+]Tangible evidence of state regulatory and legislative support to mitigate financial risk for the utility subsidiaries against potential large wildfire-related claims and future wildfire-mitigation costs. [-] Inability to fund financial liability from Maui wildfires lawsuits; [-] Unwinding of the pending Maui wildfire settlement; [-] Deteriorating liquidity; [-] Determination of the magnitude of wildfire-related liabilities that exceeds Fitch's current estimates could lead to diminished recovery for unsecured debt obligations, leading to negative rating actions
Hawaii Electric Light Company, Inc.	B/Stable	[+]Positive ratings actions at HECO. [-]Negative ratings action at HECO.
Maui Electric Company Limited	B/Stable	[+] Positive ratings actions at HECO. [-] Negative ratings action at HECO; [-]Determination of the magnitude of wildfire related liabilities that exceeds Fitch's current estimates could lead to diminished recovery for unsecured debt obligations leading to negative rating actions.

Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

ESG Considerations

		Alabama Power Company	Florida Power & Light Company	Wisconsin Electric Power Co.	Wisconsin Public Service Corporation	Indiana Michigan Power Co.	Consumers Energy Company	Dominion Energy South Carolina	Virginia Electric and Power Company
Environmental	GHG Emissions & Air Quality	3	3	3	3	3	3	3	3
	Energy Management	3	3	3	3	3	3	3	3
	Water & Wastewater Management	2	2	2	2	2	2	2	2
	Waste & Hazardous Materials Management	3	3	3	3	3	3	3	3
	Exposure to Environmental Impacts	3	3	3	3	3	3	3	3
Social	Human Rights, Community Relations, Access & Affordability	3	3	3	3	3	3	3	3
	Customer Welfare - Fair Messaging, Privacy & Data Security	3	3	3	3	3	3	3	3
	Labour Relations & Practices	3	3	3	3	3	3	3	3
	Employee Wellbeing	2	2	2	2	2	2	2	2
	Exposure to Social Impacts	3	3	3	3	3	3	3	3
Governance	Management Strategy	3	3	3	3	3	3	3	3
	Governance Structure	3	3	3	3	3	3	3	3
	Group Structure	3	3	3	3	3	3	3	3
	Financial Transparency	3	3	3	3	3	3	3	3

5. Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4. Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3. Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2. Irrelevant to the entity rating but relevant to the sector.
1. Irrelevant to the entity rating and irrelevant to the sector.

Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

ESG Considerations

		DTE Electric Co.	Tampa Electric Company	Allegheny Generating Co.	Monongahela Power Co.	Oklahoma Gas & Electric Co.	Georgia Power Company	Mississippi Power Company	Northern States Power Company - Minnesota
Environmental	GHG Emissions & Air Quality	3	3	1	3	3	3	3	3
	Energy Management	3	3	3	4	3	3	3	3
	Water & Wastewater Management	2	3	3	2	2	2	2	2
	Waste & Hazardous Materials Management	3	3	3	3	3	3	3	3
	Exposure to Environmental Impacts	3	3	3	3	3	3	3	3
Social	Human Rights, Community Relations, Access & Affordability	3	3	3	3	3	3	3	3
	Customer Welfare - Fair Messaging, Privacy & Data Security	3	3	3	3	3	3	3	3
	Labour Relations & Practices	3	3	3	3	3	3	3	3
	Employee Wellbeing	2	2	2	2	2	2	2	2
	Exposure to Social Impacts	3	3	3	3	3	3	3	3
Governance	Management Strategy	3	3	3	3	3	3	3	3
	Governance Structure	3	3	3	3	3	3	3	3
	Group Structure	3	3	3	3	3	3	3	3
	Financial Transparency	3	3	3	3	3	3	3	3

5. Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4. Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3. Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2. Irrelevant to the entity rating but relevant to the sector.
1. Irrelevant to the entity rating and irrelevant to the sector.

Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

ESG Considerations

		Northern States Power Company – Wisconsin	Public Service Company of Colorado	Indianapolis Power & Light Company	Appalachian Power Co.	Public Service Company of Oklahoma	Black Hills Power, Inc.	Otter Tail Power Company	Arizona Public Service Co.
Environmental	GHG Emissions & Air Quality	3	3	3	3	3	3	3	3
	Energy Management	3	3	3	3	3	3	3	3
	Water & Wastewater Management	2	2	2	2	2	2	2	2
	Waste & Hazardous Materials Management	3	3	3	3	3	3	3	3
	Exposure to Environmental Impacts	3	3	3	3	3	3	3	3
Social	Human Rights, Community Relations, Access & Affordability	3	3	3	3	3	3	3	3
	Customer Welfare - Fair Messaging, Privacy & Data Security	3	3	3	3	3	3	3	3
	Labour Relations & Practices	3	3	3	3	3	3	3	3
	Employee Wellbeing	2	2	2	2	2	2	2	2
	Exposure to Social Impacts	3	3	3	3	3	3	3	3
Governance	Management Strategy	3	3	3	3	3	3	3	3
	Governance Structure	3	3	3	3	3	3	3	3
	Group Structure	3	3	3	3	3	3	3	3
	Financial Transparency	3	3	3	3	3	3	3	3

5. Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4. Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3. Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2. Irrelevant to the entity rating but relevant to the sector.
1. Irrelevant to the entity rating and irrelevant to the sector.

Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

ESG Considerations

		Puget Sound Energy Inc.	San Diego Gas & Electric Co.	Liberty Utilities Co.	Kentucky Power Co.	Southwestern Electric Power Co.	Cleco Power, LLC	Southern California Edison Company	El Paso Electric Company
Environmental	GHG Emissions & Air Quality	3	3	3	3	3	3	3	3
	Energy Management	3	3	3	3	3	3	3	3
	Water & Wastewater Management	2	2	2	2	2	2	2	3
	Waste & Hazardous Materials Management	3	3	3	3	3	3	3	3
	Exposure to Environmental Impacts	3	4	3	3	3	3	4	3
Social	Human Rights, Community Relations, Access & Affordability	3	3	3	3	3	3	3	3
	Customer Welfare - Fair Messaging, Privacy & Data Security	3	3	3	3	3	3	3	3
	Labour Relations & Practices	3	3	3	3	3	3	3	3
	Employee Wellbeing	2	2	2	2	2	2	2	3
	Exposure to Social Impacts	3	4	3	3	3	3	4	3
Governance	Management Strategy	3	3	3	3	3	3	3	3
	Governance Structure	3	3	3	3	3	3	3	3
	Group Structure	3	3	3	3	3	3	3	3
	Financial Transparency	3	3	3	3	3	3	3	3

5. Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4. Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3. Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2. Irrelevant to the entity rating but relevant to the sector.
1. Irrelevant to the entity rating and irrelevant to the sector.

Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

ESG Considerations

		NorthWestern Corporation	NorthWestern Energy Public Service Corp.	Southwestern Public Service Company	Pacific Gas and Electric Company	Hawaiian Electric Company, Inc.
Environmental	GHG Emissions & Air Quality	3	3	3	3	3
	Energy Management	3	3	3	3	3
	Water & Wastewater Management	2	2	2	2	2
	Waste & Hazardous Materials Management	3	3	3	3	3
	Exposure to Environmental Impacts	3	3	5	4	5
Social	Human Rights, Community Relations, Access & Affordability	3	3	3	3	3
	Customer Welfare - Fair Messaging, Privacy & Data Security	3	3	5	4	5
	Labour Relations & Practices	3	3	3	3	3
	Employee Wellbeing	2	2	2	2	2
	Exposure to Social Impacts	3	3	5	4	5
Governance	Management Strategy	3	3	3	3	3
	Governance Structure	3	3	3	3	3
	Group Structure	3	3	3	3	3
	Financial Transparency	3	3	3	3	3

5. Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4. Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3. Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2. Irrelevant to the entity rating but relevant to the sector.
1. Irrelevant to the entity rating and irrelevant to the sector.

Source: Fitch Ratings

Monongahela Power Company: Monongahela Power Company has an ESG Relevance Score of '4' for Energy Management due to ownership of coal-generating capacity, which has a negative impact on the credit profile, and is relevant to the ratings in conjunction with other factors.

San Diego Gas & Electric Company: San Diego Gas & Electric Company has an ESG Relevance Score of '4' for Exposure to Environmental Impacts and an ESG Relevance Score of '4' for Exposure to Social Impacts due SDG&E's service territory being susceptible to wildfires, which could lead to potential adverse impacts to its relationship with ratepayers and regulators. This has a negative impact on SDG&E's credit profile and is relevant to the rating in conjunction with other factors. Nevertheless, the passage of wildfire legislations and SDG&E's robust wildfire prevention and mitigation measures alleviate the social and environmental impact.

Southern California Edison Company: Southern California Edison Company has an ESG Relevance Score of '4' for Exposure to Environmental Impacts due to the threat of catastrophic wildfire activity partially offset by the constructive impact of AB 1054, including creation of the wildfire fund and limits on prudence disallowance, and ongoing efforts by EIX, SCE and the State of California to improve system resilience against firestorm activity. This has a negative impact on the credit profile, and is relevant to the ratings in conjunction with other factors.

Southern California Edison Company has an ESG Relevance Score of '4' for Exposure to Social Impacts due to wildfire activity and its adverse impact on the utility's relationship with customers which has a negative impact on the credit profile, and is relevant to the ratings in conjunction with other factors.

Southwestern Public Service Company: Southwestern Public Service Company has an ESG Relevance Score of '5' for Customer Welfare - Fair Messaging, Privacy & Data Security due to the involvement of SPS's equipment in sparking the largest wildfire in Texas history and the devastation caused to its customers, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in the Outlook change to Stable from Positive.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Southwestern Public Service Company has an ESG Relevance Score of '5' for Exposure to Environmental Impacts due to heightened risk from wildfires and the uncertainty about utility-sparked wildfires, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in the Outlook change to Stable from Positive.

Southwestern Public Service Company has an ESG Relevance Score of '5' for Exposure to Social Impacts due to unusual wildfire activity in SPS service territory is causing material adverse customer impacts which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in the Outlook change to Stable from Positive.

Pacific Gas and Electric Company: Pacific Gas and Electric Company has an ESG Relevance Score of '4' for Customer Welfare - Fair Messaging, Privacy & Data Security due to customer and other constituent impacts associated with wildfire activity, which has had a negative impact on the credit profile is relevant to the rating in conjunction with other factors. The ESG RS reflects Fitch's assessment of wildfire risks to creditworthiness as being manageable within PG&E's current rating category.

Pacific Gas and Electric Company has an ESG Relevance Score of '4' for Exposure to Environmental Impacts due to the impact of rain-drought-rain, high winds and dry ambient conditions on its operations, which has had a negative impact on the credit profile is relevant to the rating in conjunction with other factors. The ESG RS reflects Fitch's assessment of wildfire risks to creditworthiness as being manageable within PG&E's current rating category.

Pacific Gas and Electric Company has an ESG Relevance Score of '4' for Exposure to Social Impacts due to customer and other constituent impacts associated with wildfire activity, which has had a negative impact on the credit profile and is relevant to the rating in conjunction with other factors. The ESG RS reflects Fitch's assessment of wildfire risks to creditworthiness as being manageable within PG&E's current rating category.

Hawaiian Electric Company, Inc.: Hawaiian Electric Company, Inc. has an ESG Relevance Score of '5' for Customer Welfare - Fair Messaging, Privacy & Data Security due to the involvement of HECO's equipment in sparking the morning fire in Maui wildfires and the devastation caused to its customers, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in implicitly lower ratings.

Hawaiian Electric Company, Inc. has an ESG Relevance Score of '5' for Exposure to Environmental Impacts due to heightened risk from wildfires and the uncertainty on utility-sparked wildfires, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in implicitly lower ratings.

Hawaiian Electric Company, Inc. has an ESG Relevance Score of '5' for Exposure to Social Impacts due to adverse customer and other constituent impacts associated with unusual wildfire activity in Hawaii, which has a negative impact on the credit profile, and is highly relevant to the rating, resulting in implicitly lower ratings.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD mil.)	FFO (USD mil.)	EBITDA (USD mil.)	FFO leverage (x)	EBITDA leverage (x)	FFO interest coverage (x)	Debt (USD mil.)	Capex (USD mil.)
Alabama Power Company	A									
	A	2023	7,050	2,198	3,187	4.3	3.5	6.2	11,311	-2,022
	A	2022	7,817	1,941	2,955	4.7	3.6	6.5	10,715	-2,016
	A	2021	6,413	2,040	2,810	4.1	3.5	7.0	9,765	-1,753
Florida Power & Light Company	A									
	A	2023	18,365	8,429	10,535	3.0	2.7	8.9	28,152	-9,400
	A	2022	17,282	5,243	8,155	3.9	2.8	8.4	23,114	-9,185
	A	2021	14,102	5,378	6,974	3.4	2.9	10.3	20,283	-7,570
Wisconsin Electric Power Company	A									
	A	2023	4,034	905	1,133	3.5	3.2	7.3	3,661	-1,095
	A	2022	4,056	684	1,011	4.7	3.7	6.6	3,761	-930
	A	2021	3,655	751	914	3.6	3.5	7.2	3,178	-813
Wisconsin Public Service Corporation	A									
	A	2023	1,681	549	593	3.6	3.9	7.1	2,285	-454
	A	2022	1,785	398	535	4.6	4.1	6.7	2,170	-434
	A	2021	1,520	483	477	3.6	4.2	8.2	2,006	-390
Indiana Michigan Power Company	A-									
	A-	2023	2,535	783	1,045	3.6	3.2	6.7	3,294	-679
	A-	2022	2,669	723	948	3.8	3.4	6.9	3,254	-659
	A-	2021	2,326	689	873	3.8	3.5	7.1	3,038	-501
Consumers Energy Company	A-									
	A-	2023	7,127	2,144	2,345	4.2	4.5	6.2	10,613	-3,060
	A-	2022	8,116	2,052	2,260	4.4	4.5	8.1	10,230	-2,239
	A-	2021	6,986	1,974	2,195	3.9	4.0	8.0	8,727	-2,052
Dominion Energy South Carolina, Inc.	A-									
	A-	2023	3,028	756	1,270	5.2	4.1	4.0	5,183	-957
	A-	2022	3,783	904	1,346	4.5	3.7	5.2	5,005	-697
	A-	2021	3,146	837	1,265	4.3	3.5	5.7	4,402	-758
Virginia Electric and Power Company	A-									
	A-	2023	9,573	4,354	4,595	3.6	4.0	6.5	18,372	-7,172
	A-	2022	9,654	3,750	4,479	4.2	4.2	6.7	18,725	-5,110
	A-	2021	7,470	3,410	3,748	3.8	4.1	6.9	15,307	-3,681

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD mil.)	FFO (USD mil.)	EBITDA (USD mil.)	FFO leverage (x)	EBITDA leverage (x)	FFO interest coverage (x)	Debt (USD mil.)	Capex (USD mil.)
DTE Electric Company	A-									
	A-	2023	5,804	1,968	2,606	4.5	4.1	5.6	10,755	-3,089
	A-	2022	6,397	2,463	2,567	3.6	4.0	7.8	10,167	-2,626
	A-	2021	5,809	1,842	2,431	4.2	3.8	6.5	9,200	-3,017
Tampa Electric Company	A-									
	A-	2023	2,637	837	1,125	4.3	4.0	4.3	4,484	-1,294
	A-	2022	3,169	1,067	1,209	3.9	4.0	7.5	4,794	-1,427
	A-	2021	2,695	865	1,036	4.1	4.0	7.1	4,170	-1,397
Allegheny Generating Company	A-									
	BBB	2023	23	11	15	3.8	3.4	5.1	51	-2
	BBB	2022	24	12	18	3.6	3.0	4.6	54	-1
	BBB-	2021	24	13	17	3.6	3.2	6.7	53	-1
Monongahela Power Company	A-									
	BBB	2023	1,541	296	361	5.6	5.8	4.7	2,101	-335
	BBB	2022	1,667	143	143	7.9	12.2	2.9	1,743	-291
	BBB-	2021	1,459	243	250	5.5	7.0	4.3	1,743	-205
Oklahoma Gas and Electric Company	A-									
	A-	2023	2,674	928	1,161	4.0	3.9	5.9	4,477	-1,178
	A-	2022	3,375	990	1,126	3.5	3.6	7.2	4,030	-1,051
	A-	2021	3,653	714	964	4.7	4.2	5.7	4,030	-779
Georgia Power Company	A-									
	BBB+	2023	10,118	3,450	4,697	4.3	3.8	6.2	17,795	-4,786
	BBB	2022	11,584	1,972	4,125	6.6	3.9	5.0	16,272	-3,901
	BBB+	2021	9,260	2,643	3,790	4.4	3.6	7.2	13,638	-3,376
Mississippi Power Company	A-									
	BBB+	2023	1,474	336	491	4.1	3.3	6.1	1,636	-319
	BBB+	2022	1,694	396	445	3.4	3.5	8.3	1,536	-276
	BBB+	2021	1,322	310	416	4.1	3.6	6.4	1,501	-213
Northern States Power Company-Minnesota	A-									
	A-	2023	6,043	1,985	1,950	3.3	3.9	7.3	7,617	-2,282
	A-	2022	6,684	1,587	1,959	3.9	3.7	6.7	7,260	-1,901
	A-	2021	5,756	1,519	1,828	3.9	3.7	6.9	6,853	-1,866

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD mil.)	FFO (USD mil.)	EBITDA (USD mil.)	FFO leverage (x)	EBITDA leverage (x)	FFO interest coverage (x)	Debt (USD mil.)	Capex (USD mil.)
Northern States Power Company-Wisconsin	A-									
	A-	2023	1,177	295	387	3.7	3.3	6.8	1,285	-456
	A-	2022	1,201	270	356	3.7	3.2	7.4	1,147	-353
	A-	2021	1,105	254	322	3.7	3.4	7.4	1,084	-264
Public Service Company of Colorado	A-									
	A-	2023	5,519	1,650	1,873	4.1	4.2	6.4	7,921	-2,360
	A-	2022	5,708	1,448	1,828	4.2	4.0	6.2	7,244	-1,880
	A-	2021	4,815	1,354	1,625	4.2	4.1	6.3	6,697	-1,604
Indianapolis Power & Light Company	BBB+									
	BBB+	2023	1,649	376	494	5.6	5.3	5.0	2,609	-952
	BBB+	2022	1,791	359	500	4.9	4.3	5.3	2,154	-500
	BBB+	2021	1,426	375	507	4.1	3.7	5.4	1,894	-319
Appalachian Power Company	BBB+									
	BBB+	2023	3,688	809	1,188	5.4	4.9	4.0	5,823	-1,053
	BBB+	2022	3,488	930	1,136	4.8	4.8	5.2	5,466	-1,049
	BBB+	2021	3,073	762	1,054	5.1	4.7	4.6	4,984	-842
Public Service Company of Oklahoma	BBB+									
	BBB+	2023	1,977	378	486	5.2	5.1	5.1	2,457	-708
	BBB+	2022	1,874	339	407	5.5	5.6	5.0	2,289	-447
	BBB+	2021	1,474	407	386	4.4	5.2	8.1	2,000	-332
Black Hills Power, Inc.	BBB+									
	BBB+	2023	328	107	142	3.9	3.7	4.0	531	-61
	BBB+	2022	343	106	139	4.2	3.9	4.7	548	-112
	BBB+	2021	353	98	132	4.2	3.9	4.6	513	-94
Arizona Public Service Company	BBB+									
	BBB+	2023	4,696	1,387	1,694	4.7	4.7	5.4	7,877	-1,645
	BBB+	2022	4,324	1,306	1,563	4.6	4.7	6.1	7,169	-1,518
	BBB+	2021	3,804	1,235	1,538	4.5	4.3	6.2	6,595	-1,472
Puget Sound Energy, Inc.	BBB+									
	BBB+	2023	4,787	1,109	1,194	4.0	4.7	5.0	5,560	-1,466
	BBB+	2022	4,216	842	1,562	4.7	3.3	4.4	5,181	-1,001
	BBB+	2021	3,806	898	1,386	4.4	3.6	4.7	4,964	-908
San Diego Gas & Electric Company	BBB+									
	BBB+	2023	5,597	2,333	2,176	3.2	4.0	6.6	8,750	-2,540

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD mil.)	FFO (USD mil.)	EBITDA (USD mil.)	FFO leverage (x)	EBITDA leverage (x)	FFO interest coverage (x)	Debt (USD mil.)	Capex (USD mil.)
	BBB+	2022	5,838	1,708	2,217	3.9	3.6	5.7	8,005	-2,473
	BBB+	2021	5,504	1,486	2,045	4.0	3.5	5.6	7,193	-2,220
Liberty Utilities Co.	BBB									
	BBB	2023	1,939	553	685	5.0	4.5	6.1	3,095	-678
	BBB	2022	1,961	506	652	4.5	4.1	6.3	2,624	-764
	BBB	2021	1,614	437	536	4.2	4.0	7.0	2,144	-906
Kentucky Power Company	BBB									
	BBB	2023	615	75	188	9.9	7.2	2.2	1,349	-160
	BBB	2022	773	132	174	7.3	7.3	4.2	1,274	-210
	BBB	2021	646	64	166	11.3	6.9	2.7	1,153	-165
Southwestern Electric Power Company	BBB									
	BBB	2023	2,183	623	614	5.1	6.1	5.4	3,768	-781
	BBB	2022	2,284	656	682	4.8	5.5	5.8	3,730	-586
	BBB	2021	2,132	490	621	5.7	5.5	5.1	3,425	-415
Cleco Power LLC	BBB									
	BBB	2023	1,238	374	397	3.2	3.7	4.8	1,475	-221
	BBB	2022	1,610	358	431	3.6	3.5	5.9	1,520	-229
	BBB	2021	1,242	308	384	4.9	4.8	5.4	1,825	-301
Southern California Edison Company	BBB									
	BBB	2023	16,181	3,750	5,376	6.0	5.4	3.6	29,159	-5,446
	BBB-	2022	17,115	2,933	4,153	7.2	6.6	3.9	27,456	-5,776
	BBB-	2021	14,848	1,582	3,809	10.1	6.6	2.7	25,217	-5,503
El Paso Electric Company	BBB									
	BBB	2023	1,204	394	489	4.1	4.4	4.1	2,136	-531
	BBB	2022	1,310	330	431	4.4	4.4	4.5	1,890	-399
	BBB	2021	1,060	244	342	5.2	5.0	3.9	1,704	-374
Southwestern Public Service Company	BBB									
	BBB	2023	2,152	613	839	4.6	4.1	5.6	3,452	-714
	BBB	2022	2,426	759	825	3.7	4.0	6.5	3,284	-578
	BBB	2021	2,465	554	669	4.9	4.9	6.0	3,278	-580
Pacific Gas and Electric Company	BB+									
	BB+	2023	24,015	5,589	6,007	6.2	7.2	3.5	42,979	-9,714
	BB	2022	21,261	5,258	5,358	5.9	7.2	4.5	38,483	-9,584
	BB	2021	20,622	5,035	5,272	6.4	7.5	5.1	39,730	-7,689
Hawaiian Electric Company, Inc.	B									
	B	2023	3,270	504	534	3.5	3.7	7.6	1,976	-439

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD mil.)	FFO (USD mil.)	EBITDA (USD mil.)	FFO leverage (x)	EBITDA leverage (x)	FFO interest coverage (x)	Debt (USD mil.)	Capex (USD mil.)
	BBB+	2022	3,409	442	560	3.5	3.2	7.0	1,814	-329
	BBB+	2021	2,540	354	531	4.0	3.2	5.6	1,718	-292
Hawaii Electric Light Company Inc.	B									
	B	2023	464	79	88	2.8	2.9	7.4	253	-64
	NR	2022	486	72	84	3.0	3.0	7.4	248	-49
	NR	2021	381	54	81	3.9	3.1	5.9	251	-51
Maui Electric Company Limited	B									
	B	2023	449	68	70	4.1	4.8	5.8	334	-98
	NR	2022	470	58	81	3.9	3.3	6.0	270	-57
	NR	2021	365	52	75	4.1	3.4	5.6	258	-47

Source: Fitch Ratings, Fitch Solutions.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

Related Research

North American Utilities, Power & Gas Holding Companies – Relative Credit Analysis (October 2024)

North American Utilities, Power & Gas Dashboard: 3Q24 (October 2024)

North American Utilities Monitor: 2Q24 (August 2024)

North American Utilities Outlook 2025 (December 2024)

Analysts

Shalini Mahajan
+1 212 908 0351
shalini.mahajan@fitchratings.com

Barbara Chapman
+1 646 582 4886
barbara.chapman@fitchratings.com

Jordan Knepper
+1 646 582 4880
jordan.knepper@fitchratings.com

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 07-Jan-2025

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: https://www.fitchratings.com/understandingcreditratings. In addition, the following https://www.fitchratings.com/rating-definitions-document details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at https://www.fitchratings.com/site/regulatory. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third- party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US$1,000 to US$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US$10,000 to US$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001.

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see https://www.fitchratings.com/site/regulatory), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Copyright © 2024 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Kentucky Power Company

Kentucky Power Co.'s (KPCo; BBB/Stable) ratings reflect the company's integrated electric utility asset base and the somewhat restrictive regulatory environment in Kentucky. KPCo's historically weak credit metrics are the result of an economically challenged service territory and limited rate relief.

After a period of ownership uncertainty, the rating reflects the continued relationship with parent company, American Electric Power Company, Inc. (AEP; BBB/Stable). The company owns 1,075 megawatts (MW) of predominately coal-based generating capacity.

Key Rating Drivers

Uncertain Regulation: KPCo received an order from the Kentucky Public Service Commission (KPSC) in January 2024, approving with modifications KPCo's November 2023 rate settlement. The commission approved a net annual base rate increase of $21 million based upon a 9.75% return on equity (ROE) and a 41.25% equity capitalization. The company originally requested a net annual increase of $55 million. The KPSC rejected (or reduced) agreed to riders for transmission expense, vegetation management and grid reliability, which Fitch considers a negative development.

Securitization Approval a Positive: The 2023 base rate filing included a request to securitize certain regulatory assets as per Kentucky legislation. In January 2024, the KPSC issued a financing order approving KPCo's securitization request. As of Sept. 30, 2024, regulatory asset balances expected to be recovered through securitization total $485 million. The bonds are expected to be issued in 2025. Fitch's forecast includes a modest improvement in KPCo' credit metrics from securitization.

Challenged Service Territory: KPCo's service area is primarily driven by coal mining, which has contracted significantly in recent years. KPCo's residential customer count has declined about 6% over the last decade, while large commercial and industrial customer numbers have declined around 20%. AEP and KPCo have expanded their economic development activities and are working to facilitate business location and development in the subsidiary's eastern Kentucky service territory.

Stabilizing Credit Metrics: KPCo's credit metrics are stabilizing after a period of significant weakness in recent years due to increased capital expenditure (capex), a prior rate freeze, deferred fuel and purchased power expenses and economically challenged service territory. Funds from operations (FFO) leverage is expected to average around 6.2x over the forecast period, which is a significant improvement from 9.9x in 2023. KPCo has been a perennially underearning asset, with 3.7% earned ROE as of LTM Sept. 30, 2024.

Increasing Capex: KPCo's 2025 to 2027 capex plan of $681 million is 40% larger than the previous three-year plan, and the company's five-year plan of $1.35 billion is a 61% increase from the 2024 to 2028 plan. Fitch expects the company to expand its rate base by about 3% through 2029 from a 2023 base. Over the five-year capital plan, KPCo plans to invest $445 million in distribution, $434 million in transmission and $348 million in new generation.

Parent-Subsidiary Rating Linkage: There is a parent-subsidiary relationship between AEP and its rated subsidiaries, including KPCo. Fitch determines AEP's Standalone Credit Profile (SCP) based on consolidated metrics and considers KPCo to have a weaker SCP than AEP. As such, the agency follows the stronger parent path.

Ratings

Long-Term IDR	BBB
Senior Unsecured Debt - Long-Term Rating	BBB+
Outlook	
Long-Term Foreign-Currency IDR	Stable

Click here for the full list of ratings

ESG and Climate

Highest ESG Relevance Scores	
Environmental	3
Social	3
Governance	3
2035 Climate Vulnerability Signal: 53	

Applicable Criteria

Corporate Rating Criteria (November 2023)

Corporate Recovery Ratings and Instrument Ratings Criteria (August 2024)

Corporate Hybrids Treatment and Notching Criteria (November 2020)

Parent and Subsidiary Linkage Rating Criteria (June 2023)

Sector Navigators – Addendum to the Corporate Rating Criteria (June 2024)

Related Research

Global Corporates Macro and Sector Forecasts – September 2024 (September 2024)

North American Utilities Monitor: 2Q24 (August 2024)

North American Utilities, Power & Gas Dashboard: 2Q24 (July 2024)

North American Utilities Outlook 2025 (December 2024)

Analysts

Barbara Chapman
+1 646 582 4886
barbara.chapman@fitchratings.com

Ivana Ergovic
+1 212 908 0354
ivana.ergovic@fitchratings.com

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Legal incentives are weak as AEP does not guarantee KPCo debt. Previously, AEP planned to sell KPCo, thereby rendering strategic incentives as weak. Operational incentives are scored as medium, given the joint-ownership of the Mitchell plant and the agreement, which is governed by several regulatory authorities and not easily modified. As a result of this assessment, Fitch applied a one-notch uplift to KPCo's ratings.

Financial Summary

(USD Mil.)	2020	2021	2022	2023
Gross revenue	550	646	773	615
EBITDA	170	166	174	188
CFO (Fitch-defined)	76	68	82	81
Capital intensity (capex/revenue) (%)	28.0	25.5	27.2	26.0
Debt	1,061	1,153	1,274	1,349
FFO interest coverage (x)	2.8	2.7	4.2	2.2
FFO leverage (x)	10.0	11.3	7.3	9.9
EBITDA leverage (x)	6.2	6.9	7.3	7.2

Source: Fitch Ratings, Fitch Solutions

Peer Analysis

KPCo's credit metrics are weaker than AEP's other 'BBB' rated subsidiary, Southwestern Electric Power Company (SWEPCo; BBB/Stable). As of LTM Dec. 31, 2023, KPCo's FFO leverage was approximately 9.9x compared to SWEPCo's FFO leverage of approximately 5.1x. While Fitch expects KPCo's metrics to improve, they are still likely to remain weak over the forecast period, given its challenged eastern Kentucky service territory. KPCo's ratings benefit from a one-notch uplift due to parent subsidiary linkages. SWEPCo's rating reflects its SCP.

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- Sustained FFO leverage at or below 4.5x;
- Track record of improved regulatory outcomes.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Sustained FFO leverage exceeding 6.5x on a sustained basis;
- Downgrade of AEP.

Liquidity and Debt Structure

Adequate Liquidity: AEP has a $5.0 billion committed revolving credit facility maturing in March 2029 and a $1 billion committed facility maturing in March 2027. Both serve as a backstop for AEP's commercial paper (CP) program and letter of credit (LOC). AEP must maintain a ratio of debt to total capitalization that does not exceed 67.5% under the covenants of its credit agreement. As of Sept. 30, 2024, this contractually defined percentage was 58.8%.

As of Sept. 30, 2024, AEP had $5.49 billion of total liquidity, comprised of $5.25 billion total available on its revolving credit facility (RCF), giving effect to CP outstanding of $755 million, and cash of $245.8 million. AEP has parent-level corporate maturities of $1.3 billion in 2025 and $1.0 billion in 2027.

AEP's regulated subsidiaries use a pool of corporate borrowing to meet short-term funding needs. The money pool operates according to regulators' approved terms and conditions and includes maximum authorized borrowing limits for individual companies. Under the money-pool terms and conditions, the maximum borrowing limit for KPCo is $250 million. As of Sept. 30, 2024, KPCo had net money pool borrowings of $148.5 million. The company has long-term debt maturities of $150 million in 2025 and $265 million in 2026.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

Climate Vulnerability Considerations

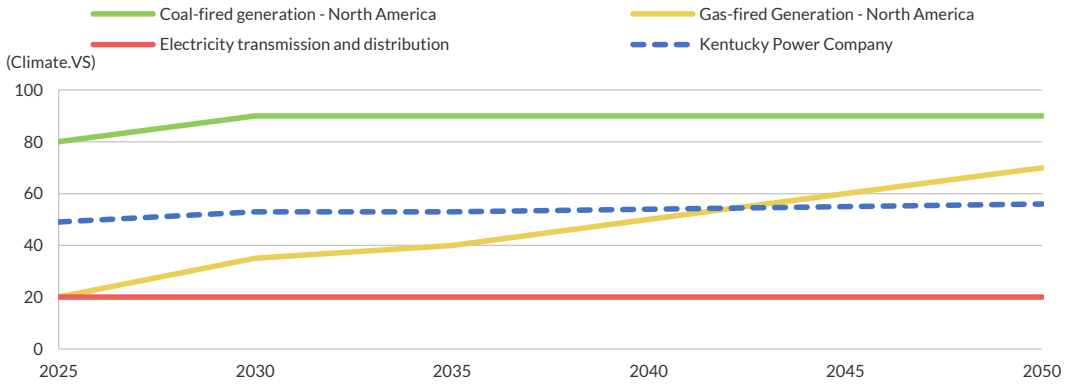
Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's Corporate Rating Criteria. For more detailed, sector-specific information on how Fitch perceives climate-related transition risks, see Climate Vulnerability Signals for Non-Financial Corporate Sectors.

The 2023-based asset-weighted Climate.VS for KPCo is 53 out of 100 for 2035, reflecting existing fossil fuel generation sources in its electric generation mix. As of Dec. 31, 2023, coal comprised approximately 73% of KPCo's owned and purchased capacity energy mix, while natural gas was around 27%.

Over the five-year capital plan, KPCo plans to invest 65% of its capex on transmission and distribution (T&D) and 26% on new generation. In its most recent integrated resource plan, KPCo indicated additional resources from 2025 to 2034, consisting of 80 MW of solar and 1,100 MW of gas-fired generation.

AEP has set a goal to reduce Scope 1 greenhouse gas (GHG) emissions by 80% by 2030, compared with 2005 levels, and to achieve net-zero Scope 1 and 2 emissions by 2045. As of 2023, the company achieved a 68% reduction in Scope 1 GHG emissions since 2005. AEP continues to experience significant growth in its T&D electric utility business, which is considered to have low climate risk. Approximately 63% of AEP's five-year capex budget is earmarked for investments in T&D. Over the same time frame, the company plans to spend 18% of its capex budget on renewable generation.

Climate.VS Evolution
As of Dec. 31, 2023



Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Liquidity and Debt Maturities

Cash and Maturities Report

(USD Mil.)	December 30, 2022	December 31, 2023
Total cash and cash equivalents	3	1
Short-term investments	—	—
Less not readily available cash and cash equivalents	—	—
Fitch-defined readily available cash and cash equivalents	**3**	**1**
Availability under committed lines of credit	86	200
Total liquidity	89	201
LTM EBITDA after associates and minorities	174	188
LTM FCF	-128	-79

Source: Fitch Ratings, Fitch Solutions, Kentucky Power Company

Scheduled LT- Debt Maturities

(USD Mil.)	September 30, 2024
2024	—
2025	150
2026	265
2027	40
2028	—
Thereafter	760
Total	**1,215**

Source: Fitch Ratings, Fitch Solutions, Kentucky Power Company

Key Assumptions

Fitch's Key Assumptions within our Rating Case for the Issuer include:

- Capex of $681 million from 2025 to 2027;
- Average annual rate base growth of 3.0% through 2029 from the 2023 base;
- Normalized retail sales forecast as follows: 2025 -0.6%, 2026 -0.7%, 2027 -0.3%;
- Dividend policy and equity contributions are managed to maintain authorized capital structures.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Financial Data

(USD Mil.)	2020	2021	2022	2023
Summary income statement				
Gross revenue	550	646	773	615
Revenue growth (%)	-11.2	17.5	19.6	-20.5
EBITDA before income from associates	170	166	174	188
EBITDA margin (%)	31.0	25.7	22.5	30.6
EBITDA after associates and minorities	170	166	174	188
EBIT	70	52	54	64
EBIT margin (%)	12.7	8.1	7.0	10.5
Gross interest expense	-38	-36	-45	-67
Pretax income including associate income/loss	37	23	17	6
Summary balance sheet				
Readily available cash and equivalents	2	1	3	1
Debt	1,061	1,153	1,274	1,349
Net debt	1,059	1,152	1,272	1,348
Summary cash flow statement				
EBITDA	170	166	174	188
Cash interest paid	-38	-37	-41	-61
Cash tax	12	4	-2	3
Dividends received less dividends paid to minorities (inflow/outflow)	—	—	—	—
Other items before FFO	-76	-69	2	-55
FFO	68	64	132	75
FFO margin (%)	12.4	10.0	17.1	12.2
Change in working capital	8	3	-50	6
CFO (Fitch-defined)	76	68	82	81
Total non-operating/nonrecurring cash flow	—	—	—	—
Capex	-154	-165	-210	-160
Capital intensity (capex/revenue) (%)	28.0	25.5	27.2	26.0
Common dividends	—	—	—	—
FCF	-78	-97	-128	-79
FCF margin (%)	-14.2	-15.0	-16.6	-12.8
Net acquisitions and divestitures	1	1	8	—
Other investing and financing cash flow items	-46	-14	50	1
Net debt proceeds	124	109	72	76
Net equity proceeds	—	—	0	0
Total change in cash	1	-1	2	-1
Calculations for forecast publication				
Capex, dividends, acquisitions and other items before FCF	-153	-164	-202	-160
FCF after acquisitions and divestitures	-77	-96	-120	-79
FCF margin after net acquisitions (%)	-14.0	-14.9	-15.6	-12.8
Gross Leverage ratios (x)				
EBITDA leverage	6.2	6.9	7.3	7.2
FFO leverage	10.0	11.3	7.3	9.9
CFO-capex/debt	-7.3	-8.4	-10.1	-5.8
Net Leverage ratios (x)				
EBITDA net leverage	6.2	6.9	7.3	7.2
FFO net leverage	10.0	11.3	7.3	9.9
CFO-capex/net debt	-7.3	-8.4	-10.1	-5.8

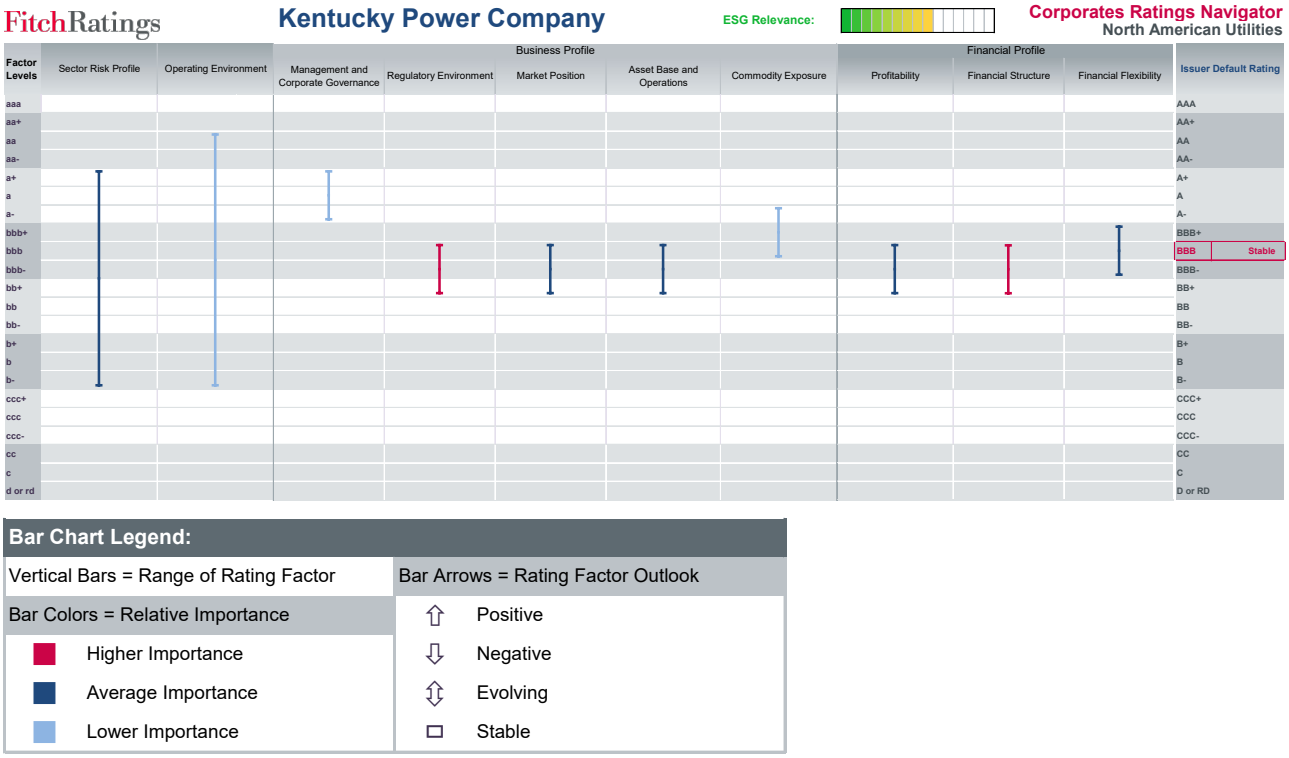
Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

(USD Mil.)	2020	2021	2022	2023
Coverage ratios (x)				
EBITDA interest coverage	4.4	4.5	4.2	3.1
FFO interest coverage	2.8	2.7	4.2	2.2
FFO fixed-charge coverage	2.6	2.7	4.2	2.2

CFO – Cash flow from operations.
Source: Fitch Ratings, Fitch Solutions

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Ratings Navigator



Bar Chart Legend:	
Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	⇧ Positive
Higher Importance	⇩ Negative
Average Importance	⇳ Evolving
Lower Importance	▭ Stable

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

FitchRatings

Kentucky Power Company

Corporates Ratings Navigator
North American Utilities

Operating Environment

aa+		Economic Environment	aa	Very strong combination of countries where economic value is created and where assets are located.
aa		Financial Access	aa	Very strong combination of issuer specific funding characteristics and of the strength of the relevant local financial market.
		Systemic Governance	aa	Systemic governance (eg rule of law, corruption; government effectiveness) of the issuer's country of incorporation consistent with 'aa'.
b-				
ccc+				

Management and Corporate Governance

aa-		Management Strategy	a	Coherent strategy and good track record in implementation.
a+		Governance Structure	aa	No record of governance failing. Experienced board exercising effective check and balance to management. No ownership concentration.
a		Group Structure	a	Group structure shows some complexity but mitigated by transparent reporting.
a-		Financial Transparency	a	High quality and timely financial reporting.
bbb+				

Regulatory Environment

bbb+		Degree of Transparency and Predictability	bbb	Generally transparent and predictable regulation with limited political interference.
bbb		Timeliness of Cost Recovery	bbb	Moderate lag to recover capital and operating costs.
bbb-		Trend in Authorized ROEs	bbb	Average authorized ROE.
bb+		Mechanisms Available to Stabilize Cash Flows	bbb	Revenues partially insulated from variability in consumption.
bb		Mechanisms Supportive of Creditworthiness	bbb	Effective regulatory ring-fencing or minimum creditworthiness requirements.

Market Position

bbb+		Market Structure	bbb	Established market structure but some level of uncertainty in price-setting mechanisms.
bbb		Consumption Growth Trend	bb	Exposure to declining usage or volumes or self-generation.
bbb-		Customer Mix	bbb	Less diversified customer base.
bb+		Geographic Location	bbb	Beneficial location or reasonable locational diversity.
bb		Supply Demand Dynamics	bbb	Moderately favorable outlook for prices/rates.

Asset Base and Operations

bbb+		Diversity of Assets	bb	Small size and limited diversification.
bbb		Operations Reliability and Cost Competitiveness	bbb	Reliability and cost of operations at par with industry averages.
bbb-		Exposure to Environmental Regulations	bbb	Limited or manageable exposure to environmental regulations.
bb+		Capital and Technological Intensity of Capex	bbb	Moderate reinvestments requirements in established technologies.
bb				

Commodity Exposure

a		Ability to Pass Through Changes in Fuel	bbb	Limited exposure to changes in commodity costs.
a-		Underlying Supply Mix	bbb	Low variable costs and moderate flexibility of supply.
bbb+		Hedging Strategy	a	Highly captive supply and customer base.
bbb				
bbb-				

Profitability

bbb+		Free Cash Flow	bbb	Structurally neutral to negative FCF across the investment cycle.
bbb		Volatility of Profitability	bb	Lower stability and predictability of profits relative to utility peers.
bbb-				
bb+				
bb				

Financial Structure

bbb+		EBITDA Leverage	bb	4.75x
bbb		FFO Leverage	bbb	5.0x
bbb-				
bb+				
bb				

Financial Flexibility

a-		Financial Discipline	a	Clear commitment to maintain a conservative policy with only modest deviations allowed.
bbb+		Liquidity	bb	Liquidity ratio around 1.0x. Less smooth debt maturity or concentrated funding.
bbb		FFO Interest Coverage	bbb	4.5x
bbb-				
bb+				

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Credit-Relevant ESG Derivation

Overall ESG

Kentucky Power Company has 12 ESG potential rating drivers

Emissions from operations	key driver	0	issues	5	
Fuel use to generate energy and serve load	driver	0	issues	4	
Impact of waste from operations	potential driver	12	issues	3	
Plants' and networks' exposure to extreme weather		2	issues	2	
Product affordability and access	not a rating driver				
Quality and safety of products and services; data security		0	issues	1	

Showing top 6 issues

For further details on Credit-Relevant ESG scoring, see page 3.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

FitchRatings

Kentucky Power Company

Corporates Ratings Navigator
North American Utilities

Credit-Relevant ESG Derivation

Kentucky Power Company has 12 ESG potential rating drivers

- Kentucky Power Company has exposure to emissions regulatory risk but this has very low impact on the rating.
- Kentucky Power Company has exposure to energy productivity risk but this has very low impact on the rating.
- Kentucky Power Company has exposure to waste & impact management risk but this has very low impact on the rating.
- Kentucky Power Company has exposure to extreme weather events but this has very low impact on the rating.
- Kentucky Power Company has exposure to access/affordability risk but this has very low impact on the rating.
- Kentucky Power Company has exposure to customer accountability risk but this has very low impact on the rating.

Showing top 6 issues

			ESG Relevance to Credit Rating
key driver	0	issues	5
driver	0	issues	4
potential driver	12	issues	3
not a rating driver	2	issues	2
	0	issues	1

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference
GHG Emissions & Air Quality	3	Emissions from operations	Asset Base and Operations; Commodity Exposure; Regulation; Profitability
Energy Management	3	Fuel use to generate energy and serve load	Asset Base and Operations; Commodity Exposure; Profitability
Water & Wastewater Management	2	Water used by hydro plants or by other generation plants, also effluent management	Asset Base and Operations; Regulation; Profitability
Waste & Hazardous Materials Management; Ecological Impacts	3	Impact of waste from operations	Asset Base and Operations; Regulation; Profitability
Exposure to Environmental Impacts	3	Plants' and networks' exposure to extreme weather	Asset Base and Operations; Regulation; Profitability

E Relevance: 5, 4, 3, 2, 1

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference
Human Rights, Community Relations, Access & Affordability	3	Product affordability and access	Asset Base and Operations; Regulation; Profitability; Financial Structure
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Quality and safety of products and services; data security	Regulation; Profitability
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Asset Base and Operations; Profitability
Employee Wellbeing	2	Worker safety and accident prevention	Profitability; Asset Base and Operations
Exposure to Social Impacts	3	Social resistance to major projects that leads to delays and cost increases	Asset Base and Operations; Profitability

S Relevance: 5, 4, 3, 2, 1

Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance

G Relevance: 5, 4, 3, 2, 1

How to Read This Page
ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.
The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.
The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.
Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

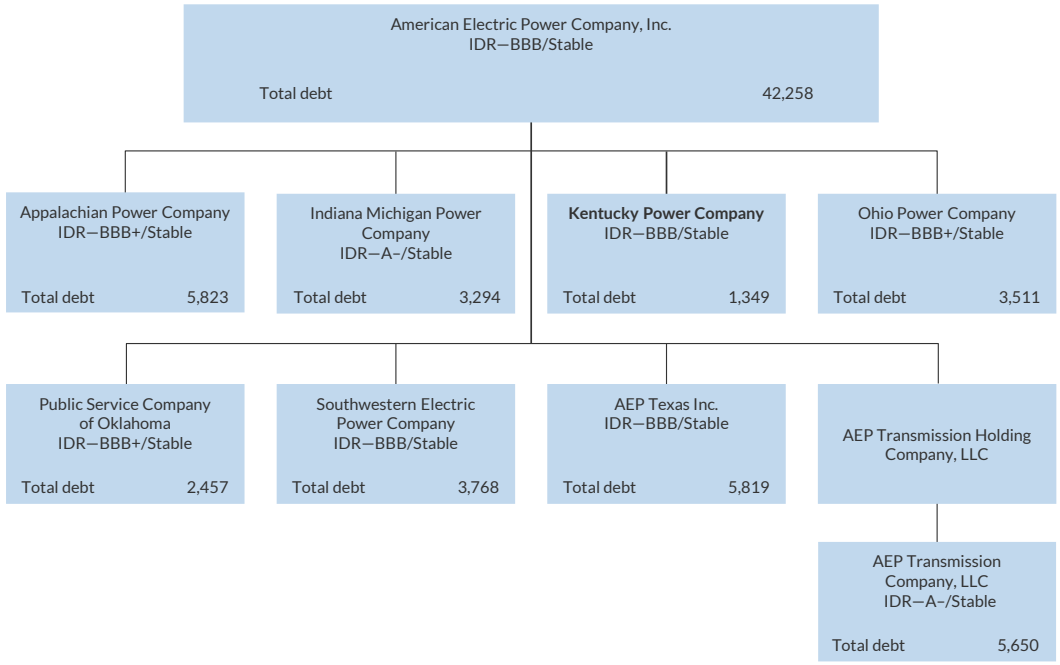
CREDIT-RELEVANT ESG SCALE
How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Simplified Group Structure Diagram

Organizational Structure – Kentucky Power Company
$ Mil., as of December 31, 2023



IDR – Issuer Default Rating.
Source: Fitch Ratings, Fitch Solutions, American Electric Power, Inc.

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD Mil.)	FFO (USD Mil.)	FFO interest coverage (x)	FFO leverage (x)	EBITDA leverage (x)
Kentucky Power Company	BBB						
	BBB	2023	615	75	2.2	9.9	7.2
	BBB	2022	773	132	4.2	7.3	7.3
	BBB	2021	646	64	2.7	11.3	6.9
Southwestern Electric Power Company	BBB						
	BBB	2023	2,183	623	5.4	5.1	6.1
	BBB	2022	2,284	656	5.8	4.8	5.5
	BBB	2021	2,132	490	5.1	5.7	5.5

Source: Fitch Ratings, Fitch Solutions

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Fitch Adjusted Financials

($ Mil., as of December 31, 2023)	Notes and formulas	Standardised values	Lease treatment	Other adjustments	Adjusted values
Income statement summary					
Revenue		615	—	—	615
EBITDA	(a)	188	-0	0	188
Depreciation and amortization		-124	0	-0	-124
EBIT		64	-0	-0	64
Balance sheet summary					
Debt	(b)	1,349	—	—	1,349
Of which other off-balance-sheet debt		—	—	—	—
Lease-equivalent debt		—	—	—	—
Lease-adjusted debt		1,349	—	—	1,349
Readily available cash and equivalents	(c)	1	—	—	1
Not readily available cash and equivalents		—	—	—	—
Cash flow summary					
EBITDA	(a)	188	-0	0	188
Dividends received from associates less dividends paid to minorities	(d)	—	—	—	—
Interest paid	(e)	-61	0	-0	-61
Interest received	(f)	0	—	—	0
Preferred dividends paid	(g)	—	—	—	—
Cash tax paid		3	—	—	3
Other items before FFO		-43	—	-13	-55
FFO	(h)	88	-0	-13	75
Change in working capital		-7	—	13	6
CFO	(i)	81	-0	0	81
Non-operating/nonrecurring cash flow		—	—	—	—
Capex	(j)	-160	—	—	-160
Common dividends paid		—	—	—	—
FCF		-79	-0	0	-79
Gross leverage (x)					
EBITDA leverage	b / (a+d)	7.2	—	—	7.2
FFO leverage	b / (h-e-f-g)	9.1	—	—	9.9
(CFO-capex)/debt (%)	(i+j) / b	-5.8	—	—	-5.8
Net leverage (x)					
EBITDA net leverage	(b-c) / (a+d)	7.2	—	—	7.2
FFO net leverage	(b-c) / (h-e-f-g)	9.1	—	—	9.9
(CFO-capex)/net debt (%)	(i+j) / (b-c)	-5.8	—	—	-5.8
Coverage (x)					
EBITDA interest coverage	(a+d) / (-e)	3.1	—	—	3.1
FFO interest coverage	(h-e-f-g) / (-e-g)	2.4	—	—	2.2

CFO – Cash flow from operations.
Note: The standardised items presented above are based on Fitch's taxonomy for the given sector and region.
Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly.
Debt includes other off-balance-sheet debt.
Debt in the standardised values column excludes lease liabilities of USD1.947 million.
Source: Fitch Ratings, Fitch Solutions, Kentucky Power Company

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

Parent Subsidiary Linkage Analysis

Key Risk Factors and Notching Approach

Parent	American Electric Power Company, Inc
Parent LT IDR	BBB
Subsidiary	Kentucky Power Company
Subsidiary LT IDR	BBB
Path	Stronger Parent
Legal incentive	Low
Strategic incentive	Low
Operational incentive	Medium
Notching matrix outcome	Bottom Up+1
Override applied	No
Notching approach	—

LT IDR – Long-Term Issuer Default Rating.
Source: Fitch Ratings

Stronger Parent Notching Matrix

Strategic incentives and operational	Both low	One medium, one low	Both medium or one high, one low	One strong, one medium	Both high
With low legal incentive	Standalone	BU+1[a]	BU+2[a]	TD-1[b]	Equalized
With medium legal incentive	BU+1[a]	BU+2[a]	TD-1[b]	Equalized	Equalized
With high legal incentive	Equalized	Equalized	Equalized	Equalized	Equalized

[a] BU rating outcomes are capped at TD-1 where the subsidiary's SCP is more than one notch away from the consolidated profile, but the subsidiary's rating will be equalized where the subsidiary's SCP is one notch below the consolidated profile. [b] TD-1 rating outcomes will be equalized where the subsidiary's SCP is one notch below the consolidated profile. BU – Bottom-up, notched from the lower Standalone Credit Profile (SCP). TD – Top-down, notched from the consolidated profile.
Source: Fitch Ratings

Exclusively for the use of Carrie Luedtke at AEP Transmission Company, LLC. Downloaded: 20-Dec-2024

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: https://www.fitchratings.com/understandingcreditratings. In addition, the following https://www.fitchratings.com/rating-definitions-document details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at https://www.fitchratings.com/site/regulatory. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third- party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US$1,000 to US$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US$10,000 to US$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001.

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see https://www.fitchratings.com/site/regulatory), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Copyright © 2024 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.

Marathon raises rates at Catlettsburg as demand claws back

May 11, 2020 4:53 PM ET**Marathon Petroleum Corporation (MPC) Stock**MPCBy: Carl Surran, SA News Editor

Marathon Petroleum (NYSE:MPC) has been raising rates at its Catlettsburg refinery in Kentucky, and is now running at ~82% of its maximum rate of 300K bbl/day after cutting crude runs as much as a third due to lower gasoline demand due to the coronavirus, Bloomberg reports.

The refinery reportedly has been at reduced rates since at least the third week of March.

Marathon said last week it had seen gasoline demand pick up 5%-15% since April and expects continued improvement over the next couple of months as more businesses reopen.

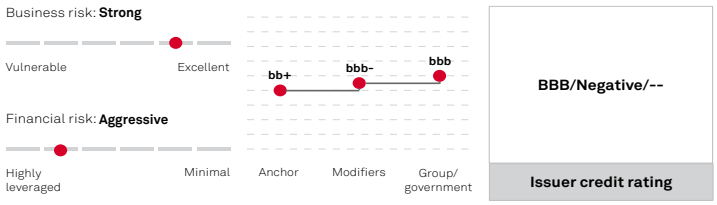
S&P Global
Ratings

RatingsDirect®

Kentucky Power Co.

September 19, 2024

Ratings Score Snapshot



Primary contact

Daria Babitsch
New York
917-574-4573
daria.babitsch1
@spglobal.com

Secondary contact

Gabe Grosberg
New York
1-212-438-6043
gabe.grosberg
@spglobal.com

Research contributor

Naman Agarwal
CRISIL Global Analytical Center,
an S&P Global Ratings affiliate
Pune

Credit Highlights

Overview

Key strengths	Key risks
Monopolistic, lower-risk, vertically integrated, regulated electric utility.	Minimal geographic diversity and small customer base with limited economic prosperity.
Approval of securitization through Senate Bill 192 is supportive of credit quality.	Heavy reliance on coal-fired generation increases environmental compliance exposure.
One notch of uplift from group support from the higher-rated parent.	Financial measures are weak for the current rating.

Kentucky Power Co's (KPCo) recent rate order is less than credit supportive. In January 2024, the Kentucky Public Service Commission (KPSC) authorized a $60 million increase in the utility's base rates, based on a 9.75% return on equity and 41.25% equity layer. However, KPCo's approximate $75 million settlement agreement was reduced by nearly $15 million, as the commission rejected a transmission expense adjustment finding it unreasonable, which the utility has filed to appeal. Additionally, the KPSC rejected a proposed distribution reliability rider, stating KPCo could have filed a rate case utilizing a forward-looking test year to capture the expected increase in vegetation management and distribution reliability costs.

We expect KPCo to issue up to $500 million of securitization bonds. Last year, Senate Bill 192 became law, allowing for Kentucky utilities to securitize certain generating plant retirements

and extraordinary storm costs. We assess this development as supportive of credit quality. KPCo has since filed to securitize costs for the early retirement of its Big Sandy coal-fired generating plant ($289 million) and for the recovery of 2020-2023 major storm costs ($79 million). The KPSC approved KPCo's request for securitization earlier this year and we continue to monitor for the issuance.

KPCo's stand-alone financial measures remain weak for its rating. KPCo's funds from operations (FFO) to debt for 12-months-ended June 2024 and March 2024 were 8.4% and 10.0%, respectively, significantly below our downgrade threshold of 11%. Under our base case forecast, we expect financial metrics to remain weak in 2024, around 9%-10%, and to improve starting in 2025 to about 11%-13%.

Outlook

The negative outlook on KPCo reflects our negative outlook on American Electric Power Co Inc. (AEP) and our expectation the subsidiary's stand-alone financial measures will remain weak for the current rating. Our base-case scenario assumes KPCo's stand-alone FFO to debt will be in the 9%-13% range through 2026.

Downside scenario

We could lower our ratings on KPCo in the next 12-24 months if:

- We downgrade AEP; or
- The subsidiary's stand-alone financial measures remain weak such that it sustains FFO to debt below 11%.

Upside scenario

We could affirm our ratings on KPCo and revise our outlook to stable over the next 12-24 months if we take the same action on its parent and the subsidiary improves its stand-alone financial measures, including FFO to debt consistently above 11%, without increasing its business risk.

Our Base-Case Scenario

Assumptions
• EBITDA margin averaging about 30% through 2026;
• Management of regulatory risk and the continued recovery of prudent costs;
• Elevated capital spending of $160 million-$200 million per year for infrastructure investments;
• Securitization proceeds of up to $500 million issued; and
• All debt maturities refinanced.

Key metrics

Kentucky Power Co.--Key metrics*

	2023a	2024e	2025f	2026f
Debt to EBITDA (x)	7.2	6.0-6.5	5.0-5.5	5.0-5.5
FFO to debt (%)	9.3	9-10	12-13	11-13
FFO cash interest coverage (%)	2.9	3.0-3.5	4.0-4.5	3.5-4.0

*All figures adjusted by S&P Global Ratings. a--Actual. f--Forecast. e--Estimate. FFO--Funds from operations.

Company Description

KPCo is a vertically integrated electric utility serving about 163,000 customers in eastern Kentucky. The company also sells wholesale electricity to various municipalities.

Peer Comparison

Kentucky Power Co.--Peer Comparisons

	Kentucky Power Co.	Kentucky Utilities Co.	Louisville Gas & Electric Co.
Foreign currency issuer credit rating	BBB/Negative/--	A-/Stable/A-2	A-/Stable/A-2
Local currency issuer credit rating	BBB/Negative/--	A-/Stable/A-2	A-/Stable/A-2
Period	Annual	Annual	Annual
Period ending	2023-12-31	2023-12-31	2023-12-31
Mil.	$	$	$
Revenue	615	1,884	1,613
EBITDA	189	943	758
Funds from operations (FFO)	126	739	580
Interest	72	142	110
Cash interest paid	66	126	94
Operating cash flow (OCF)	76	656	613
Capital expenditure	155	572	378
Free operating cash flow (FOCF)	(79)	84	235
Discretionary cash flow (DCF)	(79)	(190)	(92)
Cash and short-term investments	1	14	18
Gross available cash	1	14	18
Debt	1,364	3,242	2,559
Equity	955	4,152	3,172
EBITDA margin (%)	30.7	50.1	47.0
Return on capital (%)	2.9	7.3	7.8
EBITDA interest coverage (x)	2.6	6.6	6.9
FFO cash interest coverage (x)	2.9	6.9	7.2
Debt/EBITDA (x)	7.2	3.4	3.4
FFO/debt (%)	9.3	22.8	22.7

Kentucky Power Co.--Peer Comparisons			
OCF/debt (%)	5.6	20.2	24.0
FOCF/debt (%)	(5.8)	2.6	9.2
DCF/debt (%)	(5.8)	(5.9)	(3.6)

Business Risk

Our assessment of KPCo's business risk profile reflects its lower-risk, vertically integrated electric utility business, which operates under a generally constructive regulatory framework. The company has a small customer base of only about 163,000 and limited geographic and regulatory diversity as it operates almost entirely in eastern Kentucky. KPCo derives 30% of its energy sales from industrial customers, which leads to somewhat less stable operating cash flow. Additionally, coal makes up about 70% of the company's owned generation, which increases its environmental compliance exposure.

Under the regulatory jurisdiction of Kentucky, the company benefits from a fuel-cost adjustment mechanism that provides for incremental cost recovery when fuel costs rise. Moreover, KPCo's low-cost generation and efficient operations contribute to its competitive overall rates for its customers. We are monitoring if the KPSC's decision to reduce KPCo's recent rate case settlement sets a precedent in the jurisdiction, creating a more restrictive regulatory environment.

Financial Risk

We assess KPCo's financial risk profile using our medial volatility financial benchmarks, which reflect its lower risk regulated utility operations. These benchmarks are more relaxed than those we use for typical corporate issuers.

Under our base case forecast, we expect financial metrics will remain weak in 2024, around 10%, and improve starting in 2025 to about 11%-13%. We assess the CRA modifier as positive, reflecting our view that the company's financial measures will reflect the higher end of the range for its financial risk profile category. We forecast KPCo's leverage (current adjusted debt to EBITDA in the 5x-6.5x range) to be aggressive through 2026, primarily reflecting robust annual capital spending averaging about $175 million through 2026. In addition, we estimate it will have negative discretionary cash flow through our forecast, which we expect it will fund, at least partly, with debt.

Debt maturities

As of June 30, 2024:

- 2024: $65 million;
- 2025: $150 million;
- 2026: $265 million;
- 2027: $40 million;
- 2028: $25 million; and
- Thereafter: $760 million.

Kentucky Power Co.

Kentucky Power Co.--Financial Summary

Period ending	Dec-31-2018	Dec-31-2019	Dec-31-2020	Dec-31-2021	Dec-31-2022	Dec-31-2023
Reporting period	2018a	2019a	2020a	2021a	2022a	2023a
Display currency (mil.)	$	$	$	$	$	$
Revenues	642	619	550	646	773	615
EBITDA	203	189	176	171	192	189
Funds from operations (FFO)	166	148	148	137	146	126
Interest expense	42	44	41	38	48	72
Cash interest paid	40	41	40	39	43	66
Operating cash flow (OCF)	118	81	78	70	97	76
Capital expenditure	135	160	153	164	209	155
Free operating cash flow (FOCF)	(17)	(80)	(75)	(94)	(112)	(79)
Discretionary cash flow (DCF)	(17)	(85)	(75)	(94)	(112)	(79)
Cash and short-term investments	1	1	2	1	3	1
Gross available cash	1	1	2	1	3	1
Debt	938	1,028	1,092	1,178	1,286	1,364
Common equity	733	782	823	874	920	955
Adjusted ratios						
EBITDA margin (%)	31.6	30.6	31.9	26.5	24.8	30.7
Return on capital (%)	6.5	5.2	3.9	2.8	2.6	2.9
EBITDA interest coverage (x)	4.8	4.4	4.2	4.5	4.0	2.6
FFO cash interest coverage (x)	5.1	4.6	4.7	4.5	4.4	2.9
Debt/EBITDA (x)	4.6	5.4	6.2	6.9	6.7	7.2
FFO/debt (%)	17.7	14.4	13.5	11.6	11.4	9.3
OCF/debt (%)	12.6	7.8	7.1	6.0	7.5	5.6
FOCF/debt (%)	(1.8)	(7.7)	(6.8)	(7.9)	(8.7)	(5.8)
DCF/debt (%)	(1.8)	(8.2)	(6.8)	(7.9)	(8.7)	(5.8)

Reconciliation Of Kentucky Power Co. Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year Dec-31-2023										
Company reported amounts	1,349	955	615	188	64	67	189	81	-	160
Cash taxes paid	-	-	-	-	-	-	3	-	-	-
Cash interest paid	-	-	-	-	-	-	(61)	-	-	-
Lease liabilities	2	-	-	-	-	-	-	-	-	-
Accessible cash and liquid investments	(1)	-	-	-	-	-	-	-	-	-

Reconciliation Of Kentucky Power Co. Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Capitalized interest	-	-	-	-	-	5	(5)	(5)	-	(5)
Asset-retirement obligations	14	-	-	1	1	1	-	-	-	-
Nonoperating income (expense)	-	-	-	-	1	-	-	-	-	-
Total adjustments	15	-	-	1	2	6	(62)	(5)	-	(5)
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	1,364	955	615	189	66	72	126	76	-	155

Liquidity

As of June 30, 2024, we assess KPCo's liquidity as adequate. This reflects our expectation that its sources of cash will be 1.1x its uses over the next 12 months and our belief its net sources will remain positive even if its consolidated EBITDA declines 10%. We believe the company's predictable framework provides it with cash flow stability in times of economic stress, which supports our use of slightly lower thresholds to assess its liquidity.

In addition, we believe KPCo can absorb high-impact, low-probability events, which reflects its reliance on the AEP utility money pool, and our expectation that KPCo could reduce its high capital spending (about $160 million-$200 million per year) during stressful periods if needed. Furthermore, our assessment reflects the company's generally prudent risk management, sound relationships with its banking group and its satisfactory standing in the credit markets (its credit default swap spreads are in line with those of its investment-grade utility peers).

Overall, we anticipate KPCo can withstand adverse market circumstances over the next 12 months while maintaining sufficient liquidity to meet its obligations. The company's next big long-term debt maturity is in June 2025, when about $150 million comes due, which we expect it will proactively address well in advance of the due date.

Principal liquidity sources

- Cash and liquid investments of about $1 million as of June 30, 2024;
- Credit facility availability of about $250 million
- Estimated cash FFO of about $150 million; and
- Expected ongoing group support of $500 million.

Principal liquidity uses

- Debt maturities, including affiliate advances, of about $270 million;
- Capital spending of roughly $185 million; and
- Dividend payments of about $160 million.

Environmental, Social, And Governance

Environmental factors are a negative consideration in our credit rating analysis of KPCo given its high level of coal-based power generation. Specifically, the company derives the majority (about 70%) of its 1,075 megawatts (MW) of owned generation capacity from coal, with the remainder generated from natural gas. KPCo's reliance on coal-fired generation exposes it to heightened risks, including the ongoing cost of operating older units in the face of disruptive technology advances and the potential for significant required capital investments to meet increasing environmental regulation.

Group Influence

We assess KPCo as a moderately strategic subsidiary of AEP, reflecting our view that it would likely receive extraordinary support from AEP--particularly during periods of severe stress--and is reasonably successful. As such, we rate KPCo 'BBB' or one notch higher than our 'bbb-' stand-alone credit profile on KPCo.

Issue Ratings--Subordination Risk Analysis

Capital structure

As of June 30, 2024, KPCo's capital structure comprises about $1.3 billion of long-term debt.

Analytical conclusions

We rate KPCo's senior unsecured debt at the same level as our issuer credit rating because it is the debt of a qualifying investment-grade utility.

Rating Component Scores	
Foreign currency issuer credit rating	**BBB/Negative/--**
Local currency issuer credit rating	**BBB/Negative/--**
Business risk	**Strong**
Country risk	Very Low
Industry risk	Very Low
Competitive position	Satisfactory
Financial risk	**Aggressive**
Cash flow/leverage	Aggressive
Anchor	**bb+**
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Positive (+1 notch)
Stand-alone credit profile	**bbb-**

Related Criteria

- Criteria | Corporates | General: Corporate Methodology, Jan. 7, 2024
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities, Jan. 7, 2024
- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- Criteria | Corporates | Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Ratings Detail (as of September 19, 2024)*	
Kentucky Power Co.	
Issuer Credit Rating	BBB/Negative/--
Issuer Credit Ratings History	
31-Oct-2023	BBB/Negative/--
20-Apr-2023	BBB/Stable/--
28-Oct-2021	BBB+/Watch Neg/--
28-Apr-2021	BBB+/Watch Dev/--
Related Entities	
AEP Generating Co.	
Issuer Credit Rating	BBB+/Negative/--
AEP Texas Inc.	
Issuer Credit Rating	BBB+/Negative/--
Senior Unsecured	BBB+
AEP Transmission Co. LLC	
Issuer Credit Rating	BBB+/Negative/--
Senior Unsecured	BBB+
American Electric Power Co. Inc.	
Issuer Credit Rating	BBB+/Negative/A-2

Kentucky Power Co.

Ratings Detail (as of September 19, 2024)*	
Commercial Paper	
Local Currency	A-2
Junior Subordinated	BBB
Junior Subordinated	BBB-
Appalachian Power Co.	
Issuer Credit Rating	BBB+/Negative/A-2
Senior Unsecured	BBB+
Indiana Michigan Power Co.	
Issuer Credit Rating	BBB+/Negative/A-2
Ohio Power Co.	
Issuer Credit Rating	BBB+/Negative/--
Senior Unsecured	BBB+
Public Service Co. of Oklahoma	
Issuer Credit Rating	BBB+/Negative/--
Senior Unsecured	BBB+
RGS (AEGCO) Funding Corp.	
Issuer Credit Rating	BBB+/Negative/--
RGS (I&M) Funding Corp.	
Issuer Credit Rating	BBB+/Negative/--
Southwestern Electric Power Co.	
Issuer Credit Rating	BBB+/Negative/--
Senior Unsecured	BBB+
Wheeling Power Co.	
Issuer Credit Rating	BBB+/Negative/--

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings credit ratings on the global scale are comparable across countries. S&P Global Ratings credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

Copyright © 2024 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.spglobal.com/ratings (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.spglobal.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

MOODY'S RATINGS

Infrastructure and Project Finance

CREDIT OPINION
11 March 2025

Update

Send Your Feedback

RATINGS

Kentucky Power Company

Domicile	Ashland, Kentucky, United States
Long Term Rating	Baa3
Type	LT Issuer Rating
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Nana Hamilton +1.212.553.9440
VP-Senior Analyst
nana.hamilton@moodys.com

Charlie Gibson +1.212.553.3974
Ratings Associate
charlie.gibson@moodys.com

Michael G. Haggarty +1.212.553.7172
Associate Managing Director
michael.haggarty@moodys.com

Kentucky Power Company

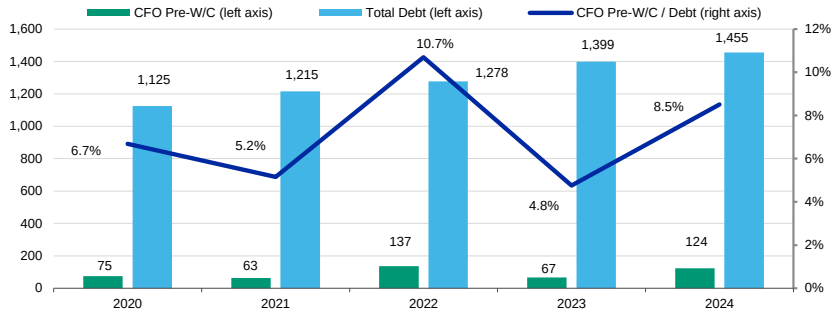
Update to credit analysis

Summary

Our view of Kentucky Power Company's (KPCo, Baa3 stable) credit reflects its business risk profile as a vertically integrated electric utility operating in eastern Kentucky, a service territory with challenging economic conditions and a history of average regulatory support. Our view of KPCo's credit quality also acknowledges its position as part of the large diverse American Electric Power, Inc. (AEP, Baa2 stable) family which provides the benefit of dividend policy flexibility during periods of weak cash flow generation. The company has generated weak cash flow and cash flow-based credit metrics in recent years due to factors including unfavorable economic conditions and deferred storm and purchased power cost recovery.

Over the next two years, we expect KPCo's recently authorized rate increase and cost recovery via securitization to drive an improvement in financial metrics. We see the company generating a ratio of cash flow from operations before changes in working capital (CFO pre-WC) to debt in the 11% to 13% range, compared to an average of about 8% over the last three years.

Exhibit 1
Historical CFO pre-WC, Total Debt and ratio of CFO pre-WC to Debt



All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Credit strengths

» Recently authorized securitization financing will provide timely recovery of substantial deferred costs

» Position as part of the large diverse AEP family provides dividend financial flexibility

» Recent regulatory outcomes have been credit supportive

Credit challenges

» Local economy in eastern Kentucky service territory is relatively weak

» History of weak credit metrics

» Carbon transition risk is elevated

Rating outlook

KPCo's stable rating outlook reflects our expectation that it will maintain an improved financial profile including an annual ratio of CFO pre-WC to debt in the 11% to 13% range going forward. The stable outlook assumes that KPCo will maintain constructive regulatory relationships in Kentucky that result in credit supportive regulatory outcomes.

Factors that could lead to upgrade

An upgrade of KPCo could be considered if there is an improvement in economic conditions, or a reduction in regulatory lag, leading to a stronger financial profile such as a ratio of CFO pre-WC to debt sustained above 14%.

Factors that could lead to downgrade

A downgrade of KPCo could be considered if the utility's relationship with its regulator deteriorates, or if there is an increase in regulatory lag, such that KPCo is unable to recover costs on a timely basis, resulting in a ratio of CFO pre-WC to debt sustained below 11%.

Key indicators

Exhibit 2
Kentucky Power Company

	2020	2021	2022	2023	2024
CFO Pre-W/C + Interest / Interest	2.9x	2.7x	4.0x	1.9x	2.8x
CFO Pre-W/C / Debt	6.7%	5.2%	10.7%	4.8%	8.5%
CFO Pre-W/C – Dividends / Debt	6.7%	5.2%	10.7%	4.8%	8.5%
Debt / Capitalization	47.0%	48.1%	48.1%	49.6%	49.7%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Profile

KPCo, a vertically integrated electric utility company headquartered in Ashland, Kentucky, is a wholly owned subsidiary of AEP, with about $2.5 billion in rate base (3.6% of AEP's consolidated rate base), serving approximately 163,000 customers in eastern Kentucky. The utility is primarily regulated by the Kentucky Public Service Commission (KPSC) .

Detailed credit consideration

Moderately supportive regulatory environment

We view the regulatory environment in Kentucky as moderately supportive of long-term credit quality. KPCo benefits from cost recovery mechanisms that typically help reduce regulatory lag, including a fuel adjustment clause, rider recovery for certain PJM transmission costs, and environmental recovery mechanisms which enable utilities in the state to earn a return on construction work in progress. In addition, utilities in Kentucky can start to collect interim rates approximately six months after filing a rate case if the KPSC has not acted on it. Despite these positive factors, the KPSC's decisions are often impacted by the weak economic conditions in KPCo's service territory, resulting in rate orders that are sometimes less supportive of utility credit quality.

The company's recent regulatory outcomes have been credit supportive and will help improve KPCo's overall financial profile. In January 2024, the KPSC approved a $60 million base rate increase based on a 9.75% allowed ROE. New rates went into effect in mid-January

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

2024. The company filed the rate case in June 2023, requesting a revenue increase of $93 million based on a 9.9% allowed ROE. However, in February 2024, KPCo filed an appeal challenging a $14 million base rate reduction attributed to transmission costs. In January 2025, the Circuit Court issued an order agreeing with KPCo's appeal. The Court remanded the issue back to the KPSC to issue an order allowing KPCo to recover the $14 million of transmission costs effective upon the implementation of the new rates in January 2024. In addition, the KPSC issued a financing order authorizing KPCo to recover approximately $471 million of plant retirement costs, deferred storm costs and deferred power purchase costs via securitization. This is an important credit supportive outcome for the company as it will enable relatively timely cost recovery and result in improved financial metrics going forward. The company expects to issue the securitization bonds in the first half of 2025.

Cash flow credit metrics expected to improve

We expect KPCo's credit metrics to improve from the low levels recently achieved, driven by the recently authorized rate increase and securitization financing of deferred costs. Over the next few years, we expect the company to generate a ratio of CFO pre-WC to debt in the 11% to 13% range, excluding the impact of the soon to be issued securitization debt. This compares to an average of about 8% over the last three years due to weak economic conditions, severe weather, and deferrals associated with its Rockport power plant unit power agreement (UPA).

As a subsidiary of AEP, the company has had flexibility with regards to its dividend distribution policy including the credit supportive ability to retain cash in response to lower than expected cash flow generation. In 2019, KPCo paid a minimal $5 million dividend. Since then KPCo has paid no dividends to AEP. While we anticipate that KPCo will begin paying dividends to AEP as its cash flow generation improves, we expect the company to maintain the flexibility on its dividend policy demonstrated over the last five years of weak cash flow generation.

Weak demographics and local economy of its service territory

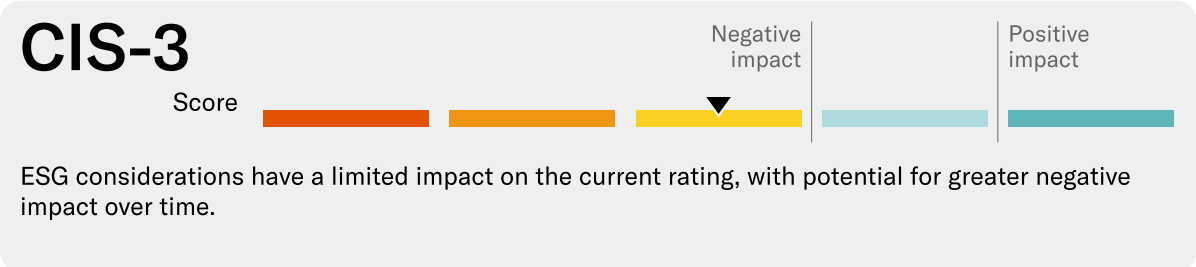
According to the Moody's Economy.com January 2025 report, Kentucky's weaknesses include low educational attainment and income, below-average worker productivity, and a manufacturing industry that is highly sensitive to global economic conditions. With a struggling manufacturing sector and below-average population growth, the state's economy will continue to lag that of the nation.

AEP has reiterated its focus on economic development in its Kentucky service territory and KPCo has historically actively worked with state and federal officials to foster economic development in eastern Kentucky to bring job opportunities, increase customer retention, and support load growth. While a sustained impact on load growth and improved revenue and cash flow generation has yet to be seen, the company's load growth has shown improvement following a significant decline in 2020 due to the coronavirus pandemic. KPCo's weather normalized retail load in 2024 slightly declined by 0.7%, following a 0.4% increase in 2023, a 4.6% increase in 2022, flat growth in 2021, which was after a 7% decline in 2020.

ESG considerations

Kentucky Power Company's ESG credit impact score is CIS-3

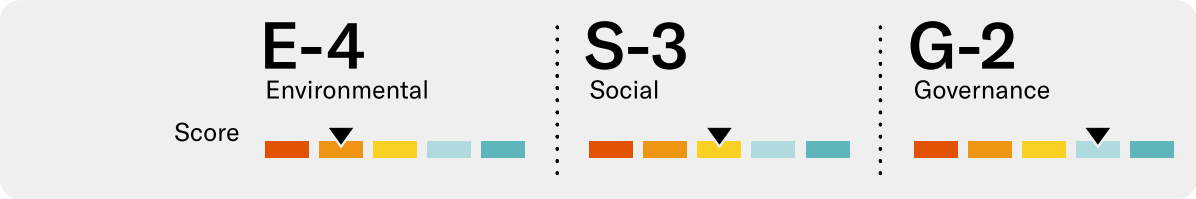
Exhibit 3
ESG credit impact score



Source: Moody's Ratings

KPCo's **CIS-3** indicates that ESG considerations have a limited impact on the current credit rating with potential for negative impact over time. KPCo's **CIS-3** primarily reflects its carbon transition risk and social risks associated with customer affordability concerns or a less supportive regulatory environment.

Exhibit 4
ESG issuer profile scores



Source: Moody's Ratings

Environmental

KPCo's **E-4** issuer profile score reflects a highly negative exposure to carbon transition risk because coal is the utility's primary generation fuel. KPCo's exposure to coal generation brings moderate risks of waste management and pollution. KPCo is also moderately exposed to physical climate risks, including the risk that unusual weather events could damage physical assets.

Social

KPCo's **S-3** issuer profile score reflects the risk that demographic and societal trends could increase public concern over environmental, social, or affordability issues and lead to adverse regulatory or political intervention.

Governance

KPCo's **G-2** issuer profile score is driven by that of its parent AEP and the financial strategy to maintain the utility's capital structure established in its regulated rate construct. AEP's **G-2** issuer profile score is broadly in line with other utility holding companies and does not pose a particular risk.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Liquidity analysis

KPCo's maintains an adequate liquidity profile reflecting its cash flow generation and access to AEP's money pool as well as minimal cash balance.

In 2024, KPCo generated approximately $147 million of cash from operations, invested $192 million, and paid no dividends to parent AEP, resulting in a negative free cash flow (FCF) of approximately $45 million which was primarily funded with incremental debt. We expect KPCo to remain free cash flow negative over the next 12 to 18 months and to fund cash shortfalls with short and long term borrowings as well as capital contributions from its parent as needed.

Although KPCo does not benefit from a dedicated external credit facility, the company has access to AEP's liquidity through participation in its utility money pool. As of 31 December 2024, KPCo's borrowing limit under the money pool was $250 million and the utility had borrowed approximately $183 million. KPCo also utilizes AEP Credit's $900 million receivable securitization facility agreement which expires in September 2026. As of 31 December 2024, KPCo had $53.4 million of receivables accrued under its agreement with AEP Credit.

KPCo's nearest maturities include a $150 million term loan due in June 2025 and a $150 million term loan due in February 2026, which was issued in January 2025 to address short term liquidity needs. We expect the company to repay the term loans with proceeds from its pending securitization bond issuance.

AEP's consolidated liquidity is adequate. AEP currently has two syndicated credit facilities, a $5 billion facility expiring in March 2029, and a $1 billion facility expiring in March 2027. As of 31 December 2024, AEP had approximately $1.6 billion of outstanding commercial

paper utilizing capacity under its $6 billion facilities. AEP is not required to make a representation with respect to either material adverse change or material litigation in order to borrow under its revolving credit facilities. The facility contains a covenant requiring that AEP's consolidated debt to capitalization (as defined) not exceed 67.5%. AEP states that the contractually defined ratio was 59.3% at 31 December 2024.

Rating methodology and scorecard factors

We use our global Regulated Electric and Gas Utilities rating methodology as the primary methodology for analyzing Kentucky Power Company.

Exhibit 5

Rating factors

Kentucky Power Company

Regulated Electric and Gas Utilities Industry Scorecard	Current FY Dec-24		Moody's 12-18 month forward view	
Factor 1 : Regulatory Framework (25%)	**Measure**	**Score**	**Measure**	**Score**
a) Legislative and Judicial Underpinnings of the Regulatory Framework	A	A	A	A
b) Consistency and Predictability of Regulation	Baa	Baa	Baa	Baa
Factor 2 : Ability to Recover Costs and Earn Returns (25%)				
a) Timeliness of Recovery of Operating and Capital Costs	Baa	Baa	Baa	Baa
b) Sufficiency of Rates and Returns	Baa	Baa	Baa	Baa
Factor 3 : Diversification (10%)				
a) Market Position	Ba	Ba	Ba	Ba
b) Generation and Fuel Diversity	B	B	B	B
Factor 4 : Financial Strength (40%)				
a) CFO pre-WC + Interest / Interest (3 Year Avg)	2.7x	Ba	3.2x - 3.7x	Baa
b) CFO pre-WC / Debt (3 Year Avg)	7.9%	Ba	11% - 13%	Ba
c) CFO pre-WC – Dividends / Debt (3 Year Avg)	7.9%	Ba	1% - 6%	Ba
d) Debt / Capitalization (3 Year Avg)	49.2%	Baa	42% - 48%	Baa
Rating:				
Scorecard-Indicated Outcome Before Notching Adjustment		Baa3		Baa3
HoldCo Structural Subordination Notching		0		0
a) Scorecard-Indicated Outcome		Baa3		Baa3
b) Actual Rating Assigned		Baa3		Baa3

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months. Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 6

Peer comparison

Kentucky Power Company

	Kentucky Power Company Baa3 Stable			Kentucky Utilities Co. A3 Stable			Louisville Gas & Electric Company A3 Stable			Duke Energy Kentucky, Inc. Baa1 Stable		
	FY	FY	FY	FY	FY	LTM	FY	FY	LTM	FY	FY	LTM
(in $ millions)	Dec-22	Dec-23	Dec-24	Dec-22	Dec-23	Sep-24	Dec-22	Dec-23	Sep-24	Dec-22	Dec-23	Sep-24
Revenue	773	615	696	2,074	1,884	1,943	1,798	1,613	1,625	668	586	643
CFO Pre-W/C	137	67	124	710	712	762	552	535	575	149	194	240
Total Debt	1,278	1,399	1,455	3,041	3,177	3,213	2,501	2,484	2,519	942	877	961
CFO Pre-W/C + Interest / Interest	4.0x	1.9x	2.8x	7.0x	6.2x	6.5x	7.2x	6.2x	6.5x	5.6x	5.6x	6.9x
CFO Pre-W/C / Debt	10.7%	4.8%	8.5%	23.4%	22.4%	23.7%	22.1%	21.6%	22.8%	15.8%	22.1%	25.0%
CFO Pre-W/C – Dividends / Debt	10.7%	4.8%	8.5%	13.6%	16.4%	16.5%	11.1%	14.9%	15.3%	15.8%	22.1%	10.4%
Debt / Capitalization	48.1%	49.6%	49.7%	38.1%	38.6%	38.3%	38.8%	38.6%	38.5%	44.9%	37.9%	40.9%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 7

Moody's-adjusted cash flow metrics

Kentucky Power Company

(in $ millions)	2020	2021	2022	2023	2024
FFO	127.3	129.6	168.1	125.8	148.0
+/- Other	(52.1)	(67.0)	(31.4)	(59.2)	(24.2)
CFO Pre-WC	75.2	62.6	136.6	66.5	123.8
+/- ΔWC	(9.3)	10.2	15.4	(32.9)	8.7
CFO	65.9	72.8	152.1	33.7	132.6
- Div	0.0	0.0	0.0	0.0	0.0
- Capex	156.9	168.6	227.1	155.0	188.0
FCF	(91.0)	(95.7)	(75.0)	(121.4)	(55.4)
(CFO Pre-W/C) / Debt	6.7%	5.2%	10.7%	4.8%	8.5%
(CFO Pre-W/C - Dividends) / Debt	6.7%	5.2%	10.7%	4.8%	8.5%
FFO / Debt	11.3%	10.7%	13.2%	9.0%	10.2%
RCF / Debt	11.3%	10.7%	13.2%	9.0%	10.2%
Revenue	549.9	646.4	773.2	614.8	695.8
Interest Expense	38.8	36.4	46.3	72.6	69.8
Net Income	40.5	46.1	41.9	28.1	32.4
Total Assets	2,734.4	2,893.9	3,007.1	3,171.9	3,365.7
Total Liabilities	1,911.1	2,019.6	2,086.8	2,221.0	2,377.9
Total Equity	823.3	874.4	920.3	950.9	987.8

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology.
Source: Moody's Financial Metrics™

Ratings

Exhibit 8

Category	Moody's Rating
KENTUCKY POWER COMPANY	
Outlook	Stable
Issuer Rating	Baa3
Senior Unsecured	Baa3
PARENT: AMERICAN ELECTRIC POWER COMPANY, INC.	
Outlook	Stable
Senior Unsecured	Baa2
Jr Subordinate	Baa3
Commercial Paper	P-2

Source: Moody's Ratings

© 2025 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.
CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.
ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Materials.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at ir.moodys.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."
Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., and Moody's Local PA Calificadora de Riesgo S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.
Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

S&P Global
Market Intelligence

Table 5: Electric and gas utility decisions

Electric utility decisions

Date	Company	State	ROR (%)	ROE (%)	Common equity as % of capital	Test year	Rate base	Rate change amount ($M)	Footnotes
1/19/23	Consumers Energy Co.	MI	—	9.90	—	12/23	Average	155.0	B
1/23/23	Minnesota Power Enterprises Inc.	MN	7.12	9.65	52.50	12/22	Average	58.6	I
1/26/23	Cheyenne Light, Fuel and Power Co.	WY	7.48	9.75	52.00	12/21	Year-end	20.1	B
2/9/23	Duke Energy Progress LLC	SC	6.83	9.60	52.43	12/21	Year-end	52.3	B
2/16/23	Electric Transmission Texas LLC	TX	—	—	—	6/22	—	-14.0	T, B, W
2/17/23	Southwestern Electric Power Co.	LA	—	9.50	—	—	—	27.0	B
2/21/23	Electric Transmission Texas LLC	TX	—	—	—	9/22	Year-end	—	T, B
3/2/23	Oklahoma Gas and Electric Co.	AR	5.33	—	38.57	3/22	Average	9.6	B,*,7
3/9/23	Oncor Electric Delivery Co. LLC	TX	6.65	9.70	42.50	12/21	Year-end	100.5	D
3/23/23	Wind Energy Transmission Texas LLC	TX	—	—	—	—	—	-8.7	B, T
3/24/23	Upper Peninsula Power Co.	MI	—	9.90	—	6/24	Average	10.8	B
2023	**Q1 averages/total**		**6.80**	**9.71**	**49.36**			**1,436.3**	
	Observations		**8**	**10**	**8**			**16**	
4/27/23	Liberty Utilities (CalPeco Electric) LLC	CA	—	10.00	52.50	12/22	Average	26.1	
5/31/23	Versant Power	ME	6.59	9.35	49.00	12/21	Average	30.4	B, D, Z
6/1/23	Northern States Power Co.	MN	6.95	9.25	52.50	12/24	Average	316.3	Z, I
6/6/23	Central Maine Power Co.	ME	6.74	9.35	50.00	—	—	67.0	B, D, Z
6/6/23	MDU Resources Group Inc.	ND	7.13	9.75	50.81	12/23	Average	10.9	B, I
6/6/23	Northern States Power Co.	SD	6.82	—	—	12/21	Average	44.6	B, I
6/14/23	Union Electric Co.	MO	—	—	—	3/22	—	140.0	B
	Q2: averages/total		**6.84**	**9.44**	**51.69**			**204.4**	
	Observations		**11**	**11**	**11**			**17**	
7/20/23	Consolidated Edison Co. of New York Inc.	NY	6.75	9.25	48.00	12/23	Average	442.3	B, D, Z
8/2/23	Northern Indiana Public Service Co. LLC	IN	6.80	9.80	51.63	12/23	Year-end	261.9	B, Z
8/3/23	Entergy Texas Inc.	TX	6.61	9.57	51.21	12/23	Year-end	54.0	B
8/18/23	Duke Energy Progress LLC	NC	7.07	9.80	53.00	12/21	Year-end	148.2	Z, I
8/23/23	Green Mountain Power Corp.	VT	6.88	9.58	49.88	9/24	Average	36.2	21
8/25/23	The United Illuminating Co.	CT	6.48	8.63	50.00	12/23	Average	23.0	D,22
8/25/23	Tucson Electric Power Co.	AZ	6.93	9.55	54.32	12/21	Year-end	100.1	
8/31/23	Alaska Electric Light and Power Co.	AK	8.79	11.45	60.70	12/21	Average	2.1	I
8/31/23	Avista Corp.	ID	7.19	9.40	50.00	6/22	Average	26.4	B, Z
9/6/23	Public Service Co. of Colorado	CO	6.95	9.30	55.69	12/22	Year-end	45.0	B
9/21/23	MDU Resources Group Inc.	MT	7.53	9.65	50.30	6/22	—	6.1	B, I
9/21/23	UGI Utilities Inc.	PA	—	—	—	9/24	—	8.5	B, D
9/28/23	Massachusetts Electric Co.	MA	—	—	—	—	—	66.7	D,25
	Q3: averages/total		**7.01**	**9.53**	**51.89**			**1,830.7**	
	Observations		**16**	**16**	**16**			**20**	
10/12/23	Duke Energy Kentucky, Inc.	KY	7.19	9.75	52.15	6/24	Average	47.5	
10/12/23	New York State Electric & Gas Corp.	NY	6.40	9.20	48.00	4/24	Average	137.3	B, D, Z
10/12/23	Rochester Gas and Electric Corp.	NY	6.67	9.20	48.00	4/24	Average	51.0	B, D, Z
10/18/23	The Potomac Edison Co.	MD	6.92	9.50	53.00	12/22	Average	28.7	D
10/19/23	Southwestern Public Service Co.	NM	7.17	9.50	54.70	6/24	Average	33.0	B
10/25/23	NorthWestern Energy Group Inc.	MT	6.72	9.65	48.02	12/21	Average	67.4	B, I
11/3/23	Madison Gas and Electric Co.	WI	7.74	9.70	56.06	12/25	Average	27.5	Z
11/3/23	Public Service Co. of Oklahoma	OK	6.69	9.30	52.00	6/22	—	131.2	B, I
11/9/23	Northern States Power Co.	WI	7.58	9.80	52.50	12/24	Average	1.1	
11/9/23	Wisconsin Power and Light Co.	WI	7.54	9.80	53.70	12/25	Average	109.1	Z
11/16/23	Pacific Gas and Electric Co.	CA	—	—	—	12/23	Average	1104.0	Z
11/17/23	Atlantic City Electric Co.	NJ	6.58	9.60	50.20	6/23	Year-end	45.0	B, D, Z
11/21/23	Evergy Kansas Central, Inc.	KS	—	—	—	9/22	—	148.8	B
11/21/23	Evergy Metro, Inc.	KS	—	—	—	9/23	—	-22.0	B
11/28/23	PacifiCorp	WY	7.13	9.35	48.99	12/24	Average	53.9	
11/30/23	Appalachian Power Co.	VA	—	—	—	12/22	—	127.3	B
12/1/23	DTE Electric Co.	MI	5.56	9.90	—	11/24	Average	368.1	
12/4/23	Entergy Arkansas LLC	AR	5.62	—	38.65	12/24	Average	87.7	B,*,7
12/7/23	The Empire District Electric Co.	AR	5.08	9.70	—	3/23	Year-end	5.3	B, Z
12/14/23	Ameren Illinois Co.	IL	6.59	8.72	50.00	12/27	Average	142.5	D, Z
12/14/23	Baltimore Gas and Electric Co.	MD	6.77	9.50	52.00	12/26	Average	179.1	D, Z
12/14/23	Commonwealth Edison Co.	IL	6.70	8.91	50.00	12/27	Average	506.1	D, Z
12/14/23	PacifiCorp	CA	7.34	10.00	52.25	12/23	Average	19.0	
12/15/23	Duke Energy Carolinas LLC	NC	7.5	10.10	53.00	12/21	Year-end	436.0	Z, I
12/18/23	Portland General Electric Co.	OR	6.99	9.50	50.00	12/24	Year-end	385.9	B
12/22/23	Pacific Gas and Electric Co.	CA	7.8	10.70	52.00	—	—	158.0	27
12/22/23	San Diego Gas & Electric Co.	CA	7.67	10.65	52.00	—	—	44.3	27
12/22/23	Southern California Edison Co.	CA	7.87	10.75	52.00	—	—	200.7	27
12/26/23	Nevada Power Co.	NV	7.44	9.52	52.72	12/22	Year-end	37.1	28
12/26/23	NSTAR Electric Co.	MA	—	—	—	—	—	104.9	D,25
12/28/23	Idaho Power Co.	ID	7.25	9.60	—	12/23	Average	54.7	B
	Q4 averages/total		**6.94**	**9.66**	**51.01**			**5,861.7**	
	Observations		**27**	**26**	**24**			**37**	
2023	**Annual:Averages/total**		**6.92**	**9.60**	**51.15**			**9,333.2**	
	Observations		**62**	**63**	**59**			**90**	

S&P Global
Market Intelligence

Table 5: Electric and gas utility decisions

Electric utility decisions

Date	Company	Ticker	State	ROR (%)	ROE (%)	Common equity as % of capital	Test year ended	Rate base valuation method	Rate change amount ($M)	Footnotes
1/3/24	Public Service Co. of New Mexico	PNM	NM	6.47	9.26	49.61	12/24	Average	15.3	
1/9/24	NorthWestern Energy Group Inc.	NWE	SD	6.81	NA	NA	12/22	Average	21.5	B
1/19/24	Kentucky Power Co.	AEP	KY	NA	9.75	41.25	3/23	NA	60.0	B
1/30/24	UNS Electric Inc.	FTS	AZ	7.18	9.75	53.72	6/22	Year-end	9.8	
2/14/24	Jersey Central Power & Light Co.	FE	NJ	7.18	9.60	51.90	6/23	Year-end	85.0	B, D
2/28/24	Virginia Electric and Power Co.	D	VA	7.05	9.70	NA	12/25	Average	0.0	B, Z
3/1/24	Consumers Energy Co.	CMS	MI	5.86	9.90	41.13	2/25	Average	92.0	*
3/5/24	Arizona Public Service Co.	PNW	AZ	6.81	9.55	51.93	6/22	Year-end	491.7	
3/7/24	Oklahoma Gas and Electric Co.	OGE	AR	5.45	NA	38.39	3/23	Average	3.5	B, *
3/19/24	PacifiCorp	BRK.A	WA	7.29	NA	NA	6/22	NA	33.8	B, Z
3/26/24	Monongahela Power Co.	FE	WV	NA	9.80	NA	12/22	Average	105.0	B
	Q1 averages, total rate change amount			**6.78**	**9.66**	**48.25**			**1,304.9**	
	Observations			**13**	**12**	**11**			**16**	
4/11/24	Southwestern Public Service Co.	XEL	TX	NA	NA	NA	12/22	NA	65.0	B, I
4/17/24	AES Indiana	AES	IN	6.85	9.90	44.36	12/22	Year-end	71.0	B
4/18/24	Delmarva Power & Light Co.	EXC	DE	6.97	9.60	50.50	6/23	NA	42.3	B, D, I
5/8/24	Indiana Michigan Power Co.	AEP	IN	6.12	9.85	NA	12/24	Year-end	61.5	B, Z
6/10/24	Potomac Electric Power Co.	EXC	MD	7.13	9.50	50.50	3/24	Average	44.6	D
6/19/24	Cleco Power LLC		LA	NA	NA	NA	NA	NA	102.8	B
6/20/24	Duke Energy Carolinas LLC	DUK	SC	7.32	9.94	51.21	12/22	Year-end	233.8	B, Z
6/28/24	Fitchburg Gas and Electric Light Co. Inc.	UTL	MA	7.46	9.40	52.26	12/22	Year-end	3.9	D, Z
	Q2 averages, total rate change amount			**7.00**	**9.70**	**50.64**			**756.7**	
	Observations			**9**	**9**	**8**			**12**	
7/2/24	Indiana Michigan Power Co.	AEP	MI	6.03	9.86	40.20	12/24	Average	21.6	*
7/18/24	Central Hudson Gas & Electric Corp.	FTS	NY	6.92	9.50	48.00	6/25	Average	74.4	D
8/8/24	Dominion Energy South Carolina Inc.	D	SC	7.93	9.94	52.51	9/23	Year-end	219.5	B
8/13/24	MDU Resources Group Inc.	MDU	SD	7.01	NA	NA	12/22	Average	4.6	B, I
8/21/24	Duke Energy Florida LLC	DUK	FL	7.56	10.30	45.57	12/27	Year-end	470.0	B, Z
8/26/24	Green Mountain Power Corp.		VT	7.05	9.97	49.81	9/25	Average	38.1	15
9/17/24	Interstate Power and Light Co.	LNT	IA	7.29	9.87	51.00	9/25	Average	185.0	B
9/18/24	Appalachian Power Co.	AEP	WV	NA	NA	NA	NA	NA	NA	W
9/18/24	Sierra Pacific Power Co.	BRK.A	NV	7.43	9.74	52.40	9/23	Year-end	40.3	16
9/23/24	Idaho Power Co.	IDA	OR	7.3	9.50	50.00	12/24	Average	6.7	B
9/26/24	Upper Peninsula Power Co.		MI	NA	9.86	NA	12/25	Average	9.0	B
9/30/24	Massachusetts Electric Co.	NG.	MA	7.09	9.35	52.83	3/23	Year-end	90.2	D, Z
	Q3 averages, total rate change amount			**7.11**	**9.72**	**50.07**			**1,427.6**	
	Observations			**16**	**16**	**15**			**17**	
10/3/24	AEP Texas Inc.	AEP	TX	6.66	9.76	42.50	9/23	Year-end	45.5	B, D
10/9/24	Public Service Electric and Gas Co.	PEG	NJ	7.07	9.60	55.00	5/24	Year-end	440.5	B, D
10/10/24	Upper Michigan Energy Resources Corp.	WEC	MI	NA	9.86	NA	12/25	Average	6.6	B
10/17/24	Pacific Gas and Electric Co.	PCG	CA	7.66	10.28	NA	NA	NA	-114.9	18
10/17/24	San Diego Gas & Electric Co.	SRE	CA	7.45	10.23	NA	NA	NA	-24.9	18
10/17/24	Southern California Edison Co.	EIX	CA	7.66	10.33	NA	NA	NA	-104.4	18
10/24/24	Minnesota Power Enterprises Inc.	ALE	MN	7.25	9.78	53.00	12/24	Average	89.2	B, I
11/7/24	Duquesne Light Co.		PA	NA	NA	NA	12/25	NA	85.1	B, D
11/20/24	Appalachian Power Co.	AEP	VA	7.26	9.75	48.24	12/25	NA	9.8	20
11/21/24	Metropolitan Edison Co.	FE	PA	NA	NA	NA	12/25	NA	39.6	B, D
11/21/24	Pennsylvania Electric Co.	FE	PA	NA	NA	NA	12/25	NA	57.7	B, D
11/21/24	Pennsylvania Power Co.	FE	PA	NA	NA	NA	12/24	NA	25.0	B, D
11/21/24	West Penn Power Co.	FE	PA	NA	NA	NA	12/25	NA	102.7	B, D
11/25/24	Potomac Electric Power Co.	EXC	DC	7.29	9.50	50.50	12/26	Average	123.4	D, Z
11/26/24	Oklahoma Gas and Electric Co.	OGE	OK	NA	9.50	53.50	9/23	NA	126.7	B, I
12/3/24	Tampa Electric Co.	EMA	FL	6.90	10.50	NA	12/25	Average	184.9	Z
12/4/24	Evergy Missouri West Inc.	EVRG	MO	NA	NA	NA	6/23	NA	55.0	B
12/12/24	PECO Energy Co.	EXC	PA	NA	NA	NA	12/25	NA	354.0	B, D
12/13/24	Entergy Arkansas LLC	ETR	AR	5.58	NA	37.85	12/25	Average	82.7	B, 21, *
12/19/24	PacifiCorp	BRK.A	OR	7.40	9.50	50.00	12/25	Year-end	139.7	
12/19/24	San Diego Gas & Electric Co.	SRE	CA	NA	NA	NA	12/24	Average	177.5	Z
12/19/24	Wisconsin Electric Power Co.	WEC	WI	8.92	9.80	56.54	12/26	Average	313.5	Z
12/19/24	Wisconsin Public Service Corp.	WEC	WI	8.02	9.80	54.17	12/26	Average	85.1	Z
12/20/24	Avista Corp.	AVA	WA	7.32	9.80	48.50	6/23	Average	80.7	Z
12/20/24	Portland General Electric Co.	POR	OR	6.99	9.34	50.00	12/25	Year-end	100.0	
12/23/24	NSTAR Electric Co.	ES	MA	NA	NA	NA	NA	NA	55.9	D, 22
12/30/24	Otter Tail Power Co.	OTTR	ND	7.53	10.10	53.50	12/24	Average	36.4	B, I
	Q4 averages, total rate change amount			**7.29**	**9.84**	**50.39**			**2,598.4**	
	Observations			**17**	**18**	**14**			**32**	
2024	**Annual averages, total rate change amount**			**7.07**	**9.74**	**49.84**			**6,087.6**	
	Observations			**55**	**55**	**48**			**77**	

S&P Global
Market Intelligence

Table 5: Electric and gas utility decisions

Electric utility decisions

Date	Company	Ticker	State	ROR (%)	ROE (%)	Common equity as percent of capital	Test year ended	Rate base valuation method	Rate change amount ($M)	Footnot
01/14/25	Virginia Electric and Power Co.	D	NC	7.30	9.95	52.50	12/23	Year-end	36.8	
01/15/25	Public Service Co. of Oklahoma	AEP	OK	6.98	9.50	51.12	8/23	NA	119.5	E
01/15/25	Puget Sound Energy Inc.		WA	7.64	9.90	50.00	6/23	Average	529.9	
01/16/25	Bear Valley Electric Service Inc.	AWR	CA	8.07	10.00	57.00	12/26	Average	13.1	B,
01/23/25	DTE Electric Co.	DTE	MI	5.69	9.90	39.23	12/25	Average	217.4	
01/28/25	Kentucky Utilities Co.	PPL	VA	NA	NA	NA	12/23	NA	8.3	
01/29/25	Duke Energy Indiana LLC	DUK	IN	6.19	9.75	43.28	12/25	Year-end	295.7	
01/31/25	PacifiCorp	BRK.A	ID	7.25	NA	NA NA		NA	57.9	B, Z
02/03/25	Southern Indiana Gas and Electric Co.	CNP	IN	6.77	9.80	48.28	12/25	Year-end	94.0	B
02/27/25	Virginia Electric and Power Co.	D	VA	7.20	9.70	51.99	3/26	Average	55.7	LIR, Z
03/04/25	Florida Public Utilities Co.	CPK	FL	6.34	10.15	42.42	12/25	Average	9.7	
03/11/25	Appalachian Power Co.	AEP	WV	NA	NA	NA	2/24	NA	20.4	LIR
03/12/25	Black Hills Colorado Electric Inc.	BKH	CO	6.90	9.40	48.00	12/23	Average	17.0	
03/13/25	CenterPoint Energy Houston Electric LLC	CNP	TX	6.61	9.65	43.25	12/23	Year-end	-33.5	B,
03/13/25	Versant Power		ME	6.84	9.35	50.00	6/23	Average	32.3	
03/20/25	Orange and Rockland Utilities Inc.	ED	NY	7.25	9.75	48.00	12/25	Average	-13.1	B, D
03/21/25	Consumers Energy Co.	CMS	MI	5.97	9.90	41.73	2/26	Average	153.8	
03/25/25	Liberty Utilities (Granite State Electric) Corp.	AQN	NH	7.71	9.10	52.00	12/22	Average	0.3	D, Z
03/26/25	Northern Indiana Public Service Co. LLC	NI	IN	NA	NA	NA	9/24	Year-end	23.2	LIR
03/26/25	Virginia Electric and Power Co.	D	VA	7.20	9.70	51.99	4/26	Average	7.0	LIR
	Q1 averages, total rate change amount			**6.94**	**9.72**	**48.17**			**1,645.3**	
	Observations			**17**	**16**	**16**			**20**	

S&P Global
Market Intelligence

Test year policy

Predominant treatment — at filing

Jurisdiction	Test year policy (at filing)
Alabama	Historical
Alaska	Historical
Arizona	Historical
Arkansas	Historical*
California	Forecast
Colorado	Historical
Connecticut	Historical
Delaware	Historical
District of Columbia	Hybrid
Florida	Hybrid
Georgia	Forecast
Hawaii	Forecast
Idaho	Historical
Illinois	Historical*
Indiana	Historical
Iowa	Historical
Kansas	Historical
Kentucky	Historical
Louisiana — NOCC	Historical*
Louisiana — PSC	Historical
Maine	Historical
Maryland	Historical*
Massachusetts	Historical
Michigan	Forecast
Minnesota	Forecast
Mississippi	Historical*
Missouri	Hybrid
Montana	Historical
Nebraska	Historical
Nevada	Historical*
New Hampshire	Historical
New Jersey	Hybrid
New Mexico	Forecast*
New York	Forecast
North Carolina	Historical
North Dakota	Hybrid*
Ohio	Hybrid
Oklahoma	Historical
Oregon	Hybrid
Pennsylvania	Forecast
Rhode Island	Historical
South Carolina	Historical
South Dakota	Historical
Tennessee	Forecast
Texas — PUC	Historical
Texas — RRC	Historical
Utah	Forecast
Vermont	Historical
Virginia	Historical*
Washington	Historical*
West Virginia	Historical
Wisconsin	Forecast
Wyoming	Historical

Data compiled Dec. 18, 2024.
NOCC = New Orleans City Council; PSC = Public Service Commission; PUC = Public Utility Commission; RRC = Railroad Commission.
* Both historical and forecast are permitted; predominant treatment shown.
Designation is relative to the date the case is filed.
Hybrid = Part of the test year is historical and part forecast when the case is filed.
Source: Regulatory Research Associates, a group within S&P Global Commodity Insights.
© 2024 S&P Global.

FitchRatings

RATING ACTION COMMENTARY

Fitch Affirms AEP and Select Subsidiaries; Downgrades Ohio Power

Fri 15 Nov, 2024 - 5:58 PM ET

Fitch Ratings - New York - 15 Nov 2024: Fitch Ratings has affirmed the Long-Term Issuer Default Rating (IDR) and senior unsecured rating for American Electric Power Company, Inc. (AEP) at 'BBB'. In addition, Fitch has affirmed the IDRs of AEP's utility operating subsidiaries as follows: Indiana Michigan Power Co. (IMPCo) and AEP Transmission Company, LLC at 'A-'; Appalachian Power Co. (APCo) and Public Service Company of Oklahoma (PSO) at 'BBB+'; and AEP Texas Inc. (AEPTX), Kentucky Power Co. (KPCo) and Southwestern Electric Power Co. (SWEPCo) at 'BBB'. Ohio Power Co. (OPCo) has been downgraded to 'BBB+' from 'A-'.

The senior unsecured ratings for all of the aforementioned utility operating subsidiaries receive a one-notch uplift relative to their respective IDRs as per Fitch's criteria. The Rating Outlook for AEP and its operating subsidiaries is Stable.

The affirmation of AEP and most subsidiaries is based on the expectation that AEP will manage its greatly expanded capex program in a credit supportive manner and improve regulatory outcomes in challenged jurisdictions. However, Fitch considers the company to have little to no headroom in its current 5.8x FFO leverage downgrade threshold. OPCo's downgrade reflects continued pressure on credit metrics as a result of high capex and significant growth in low margin commercial customers. As a result, OPCo is expected to average 4.7x over the forecast period, which is outside of the single-A downgrade threshold of 4.5x FFO leverage.

KEY RATING DRIVERS

AEP

Unprecedented Demand Growth: AEP is experiencing strong commercial and industrial demand growth in many of its service territories driven by data center development and onshoring of manufacturing. The company has disclosed that it has commitments of 20GW of load through 2029, with two-thirds from commercial class and one-third from the industrial class. As a result, the company recently raised its normalized retail sales forecast as follows: 2024 to 3.5% from 1.5%, 2025 to 8.3% from 3.3%, 2026 to 8.4% from 2.4%, and has introduced 2027 at 8.9%.

AEPTX, IMPCo and OPCo are the subsidiaries that are currently experiencing the largest growth. AEP is pursuing new tariffs or tariff revisions in some of its jurisdictions in an effort to minimize the risk and rate impact to residential customers from required spending to meet the growing demand.

Significantly Increased Capex Program: AEP's 2025-2027 capex plan of $33.4 billion is 27% larger than the previous three-year plan, and the company's five-year plan of $54.4 billion is a 28% increase from the 2024-2028 plan. The company expects an 8% average annual rate base growth over the next five-year period from a 2023 base. Transmission assets, the majority of which are favorably regulated by the Federal Energy Regulatory Commission (FERC), account for 38% of the planned expenditures. Distribution spending comprises 25% and regulated renewables 18%. Management expects that approximately 85% of the company's capital plan is recoverable under reduced lag mechanisms.

Ongoing Weak Credit Metrics: Fitch expects AEP's FFO leverage to average around 5.8x over the forecast period, driven by debt-financed capex, resulting in high leverage with little to no headroom at the current downgrade threshold FFO leverage of 5.8x. Without credit-supportive actions and improved regulatory outcomes, a negative rating action is possible. AEP plans to finance approximately $5.35 billion over 2025-2029 period from equity or asset monetization and slow dividend growth to retain more cash. Parent-level debt is expected to be about 25%, similar to most industry peers.

Non-Core Asset Sales: The company completed the sale of its contracted renewables portfolio in August 2023, receiving approximately $1.2 billion, which was used to reduce short-term debt. AEP also completed the sale of its joint venture solar portfolio (New Mexico Renewable Development) for net cash proceeds of $104 million. The company completed the sale of its distributed resources business (AEP OnSite Partners) in September 2024, receiving approximately $318 million, which it used to pay down short-term debt. As part of its asset review process, AEP announced that it will retain

ownership of its retail services business and two transmission joint venture assets.

Progress in Deferred Fuel Balances: Many of AEP's subsidiaries experienced significant increases in deferred fuel and purchased power costs during 2021-2022. The increases were largely the result of the high natural gas prices experienced at times over recent years and the inability to pass along the costs on a timely basis. As of Sept. 30, 2024, the total deferred fuel regulatory asset for all of the AEP subsidiaries was $818.0 million, which is a significant reduction from almost $1.7 billion at Dec. 31, 2022. Fitch considers the deferrals to be timing differences and excludes the cash flow impact from FFO, but includes the debt impact in FFO leverage.

Regulatory Challenges: AEP's large footprint allows it to benefit from regulatory diversity with no operating company comprising more than 20% of the consolidated rate base. While some regulatory jurisdictions have been supportive, AEP has had mixed outcomes in others. Fitch views improving regulatory outcomes as important to AEP's ability to improve the company's consolidated credit metrics. Fitch expects AEP's consolidated earned ROE to average around 9.0% in 2025-2027. The company's consolidated earned ROE as of LTM Sept. 30, 2024 was 9.0%.

Parent-Subsidiary Rating Linkage: There is parent subsidiary linkage between AEP and its rated subsidiaries. Fitch determines AEP's standalone credit profile (SCP) based upon consolidated metrics. Fitch considers AEP Transmission Company LLC (A-/Stable), Appalachian Power Co. (BBB+/Stable), Indiana Michigan Power Co. (A-/Stable), Ohio Power Co. (BBB+/Stable) and Public Service Company of Oklahoma (BBB+/Stable) to have SCPs stronger than AEP. As such, Fitch has followed the stronger subsidiary path, emphasizing the subsidiaries' status as regulated entities. Legal ring-fencing is porous given the general protections afforded by economic regulation; access and control are also porous.

AEP centrally manages the treasury function for all of its entities and is the sole source of equity; however, each subsidiary issues its own long-term debt. AEP Texas Inc. (BBB/Stable) and Southwestern Electric Power Company (BBB/Stable) are rated the same as AEP, but if their SCPs were to be stronger than AEP the two subsidiaries would follow the same linkage consideration as outlined above. Due to the aforementioned linkage considerations, Fitch will limit the difference between AEP and any of its higher rated regulated subsidiaries to two notches.

KPCo has a weaker SCP than AEP, and Fitch has followed the stronger parent path. Legal

incentives are weak as AEP does not guarantee KPCo debt. Previously, AEP planned to sell KPCo, thereby rendering strategic incentives as weak. Operational incentives are scored as medium given the joint ownership of the Mitchell plan. As a result of the aforementioned assessment, Fitch has applied a one-notch uplift to KPCo's ratings.

AEPTX

Stabilizing Credit Metrics: As a result of AEPTX's lower equity capitalization and regulatory lag due to the service territory's high growth, FFO leverage spiked to above 7x in 2020 and 2021 but has since declined. Fitch expects leverage to average around 6.2x over the forecast period. The company's 2025-2027 capex forecast of $5.7 billion is about 29% higher than the prior three-year forecast. The company's earned ROE, as of LTM Sept. 30, 2024, was 9.2%, slightly lower than the last authorized ROE of 9.4%. AEPTX's credit metrics are lower than most 'BBB' rated utilities. However, the low risk nature of the transmission and distribution (T&D) companies in Texas is an offsetting factor to support the current rating.

2024 Base Rate Settlement: AEPTX reached a unanimous settlement in its 2024 base rate case, which was approved Oct. 3, 2024 for rates effective Oct. 1, 2024. The settlement resulted in a $70 million annual rate increase based upon a 9.76% ROE and 42.5% equity capitalization. The company originally requested a $164 million annual base rate increase on a 10.60% ROE and 45% equity capitalization. While the continuation of AEPTX's lower-than-industry average 42.5% capital structure remains a concern, the increase in ROE to 9.76% from 9.40% is a modest positive.

Strong Demand Growth: The company has, and is expected to, experience strong demand growth from the energy industry and data centers. The company's service territory encompasses the Eagle Ford and Permian shale gas basins, which continue to experience strong growth. AEPTX's weather-normalized retail sales increased 9.2% in 2023 versus 2022 after an increase of 8.3% the prior year. The company forecasts total weather-normalized kWh sales to increase by 7.7% in 2024, 14.2% in 2025, 7.9% in 2026, and 18.3% in 2027.

Low-Risk Business Profile: AEPTX owns and operates regulated T&D networks located in the Electric Reliability Council of Texas (ERCOT). The Public Utility Commission of Texas (PUCT) sets rates on a cost-of-service basis with the opportunity for capital recovery outside of base rate proceedings through annual or semi-annual clause mechanisms. AEPTX does not have direct exposure to commodity prices. AEPTX had

non-material impact from the market disruptions due to the February 2021 winter storm.

AEP Transco

Constructive Regulatory Environment: AEP Transco's subsidiaries operate under a FERC-approved tariff that provides timely recovery of capital and operating costs, as well as a stable earnings and cash flow profile. The tariff is adjusted annually to reflect actual operating costs, forward-looking capital additions and a true-up, which combine to reduce regulatory lag. AEP Transco is now AEP's largest subsidiary in terms of equity balance. The subsidiary earned a 10.8% ROE for the LTM ended Sept. 30, 2024, which is the highest of the AEP subsidiaries.

Approximately 85% of AEP Transco's assets are in PJM Interconnection (PJM) and the rest in Southwest Power Pool (SPP). AEP Transco's PJM authorized ROE was reduced to 10.35% from 11.49%, and Transco's SPP ROE was reduced to 10.50% from 11.20% in 2019. The ROEs in both jurisdictions include the 50bp regional transmission organization (RTO) adder. FERC is considering a policy change that would remove the 50bp adder. On Dec. 15, 2022, in response to a complaint filed by the Ohio Consumers' Counsel, FERC found AEP's Ohio transmission entities do not qualify for the 50bp adder. As a result, FERC ordered AEP subsidiary OPCo and AEP Transco's subsidiary AEP Ohio Transmission Company, Inc. to remove the 50bp adder from its transmission tariff. Fitch believes AEP Transco has adequate headroom in its metrics to absorb a 50bp ROE reduction.

Revenues Not Volume Dependent: As a FERC-regulated transmission entity, AEP Transco revenue is not volume dependent. Under the FERC tariff structure, revenues are forward looking and based on the tariff-specified rate of return parameters. Any variations are trued up in the subsequent annual filing. While AEP Transco is dependent on the AEP operating companies for a substantial proportion of its revenues, counterparty risk is with the RTOs (PJM and SPP), not the utilities collecting the funds from end customers.

Increased Capex: AEP Transco's annual capex spend over 2025-2029 is forecast to increase by almost 37% to almost $1.7 billion to support the spurt of economic activity in AEP Transco's footprint. AEP Indiana Transmission is expected to have the largest increase of 83%.

Credit Metrics: AEP Transco's 2018 decision to fully fund the equity component of the eastern transmission entities to the 55% allowed in the settlement dramatically improved AEP Transco's forecast credit metrics. AEP Transco's FFO leverage approximated 4.4x as of Dec. 31, 2023, and is expected to average around 4.2x, which is well below its 4.8x downgrade threshold. Fitch assumes an increasing number of dividends being upstreamed from AEP Transco while maintaining the subsidiaries allowed equity capitalization. Absent a change in FERC ROE policy, AEP Transco's credit metrics are expected to be strong for its rating.

APCo

Weaker Credit Metrics: APCo's FFO leverage was 5.4x as of LTM Dec. 31, 2023, which is higher than expected. Fitch expects APCo's credit measures will improve with reasonable rate case decisions. In the absence of favorable regulatory outcomes, Fitch expects APCo will take necessary measures to return its FFO leverage to its 4.8x downgrade metric over the near-term forecast period. Failure to do so would result in negative rating action. APCo's earned ROE was 7.7%, as of LTM Sept. 30, 2024, which is somewhat improved from 6.8% at year-end 2023, but still below the company's authorized rate of return in Virginia of 9.5% and West Virginia 9.75%.

Virginia Legislation: In 2023, the state legislature passed legislation altering the triennial review period to biennial. The legislation authorizes use of securitization for deferred fuel and purchased power costs. Fitch considers the shorter time frame between rate cases as beneficial to APCo, given ongoing regulatory lag.

Virginia 2024 Rate Filing: As part of the transition from a three-year to a two-year rate review cycle, APCo was required to file a rate case for the 2023 period earnings period. In the March 29, 2024 filing, the company supports a net revenue increase of $82 million based upon a 10.8% ROE and 48.71% capitalization. An order is expected in November 2024 with rates effective January 2025. APCo's 2020-2022 triennial review resulted in a net revenue increase of $86 million, effective January 2024, based upon 9.5% ROE and 49% equity capitalization.

Uncertain West Virginia Regulation: Fitch considers the regulatory compact in West Virginia restrictive, owing to a history of lower than average ROEs and historic test years that exacerbate regulatory lag. APCo refiled its base case in West Virginia on Nov. 1, 2024 requesting a net $188 million increase based upon a 10.8% ROE and 48% equity capitalization. The company included in the filing a securitization option for

undepreciated plant balances, deferred fuel and storm expenses, among other items. Fitch assumes a reasonable outcome in APCo's West Virginia rate case, but has not assumed any securitization of costs as outlined above.

Significant Capex Program: Fitch expects APCo (combined with AEP affiliate Wheeling Power Co.) to expand its rate base by almost 6% annually, with expenditures of $4.4 billion in 2025-2027 and a five-year total of $7.9 billion. Spending will focus on capacity expansion, reliability investments and fleet transformation. Over the five-year capital plan, APCo plans to invest $3.7 billion in transmission and distribution assets, and $2.5 billion in renewables, $1.0 billion in environment and $647 million in corporate and other.

IMPCo

Unprecedented Demand Growth: IMPCo is experiencing strong commercial demand growth, predominately from data centers. The company recently raised its normalized retail sales forecast as follows: 2024 to 1.1% from 0.5%, 2025 to 17.3% from 2.2%, 2026 to 23.1% from 0.1%, and has introduced 2027 at 14.7%. The company is pursuing large low tariff modifications in Indiana in an effort to minimize the risk and rate impact to residential customers from required spending to meet the growing demand.

Significantly Increased Capex Program: IMPCo's 2025-2027 capex plan of $4.3 billion is 64% larger than the previous three-year plan, and the company's five-year plan of $7.3 billion is a 52% increase from the 2024-2028 plan. The company expects an over 9% average annual rate base growth over the next five-year period from a 2023 base. As an integrated operating company, IMPCo is also making significant investments in generating assets to meet load and investment in energy transition, in addition to T&D spending. T&D spending is expected to comprise 31% of the five-year capex plan, regulated renewables 31% and new generation 25%.

Supportive Regulation: Fitch believes the regulatory regimes in Indiana (80% of rate base) and Michigan (20% of rate base) are supportive. In addition to slightly above average ROEs, both states utilize recovery riders for environmental upgrades, fuel costs, energy-efficiency programs and other costs.

The Indiana Utility Regulatory Commission (IURC) approved most of the provisions of a settlement on May 8, 2024 which provided IMPCo with a two-step base rate increase. The company will implement a $16 million revenue increase for 2024 based upon 50%

equity capitalization and $50 million in 2025 based upon a 51.2% equity capitulation.

Both revenue increases are based upon an 9.85% ROE. In IMPCo's smaller Michigan service territory, the Michigan Public Service Commission (MPSC) approved a $17 million revenue increase based upon a 48% equity capitalization and 9.86% ROE. Both Indiana and Michigan use forecast test years, which Fitch considers supportive of credit quality.

Strong Credit Metrics: As a result of adequate rate relief, including the ability to utilize a forecast test year, IMPCo's credit metrics remained stable despite significant capex. IMPCo's FFO leverage is expected to average around 3.5x, which is strong for a with an 'A-' integrated utility.

KPCo

Base Rate and Securitization Filing: KPCo received an order from the Kentucky Public Service Commission (KPSC) in January 2024, approving with modifications the company's November 2023 rate settlement. The commission approved a net annual base rate increase of $60 million ($21 million net of riders moving into base rates) based upon a 9.75% ROE and 41.25% equity capitalization. The company had originally requested annual base rate increase of $93.9 million ($55 million net.) The base rate filing included a request to securitize certain regulatory assets as per Kentucky legislation.

In January 2024, the KPSC issued a financing order approving KPCo's securitization request. As of Sept. 30, 2024, regulatory asset balances expected to be recovered through securitization total $485 million. The costs include $297 million of plant retirement costs, $79 million of deferred storm costs, $49 million of deferred purchased power expenses, $58 million of under-recovered purchased power rider costs and $2 million of deferred issuance related expenses. The bonds are expected to be issued in 2025.

Challenged Service Territory: Unlike many of AEP's other subsidiaries, KPCo is not expected to enjoy the same strong growth. KPCo's service area is primarily driven by coal mining, which has contracted significantly in recent years. KPCo's residential customer count has declined about 6% over the last decade, while large commercial and industrial customer numbers have declined almost 20%. Growth in oil and gas extraction mitigates some of the effects of the secular decline in the coal industry. AEP and KPCo

have expanded their economic development activities and are working to facilitate business location and development in the subsidiary's eastern Kentucky service territory.

Stabilizing Credit Metrics: KPCo's credit metrics are stabilizing after having significantly weakened over recent years due to capex, a prior rate freeze, deferred fuel and purchased power expenses and continued service territory weakness. KPCo has been a perennially underearning asset, with 3.7% earned ROE as of LTM Sept. 30, 2024.

OPCo

Deteriorating Credit Metrics: OPCo's downgrade reflects the unresolved pressure on credit metrics as a result of high capex and significant growth in low margin commercial customers. As a result, OPCo's FFO leverage expected to average 4.7x over the forecast period, which is outside of the single-A downgrade threshold of 4.5x FFO leverage. Fitch does not expect AEP to take any supportive actions over the forecast period to improve the company's credit metrics.

Demand Growth Pressures: OPCo is experiencing unprecedented growth in its service territory, driven by data centers and other technology establishments. The company raised its normalized retail sales forecast as follows: 2024 to 6.7% from 2.9%, 2025 to 12.4% from 8.3%, 2026 to 13.0% from 5.6%, and has introduced 2027 at 7.7%. Much of this growth is expected to be low margin commercial customers and will require OPCo to spend significant capex. OPCo is seeking a new tariff for large load customers to minimize the risk and rate impact on residential customers from required spending to meet growing demand. Despite the lower margin from the new load, the additional volume will help share fixed costs, benefiting customer bills.

Capex Program: OPCo's capex budget continues to increase due to significant customer growth and spending to improve grid reliability. We expect the company to expand its rate base by about 6.6% annually in 2023-2029 with expenditures of $2.9 billion in 2025-2027 and $4.9 billion 2025-2029, both of which are 6% higher than last year's three-year and five-year forecasts..

Ohio Regulatory Construct: The majority of revenue is derived from rates established by Public Utilities Commission of Ohio (PUCO) under a multiyear electric security plan (ESP). The company filed an application in January 2023 for its fifth ESP covering June 2024 through May 2030. In April 2024, the PUCO approved a settlement that OPCo

reached in September 2023 with intervenors. The agreement covers June 2024 to May 2028, which is two-year shorter term than originally requested and is based upon 9.7% ROE versus the company's request of 10.65%. The settlement continued many of the existing riders; however, some are subject to revenue caps.

OPCo is required to file a base rate case by June 1, 2026 and the last base rate filing resulted in essentially no net revenue increase as rider amounts were rolled into base rates. The company's earned ROE as of the LTM ended Sept. 30, 2024 was 9.7%.

Low-Risk Business Profile: OPCo owns and operates regulated electricity T&D networks in Ohio under cost of service-based regulatory frameworks. Fitch estimates approximately 65%-70% of the company's rate base is regulated by PUCO and around 30%-35% by FERC. The company has minimal direct exposure to commodity prices.

OPCo is a 20% participant in Ohio Valley Electric Corporation (OVEC; BBB-/Stable) and currently recovers OVEC costs via a non-bypassable charge allocated to all electric distribution utilities in the state as per Ohio House Bill (H.B.) 6. Prior to the enactment of H.B. 6, OPCo recovered OVEC costs through a PUCO-approved power purchase agreement (PPA) rider.

PSO

Rate Case Settlement: PSO has reached a settlement in its most recent rate case that was filed on Jan. 31, 2024. If approved as filed, the company will be authorized a $70 million net revenue increase based upon 9.5% ROE and 51.1% equity capitalization. A commission decision is expected by year end. The company has implemented interim rates on Oct. 23, 2024.

The settlement does not include riders originally requested by the company for vegetation management and certain generation and transmission costs, which Fitch considers a negative development. The present rate case outcome comes on the heels of lower-than-expected outcome in its last rate case. In that proceeding the company was authorized a $47 million net revenue increase from its original net increase request of $103 million.

Capex Program: PSO's capex budget continues to increase significantly as it adds new renewable resources and improves grid reliability. PSO's 2025-2027 capex plan of $5.4 billion is 36% larger than the previous three-year plan, and the company's five-year plan

of $7.4 billion is a 35% increase from the 2024-2028 plan. Fitch expects the company to expand its rate base by about 12% through 2029 from a 2023 base. Over the five-year capital plan, PSO plans to invest $3.0 billion in renewables, $1.1 billion in new generation and $2.5 billion in T&D.

Pressured Credit Metrics: PSO's ongoing capex program coupled with unfavorable regulatory outcomes has resulted in higher leverage metrics. In order to maintain current ratings, Fitch will look for the improved regulatory outcomes. In addition, Fitch expects AEP to manage its capital allocation policy as it pertains to PSO to support the subsidiary's authorized regulatory capital structure. PSO's FFO leverage is expected to average in 2025-2027 to just at or slightly better than its downgrade threshold of 4.8x. PSO's earned ROE was 7.4% as of the LTM ended Sept. 30, 2024, significantly less than the company's authorized ROE of 9.3%

SWEPCo

Mixed Regulatory Environment: SWEPCo operates in three state jurisdictions, Louisiana (approximately 38% of rate base), Texas (approximately 36% of rate base) and Arkansas (approximately 20% of rate base), as well as FERC (approximately 6% of rate base). Fitch views the regulatory construct for integrated utilities in Louisiana as balanced, while Texas and Arkansas are more challenging.

SWEPCo's earned ROE was 7.5% as of the LTM ended Sept. 30, 2024, less than the company's authorized ROEs in its three state jurisdictions that range from 9.25%-9.5%. The company's low ROE reflects, in part, the ongoing lack of recovery of the Arkansas portion of the Turk coal plant. The company benefits from formula rates in Louisiana and Arkansas.

Increased Capex Program: SWEPCo's capex budget is increasing moderately as the company adds new renewable resources and improves grid reliability. Fitch expects SWEPCO to expand its rate base by about 8% annually through 2029 from a 2023 base. SWEPCo's 2025-2027 capex plan of $4.6 billion is 12% larger than the previous three-year plan, and the company's five-year plan of $6.9 billion is a 4% increase from the 2024-2028 plan. Over the five-year capital plan, SWEPCo plans to invest $2.2 billion in renewables, $1.0 billion in new generation and $3.0 billion in T&D.

Stable Credit Metrics: SWEPCo's FFO leverage is expected to average around 5.0x over the forecast period, assuming adequate rate relief, assuming constructive rate case

outcomes. As such, Fitch expects that SWEPCo will stay within Fitch's stated FFO leverage downgrade threshold of 5.5x over the forecast period.

DERIVATION SUMMARY

AEP's credit metrics are weaker than 'BBB' rated utility parent companies CMS Energy Corp. (CMS; BBB/Stable) and DTE Energy Company (BBB/Stable), but stronger than Emera Incorporated (Emera; BBB/Negative). All of the companies derive approximately 90%-95% of EBITDA from regulated assets. AEP is the largest of the aforementioned companies and has the most geographically diverse asset mix in the U.S., operating in 11 states; however, Emera also operates in Canada.

Fitch considers AEP weakly positioned in its current rating category with limited to no headroom within its current 5.8x FFO leverage downgrade threshold. AEP's FFO leverage is weaker than DTE's anticipated average FFO leverage of 5.3x through 2028 and CMS's anticipated average FFO leverage of 5.2x over the same period. Emera is expected to be more levered with forecast FFO leverage at 5.9x-6.3x in 2024-2026. Fitch estimates that AEP's parent level debt will be approximately 25% over the forecast. CMS and DTE parent level debt is expected to be 25%-30%. Emera's parent level debt is expected to be higher at about 40%, but is expected to come down to 30% post-asset sale and reduced debt.

KEY ASSUMPTIONS

--Consolidated capital expenditures of $33.3 billion over 2025-2027;

--Common dividends averaging $2.26 billion annually over 2025-2029 as per managements publicly stated forecast;

--Equity Issuances or asset monetizations totaling $5.350 billion over 2025-2029 as per management's publicly stated forecast;

--Constructive resolutions to base rate filings over the forecast period;

--Recovery of deferred fuel and purchased power expenses with minimal disallowances.

RATING SENSITIVITIES

AEP

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/ Upgrade

--Sustained FFO leverage at or below 4.8x;

--Track record of favorable regulatory outcomes in across AEP's service territory;

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/ Downgrade

-- FFO leverage exceeding 5.8x on a sustained basis;

--Inability to improve regulatory outcomes across AEP's service territory;

--Renewed emphasis on non-regulated or uncontracted investments.

AEP Transco

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/ Upgrade

--A positive rating action is not likely at this time, as AEP Transco's ratings are constrained by AEPs current rating, which is two notches lower.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/ Downgrade

--FFO leverage above 4.8x for a sustained period;

--Significant adverse changes to the regulatory framework;

--A downgrade of one notch or more at AEP would also likely trigger a downgrade of AEP Transco under Fitch's "Parent and Subsidiary Linkage Criteria."

AEPTX

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/ Upgrade

--Sustained FFO leverage at or below 5.0x;

--Continued balanced jurisdictional rate regulation.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/ Downgrade

--Sustained FFO leverage exceeding 6.5x on a sustained basis;

--Unexpected adverse regulatory development.

APCo, PSO, OPCo

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/ Upgrade

--Sustained FFO leverage at or below 4.0x;

--Track record of improved regulatory outcomes.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/ Downgrade

--Sustained FFO leverage exceeding 4.8x on a sustained basis;

--Unexpected adverse regulatory development.

SWEPCo

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/ Upgrade

--Sustained FFO leverage at or below 4.5x;

-- Track record of improved regulatory outcomes.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/ Downgrade

--Sustained FFO leverage exceeding 5.5x on a sustained basis;

--Unexpected adverse regulatory development.

IMPCo,

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/ Upgrade

--Sustained FFO leverage at or below 3.5x and an upgrade of AEP;

--Continued balanced jurisdictional rate regulation.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/ Downgrade

--Sustained FFO leverage exceeding 4.5x on a sustained basis;

--A downgrade of one notch or more at AEP;

--Unexpected adverse regulatory development.

KPCo

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/ Upgrade

--Sustained FFO leverage at or below 4.5x;

-- Track record of improved regulatory outcomes.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/ Downgrade

--Sustained FFO leverage exceeding 6.5x on a sustained basis;

--Downgrade of AEP.

LIQUIDITY AND DEBT STRUCTURE

Adequate Liquidity: AEP has a $5 billion committed revolving credit facility (RCF) maturing in March 2029 and a $1 billion committed facility maturing in March 2027, which serve as a backstop for AEP's CP program and LOC. AEP must maintain debt/total capitalization that does not exceed 67.5%, under the covenants to its credit agreement. This contractually defined percentage was 58.8% as of Sept. 30, 2024.

AEP had $5.491 billion of total liquidity comprised of $5.245 billion total available on its RCF, giving effect for CP outstanding of $755 million, and cash of $245.8 million as of Sept. 30, 2024. AEP has parent level corporate maturities of $1.3 billion in 2025 and $1.0 billion in 2027. AEP's regulated subsidiaries use a pool of corporate borrowing to meet short-term funding needs. The money pool operates according to regulators' approved terms and conditions, and includes maximum authorized borrowing limits for individual companies.

ISSUER PROFILE

AEP is a utility holding company of regulated electric utility subsidiaries serving portions of Arkansas, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia and West Virginia. In addition, the company has significant investments in FERC-regulated transmission assets.

SUMMARY OF FINANCIAL ADJUSTMENTS

As of Dec. 31, 2023, Fitch has made the following adjustments:

--$368.9 million of securitized debt has been removed from Fitch's AEP consolidated debt calculation;

--$221.8 million of securitized debt has been removed from Fitch's AEPTX debt calculation;

--$147 million of securitized debt has been removed from Fitch's APCo debt calculation;

--AEP debt is adjusted by assigning 50% equity credit to AEP's fixed-to-fixed reset rate junior subordinated debentures.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

MACROECONOMIC ASSUMPTIONS AND SECTOR FORECASTS

Click here to access Fitch's latest quarterly Global Corporates Macro and Sector Forecasts data file which aggregates key data points used in our credit analysis. Fitch's macroeconomic forecasts, commodity price assumptions, default rate forecasts, sector key performance indicators and sector-level forecasts are among the data items included.

ESG CONSIDERATIONS

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

RATING ACTIONS

ENTITY / DEBT	RATING			PRIOR
American Electric Power Company, Inc.	LT IDR	BBB	Affirmed	BBB
senior unsecured	LT	BBB	Affirmed	BBB
junior subordinated	LT	BB+	Affirmed	BB+
junior subordinated	LT	BBB-	Affirmed	BBB-

AEP Texas Inc.	LT IDR	BBB	Affirmed	BBB
senior unsecured	LT	BBB+	Affirmed	BBB+
AEP Transmission Company, LLC	LT IDR	A-	Affirmed	A-
senior unsecured	LT	A	Affirmed	A
Appalachian Power Company	LT IDR	BBB+	Affirmed	BBB+
senior unsecured	LT	A-	Affirmed	A-

PREVIOUS Page 1 of 2 10 rows NEXT

VIEW ADDITIONAL RATING DETAILS

Additional information is available on www.fitchratings.com

PARTICIPATION STATUS

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

APPLICABLE CRITERIA

Corporate Hybrids Treatment and Notching Criteria (pub. 12 Nov 2020)

Parent and Subsidiary Linkage Rating Criteria (pub. 16 Jun 2023)

Corporate Rating Criteria - Effective 3 November 2023 to 6 December 2024 (pub. 03 Nov 2023) (including rating assumption sensitivity)

Sector Navigators – Addendum to the Corporate Rating Criteria - Effective from 21

June 2024 to 6 December 2024 (pub. 21 Jun 2024)

Corporate Recovery Ratings and Instrument Ratings Criteria (pub. 02 Aug 2024) (including rating assumption sensitivity)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v8.1.0 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

AEP Texas Inc.	EU Endorsed, UK Endorsed
AEP Transmission Company, LLC	EU Endorsed, UK Endorsed
American Electric Power Company, Inc.	EU Endorsed, UK Endorsed
Appalachian Power Company	EU Endorsed, UK Endorsed
Indiana Michigan Power Company	EU Endorsed, UK Endorsed
Kentucky Power Company	EU Endorsed, UK Endorsed
Ohio Power Company	EU Endorsed, UK Endorsed
Public Service Company of Oklahoma	EU Endorsed, UK Endorsed
Southwestern Electric Power Company	EU Endorsed, UK Endorsed

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: https://www.fitchratings.com/understandingcreditratings. In addition, the following https://www.fitchratings.com/rating-definitions-document details Fitch's rating definitions for each rating s

READ MORE

SOLICITATION STATUS

The ratings above were solicited and assigned or maintained by Fitch at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

ENDORSEMENT POLICY

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be. Fitch's approach to endorsement in the EU and the UK can be found on Fitch's Regulatory Affairs page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.

S&P Global
Market Intelligence

Table 5: Electric and gas utility decisions

Electric utility decisions

Date	Company	Ticker	State	ROR (%)	ROE (%)	Common equity as % of capital	Test year ended	Rate base valuation method	Rate change amount ($M)	Footnotes
1/3/24	Public Service Co. of New Mexico	PNM	NM	6.47	9.26	49.61	12/24	Average	15.3	
1/9/24	NorthWestern Energy Group Inc.	NWE	SD	6.81	NA	NA	12/22	Average	21.5	B
1/19/24	Kentucky Power Co.	AEP	KY	NA	9.75	41.25	3/23	NA	60.0	B
1/30/24	UNS Electric Inc.	FTS	AZ	7.18	9.75	53.72	6/22	Year-end	9.8	
2/14/24	Jersey Central Power & Light Co.	FE	NJ	7.18	9.60	51.90	6/23	Year-end	85.0	B, D
2/28/24	Virginia Electric and Power Co.	D	VA	7.05	9.70	NA	12/25	Average	0.0	B, Z
3/1/24	Consumers Energy Co.	CMS	MI	5.86	9.90	41.13	2/25	Average	92.0	*
3/5/24	Arizona Public Service Co.	PNW	AZ	6.81	9.55	51.93	6/22	Year-end	491.7	
3/7/24	Oklahoma Gas and Electric Co.	OGE	AR	5.45	NA	38.39	3/23	Average	3.5	B, *
3/19/24	PacifiCorp	BRK.A	WA	7.29	NA	NA	6/22	NA	33.8	B, Z
3/26/24	Monongahela Power Co.	FE	WV	NA	9.80	NA	12/22	Average	105.0	B
	Q1 averages, total rate change amount			**6.78**	**9.66**	**48.25**			**1,304.9**	
	Observations			**13**	**12**	**11**			**16**	
4/11/24	Southwestern Public Service Co.	XEL	TX	NA	NA	NA	12/22	NA	65.0	B, I
4/17/24	AES Indiana	AES	IN	6.85	9.90	44.36	12/22	Year-end	71.0	B
4/18/24	Delmarva Power & Light Co.	EXC	DE	6.97	9.60	50.50	6/23	NA	42.3	B, D, I
5/8/24	Indiana Michigan Power Co.	AEP	IN	6.12	9.85	NA	12/24	Year-end	61.5	B, Z
6/10/24	Potomac Electric Power Co.	EXC	MD	7.13	9.50	50.50	3/24	Average	44.6	D
6/19/24	Cleco Power LLC		LA	NA	NA	NA	NA	NA	102.8	B
6/20/24	Duke Energy Carolinas LLC	DUK	SC	7.32	9.94	51.21	12/22	Year-end	233.8	B, Z
6/28/24	Fitchburg Gas and Electric Light Co. Inc.	UTL	MA	7.46	9.40	52.26	12/22	Year-end	3.9	D, Z
	Q2 averages, total rate change amount			**7.00**	**9.70**	**50.64**			**756.7**	
	Observations			**9**	**9**	**8**			**12**	
7/2/24	Indiana Michigan Power Co.	AEP	MI	6.03	9.86	40.20	12/24	Average	21.6	*
7/18/24	Central Hudson Gas & Electric Corp.	FTS	NY	6.92	9.50	48.00	6/25	Average	74.4	D
8/8/24	Dominion Energy South Carolina Inc.	D	SC	7.93	9.94	52.51	9/23	Year-end	219.5	B
8/13/24	MDU Resources Group Inc.	MDU	SD	7.01	NA	NA	12/22	Average	4.6	B, I
8/21/24	Duke Energy Florida LLC	DUK	FL	7.56	10.30	45.57	12/27	Year-end	470.0	B, Z
8/26/24	Green Mountain Power Corp.		VT	7.05	9.97	49.81	9/25	Average	38.1	15
9/17/24	Interstate Power and Light Co.	LNT	IA	7.29	9.87	51.00	9/25	Average	185.0	B
9/18/24	Appalachian Power Co.	AEP	WV	NA	NA	NA	NA	NA	NA	W
9/18/24	Sierra Pacific Power Co.	BRK.A	NV	7.43	9.74	52.40	9/23	Year-end	40.3	16
9/23/24	Idaho Power Co.	IDA	OR	7.3	9.50	50.00	12/24	Average	6.7	B
9/26/24	Upper Peninsula Power Co.		MI	NA	9.86	NA	12/25	Average	9.0	B
9/30/24	Massachusetts Electric Co.	NG.	MA	7.09	9.35	52.83	3/23	Year-end	90.2	D, Z
	Q3 averages, total rate change amount			**7.11**	**9.72**	**50.07**			**1,427.6**	
	Observations			**16**	**16**	**15**			**17**	
10/3/24	AEP Texas Inc.	AEP	TX	6.66	9.76	42.50	9/23	Year-end	45.5	B, D
10/9/24	Public Service Electric and Gas Co.	PEG	NJ	7.07	9.60	55.00	5/24	Year-end	440.5	B, D
10/10/24	Upper Michigan Energy Resources Corp.	WEC	MI	NA	9.86	NA	12/25	Average	6.6	B
10/17/24	Pacific Gas and Electric Co.	PCG	CA	7.66	10.28	NA	NA	NA	-114.9	18
10/17/24	San Diego Gas & Electric Co.	SRE	CA	7.45	10.23	NA	NA	NA	-24.9	18
10/17/24	Southern California Edison Co.	EIX	CA	7.66	10.33	NA	NA	NA	-104.4	18
10/24/24	Minnesota Power Enterprises Inc.	ALE	MN	7.25	9.78	53.00	12/24	Average	89.2	B, I
11/7/24	Duquesne Light Co.		PA	NA	NA	NA	12/25	NA	85.1	B, D
11/20/24	Appalachian Power Co.	AEP	VA	7.26	9.75	48.24	12/25	NA	9.8	20
11/21/24	Metropolitan Edison Co.	FE	PA	NA	NA	NA	12/25	NA	39.6	B, D
11/21/24	Pennsylvania Electric Co.	FE	PA	NA	NA	NA	12/25	NA	57.7	B, D
11/21/24	Pennsylvania Power Co.	FE	PA	NA	NA	NA	12/24	NA	25.0	B, D
11/21/24	West Penn Power Co.	FE	PA	NA	NA	NA	12/25	NA	102.7	B, D
11/25/24	Potomac Electric Power Co.	EXC	DC	7.29	9.50	50.50	12/26	Average	123.4	D, Z
11/26/24	Oklahoma Gas and Electric Co.	OGE	OK	NA	9.50	53.50	9/23	NA	126.7	B, I
12/3/24	Tampa Electric Co.	EMA	FL	6.90	10.50	NA	12/25	Average	184.9	Z
12/4/24	Evergy Missouri West Inc.	EVRG	MO	NA	NA	NA	6/23	NA	55.0	B
12/12/24	PECO Energy Co.	EXC	PA	NA	NA	NA	12/25	NA	354.0	B, D
12/13/24	Entergy Arkansas LLC	ETR	AR	5.58	NA	37.85	12/25	Average	82.7	B, 21, *
12/19/24	PacifiCorp	BRK.A	OR	7.40	9.50	50.00	12/25	Year-end	139.7	
12/19/24	San Diego Gas & Electric Co.	SRE	CA	NA	NA	NA	12/24	Average	177.5	Z
12/19/24	Wisconsin Electric Power Co.	WEC	WI	8.92	9.80	56.54	12/26	Average	313.5	Z
12/19/24	Wisconsin Public Service Corp.	WEC	WI	8.02	9.80	54.17	12/26	Average	85.1	Z
12/20/24	Avista Corp.	AVA	WA	7.32	9.80	48.50	6/23	Average	80.7	Z
12/20/24	Portland General Electric Co.	POR	OR	6.99	9.34	50.00	12/25	Year-end	100.0	
12/23/24	NSTAR Electric Co.	ES	MA	NA	NA	NA	NA	NA	55.9	D, 22
12/30/24	Otter Tail Power Co.	OTTR	ND	7.53	10.10	53.50	12/24	Average	36.4	B, I
	Q4 averages, total rate change amount			**7.29**	**9.84**	**50.39**			**2,598.4**	
	Observations			**17**	**18**	**14**			**32**	
2024	**Annual averages, total rate change amount**			**7.07**	**9.74**	**49.84**			**6,087.6**	
	Observations			**55**	**55**	**48**			**77**	

S&P Global
Market Intelligence

Table 5: Electric and gas utility decisions

Electric utility decisions

Date	Company	Ticker	State	ROR (%)	ROE (%)	Common equity as percent of capital	Test year ended	Rate base valuation method	Rate change amount ($M)	Footnot
01/14/25	Virginia Electric and Power Co.	D	NC	7.30	9.95	52.50	12/23	Year-end	36.8	
01/15/25	Public Service Co. of Oklahoma	AEP	OK	6.98	9.50	51.12	8/23	NA	119.5	E
01/15/25	Puget Sound Energy Inc.		WA	7.64	9.90	50.00	6/23	Average	529.9	
01/16/25	Bear Valley Electric Service Inc.	AWR	CA	8.07	10.00	57.00	12/26	Average	13.1	B
01/23/25	DTE Electric Co.	DTE	MI	5.69	9.90	39.23	12/25	Average	217.4	
01/28/25	Kentucky Utilities Co.	PPL	VA	NA	NA	NA	12/23	NA	8.3	
01/29/25	Duke Energy Indiana LLC	DUK	IN	6.19	9.75	43.28	12/25	Year-end	295.7	
01/31/25	PacifiCorp	BRK.A	ID	7.25	NA	NA NA		NA	57.9	B, Z
02/03/25	Southern Indiana Gas and Electric Co.	CNP	IN	6.77	9.80	48.28	12/25	Year-end	94.0	B
02/27/25	Virginia Electric and Power Co.	D	VA	7.20	9.70	51.99	3/26	Average	55.7	LIR, Z
03/04/25	Florida Public Utilities Co.	CPK	FL	6.34	10.15	42.42	12/25	Average	9.7	
03/11/25	Appalachian Power Co.	AEP	WV	NA	NA	NA	2/24	NA	20.4	LIR
03/12/25	Black Hills Colorado Electric Inc.	BKH	CO	6.90	9.40	48.00	12/23	Average	17.0	
03/13/25	CenterPoint Energy Houston Electric LLC	CNP	TX	6.61	9.65	43.25	12/23	Year-end	-33.5	B,
03/13/25	Versant Power		ME	6.84	9.35	50.00	6/23	Average	32.3	
03/20/25	Orange and Rockland Utilities Inc.	ED	NY	7.25	9.75	48.00	12/25	Average	-13.1	B, D
03/21/25	Consumers Energy Co.	CMS	MI	5.97	9.90	41.73	2/26	Average	153.8	
03/25/25	Liberty Utilities (Granite State Electric) Corp.	AQN	NH	7.71	9.10	52.00	12/22	Average	0.3	D, Z
03/26/25	Northern Indiana Public Service Co. LLC	NI	IN	NA	NA	NA	9/24	Year-end	23.2	LIR
03/26/25	Virginia Electric and Power Co.	D	VA	7.20	9.70	51.99	4/26	Average	7.0	LIR
	Q1 averages, total rate change amount			**6.94**	**9.72**	**48.17**			**1,645.3**	
	Observations			**17**	**16**	**16**			**20**	

MOODY'S
INVESTORS SERVICE

SECTOR IN-DEPTH
8 November 2023

Send Your Feedback

TABLE OF CONTENTS

Summary 1
Utilities will need at least $25 billion in equity in each of the next two years 2
Negative free cash flow will top more than $85 billion a year 2
Asset sales remain the preferred alternative to common equity issuance 4
Regulatory support will contribute to higher earnings and cash flow for some holding companies 6
Appendix 7

Contacts

Jairo Chung +1.212.553.5123
VP-Sr Credit Officer
jairo.chung@moodys.com

Ryan Wobbrock +1.212.553.7104
VP-Sr Credit Officer
ryan.wobbrock@moodys.com

Yulia Rakityanskaya +1.416.214.3627
Analyst
yulia.rakityanskaya@moodys.com

Lily Cochran +1.212.553.4795
Associate Analyst
lily.cochran@moodys.com

Tang Zheng +1.212.553.0300
Associate Analyst
tang.zheng@moodys.com

Michael G. Haggarty +1.212.553.7172
Associate Managing Director
michael.haggarty@moodys.com

Regulated Electric and Gas Utilities – US

Rising capital expenditures will require higher annual equity funding

Summary

» **Utilities will need at least $25 billion in equity in each of the next two years.** Amid high interest rates, a focus on customer affordability and regulatory desires around rate stability, US investor-owned utilities will likely increase their use of equity as a funding source to maintain a balanced mix of both debt and equity. Utilities will need at least $25 billion of equity in each of the next two years to finance their capital investment plans and support credit quality. This compares to the roughly $15 billion of equity raised in 2022.

» **Negative free cash flow will top more than $85 billion a year.** Sector free cash flow will be negative, exceeding more than $85 billion a year as investments outpace regulatory recovery cycles and shareholder dividend payout ratios stay around 75% on average. According to the latest spending plans of 28 utility holding companies, aggregate annual capital investment will total about $150 billion to $155 billion in both 2024 and 2025 while shareholder dividends grow at around 6% per year on average. Cash flow from operations, which we expect to range between $99 billion and $105 billion for the next two years, will not keep pace with cash outflows.

» **Asset sales remain the preferred alternative to common equity issuance.** Over the last three years, some utility holding companies have funded regulated rate base investments by divesting some or all of their noncore assets or by selling a minority stake in a subsidiary, rather than issuing holding company debt or block common equity. We expect holding companies to continue pursuing such options, especially as interest rates remain high. However, we think that more companies will consider block common equity issuance as the level of capital investment continues to increase.

» **Regulatory support will contribute to higher earnings and cash flow for some holding companies.** For some companies, continued regulatory support is likely to result in an improvement in earnings and cash flow beyond the 6% compound annual growth rate (CAGR) for net income that we assume in our calculation of negative annual free cash flow. Regulatory support, as well as a company's ability to navigate state legislative developments and to develop capital investment plans that are aligned with state's decarbonization initiatives, typically ensures timely recovery of investment costs, which increases internally generated cash flow.

Utilities will need at least $25 billion in equity in each of the next two years

Amid still-high interest rates and a focus on customer affordability and rate stability, US utility holding companies will likely be more measured in their use of debt financing for capital investments than in recent years. Many companies will seek ways to raise additional equity to fund capital investments and maintain their credit quality. Additional equity in the funding mix will support the companies to maintain credit metrics that commensurate with their respective credit ratings.

If the companies fund 70% of aggregate free cash flow with debt in 2024 and 2025, on average, as they have for the last three years, holding companies will need at least $25 billion in equity annually over the next two years to fund their capital investment plans. Although our estimate represents a significant increase from about $15 billion in 2022, an even higher level of equity funding is likely required to support credit quality. While equity funding surged to $31 billion in 2021, about $10.5 billion of that was attributable to the proceeds from a single transaction: PPL Corporation's (Baa1 stable) sale of Western Power Distribution plc to National Grid plc (Baa2 stable).

Exhibit 1

Equity needs to increase in 2024 and 2025

Actual and projected annual equity funding for 28 US utility holding companies with annual capital investment greater than $1 billion

	2020	2021	2022	2024 projected	2025 projected
Net income	$36,171	$38,728	$40,082	$45,036	$47,738
Funds from operation	$107,357	$110,388	$112,367	$119,440	$125,153
Cash flow from operation	$71,577	$81,004	$90,440	$99,031	$105,502
Dividend	($27,820)	($28,648)	($29,645)	($33,754)	($35,779)
Capital expenditure	($129,790)	($133,744)	($147,636)	($153,620)	($155,562)
Free cash flow	($86,032)	($81,388)	($86,841)	($88,343)	($85,842)
Total debt funding	$69,687	$50,274	$71,721	$61,840	$60,089
Total equity funding	$16,345	$31,114	$15,120	$26,503	$25,753
	81%	62%	83%	70%	70%
	19%	38%	17%	30%	30%

Sources: Company reports and Moody's estimates

Negative free cash flow will top more than $85 billion a year

Regulated utility capital spending plans remain robust as they seek to reduce their exposure to carbon transition and physical climate risks (see Environmental risks drive capital spending increases, pressuring credit quality). As a result, the sector is likely to continue to generate negative free cash flow and credit quality is likely to suffer unless utilities fund this negative free cash flow appropriately with a balance of debt and equity financing.

According to 28 rated utility holding companies' investment plans as of 15 September 2023, aggregate annual capital investments will total about $150 billion to $155 billion in 2024 and 2025 (see Exhibit 6). Annual negative free cash flow will likely range from $85 billion to $89 billion in both years based on the companies' spending plans; their projections of a 5% to 7% CAGR for net income over the next four to five years; and our assumption that the group's average dividend payout ratio will remain the same.

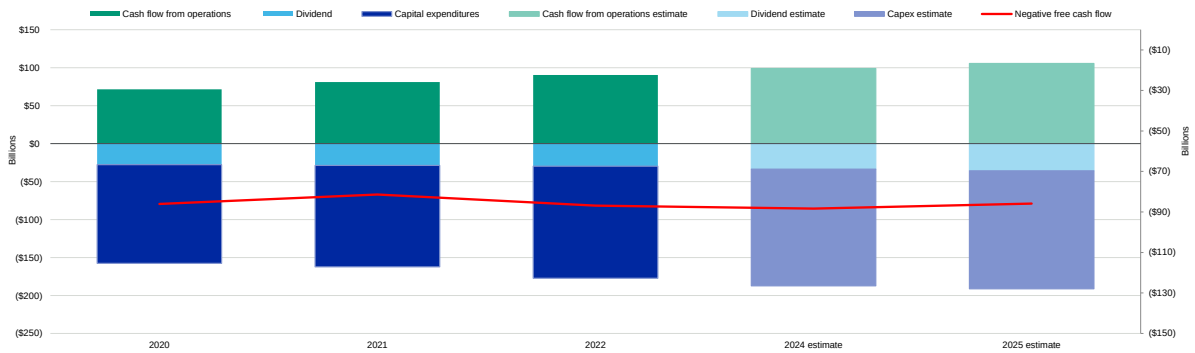
This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

The sector's aggregate cash flow from operations (CFO) continues to rise. We expect CFO to reach $99 billion and $105 billion in 2024 and 2025, respectively, up from $96 billion for the 12 months ended 30 June 2023, $90 billion in 2022 and $81 billion in 2021. Our calculation of free cash flow takes into account two key external cash requirements: dividends for shareholders and capital investments. We applied a dividend payout ratio of 75% to the forecasted years, which is consistent with the historical three-year average, to estimate the aggregate dividend requirement in 2024 and 2025.

Exhibit 2

Regulated utilities will likely generate aggregate negative free cash flow greater than $85 billion over the next two years

Annual cash flow from operations, dividends and capital expenditures for 28 rated US utility holding companies



Sources: Company reports and Moody's estimates

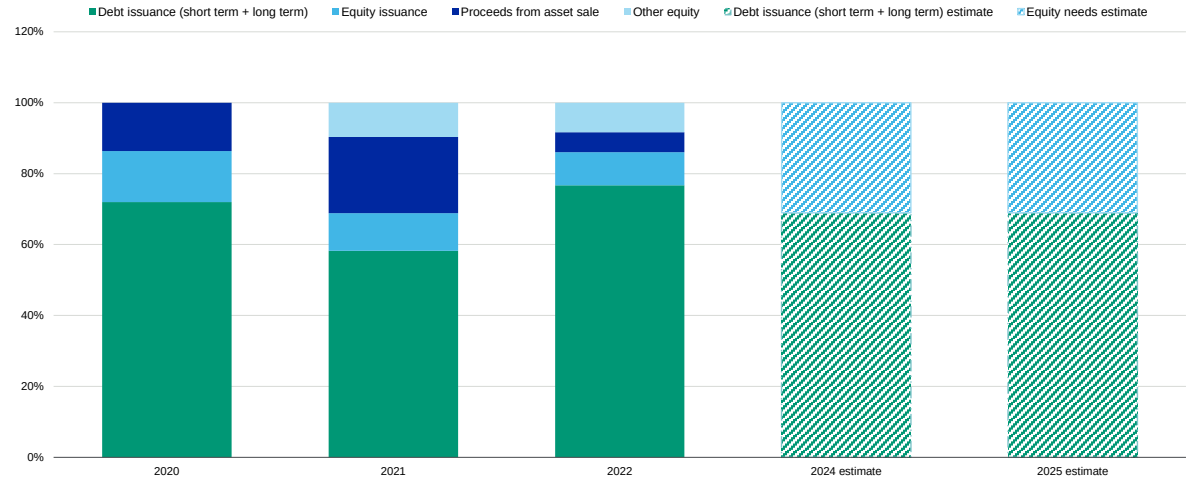
Because high interest rates are making new debt issuance more costly than before, utility regulators may heighten their scrutiny of how utilities finance rate base growth because they typically recover the cost of debt through higher customer rates. Also, it is possible that regulators may push back on the level of spending proposed by the companies. Although our analysis assumes that the debt-to-equity funding structure will remain about the same at the holding company level, it is possible that the equity portion may increase. We think that some companies recognize the need to raise additional equity as they continue to pursue robust capital investments to maintain credit quality. In addition, companies with credit metrics already under pressure also raise additional equity.

Some companies have announced future equity issuance plans as they updated their capital investment plans during the third quarter earnings announcements. Xcel Energy Inc. (Baa1 stable) rolled its five-year capital investment plan forward, increasing spending to $34 billion (2024-2028) from $29.5 billion (2023-2027). The company's updated financing plan now includes $2 billion of equity. WEC Energy Group Inc. (Baa1 stable) also announced its plan to issue equity. The company increased the size of its five-year capital plan by $2.3 billion to $20.4 billion and stated that its funding of the five-year plan will include $1.8 billion to $2.2 billion in common equity. These increased investments exclude investments related to its non-consolidated subsidiary American Transmission Company LLC (A2 stable).

Exhibit 3

Negative free cash flow continues to be funded primarily with debt

Breakdown of annual sources of financing used by US utility holding companies



Sources: Company reports and Moody's estimates

Asset sales remain the preferred alternative to common equity issuance

Over the last three years, some companies have funded rate base investments by divesting some or all of their noncore assets or by selling a minority stake in a subsidiary, rather than by issuing holding company debt or block common equity (see Recent business divestitures highlight key factors in our assessment of business risk). We expect companies to continue to pursue such options, especially as interest rates remain high. Moreover, some planned asset sales are driven more by a company's desire to reduce business risk in conjunction with its efforts to improve its balance sheet and to avoid additional debt issuance. Some companies may look to lower business risk by divesting non-utility assets or business segments to support key credit metrics.

Exhibit 4 summarizes straight equity issuances and equity raised through asset sales over the 18 months ended 30 June 2023. Most of the equity issuances were through at-the-market (ATM) equity offering programs although a handful of companies, such as NextEra Energy, Inc. (Baa1 stable), completed a large block equity or equity unit issuance. NextEra issued $2 billion of common equity units in September 2023 and plans to issue another $2 billion of equity or equity units in 2025.

Exhibit 4

Proceeds from asset sales have exceeded common equity issuance in recent months

Value of asset sales and common equity issuance by rated US utility holding companies in 2022 and the first half of 2023

	2022		2023			
	Annual		Q1		Q2	
Company	**Asset Sale**	**Equity Issuance/(Repurchase)**	**Asset Sale**	**Equity Issuance/(Repurchase)**	**Asset Sale**	**Equity Issuance/(Repurchase)**
Alliant Energy Corporation	$0	$25	$25	$0	$95	$76
Ameren Corporation	$0	$333	$0	$5	$0	$11
American Electric Power Company, Inc.	$218	$827	$0	$41	$1	$37
Atmos Energy Corporation	$0	$792	$0	$224	$0	$144
Avangrid, Inc.	$31	($1)	$6	$0	$11	($3)
Berkshire Hathaway Energy Company	$0	($870)	$0	$0	$0	$0
CenterPoint Energy, Inc.	$2,075	$0	$0	$0	$145	$0
CMS Energy Corporation	$0	$69	$0	$4	$0	$3
Consolidated Edison, Inc.	$0	$57	$3,927	($985)	$0	$12
Dominion Energy, Inc.	$746	$1,866	$0	$43	$0	$42
DTE Energy Company	$24	$1,245	$0	$0	$0	$0
Duke Energy Corporation	$0	$9	$76	$0	$35	$0
Edison International	$0	$13	$0	$10	$0	$3
Entergy Corporation	$0	$885	$0	$4	$11	$0
Evergy, Inc.	$0	$0	$0	$0	$0	$0
Eversource Energy	$0	$197	$0	$0	$0	$0
Exelon Corporation	$16	$599	$0	$10	$0	$9
FirstEnergy Corp.	$0	$0	$0	$0	$0	$0
NextEra Energy, Inc.	$0	$1,460	$0	$2,502	$0	$1
NiSource Inc.	$76	$154	$0	$3	$0	$3
PG&E Corporation	$0	$0	$0	$0	$0	$0
Pinnacle West Capital Corporation	$0	($3)	$0	($2)	$0	$0
PPL Corporation	$146	$0	$0	$0	$0	$0
Public Service Enterprise Group Inc	$1,586	($500)	$402	$0	$609	$0
Sempra	$1,732	($474)	$265	($31)	$0	$0
Southern Company (The)	$275	$1,808	$103	$15	$23	$7
WEC Energy Group, Inc.	$69	($36)	$5	($6)	$26	($1)
Xcel Energy Inc.	$0	$322	$0	$6	$0	$69
Average	$250	$313	$172	$66	$34	$15
Total	$6,994	$8,777	$4,809	$1,843	$956	$413

Sources: Company reports and Moody's Investors Service

Some pending transactions will result in a large equity raise over the next 18 months:

» FirstEnergy Corp. (Ba1 positive) has agreed to sell an additional 30% of its equity ownership in FirstEnergy Transmission (FET, Baa2 stable) for about $3.5 billion. The company intends to use part of the proceeds to repay some of its debt at the parent level and to fund its utilities' capital investment. FirstEnergy had already sold 19.9% of FET in 2022 for $2.375 billion. The proceeds from the planned sale of the FET ownership stake will be key to FirstEnergy achieving its goal of improving its funds from operations (FFO)-to-debt ratio to around 14%-15% by 2024 or 2025 from 10.5% in 2022.

» In November 2022, Dominion Energy, Inc. (Baa2 stable) began a strategic review to recalibrate its business mix and capital allocation. The company has since announced that it has agreed to divest all three of its natural gas distribution companies for $9.4 billion and divest its remaining 50% non-controlling interest in Cove Point LNG facility for about $3.3 billion. Dominion intends to use all proceeds to reduce parent-level debt.

» Eversource Energy (Baa2 stable) is in the advanced stages for the sale of the company's existing 50% interest in its three jointly owned contracted offshore wind projects with a total capacity of 1,758 MW. On 7 September 2023, the company successfully completed the sale of its 50% ownership interest in the uncommitted lease area of approximately 175,000 developable acres off the coast of Massachusetts for $625 million in an all-cash transaction.

Other companies are divesting assets to fund growing capital investment plans. NiSource Inc. (Baa2 stable) announced the sale of a 19.9% equity interest in its primary utility subsidiary Northern Indiana Public Service Company (Baa1 stable) for $2.15 billion. NiSource intends to use the proceeds to fund its previously announced $15 billion capital investment plan. Other companies such as American Electric Power Company Inc. (Baa2 stable) and Duke Energy Corporation (Baa2 stable) are divesting smaller non-utility renewable or distributed generation businesses to fund investments at their major utility subsidiaries.

Exhibit 5

Asset sales poised to raise significant equity over the next 12 months

Planned asset sales by rated US utility holding companies

Company	Transaction	Proceeds (in millions)	Status
American Electric Power, Inc.	Non-core, non-utility assets divestitures (including small transmission projects, renewable projects)	$943	Announced, expect to complete throughout 2024
Dominion Energy, Inc.	Sale of three regulated gas utility subsidiaries	$9,000	Announced
Dominion Energy, Inc.	Sale of 50% noncontrolling interest in the Cove Point LNG export facility	$3,000	Closed in September 2023
Duke Energy Corp	Sale of utility-scale renewable project and distributed generation business	$1,359	Utility-scale renewable project sale completed in October 2023; $259 million distributed generation business sale pending
Eversource Energy	Divestiture of offshore wind projects	$625	Announced and ongoing; $625 million sale of uncommitted lease area completed
FirstEnergy Corp.	Additional sale of FET equity ownership, decreasing its ownership from 80.1% to 50.1%	$3,500	Announced, 1Q24 closing expected
NiSource Inc.	Sale of 19.9% equity ownership in NIPSCO	$2,150	Announced, YE 2023 closing expected
PG&E Corp.	Potential sale of up to 49.9% of non-nuclear generating assets	TBD	Announced

Sources: Company reports and Moody's Investors Service

Regulatory support will contribute to higher earnings and cash flow for some holding companies

For some holding companies, continued regulatory support is likely to result in an improvement in earnings and cash flow beyond the 6% CAGR for net income that we assume in our calculation of annual free cash flow. Some companies' earnings guidance projects growth of between 6% and 8%, which implies steady regulatory support for these companies' capital investment programs. Regulatory support, as well as a company's ability to navigate legislative developments and to develop capital investment plans that are aligned with state's decarbonization initiatives, typically ensures timely recovery of investment costs, which increases internally generated cash flow.

For example, Atmos Energy Corporation (A1 stable) plans to invest about $15 billion in its natural gas distribution and transmission system through 2027. Atmos is able to fund its capital investments without needing to raise significant equity partly because it has long worked with regulators to reduce delays in investment cost recovery. About 90% of its annual spending is recovered within six months and about 99% within 12 months. The company plans a $8.5 billion to $9.5 billion of incremental long-term financing for its five-year investments through 2027. We do not expect a significant equity issuance to support its credit quality given its strong balance sheet that would withstand additional debt.

Public Service Enterprise Group Incorporated (PSEG, Baa2 stable) is pursuing a robust utility capital investment plan of $15.5 billion to $18 billion through 2027, of which more than 90% is aligned with New Jersey's clean energy policies. Its operating utility Public Service Electric and Gas Company (PSE&G, A3 stable) recovers investment costs through various regulatory mechanisms to shorten cost recovery lag. The company also recovers most of its investment costs on a contemporaneous basis, improving its internally generated cash flow. PSEG, which realigned its business mix in 2022 when it sold off all of its non-nuclear generation assets, has stated that it has no plans to raise additional equity by issuing common stocks or selling assets.

Appendix

Exhibit 6

Five-year capital investment plans for rated US utility holding companies as of 15 September 2023

Company	2022	LTM 2Q23	2024 projected	2025 projected	2026-2027 projected [1]	Five-year plan
Alliant Energy Corporation	$1,468	$1,695	$2,120	$2,120	$4,240	$10,600
Ameren Corporation	$3,458	$3,770	$3,940	$3,940	$7,880	$19,700
American Electric Power Company, Inc.	$7,216	$8,134	$8,000	$8,000	$16,000	$40,000
Atmos Energy Corporation	$2,469	$2,827	$3,000	$3,000	$6,000	$15,000
Avangrid, Inc.	$2,366	$2,601	$2,120	$2,120	$4,240	$10,600
Berkshire Hathaway Energy Company	$7,641	$8,284	$9,058	$9,058	$18,115	$45,288
CenterPoint Energy, Inc.	$4,909	$5,116	$4,140	$4,140	$8,280	$20,700
CMS Energy Corporation	$2,392	$2,491	$2,900	$3,200	$6,300	$15,500
Consolidated Edison, Inc.	$4,465	$4,908	$4,846	$4,963	$5,938	$19,683
Dominion Energy, Inc. [2]	$7,709	$9,231	$10,700	$10,600	$15,400	$47,000
DTE Energy Company	$3,393	$3,738	$4,600	$4,600	$9,200	$23,000
Duke Energy Corporation	$12,197	$13,345	$13,000	$13,000	$26,000	$65,000
Edison International	$5,821	$5,824	$6,200	$7,500	$16,100	$35,800
Entergy Corporation	$5,389	$4,906	$5,333	$5,333	$10,667	$26,667
Evergy, Inc.	$2,192	$2,180	$2,006	$2,461	$4,734	$11,604
Eversource Energy	$3,759	$4,255	$4,304	$4,373	$8,379	$21,519
Exelon Corporation	$7,818	$8,405	$7,825	$7,825	$7,825	$31,300
FirstEnergy Corp.	$3,023	$3,275	$3,900	$4,100	$5,600	$17,000
NextEra Energy, Inc.	$19,166	$22,749	$8,250	$8,250	$8,250	$33,000
NiSource Inc.	$2,242	$2,487	$3,000	$3,000	$6,000	$15,000
PG&E Corporation	$9,988	$10,119	$10,320	$10,320	$20,640	$51,600
Pinnacle West Capital Corporation	$1,587	$1,685	$1,800	$1,850	$3,700	$9,020
PPL Corporation	$2,173	$2,254	$2,700	$3,400	$6,800	$15,300
Public Service Enterprise Group Inc	$2,936	$3,089	$3,050	$3,055	$7,295	$16,750
Sempra	$5,340	$7,261	$8,289	$8,050	$15,481	$40,248
Southern Company (The)	$9,269	$9,850	$8,100	$7,700	$15,600	$40,500
WEC Energy Group, Inc.	$2,345	$2,390	$3,908	$3,384	$7,285	$18,172
Xcel Energy Inc.	$4,668	$5,227	$6,200	$6,270	$11,630	$29,500
Total	**$147,400**	**$162,097**	**$153,620**	**$155,562**	**$283,598**	**$745,003**

[1] 2026-2027 projected capital investment includes Moody's estimates when the companies have not yet announced their investment plan.
[2] Dominion's metrics reflect investment plan prior to strategic review.
Source: Company reports

Exhibit 7

US utilities' ESG scores reflect moderate to high credit exposure to environmental risks, which contributes to higher capital expenditures

Company	Credit impact score	Environmental issuer profile score	E-IPS carbon transition category score	E-IPS physical climate risks category score
Alliant Energy Corporation	CIS-3	E-3	3	3
Ameren Corporation	CIS-3	E-3	3	3
American Electric Power Company, Inc.	CIS-3	E-3	2	3
Atmos Energy Corporation	CIS-3	E-3	3	3
Avangrid, Inc.	CIS-3	E-4	2	4
Berkshire Hathaway Energy Company	CIS-2	E-3	3	3
CenterPoint Energy, Inc.	CIS-3	E-4	3	4
CMS Energy Corporation	CIS-3	E-3	3	3
Consolidated Edison, Inc.	CIS-3	E-4	3	4
Dominion Energy, Inc.	CIS-3	E-4	3	4
DTE Energy Company	CIS-3	E-3	3	3
Duke Energy Corporation	CIS-3	E-4	3	4
Edison International	CIS-4	E-5	2	5
Entergy Corporation	CIS-3	E-4	3	4
Evergy, Inc.	CIS-3	E-3	3	3
Eversource Energy	CIS-3	E-4	2	4
Exelon Corporation	CIS-3	E-4	2	4
FirstEnergy Corp.	CIS-4	E-3	2	3
NextEra Energy, Inc.	CIS-3	E-4	2	4
NiSource Inc.	CIS-3	E-3	3	3
PG&E Corporation	CIS-5	E-5	2	5
Pinnacle West Capital Corporation	CIS-3	E-4	2	3
PPL Corporation	CIS-3	E-3	2	3
Public Service Enterprise Group Inc	CIS-3	E-4	2	4
Sempra	CIS-3	E-4	3	4
Southern Company (The)	CIS-3	E-4	3	4
WEC Energy Group, Inc.	CIS-3	E-3	3	3
Xcel Energy Inc.	CIS-3	E-3	3	3

Source: Moody's Investors Service

© 2023 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.
CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.
ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Publications.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from $1,000 to approximately $5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Charter Documents - Director and Shareholder Affiliation Policy."
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.
MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY100,000 to approximately JPY550,000,000.
MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

REPORT NUMBER 1382651

MOODY'S
INVESTORS SERVICE

S&P Global
Ratings

RatingsDirect®

The Outlook For North American Regulated Utilities Turns Stable

May 18, 2023

Key Takeaways

- S&P Global Ratings has revised its outlook for the investor-owned North American regulated utility industry to stable from negative.
- Our reassessment follows three years in which downgrades significantly outpaced upgrades.
- Significant risks for the industry remain, including inflation, record levels of capital spending, and the practice of many companies to operate with minimal financial cushion from their downgrade thresholds.
- We expect future downgrades and upgrades will be more balanced over the next two years.

PRIMARY CREDIT ANALYST

Gabe Grosberg
New York
+ 1 (212) 438 6043
gabe.grosberg
@spglobal.com

SECONDARY CONTACTS

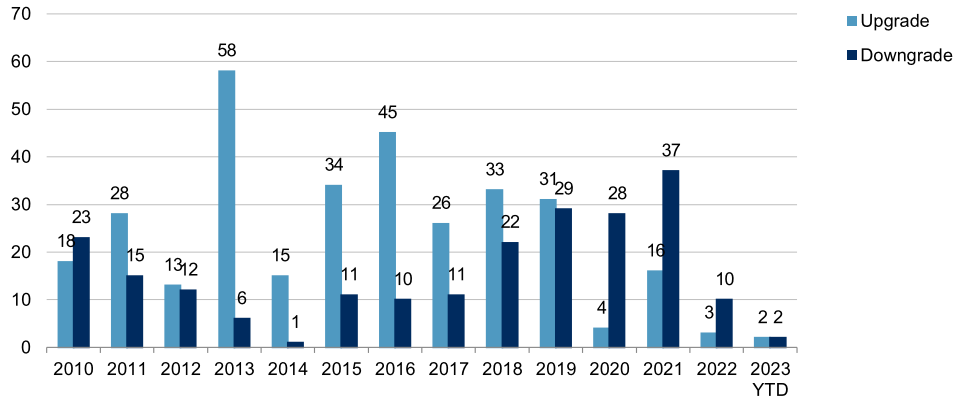
Daniela Fame
New York
+1 2124380869
daniela.fame
@spglobal.com

Joe Marino
New York
1 (212) 438 3068
joe.marino
@spglobal.com

In early 2020, S&P Global Ratings revised the outlook for the investor-owned North American regulated utility industry to negative from stable. This was the first time in more than a decade that our outlook on the sector was negative. Since 2020, downgrades outpaced upgrades by more than 3:1, weakening the median rating on the sector to 'BBB+' from 'A-', the first time ever that the median rating was in the 'BBB' category. Prior to 2020, the last year that the industry's downgrades outpaced upgrades was in 2010.

Chart 1

North American regulated utilities upgrade and downgrade comparison



As of May 15, 2023. Source: S&P Global Ratings.

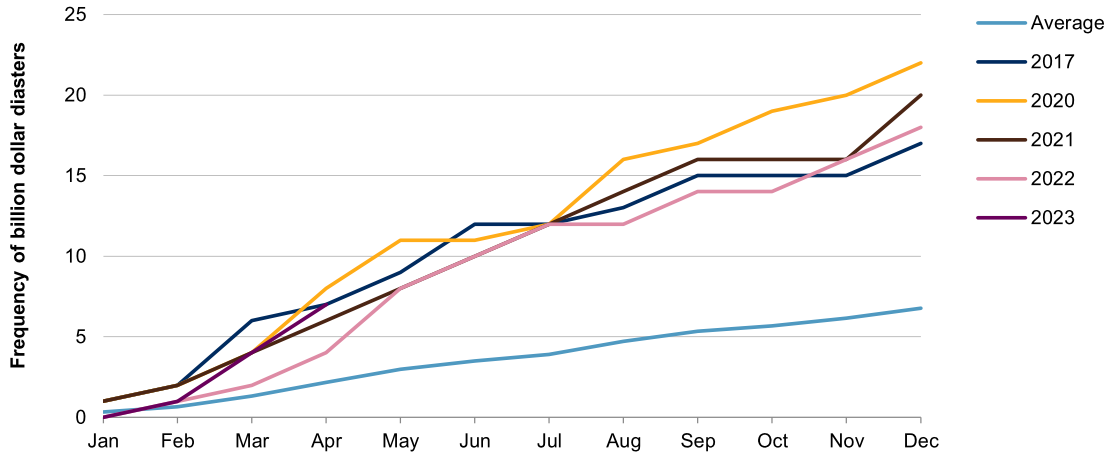
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

The Impact Of ESG Factors And High Capital Spending

Credit quality weakened over the past three years primarily as a result of two developments. One is the increasing influence of environmental, social, and governance (ESG) credit factors on our credit analysis, which considers companies' exposures to such factors as climate risks or governance structure. The other is high capital spending and the failure to fund such robust spending in a credit-supportive manner. Physical risks such as exposure to wildfires, storms, extreme temperature events, and hurricanes, remains a considerable risk for the industry. In fact, over the past three years the U.S. experienced its highest level of damages ever from physical risks (chart 2). In response, the industry continues to proactively work with regulators, implementing various credit-supportive tools. These initiatives include increasing storm reserve accounts, self-insurance, securitization, system hardening, and wildfire mitigation programs. While these tools will reduce some of this risk, we expect that because of climate change, the industry will always be somewhat vulnerable to physical risks that could potentially harm credit quality.

Chart 2

Frequency of U.S. billion dollar weather disasters



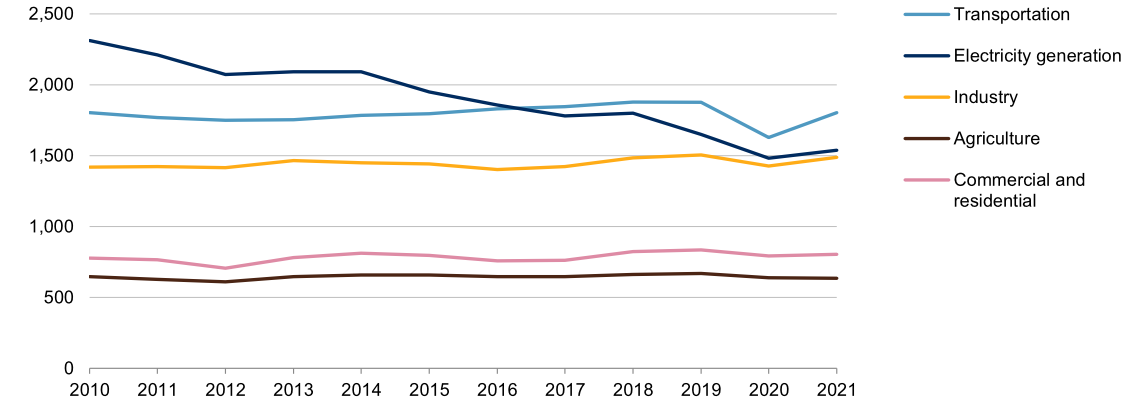
Average is 1980-2023. Source: National Oceanic and Atmospheric Administration.

Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

The industry's disproportionate greenhouse gas (GHG) emissions compared to other industries and governance deficiencies also constrained its credit quality over the past three years. In response, the industry took steps to close coal plants, significantly increase its reliance on renewable energy, and reduce its total GHG emissions. Currently, almost all the companies we rate have tangible net zero emission targets and the industry has already reduced its GHG emissions by over 30% during the past decade, which we view as supportive of credit quality.

Chart 3

U.S. electric generation shows a significant reduction in GHG emissions



Source: U.S. Environmental Protection Agency.

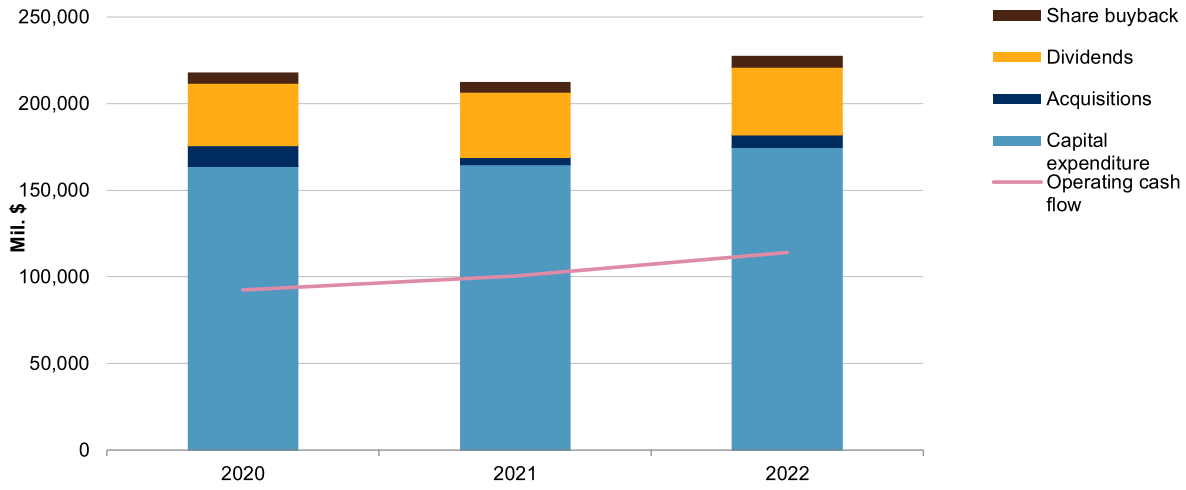
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Over the past three years, two large companies experienced material governance deficiencies, including charges of bribery and insufficient internal controls. Since these incidents, other utilities have strengthened their internal controls, reducing the likelihood that another material governance deficiency will be identified within the industry. Overall, we believe that utilities have appropriate internal controls in place and are unlikely to experience similar problems over the next two years.

Investor-owned North America regulated utilities (electric, gas, and water) have increased their spending exponentially over the past two decades at a compounded annual growth rate of about 9%. We expect that the industry's capital spending for 2023 will reach a record at about $200 billion. We expect that utilities will even significantly increase this level of spending over the next two decades, as they step up spending on safety, reliability, energy transition programs, and on initiatives in support of electric vehicles. As a result, the industry's annual negative discretionary cash flow is expected to continue to remain consistently greater than $100 billion. Because utilities have not consistently funded these deficits in a credit-supportive manner, the industry's credit measures and credit quality have weakened.

Chart 4

North American regulated utilities' reported cash flows and primary uses



Data represents North American investor-owned electric, gas and water utilities. Source: S&P Global Ratings.

Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

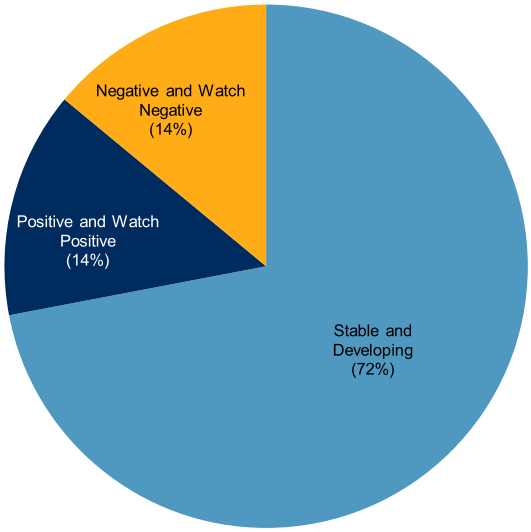
The Stable Industry Outlook Mirrors Improving Economic Conditions

Our outlook for the industry as a whole reflects the increasing percentage of utilities with a stable outlook, lower natural gas prices, and a slowing of inflation. At year-end 2020, about 35% of the companies we rate in the sector had a negative outlook compared with only about 14% as of May 2023. Furthermore, for the first time in years, the current percentage of utilities with a positive outlook (14%) is the same percentage of those with a negative outlook. Much of this upside reflects the financial cushion that companies have after a downgrade and the more stringent internal controls they've implemented following the identification of several governance deficiencies.

The Outlook For North American Regulated Utilities Turns Stable

Chart 5

North American regulated utilities industry outlook 2023 YTD



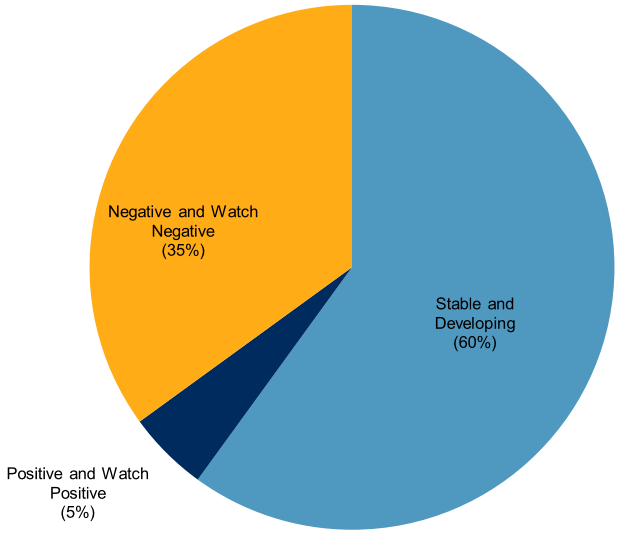
Data as of May 15, 2023 Source: S&P Global Ratings.

Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

The Outlook For North American Regulated Utilities Turns Stable

Chart 6

North American regulated utilities industry outlook 2020

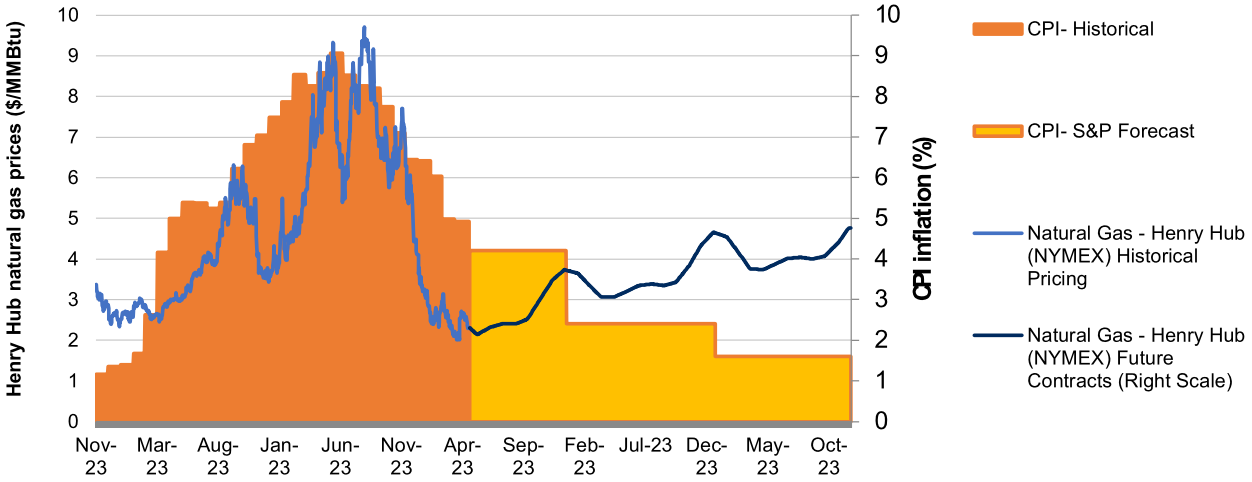


Source: S&P Global Ratings.
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

More recently, economic indicators have gradually improved. Inflation is increasing at a considerably slower pace with April's consumer price index (CPI) at 4.9% compared 9.1% in June 2022. Additionally, natural gas prices have significantly retreated from August 2022 highs when prices at Henry Hub approximated $9 per MMbtu. These healthier economic developments are consistent with S&P Global economists' forecast of CPI at about 4.7% by year-end 2023. This economic strengthening is also important for the utility industry. When gas prices peaked during 2022, many utilities deferred the recovery of these higher costs and are only now starting to bill ratepayers. The recent drop in natural gas prices provides some customer bill cushion, allowing the utilities to bill customers for the previously deferred higher commodity costs without overwhelming the customer.

Chart 7

Natural gas prices and inflation



Source: As of May 1, 2023. CAP IQ; S&P Global Ratings, Economic Outlook U.S. Q2 2023: Still Resilient, Downside Risks Rise.

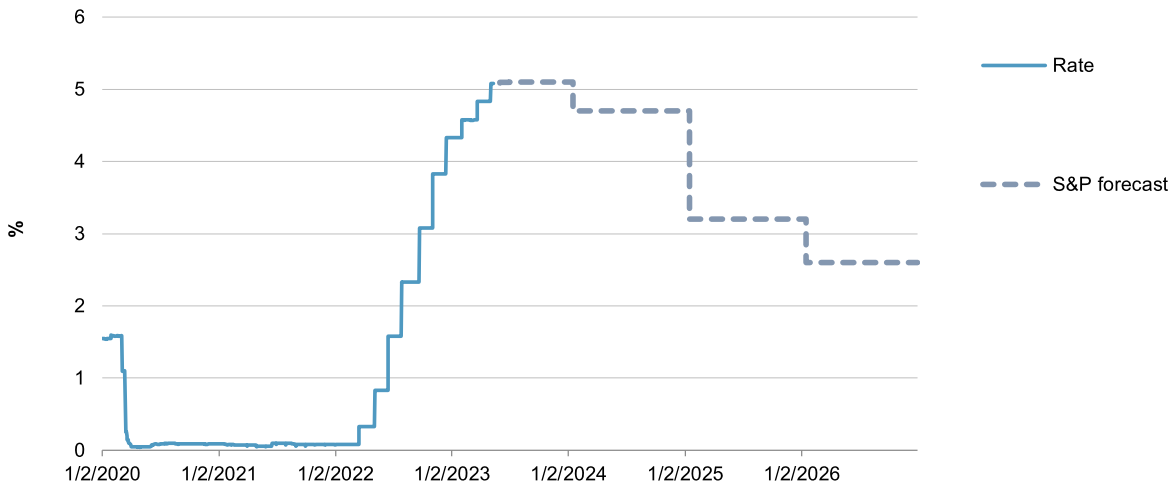
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

A More Balanced Upgrade And Downgrade Scenario Going Forward

Despite the improvement in economic data, we expect inflation, rising interest rates, higher capital spending, and the strategic decision by many companies to operate with only minimal financial cushion from their downgrade thresholds to continue to pressure the industry's credit quality. Throughout 2022 and so far in 2023, the Federal Reserve has consistently raised interest rates to reduce the pace of inflation. While these actions appear to have had a positive effect on slowing inflation, there's still been a modest weakening in the industry's financial measures because of inflation and rising interest rates. An environment of continuously rising costs tends to weaken the industry's financial measures because of the timing difference between when the higher costs are incurred and when they are ultimately recovered from ratepayers.

Chart 8

Federal Reserve funds rate



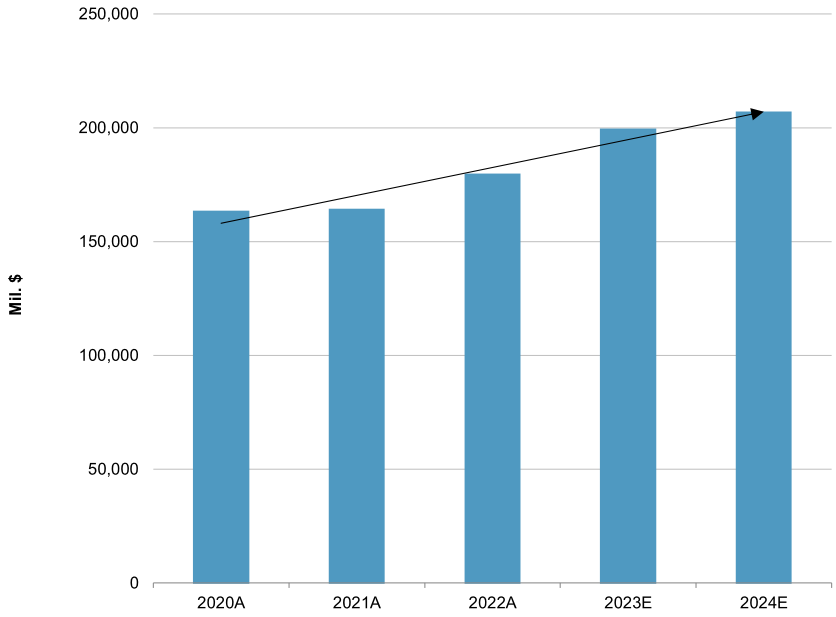
Sources: Federal Reserve Bank of New York; S&P Global Ratings, Economic Outlook U.S. Q2 2023: Still Resilient, Downside Risks Rise.

Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

We expect that utilities' capital spending will continue to gradually rise over the next decade as they allocate funds for safety, reliability, energy transition programs, and to support electric vehicle initiatives. We believe the Inflation Reduction Act (IRA) that provides for long-term tax credits for renewables, batteries, nuclear power, and hydrogen, and allows for the relatively easy transferability of these tax credits, only supports our view that utilities will step up spending over the longer term. Although this growth is vital for utilities to meet their goals, if they don't sufficiently fund it in a credit-supportive manner, their credit measures and credit quality could decline.

Chart 9

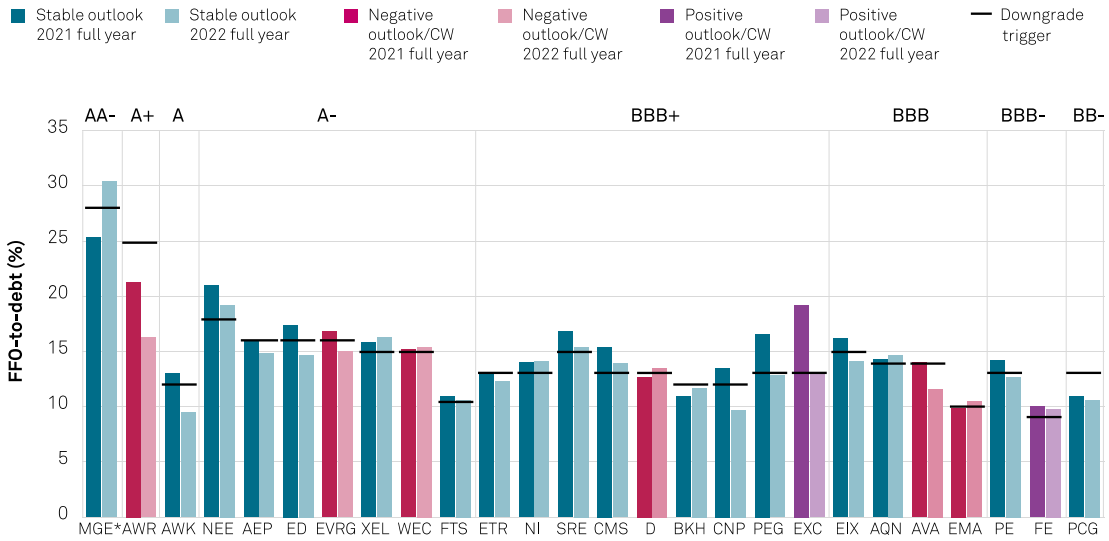
North American regulated utilities' rising capital expenditures



Data as of May 1, 2023. a--Actual. e-- Estimates. Source: S&P Global Ratings.
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

About one-third of the industry is strategically managing their financial performance with only minimal financial cushion, reflecting funds from operations (FFO) to debt that is less than 100 basis points above the downgrade threshold. Because utility cash flows are typically more stable than those of many other industries, this strategy of operating with higher leverage works well under ordinary economic conditions. However, when unexpected risks occur or base-case assumptions deviate from expectations, the utility's credit quality can weaken.

Minimal financial cushion



*MGEE (MGE Energy Inc) is parent company of Madison Gas & Electric, this rating relates to Madison Gas & Electric.
As of May 15, 2023. Source: S&P Global Ratings.
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Although North American regulated utilities are exposed to these risks, our stable outlook on the industry takes into account improving economic conditions. We expect that over the next two years industry upgrades and downgrades will be more balanced and consistent with the sector's longer-term stable trends.

This report does not constitute a rating action.

Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

S&P Global
Ratings

RatingsDirect®

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

January 20, 2022

PRIMARY CREDIT ANALYST

Gabe Grosberg
New York
+ 1 (212) 438 6043
gabe.grosberg
@spglobal.com

SECONDARY CONTACT

Minni Zhang
New York
minni.zhang
@spglobal.com

Key Takeaways

- For the second consecutive year rating downgrades outpaced upgrades for the investor-owned North American regulated utility industry, causing the median rating on the industry to fall to the 'BBB' category.
- During 2021, credit quality was primarily pressured by weak financial measures and Environmental, Social, and Governance (ESG) credit risks. We expect that these risks will continue to pressure the credit quality of the industry in 2022.
- Our outlook on the investor-owned North American regulated utility industry remains negative. We believe that 2022 could be the third consecutive year that downgrades outpace upgrades.
- Recently, several new credit risks have emerged, including inflation, higher interest rates, and rising commodity prices. Persistent pressure from any of these risks would likely lead to a further weakening of the industry's credit quality in 2022.

Credit quality again weakened in 2021 and represented the second consecutive year that downgrades outpaced upgrades. Prior to 2020, the last time downgrades outpaced upgrades was 2010, reflecting a near decade of consistent improvement to credit quality.

During 2021 downgrades were primarily the result of weak financial measures and ESG-related credit risks. We downgraded Atmos Energy Corp. (A-/Negative/A-2), Duke Energy Corp. (BBB+/Stable/A-2), One Gas Inc. (BBB+/Negative/A-2), Entergy Louisiana (BBB+/Stable), and Entergy New Orleans LLC (BB/Developing/--) primarily because of rising environmental or physical risks. Conversely, downgrades to National Grid North America Inc. (BBB+/Stable/A-2), Southwest Gas Holdings Inc. (BBB-/Negative/--), Southern Co. (BBB+/Stable/A-2), and Pinnacle West Capital Corp. (BBB+/Negative/A-2) primarily reflected weak financial measures.

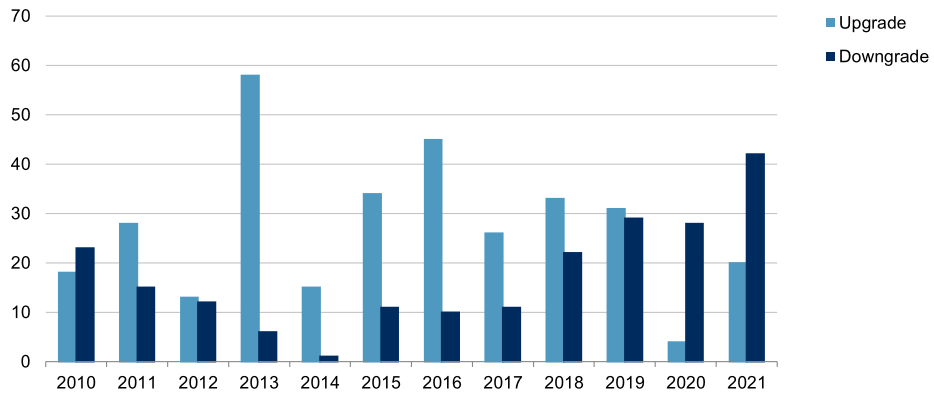
ESG credit risks and weak financial measures similarly affected the outlooks on several utilities. We revised the outlook on OGE Energy Corp. (BBB+/Negative/A-2) to negative from stable reflecting physical risks while the outlooks for Algonquin Power & Utilities Corp. (BBB/Negative/--), American Electric Power Co. Inc. (A-/Negative/A-2), Cleco Corporate Holdings LLC (BBB-/Negative/--), and Evergy Inc. (A-/Negative/A-2) were all revised to negative from stable because of relatively weak financial measures for their current rating.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 1

North American Regulated Utilities Rating Actions--Upgrades And Downgrades



Source: S&P Global Ratings and company data.

Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

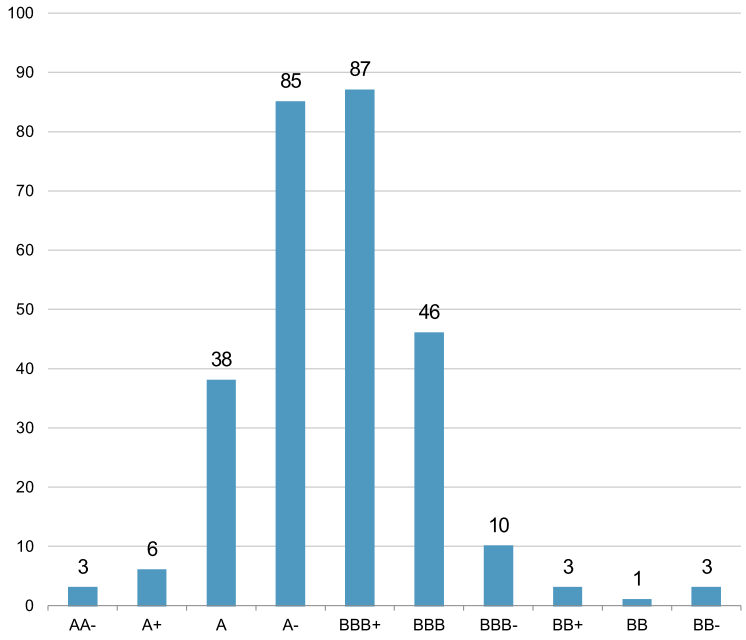
Because the industry has experienced such a significant weakening of credit quality over the past two years, the median and modale ratings for the industry fell for the first time ever to the 'BBB' category from the 'A' category. In 2021 the percentage of companies in the 'A' category dropped to 45% from 58% in 2020 and the percentage of companies in the 'BBB' category increased to 51% in 2021 from 34% in 2020. Despite the overall weakening of credit quality in 2021, there were some areas of improvement, specifically, the number of high-yield companies decreased in 2021 to about 2% from about 7% in 2020. However, this is mostly attributable to the multiple notch upgrades related to FirstEnergy Corp. (BBB-/Stable/--), which reflected the significant steps the company took to remediate the material weakness identified within its internal controls. We believe that this strengthening in credit quality is limited to FirstEnergy and is not reflective of the broader industry risks.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 2

North American Regulated Utilities Year-End 2021 Ratings Distribution



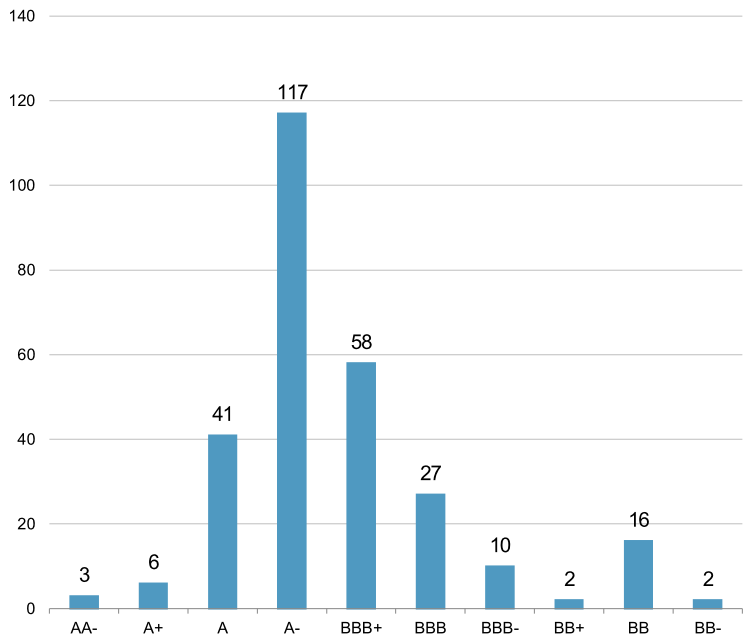
Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 3

North American Regulated Utilities 2020 Year-End Ratings Distribution



Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

Industry Credit Quality Will Likely Continue To Weaken in 2022

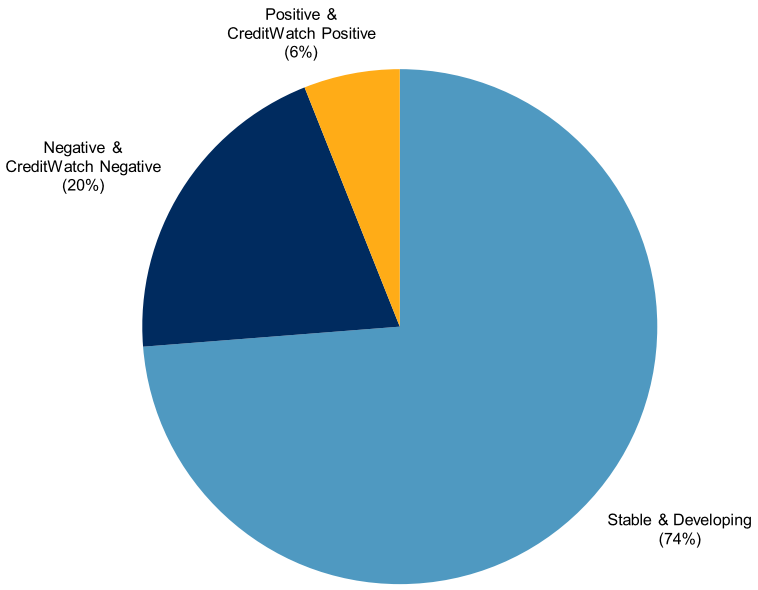
A relatively high percentage of the industry (about 20%) continues to have a negative outlook. While this is materially lower than the approximate 35% of the industry with negative outlooks at year-end 2020, it remains elevated compared to historical averages (approximately 10%). Conversely, the positive outlooks are at just about 5%. As such, we believe it is more likely that downgrades will continue to outpace upgrades in 2022.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 4

North American Regulated Utilities Industry Year-End 2021 Outlooks



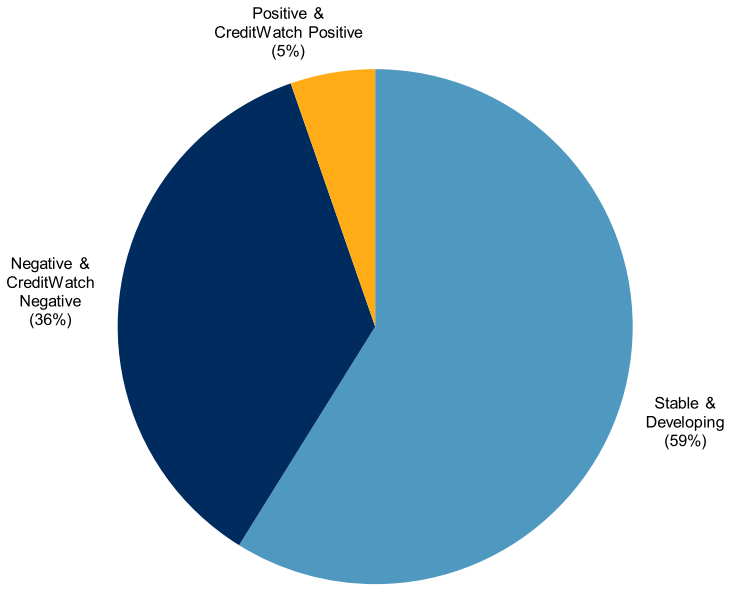
Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 5

North American Regulated Utilities Industry Year-End 2020 Outlooks



Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

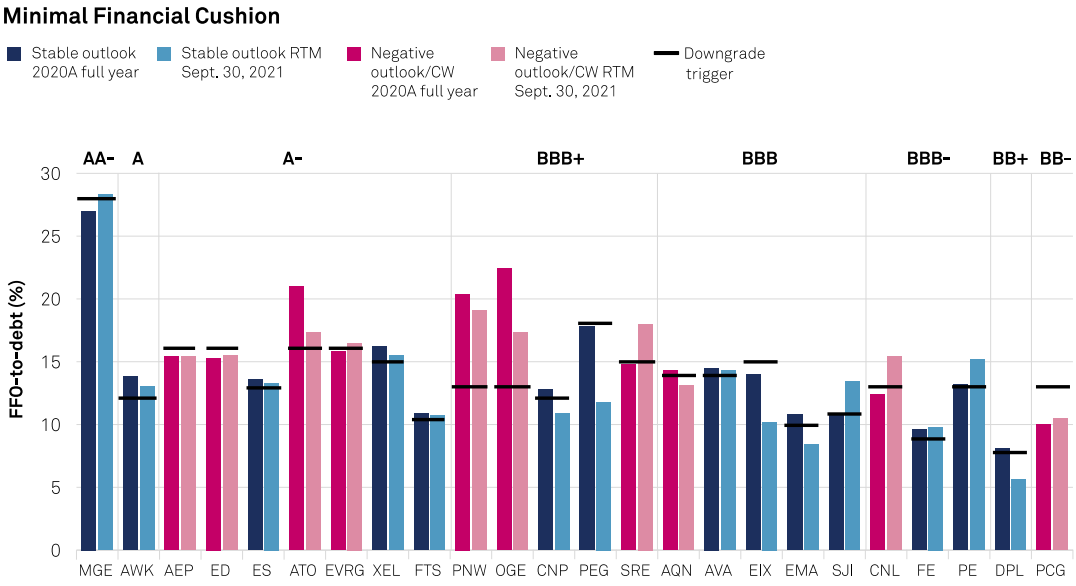
What's Behind This Fundamental Weakening Of Credit Quality?

Utility cash flows tend to be more stable and predictable than most other industries. Strategically, an increasing percentage of the industry has been managing their financial measures with only minimal financial cushion from their downgrade threshold. While this strategy of limiting excess credit capacity works well under ordinary conditions, when unexpected risks occur or base case assumptions deviate from expectations, the utility can become susceptible to a weakening of credit quality. This has been one of the primary drivers of the industry's weakening of credit quality over the past two years.

Chart 6

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category



Source: S&P Global Ratings.
Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

Dealing With Energy Transformation

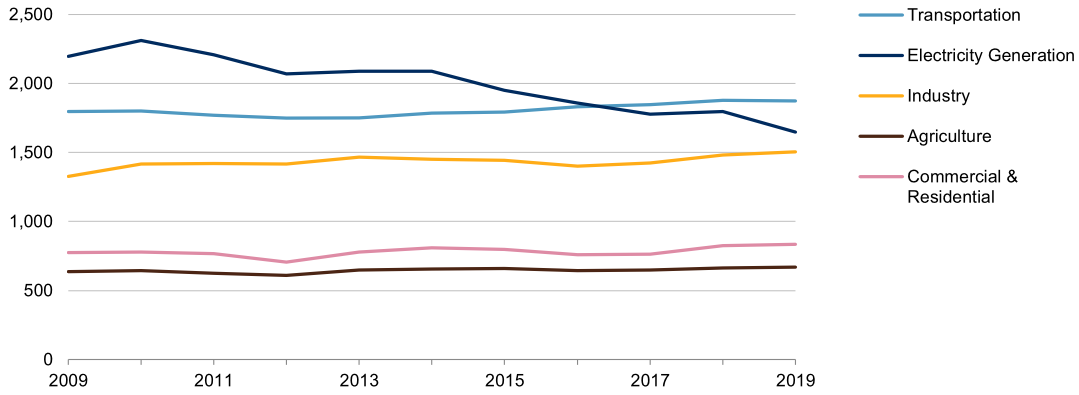
The utility industry has already made significant progress towards reducing its greenhouse gas (GHG) emissions. Over the past decade, the industry reduced its reliance on coal-fired generation by more than 50% and more than doubled capacity from renewable energy. Because of these transformative trends, the industry's GHG emissions have decreased by more than 25%. Despite these milestones, the industry continues to invest heavily in renewable energy, which will further reduce its GHG emissions by about 40% over the next decade.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 7

Total U.S. Greenhouse Gas Emissions By Economic Sector From 2009–2019
Million metric tons of CO2 equivalent



Source: U.S. Energy Information Administration.
Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

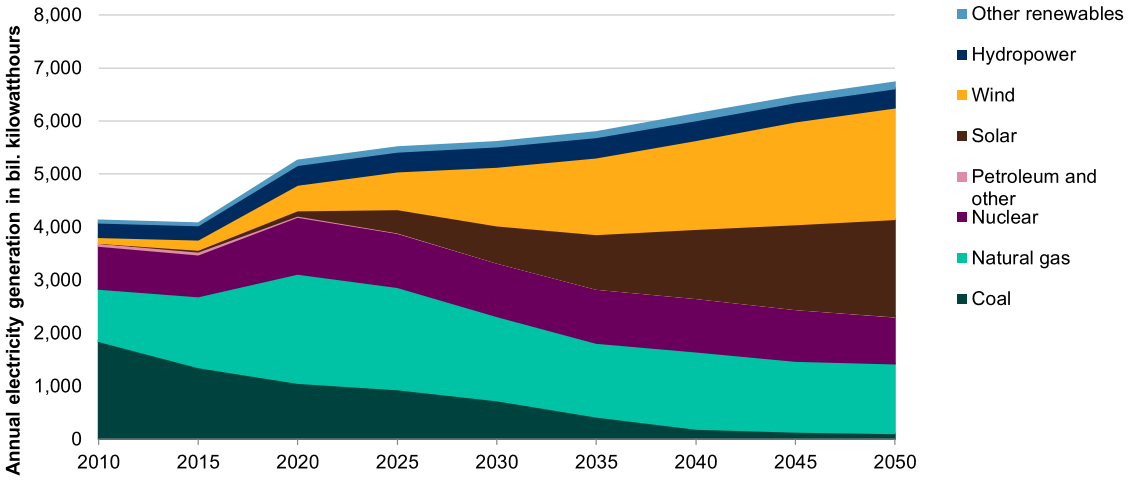
We anticipate that it could take longer than a decade to transform the U.S. generation portfolio, increasing our reliance on renewable energy for more than 50% of total generation. As such, we expect that capital spending will remain robust for the foreseeable future, continuing to pressure the industry's financial measures. Because of the robust capital opportunities available to many companies within the industry, utilities will continue operate with only minimal financial cushion from their downgrade threshold.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 8

U.S. Electricity Generation 2010-2050



Source: S&P Global Platts.

Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

Capital Spending

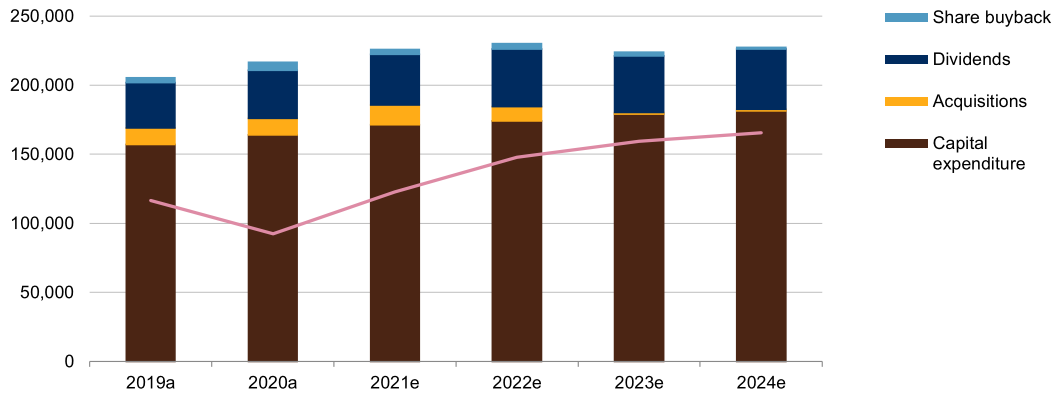
We expect 2021 capital spending to approximate $170 billion setting a new record for the sector. This is about 5% higher than the $164 billion spent in 2020 and about 9% higher than the $157 billion spent in 2019. Over the past fifteen years, the industry's capital spending has been growing at a compounded annual growth rate of about 9%. While we expect the growth rate will somewhat slow, we still expect that the industry will continue to grow its capital spending. Under our base case, we expect that by 2024 the industry's capital spending will exceed $180 billion. Because of the industry's continued robust capital spending, we expect that industry will continue to generate negative discretionary cash flow. This requires that the industry has consistent access to the capital markets to finance capital spending and dividends requirements.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 9

North American Regulated Utilities Cash Flows And Primary Uses



Source: S&P Global Ratings and company data.

Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

ESG Credit Risks

During 2020 and 2021 the industry credit quality was constrained by many ESG-related credit risks. Unexpectedly, the industry faced several governance-related credit risks in 2020. We view these governance events as isolated incidents and do not believe that they will have broader implications for the larger utility industry. However, we do expect that physical and environmental risks will continue to constrain the industry's credit quality. Wildfires, severe winter storms, hurricanes, and tornadoes lead to higher costs that are either partially disallowed by regulators or are deferred for future recovery. Similarly, higher environmental costs can also result in higher costs that are either partially disallowed by regulators or are deferred for future recovery. Either outcome for physical and environmental risks typically results in weaker financial measures until the utility fully recovers such costs from customers. Because of climate change, we believe that these risks will continue to negatively affect credit quality in 2022.

Other Developing Risks That May Affect Credit Quality

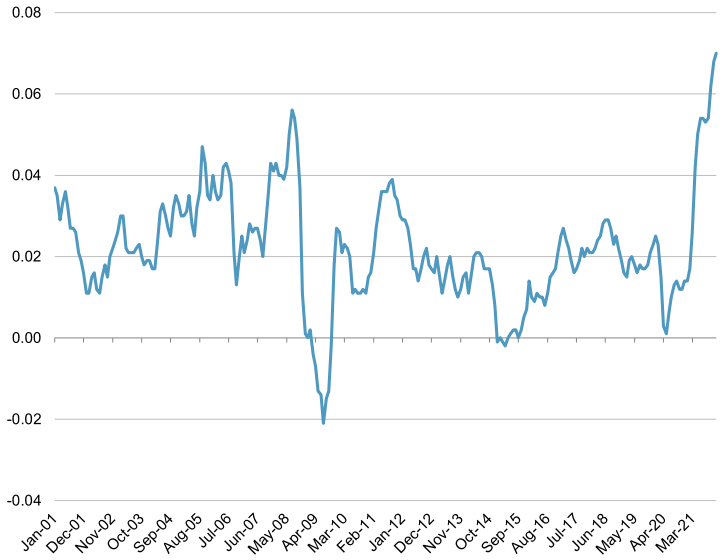
Inflation, higher interest rates, and rising commodity prices could all lead to higher customer bills, pressuring the industry's ability to effectively manage regulatory risk and its credit quality. Inflation recently spiked to its highest level in decades after rising for several consecutive months in 2021. Given the sustained increase to the U.S. consumer price index in 2021, inflation no longer appears to be just transitory and may have financial implications for the investor-owned North American regulated utility industry. Because of the regulatory lag within the industry, inflation, which causes prices to rise, typically leads to a weakening of financial performance. The regulatory lag is the timing difference between when costs are incurred and when regulators allow those costs to be fully recovered from ratepayers.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 10

Inflation Risk
Consumer Price Index, 12-month percentage change (not seasonally adjusted)



Source: U.S. Bureau of Labor Statistics, December 2021.
Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

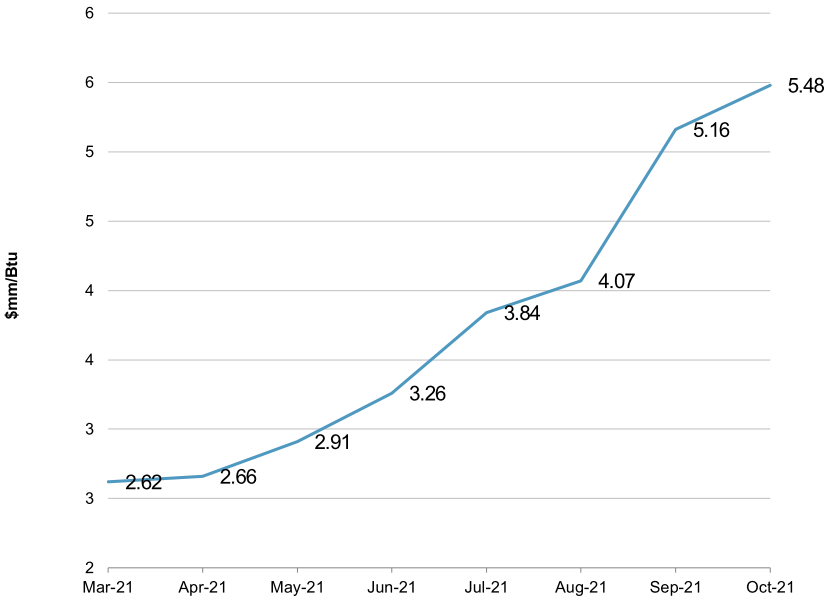
Similarly, when interest rates rise, the industry's finance measures also typically weaken because of regulatory lag. Commodity prices have also materially increased over the last several months, which could cause credit quality to weaken. While commodity costs are typically directly and fully collected from customers, high commodity costs increases the customer bill, which would likely make it more difficult for the industry to effectively manage regulatory risk. We believe persistently higher natural gas prices would pressure credit quality and the customer bill for natural gas distribution utilities. Furthermore, about 40% of the U.S. generation portfolio is from natural gas fired generation and therefore persistently higher natural gas prices would likely also pressure the credit quality of electric utilities.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Chart 11

Henry Hub Natural Gas Prices



Source: S&P Global Ratings and company data.

Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

The Industry Outlook Remains Negative

Credit quality for the investor-owned North America regulated utility industry weakened during 2020 and 2021 with the median rating falling for the first time ever to the 'BBB' category. Given the relative high percentage of the industry with a negative outlook (about 20%), the strategic management of financial measures with only minimal cushion from the downgrade threshold, the industry's high capital spending, ESG credit risks, inflation, rising interest rates, and higher commodity prices, we expect that it is more likely that downgrades will again outpace upgrades in 2022. Should this occur, it would be the first time in more than 30 years that downgrades outpaced upgrades for three consecutive years.

This report does not constitute a rating action.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

For The First Time Ever, The Median Investor-Owned Utility Ratings Falls To The 'BBB' Category

Copyright © 2022 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

THIS WAS PREPARED EXCLUSIVELY FOR USER GINA ARMSTRONG.
NOT FOR REDISTRIBUTION UNLESS OTHERWISE PERMITTED.

COMMENTS — 12 Sep, 2023 | 22:06 —
EMEA, Latin America, APAC, APAC, Canada, United States of America

Record CapEx Fuels Growth Along With Credit Risk For North American Investor-Owned Utilities

Primary Credit Analyst: **Kyle M Loughlin**
Secondary Contacts: **Daniela Fame, Joe Marino**
Sector: Oil & Gas, Oil & Gas, Corporates, Infrastructure & Utilities, Utilities & Power
Tags: Americas, Latin America, APAC, EMEA

View Analyst Contact Information

Table of Contents

Key Takeaways

- Cash flow quality metrics are a key factor in determining credit risk for regulated utilities.
- Most investor-owned utilities generate negative discretionary cash flow from operations during periods of normal operations and offset this deficit with reliable access to the capital markets for financing.
- This balance may be tested as utilities take advantage of the ever-increasing opportunities to grow rate base through record capital spending, while in the process potentially eroding credit quality.
- So far in 2023, we have not seen evidence that equity issuance is keeping pace with debt issuance to fill ever-deepening discretionary cash shortfalls.

S&P Global Ratings has long focused on cash flow quality metrics when determining credit risk for the investor-owned utilities that it rates. The historical and projected generation of cash flow from operations, adjusted to deduct capital spending, dividends paid, and share repurchases, is a key input into the calculation of discretionary cash flow. Given the capital-intensive nature of the utilities sector, and the consistency of dividend payments that management teams are loath to trim, we focus on the utilities' ability to manage discretionary cash flow from operations and external funding to maintain credit quality.

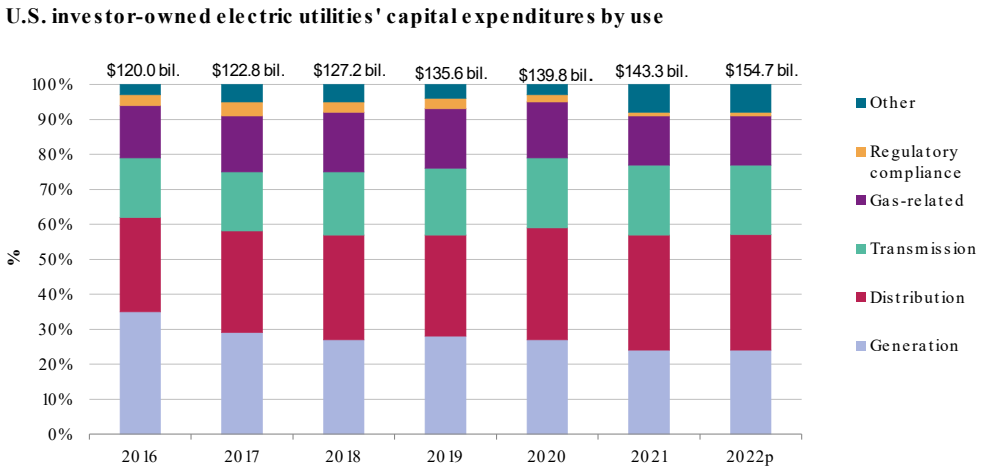
In practice, the majority of utilities generate negative discretionary cash flow from operations during periods of normal operations, which they offset with steady access to the capital markets for both debt and equity financing. During periods of healthy growth, funds from operations

increases to offset higher debt balances that result from discretionary cash flow deficits. This allows utilities to maintain credit metrics at acceptable levels. However, ever-increasing opportunities to grow rate base through record capital spending, together with limited equity issuance, may test this balance in the years to come. Here we focus on emerging capital spending trends and opportunities facing the sector and why we think key cash flow metrics may come under pressure.

Record Capital Spending Trends Not Likely To Abate Soon

Transformative change is now well under way within the generation portfolio that North American utilities use to produce power, with increasing focus on low-carbon generation including new investments in wind and solar assets and battery storage. At the same time, traditional carbon-intensive units are either facing retirement or substantial capital improvements to comply with increasingly stringent air quality mandates or to address climate change concerns important to investors or other stakeholders. Other large-scale capital projects are aimed at hardening the grid against increasingly severe physical risks and climate events while others are geared to accommodate more diverse and intermittent power sources. Further, aging infrastructure is a pervasive issue that requires persistent management, replacement, and improvement, a trend that is fueling investments across electric, gas, and water systems from coast to coast.

Chart 1



p--Projected. Source: Edison Electric Institute, EEI member utilities as of September 2022. S&P Global Ratings.
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

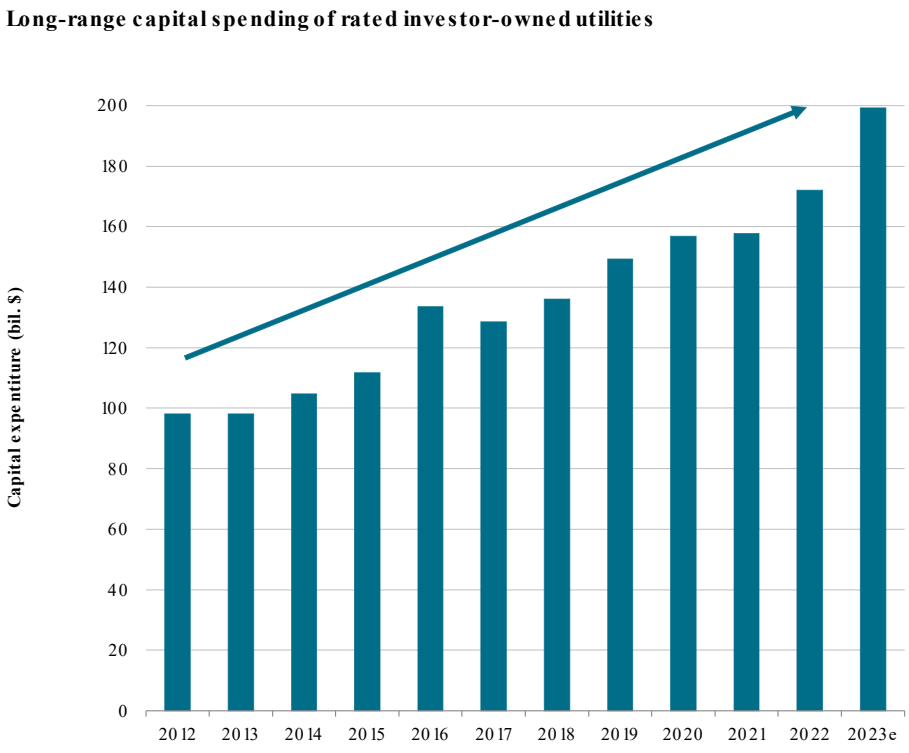
Utilities Find Abundant Rate Base Growth Opportunities In Regulated Businesses

The aforementioned trends are playing a key role in fueling record levels of spending in 2023. This pattern is not new, as total capital spending for the universe of utilities we rate increased from about $100 billion to $200 billion in little more than a decade. S&P Global Ratings generally views capital spending contained within the regulated utility business model as favorable from a business risk perspective. This spending typically heightens the company's reliance on lower-risk growth as compared to investments into higher-risk unregulated adjacent businesses.

Capital spending provides rate base expansion which in turn drives earnings gains even during periods of negative volume growth in electricity sales. (Sales volumes have been flat to negative for most of the last decade due to consistent efforts toward conservation, energy efficiency, distributed generation, and technology advancements.) Policymakers also promote higher capital spending through legislation that includes incentives to address long-range climate change objectives,

as is evident in the Biden Administration's recent passage of the Inflation Reduction Act (IRA) that allows for tax credit transferability to encourage investments in renewable power generation among other incentives. The combined effect of all of these factors supports the view that the sector's appetite for ever-increasing annual capital spending is not going to end soon.

Chart 2



e--Estimate. Source: S&P Global Ratings, as of Aug. 22, 2023.
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

And without some material economic disruption or rate pressures that test the will of customers and regulators, we believe that these trends are durable and will likely persist for at least the next 10 years. It also appears evident, looking at the multi-year strategic focus of the management teams we interact with that the focus on regulated utility spending (and by extension the diminished focus on other adjacent operations) has

helped reduce the reliance on higher risk businesses. From a credit perspective, this is favorable in terms of our assessments of business risk, and potentially financial risk as well, assuming that management teams commit to maintain financial policies that manage any strains on balance sheets from reduced discretionary cash flows because of a greater reliance on debt.

How Utilities Account For Capital Expenditures And Rate Base Growth

Through the utility's rate case filings, the state utility regulatory commissions determine the revenue requirement necessary for the utility to recover its operating costs, taxes, debt service, and its depreciation expense (necessary to return capital deployed into its physical assets to investors). Investor-owned utilities are also authorized to earn profits on the equity rate base invested by shareholders to support operations. Rate base growth occurs through the deployment of capital into new investments and by effective regulatory management. Thus, there is an incentive and expectation that utility management teams will pursue prudent capital investments that are necessary to serve the rate payers.

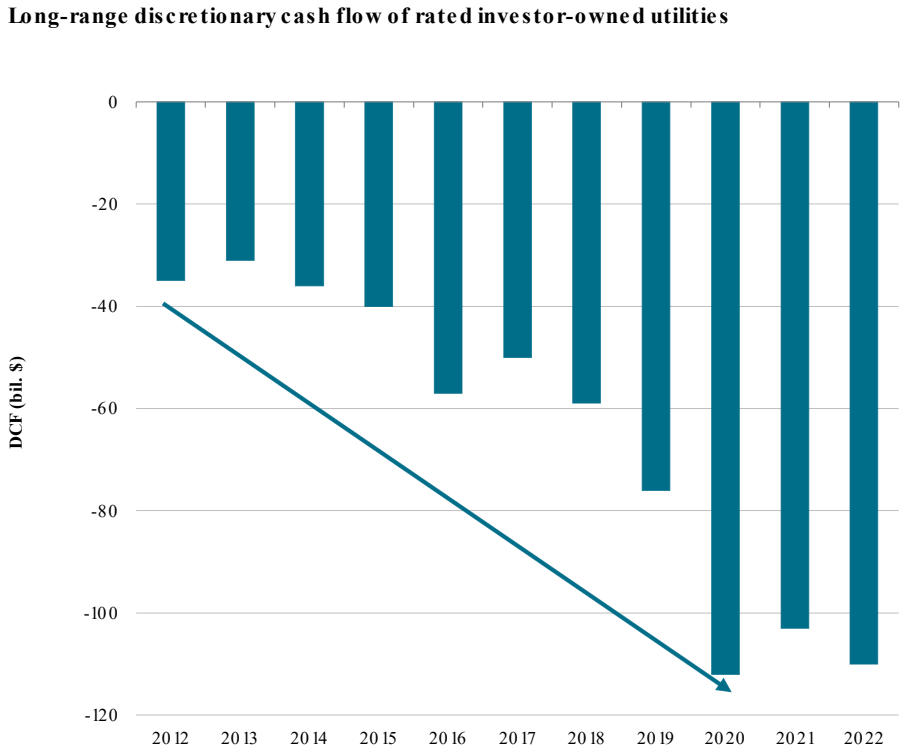
While this is part of effective management, the current environment is presenting utility management teams with an expanding strategic opportunity to both strengthen the physical grid and to realize healthy profits and growth for many years to come.

Financial Policy Will Weigh Heavily On The Direction Of Credit Quality

The essential nature of utility services, and the strength of the regulatory frameworks across North America breeds a level of confidence that enables utility management teams to dial-in financial policy with a good

deal of precision. They are accustomed to running with negative discretionary cash flow, and many have adopted policies that target a level of financial leverage that is just above the downgrade thresholds we communicate in our research reports. This is typically manageable but persistently high capital spending has begun to test the ability of management teams to maintain ratings while pursuing historically higher growth spending.

Chart 3



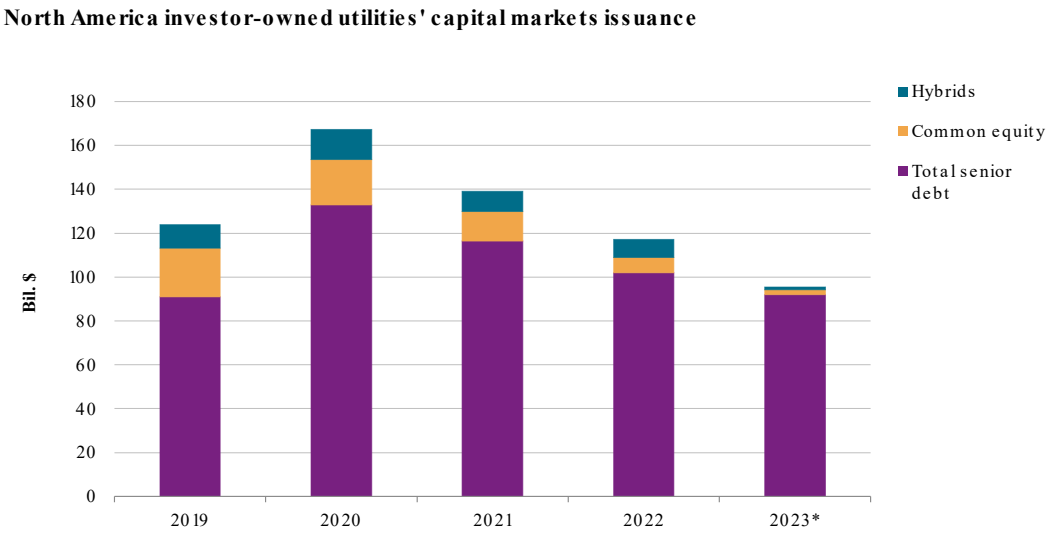
DCF--Discretionary cash flow. Source: S&P Global Ratings, as of Aug. 22, 2023.

Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Some companies have been unable to support financial metrics consistent with former ratings as their discretionary cash flow deteriorated. This trend was a significant contributor to the sector seeing the median rating decline to 'BBB+' from 'A-' for the first time in 2022. What is less clear is whether or not management teams will take steps to

forestall another step down in credit quality as high capital outlays persist. So far in 2023, we have not seen evidence that equity issuance is keeping pace with debt issuance to fill ever-deepening discretionary cash flow shortfalls, but time will tell.

Chart 4



Senior debt includes first-mortgage bonds and senior unsecured. Hybrids includes junior subordinated debt, preferreds, subordinated debt, and equity units. *YTD as of September 2023. Sources: S&P Global Ratings, S&P Market Intelligence.
Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Most utility management teams maintain the ability to pull levers to target financial outcomes. While this is true in any sector to some extent, utilities' operating stability supports a greater degree of precision when managing financial risk against other stakeholder objectives. The capacity and willingness to take actions to offset the potential deterioration of the balance sheet will therefore be a key focal point if capital spending continues to grow. Companies will have to consider tough tradeoffs between good capital projects, shareholder rewards, and balance sheet strength.

Could Regulators Constrain Spending To Reduce Customer Rate Pressures?

A key determinate of how durable these trends prove to be over the long term will be utilities' careful management of capital spending growth so that customer rates do not rise to the point where bills are viewed as burdensome or out of step with the value proposition of the utility services. Most utilities manage this issue very well and heretofore have argued that the value provided through their services is high and leaves room to execute current plans.

Management teams take great care to manage the regulatory relationships with the state utility commissions to strike the appropriate balance between effective grid updates and the costs to achieve these objectives. Well-run utilities place great emphasis on operations and maintenance cost management to reduce the burden on rate payers and proceed with new projects. Nonetheless, elevated spending, particularly in an inflationary environment, is likely to add further strain to regulatory proceedings.

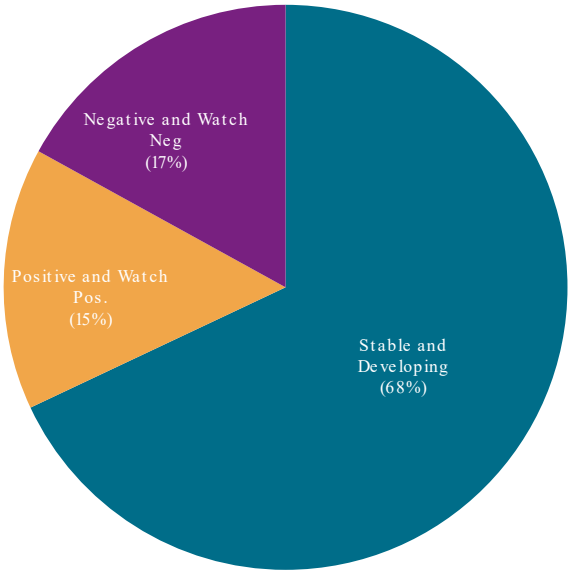
Load growth, something we have not seen for many years, and potentially bolstered by electrification trends, new investments related to green hydrogen or energy-intensive technologies, and the future of electric vehicle growth, can also help to offset this pressure at the margin in some service territories. The more likely scenario is that modest load growth will continue to be offset by efficiency gains and the unwavering increase in capital spending has the potential to bring higher rates to many customers. This will require prudent management to ensure rate pressures remain reasonable so as not to strain the utility's regulatory relationship.

Stable Outlooks Could Turn Negative As The Capital Spending Boom Persists

Earlier in 2023, S&P Global Ratings noted that its outlook for the industry as a whole is stable, supported by the percentage of utilities with a stable outlook, lower natural gas prices, and a slowing of inflation. Even now, about 68% of outlooks in the sector are stable, with negative and positive outlooks at 17% and 15%, respectively. These data points suggest a period of ratings stability for the next year or so following a step down in credit quality during 2022.

Chart 5

Regulated utilities' outlooks YTD 2023



Copyright © 2023 by Standard & Poor's Financial Services LLC. All rights reserved.

Despite the improvement in the economic outlook, we expect inflation, high interest rates, higher capital spending, and the strategic decision by many companies to operate with only minimal financial cushion from

their downgrade thresholds to continue to pressure the industry's credit quality. We are cautious about the durability of the current stable ratings outlook given persistently high capital spending that now supports a trend of deterioration in discretionary cash flow. Without a commensurate focus on balance sheet preservation through equity support of discretionary cash flow deficits, limited financial cushions could give rise to another round of negative rating actions. The question then comes back to management priorities and financial policy decisions, or utilities may be faced with another step down in the median ratings.

This report does not constitute a rating action.

Primary Credit Analyst:	Kyle M Loughlin, New York + 1 (212) 438 7804; **kyle.loughlin@spglobal.com**
Secondary Contacts:	Daniela Fame, New York +1 (212) 438-0869; **daniela.fame@spglobal.com**
	Joe Marino, New York 1 (212) 438 3068; **joe.marino@spglobal.com**

No content (including ratings, credit-related analyses and data, valuations, model, software, or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced, or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor’s Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees, or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness, or availability of

the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment, and experience of the user, its management, employees, advisors, and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any

information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, **www.spglobal.com/ratings** (free of charge), and **www.ratingsdirect.com** (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at **www.spglobal.com/usratingsfees**.

Common Equity Flotation Costs and Rate Making

By EUGENE F. BRIGHAM, DANA ABERWALD, and LOUIS C. GAPENSKI

The proper treatment of common stock flotation costs is an issue in almost every utility rate case, and becomes increasingly important – for reasons shown in this article – as new stock offerings decline. The article provides clarification of the issue and offers a reasonable solution.

Incorrect statements have been made about the proper treatment of common equity flotation costs in the financial literature, and this has contributed to incorrect rate case testimony and to several improper decisions. The problem seems to have arisen for two reasons: (1) During the 1970s, when most utilities were raising large amounts of equity, the case for an equity cost adjustment was generally based on the need to sell common stock at prices greater than book value so as to avoid dilution when new stock was sold, but the proper rationale for the adjustment, and the argument that should have been made, is that an adjustment is necessary to recover actual incurred costs. (2) A number of academic writers [1, 2, 3, 6, 7, 8, 11][1] have attempted to deal with the problem algebraically, and while a mathematical approach has merit, the different authors based their models on different and somewhat obscure assumptions, with the result that the academic research has actually done more to confuse than to clarify the issue.

As we see it, there are two questions which need answers:

1) Is an adjustment needed even if a company has no plans to sell new common stock in the foreseeable future?
2) If an adjustment is required, should it be applied to common stock only or to total common equity (common stock plus retained earnings)?

The answers are "yes" to the first question and "total common equity" to the second. Specifically, the market-determined cost of equity should be adjusted (increased) to reflect issuance costs associated with past issues regardless of whether a company plans to issue stock in the future or not, and the adjustment should be applied to the total common equity, including retained earnings. The reasons for these conclusions are set forth in the balance of this article.

[1]Numbers in brackets correspond to numbers in the list of references at the end of the article.

Background and Approach

The flotation cost adjustment – whether for bonds, preferred stocks, or common equity – is designed to convert a market rate of return into a fair rate of return on accounting book values. Prior to the 1970s, most utilities were regulated on the basis of the comparable earnings approach. With that method no market return was involved, and hence there was no need for a common equity flotation adjustment. However, as use of market-oriented equity cost approaches, especially the discounted cash flow (DCF) method, became prevalent during the 1970s, a specific flotation adjustment became necessary. The first use of DCF, to the authors' knowledge, was by Professor Myron J. Gordon as a staff witness in an American Telephone and Telegraph Company rate case before the Federal Communications Commission in the mid-1960s. Professors Alexander A. Robichek and Ezra Solomon of Stanford University, testifying for AT&T, proved that if a commission correctly identifies and then allows a *company* to earn its DCF cost of equity, k, on book equity, then *investors* will never be able to earn k on their investment, because the capital that investors have put up will exceed the company's book equity as a result of issuance (or flotation) costs. Thus, in the very first

Eugene F. Brigham is graduate research professor of finance and director of the Public Utility Research Center at the University of Florida. He is the author of numerous journal articles and textbooks, and he testifies regularly concerning rate of return. **Dr. Brigham** received his PhD degree from the University of California at Berkeley.

Dana A. Aberwald is a research associate at the Public Utilities Research Center at the University of Florida. **Ms. Aberwald** received a BSBA degree in accounting and an MBA degree from the University of Florida and is a certified public accountant.

Louis C. Gapenski teaches at the University of Florida, where he is a research associate at the Public Utilities Research Center. **Mr. Gapenski** holds degrees from the Virginia Military Institute, the Naval Postgraduate School, and the University of Florida.

case where DCF methodology was used, Robichek and Solomon proved, and Gordon accepted, the idea that the allowed return on equity should exceed the DCF cost. Unfortunately, only the need for an adjustment, not the proper adjustment mechanism itself, was identified in that rate case.

The DCF method's great increase in popularity occurred during the 1970s, just when the companies were raising unprecedented amounts of new equity capital. Witnesses who used the DCF method recognized the need for an adjustment, and they had to provide a rationale to commissioners. Most witnesses gave this explanation:

1) If a company were allowed to earn only its DCF cost of equity, then its stock would normally sell at book value.
2) When new stock was issued, flotation expenses plus market pressure would drive the price of the stock below book value.
3) The issuance of stock at below book value would dilute the book value of the existing shares, and since future earnings and dividends are dependent upon book value, the market value of existing stock would also be diluted.
4) This dilution would obviously harm current stockholders; indeed, it would amount to economic confiscation.
5) Therefore, fair regulation requires commissioners to set authorized returns high enough to cause utility stocks to sell at prices that exceed book value by an amount sufficient to prevent below-book sales.

This argument was correct, although incomplete, and it was generally accepted during the 1970s, when most utilities were selling new stock every year or two. There were, of course, arguments about the level of flotation costs and the extent of market pressure, and hence about the proper market-to-book ratio, but the logic of some type of adjustment was rarely questioned.

However, as many utilities' construction programs neared completion in the early 1980s, and, accordingly, as new stock offerings slowed, the issue of the need for a flotation adjustment resurfaced. Patterson [6, 7] applied standard corporate finance techniques and concluded that a flotation adjustment is needed irrespective of current equity sales. Richter [11] supported Patterson's position. Arzac and Marcus [1, 2] also concluded that a flotation adjustment is always needed, but their formula produces an almost trivial adjustment factor unless the company is selling very large amounts of stock every year. Patterson and Arzac-Marcus debated in the finance journals, but they reached no reconciliation. Finally, in the latest article, Professors Bierman and Hass [3] derived yet another formula, one which produces an adjustment factor between those recommended by Patterson and Arzac-Marcus.

The issue is important, so it is necessary that we resolve the conflict. Further, since utility executives and regulators, not financial economists, must make decisions in this area, the resolution must be understandable to these decision makers. After studying the problem, we concluded that the best way to approach a clear resolution is to set up some hypothetical, but reasonable, situations and then to test the alternative theories, asking the following question: What results do the several methods produce, and are those results fair to both consumers and investors?

Bonds and Preferred Stocks

Because the proper treatment of flotation costs on bonds and preferred stocks is well known and not controversial, it helps to begin by examining that treatment as a lead-in to the analysis of common stock. First, note that debt flotation costs can be recovered in either of two ways: (1) They can be expensed and recovered from customers during the year the securities are sold, or (2) They can be capitalized and recovered over the life of the securities. The second method, which is consistent with the theory that those customers who benefit from a cost should pay for it, is generally used. Under this theory, bond flotation expenses are reflected in the embedded cost of the bond and are recovered over the life of the bond. For example, if flotation costs of 5 per cent were incurred on a $100 million, ten-year, 15 per cent coupon bond issue, they would be handled in the following manner by most federal and state regulators:

$$\text{Cost to company} = \frac{\text{Interest expense} + \text{Amortization of flotation costs}}{\text{Principal value} - \text{Unamortized flotation costs}} \quad (1)$$

$$= \frac{\$15{,}000{,}000 + (\$5{,}000{,}000/10)}{\$100{,}000{,}000 - \$5{,}000{,}000}$$

$$= \frac{\$15{,}500{,}000}{\$95{,}000{,}000} = 16.3158\% \text{ for the first year}$$

Return requirements would be calculated as follows:

$$\text{Return requirements} = \text{Cost rate}(\text{Principal value} - \text{Unamortized flotation costs}) \quad (2)$$

$$= 0.163158(\$100{,}000{,}000 - \$5{,}000{,}000)$$

$$= \$15{,}500{,}000.$$

In this example, the company received $95 million of cash, which it used to purchase $95 million of operating assets. To meet its interest expense and flotation amortization requirements, the company must have $15.5 million in return dollars. This return will only be generated if the company earns 16.3158 per cent on its $95 million of operating assets. Under this procedure, the percentage cost as calculated in Equation 1 declines each year, but the return dollar amount remains constant.[2]

[2]An alternative procedure that produces exactly the same result is to divide interest charges plus flotation amortization by the principal value of the issue, and then to multiply this cost rate by the principal value of the issue:

$$\text{Embedded cost rate} = \frac{\$15{,}500{,}000}{\$100{,}000{,}000} = 0.155 = 15.5\%.$$

$$\text{Return requirements} = 0.155(\$100{,}000{,}000) = \$15{,}500{,}000.$$

This procedure in effect includes both flotation costs and operating assets in the rate base.

Preferred stocks are handled similarly. Actually, utilities issue two types of preferred stocks, those with sinking funds and those that are perpetual. The adjustment formula for sinking fund preferred is exactly like that for bonds, but a difference arises in the case of perpetual preferreds. Perpetual preferred stock represents permanent capital; hence its flotation costs are not amortized.[3] Assuming again a $100 million issue and a 5 per cent flotation cost, this formula applies:

$$\text{Cost to company} = \frac{\text{Dividend requirements}}{\text{Net proceeds}} = \frac{\$15{,}000{,}000}{\$95{,}000{,}000} \quad (3)$$

$$= 15.7895\%$$

Alternatively, we could write the formula as follows:

$$\text{Cost to company} = \frac{\text{Dividend rate}}{1.0 - \text{Flotation}} = \frac{15\%}{0.95} = 15.7895\% \quad (3a)$$

The return dollars can then be calculated as follows:[4]

$$\text{Dollars of return} = 0.157895(\$95{,}000{,}000)$$
$$= \$15{,}000{,}000.$$

In this example, the preferred stockholders expect and require a return of 15 per cent on *their investment* ($100 million), but the company must earn 15.7895 per cent on *its operating assets* ($95 million) to provide this required return.[5] If the company earned only 15 per cent on the $95 million, then the company would have after-tax revenues of only $14,250,000 to meet investors' preferred dividend requirements of $15 million. Obviously, then, the 15 per cent market value cost of preferred must be adjusted upward to a 15.7895 per cent return on the company's operating assets if investors are to receive the reasonable rate of return they contracted for.

Common Stock

From a conceptual standpoint, it has long been recognized that the situation with common stock is similar to that for bonds and preferred stocks: Issuance costs are incurred; they should not be and are not expensed at the time the stock is sold; and therefore recovery must occur in subsequent years. Further, just as with bonds and preferred stock, the authorized rate of return on rate base equity must be above the rate of return to the investor; that is, the cost to the utility is above the return to the investor. The standard textbook formula, which Patterson [6] used, is as follows:[6]

$$r = \frac{\text{Expected dividend yield}}{1.0 - F} + g \quad (5)$$

Here:

r = authorized rate of return on book equity, if stockholders are to earn their required rate of return, k,
F = percentage flotation cost associated with common stock offerings, and
g = the expected growth rate in earnings and dividends.

The percentage flotation factor, F, consists of two elements: (1) underwriting costs and (2) "market pressure," which is the decline in the stock price that results when the supply of shares is suddenly increased. Historically, utility underwriting expenses have averaged from 3 to 4 per cent of gross proceeds [9]. Market pressure varies over time, depending on the size of the issue, the condition of the market, and the degree to which investors were surprised by the announcement of the stock sale. Moreover, stock prices change for reasons other than new offerings, so it is difficult to obtain an exact measure of market pressure. However, several careful studies have been reported, and they indicate that market pressure is in the range of one to 3 per cent [10]. Thus, for most utilities, flotation expenses plus pressure have totaled about 5.5 per cent.

To illustrate the flotation cost adjustment process, and following Bierman and Hass for consistency, we assume that a new, start-up utility has the following characteristics:

1) Our hypothetical company can sell stock in the market at $10 per share, and investors expect it to pay a dividend of one dollar and to grow at a rate of 5 per cent. Thus, its DCF cost of equity is $k = D/P + g = 10\% + 5\% = 15\%$, investors' required rate of return.
2) To raise initial capital, the company plans to sell an issue of stock, incurring flotation costs of F = 5 per cent.
3) Applying Equation 5, we obtain a flotation-adjusted cost of equity (r) of 15.5263 per cent:

$$r = \frac{\text{Expected dividend yield}}{1 - F} + g$$

$$= \frac{10.0\%}{0.95} + 5\%$$

$$= 10.5263\% + 5\% = 15.5263\%$$

Thus, the illustrative utility's fair rate of return on book equity according to Equation 5 is approximately 53 basis points above its 15 per cent unadjusted "bare bones DCF cost of equity."
4) The company will sell one share of stock and obtain net proceeds of $9.50. This $9.50 is also the initial book value, B, and rate base. (Obvi-

[3]In effect, the flotation costs of the preferred are amortized over an infinite period, which is to say the amortization per year is zero. Investors have made a *permanent* investment, so the original investors or those who purchase the stock in the secondary market must receive a return on that investment in perpetuity.

[4]Of course, preferred stock dividends are not deductible, so the total revenues required to produce the return dollars is higher for preferred stock than for debt.

[5]Note that the return dollars for the bond exceed those for the perpetual preferred stock – $15.5 million versus $15 million. However, these are first-year costs only. The bond's cost rate declines over time due to the amortization of its flotation costs, whereas the cost rate associated with the preferred stock remains constant, and the rates of return to the bondholders and the preferred stockholders are identical.

[6]This formula is developed in reference citation 5, Chapter 7, as well as in most other corporate finance textbooks.

ously, this amount, which we use for simplicity, could be scaled up without altering the conclusions.)

5) After its inception and initial stock offering, all of the company's equity is expected to come from retained earnings. In a later case, we will examine the situation when more stock is sold.
6) The company operates in a reasonable and prudent manner, such that by any fairness criteria, investors should be allowed to earn their 15 per cent cost of capital return, no more and no less. For simplicity, we also assume that regulation operates properly, without lags.
7) Initially, we assume that the market cost of capital remains constant at 15 per cent, and that the company maintains a constant payout ratio so as to keep the dividend yield and growth components at 10 per cent and 5 per cent, respectively. These assumptions are consistent with the DCF model, but later in the article we expand the analysis by relaxing both of them.

Now these questions may be asked:

> Should the flotation adjustment be applied to all common equity or, once retained earnings appear on the balance sheet, only to common stock?
> For how many years should an adjustment be applied: One, two, ten, twenty, or forever?

When we applied Equation 5, the textbook formula which Patterson recommended, we found that it produces results that satisfy the fairness criterion; namely, it permits investors to earn exactly their 15 per cent cost of capital, no more and no less. This result for our initial case is demonstrated in Table 1, which was produced by a simple computer model, and it is analyzed below:

Table 1

Case 1: Company Earns Flotation-adjusted Cost of Equity (r) on All Common Equity

Beginning of Year

Year	Common Stock (1)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout (8)
1	$9.50	$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.50	0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.50	0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.50	1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.50	2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.50	2.6247	12.1247	12.7628	1.0526	1.8825	1.2763	67.7966
7	9.50	3.2309	12.7309	13.4010	1.0526	1.9766	1.3401	67.7966
8	9.50	3.8675	13.3675	14.0710	1.0526	2.0755	1.4071	67.7966
9	9.50	4.5358	14.0358	14.7746	1.0526	2.1792	1.4775	67.7966
10	9.50	5.2376	14.7376	15.5133	1.0526	2.2882	1.5513	67.7966

NOTES:
1) Assumptions made in this case are as follows:
   a) Issue price = $10
   b) Flotation cost = 5%
   c) k = D/P + g = 10% + 5% = 15%
   d) r = 15.5263%
2) The data in this case, and also the more complex cases, were developed with a Lotus 1-2-3 computer program.

1) The company's balance sheet item common stock is shown in Column 1.
2) Retained earnings are shown in Column 2. Initially, they are zero, but they build up over time.
3) Total equity as shown in Column 3 is the sum of common stock and retained earnings. Total equity grows as retained earnings build up.
4) Column 4 shows the stock price as determined by the basic DCF formula. It starts at $10 and grows at a rate of 5 per cent per year, which is necessary to produce the 5 per cent capital gains yield that investors expect and should receive.[7]
5) Column 5 shows the market-to-book (M/B) ratio. Notice that the M/B always exceeds one. The only way the M/B ratio could go to one would be for the stock price to fall below the value shown in Column 4, but if that were to happen, then investors would not receive the capital gains to which they are entitled. Thus, the M/B will exceed one if investors are being treated fairly.
6) Earnings per share (EPS) as shown in Column 6 is the product of total equity times 0.155263, the fair rate of return as determined by Equation 5.
7) Dividends per share (DPS) as shown in Column 7 begin at one dollar and grow at a rate of 5 per cent per year. This growth rate is a requirement if investors are to earn their DCF cost of capital.
8) The payout ratio is shown in Column 8. Under

[7]The DCF valuation equation is

$$P_0 = \frac{D_1}{k - g}$$

This equation, solved for k, produces the standard DCF cost of capital equation, $k = D_1/P_0 + g$. See reference citation 5, Chapter 5, for a derivation and discussion.

the assumptions of the standard DCF constant growth model, the payout must be constant, and it is if r as determined by Equation 5 is used as the allowed return on equity.

9) Note also that book value per share as shown in Column 3 is growing at a constant rate, 5 per cent. The retention growth rate, g = br, where r is the return on book equity and b is the fraction of earnings, is

$$g = br = (1.0 - 0.677966)(15.5263) = 0.322(15.5263) = 5.0\%, \text{ just as it should be.}$$

Case 1 proves that Equation 5 produces the desired results: namely, returns that exactly cover the cost of equity, no more and no less. Any return on book equity different from that established by Equation 5 would produce inconsistent results. For example, suppose the authorized rate of return were cut from 15.5263 to the DCF return, 15 per cent, in Year 2. This would cause the stock price to drop from $10.50 to the $9.9750 book value. Thus, stockholders would suffer a loss, and they would not obtain the capital gains yield to which they are entitled. Any other type of experimentation will show exactly the same thing: If the company is not allowed to earn the cost of equity as determined by Equation 5 on total common equity, stockholders will not receive a 15 per cent return on their invested capital.

Sale of Additional Equity

While the only-one-equity-sale conditions used to develop Case 1 are consistent with Bierman and Hass's example, and also with some actual companies such as Comsat and the Yankee Atomic Power companies, most utilities sell additional common stock from time to time. Therefore, we modified the computer model to analyze stock sales subsequent to the initial offering, and we report the results in Table 2 as Case 2, in which the company raises an additional share of new common equity for $12.1247 at the beginning of Year 6. (Note that the $12.1247 is calculated as the price of the stock at the beginning of Year 6 less flotation costs.) Earnings, dividends, and common equity all increase in Year 6 as a result of the sale, but investors continue to earn exactly 15 per cent on their investment so long as the company is allowed to earn 15.5263 per cent on its total book equity.

In Case 3, reported in Table 3, we present the results for a company that issues new equity at a flotation cost different from the cost of its original stock issue. Case 3 is similar to Case 2. Just as in Case 2, the company issues new equity at the beginning of Year 6. However, in Case 3, the equity sold at the beginning of Year 6 has a different flotation cost (3 per cent) from that of the original issue (5 per cent). With lower flotation costs, the company nets more common equity in Case 3 than in Case 2. (The dollar amount of new equity raised is calculated as the price of the share of stock at the beginning of Year 6 less the 3 per cent flotation costs incurred.)

In this example, because the new equity is sold at a different flotation cost than the old equity, a new value of r must be calculated and used to determine net income. The new r is a weighted average of r as determined by Equation 5 for each equity issue, with the weights being the fraction of total equity attributable to the new and old stock at the time the new stock is issued. Because of the lower flotation costs on the new equity, there is a corresponding drop in the market-to-book ratio in Year 6. Note, however, that after the transitional Year 6, earnings and dividends continue to grow at the required 5 per cent rate, which is neces-

Table 2

Case 2: Company Sells Additional Stock at the Beginning of Year 6

Year	Common Stock (1)	New Issue (1a)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout Ratio (8)
1	$ 9.50		$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.50		0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.50		0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.50		1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.50		2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.50	$12.1247	2.6247	24.2493	12.7628	1.0526	1.8825	1.2763	67.7966
7	21.6247		3.8371	25.4618	13.4010	1.0526	1.9766	1.3401	67.7966
8	21.6247		5.1102	26.7349	14.0710	1.0526	2.0755	1.4071	67.7966
9	21.6247		6.4470	28.0717	14.7746	1.0526	2.1792	1.4775	67.7966
10	21.6247		7.8506	29.4752	15.5133	1.0526	2.2882	1.5513	67.7966

NOTES:
Assumptions made in this case are as follows:
a) Original issue price = $10
b) Flotation cost = 5%
c) k = D/P + g = 10% + 5% = 15%
d) r = 15.5263%
e) Year 6 issue price = $12.7628
f) Year 6 new common stock = $12.7628(1 − F)
= $12.7628(0.95)
= $12.1247

Table 3

Case 3: Company Sells Additional Stock at the Beginning of Year 6 Incurring Different Flotation Costs

Beginning of Year

Year	Common Stock (1)	New Issue (1a)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout Ratio (8)
1	$ 9.5000		$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.5000		0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.5000		0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.5000		1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.5000		2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.5000	$12.3799	2.6247	24.5046	12.7628	1.0526	1.8889	1.2763	67.7566
7	21.8799		3.8499	25.7298	13.4010	1.0526	1.9833	1.3401	67.5676
8	21.8799		5.1364	27.0163	14.0710	1.0526	2.0825	1.4071	67.5676
9	21.8799		6.4872	28.3671	14.7746	1.0526	2.1866	1.4775	67.5676
10	21.8799		7.9056	29.7855	15.5133	1.0526	2.2960	1.5513	67.5676

NOTES:
Assumptions made in this case are as follows:
a) Original issue price = $10
b) Year 1 Flotation cost = 5%
c) $k = D/P + g = 10\% + 5\% = 15\%$
d) $r_1 = 15.5263\%$
e) Year 6 issue price = $12.7628
f) Year 6 flotation cost = 3%
g) Year 6 new common stock = $12.7628(1 - F)$
$= \$12.7628(0.97)$
$= \$12.3799$
h) Additional issue r = 15.3093%

sary if investors are to receive the 15 per cent DCF return on their investment. The stock price grows at 5 per cent throughout the ten-year period.

The fact that the company must continue to earn the flotation-adjusted cost of equity, even as retained earnings build up to a larger and larger proportion of total common equity, is counterintuitive, and so it deserves further discussion. Here are two comments:

1) *Demonstration that a weighted average cost rate is inappropriate.* It has been suggested that the authorized return on equity should be a weighted average of the flotation-adjusted cost rate, r = 15.5263 per cent, and the DCF cost rate, k = 15 per cent, with the weights being based on common equity and accumulated retained earnings, respectively. When we programmed our model to reflect these conditions, we obtained the results shown in Table 4. A problem obviously exists – if dividends are to grow at the 5 per cent rate that investors expect, and if earnings are based on a weighted average of k and r, then a higher and higher percentage of earnings will have to paid out. Thus, the payout ratio will rise. In Year 34 the payout ratio will exceed 100 per cent, so retained earnings will start to decline. Retained earnings actually go negative in Year 45, and Total Common Equity goes negative in Year 46, which means the company is officially bankrupt. This example demonstrates, in yet another way, that the flotation-adjusted cost of equity must be earned on all common equity if investors are to receive the DCF return to which they are entitled under prudent management. The example also demonstrates that, if investors were informed that the regulatory treatment implied in Table 4 were going to be employed, they would not invest in the company in the first place.

2) *Logical explanation.* To understand *why* the Equation 5 value must be applied to all common equity, retained earnings as well as equity raised by selling stock, one must trace through the valuation process. Notice that, in Year 1, investors require a return of 15 per cent on their $10 investment, or $1.50. However, the company earns only $1.4750, of which it pays out one dollar as a dividend and retains 47.5 cents. To give the investor the fifty-cent increase in market value (or capital gain) needed to add to the one dollar dividend to produce the $1.50, or 15 per cent, total DCF return, the 47.5 cents must earn more than 15 per cent. Specifically, it must earn the flotation adjusted cost of equity, r = 15.5263 per cent. This same thought process can be continued in other years, ad infinitum, and the ultimate conclusion is that both the original common equity and all retained earnings must earn r = 15.5263 per cent.

If the preceding paragraph is not clear, we can put it another way. The investor expects and is entitled to earn, under prudent management, a return of 15 per cent on his or her investment. Thus, dividends plus capital gains must total 15 per cent, or $1.50 in the first year. Ten per cent, or one dollar, will come from dividends, so 5 per cent, or 50 cents, must come from capital gains. To obtain a capital gain yield of 50 cents from 47.5 cents of retained earnings, the retained earnings must earn a return greater than k = 15 per cent; specifically, the retained earnings must be allowed to earn r = 15.5263 per cent. (If the 47.5 cents earned 15 per cent, then it would be worth exactly 47.5 cents, not 50 cents.) In Year 2, retained earnings will rise by

5 per cent from 47.5 cents to 49.875 cents; the capital gains then must rise from 50 cents to .50(1.05) = 52.5 cents; the only way this can happen is for the second-year retained earnings to be allowed to earn r = 15.5263 per cent; and so on.

The Effect of the Payout Ratio on the Flotation Cost Adjustment

Even though fair regulation requires that retained earnings be allowed to earn the flotation adjusted cost of equity, the level of retained earnings as affected by the payout ratio does have a material effect on the size of the adjustment.

To illustrate this point, assume (1) that two utilities both have a 15 per cent market cost of equity, that is, k = 15 per cent; (2) that both companies sell at a price of $20; but (3) that one company has a policy of paying out 25 per cent of its earnings and retaining 75 per cent, while the other has the reverse dividend policy. Assume further that both companies earn 15 per cent on their $20 market value, so earnings per share are .15($20) = $3. The high payout company has a dividend of .75($3) = $2.25, while the low payout company has a dividend of .25($3) = 75 cents. At the same time, the low payout company, which plows most of its earnings back into the business, will have a growth rate of g = .75(15 per cent) = 11.25 per cent, while the high payout company will have g = .25(15 per cent) = 3.75 per cent.

Under these conditions, the following situation would exist for the two illustrative companies:

Low payout Company: $k = \frac{D_1}{P_0} + g = \frac{\$\ 0.75}{\$20} + 11.25\%$

$= 3.75\% + 11.25\% = 15\%$

High payout Company: $k = \frac{D_1}{P_0} + g = \frac{\$\ 2.25}{\$20} + 3.75\%$

$= 11.25\% + 3.75\% = 15\%$

Applying the adjustment formula,

$$r = \frac{\text{Expected dividend yield}}{1 - F} + g,$$

we find this situation, assuming that issuance costs are 5 per cent:

High payout Company: $r = \frac{11.25\%}{0.95} + 3.75\%$

$= 11.842\% + 3.75\% = 15.592\%$

Low payout Company: $r = \frac{3.75\%}{0.95} + 11.25\%$

$= 3.947 + 11.25\% = 15.197\%$

Difference = 0.395%

Thus, we see that the company which retains most of its earnings, and which consequently has more retained

Table 4

Case 4: Company Earns Weighted Average k

Year	Common Stock (1)	Retained Earnings (2)	Total Equity (3)	EPS (4)	DPS (5)	Payout Rate (6)	Weighted k (7)
1	$9.5000	$ 0.0000	$ 9.5000	$1.4750	$1 0000	67.7966%	0.1553
2	9.5000	0.4750	9.9750	1.5463	1.0500	67.9062	0.1550
3	9.5000	0.9713	10.4713	1.6207	1.1025	68.0267	0.1548
4	9.5000	1.4894	10.9894	1.6984	1.1576	68.1591	0.1545
5	9.5000	2.0302	11.5302	1.7795	1.2155	68.3047	0.1543
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
33	9.5000	23.2219	32.7219	4.9583	4.7649	96.1006	0.1515
34	9.5000	23.4152	32.9152	4.9873	5.0032	100.3188	0.1515
35	9.5000	23.3993	32.8993	4.9849	5.2533	105.3852	0.1515
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
.	.	.	.	.	.	.	.
45	9.5000	−2.3443	7.1557	1.1234	8.2791	736.9935	0.1570
46	The company goes bankrupt.						

NOTES:
1) Assumptions made in this case are as follows:
   a) Issue price = $10
   b) Flotation cost = 5%
   c) k = D/P + g = 10% + 5% = 15%
   d) r = 15.5263%
2) The dividend in Year 45 cannot grow by the 5 per cent growth rate, because if it did total equity would become negative. Therefore, the Year 45 dividend is calculated as the remaining portion of total equity + earnings in Year 45: $7.1557 + $1.1234 = $8.2791.

Table 5

Case 5: Company Sells Additional Stock and k Changes

Beginning of Year

Year	Common Stock (1)	New Issue (1a)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout Ratio (8)
1	$ 9.5000		$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.5000		0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.5000		0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.5000		1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.5000		2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.5000	$12.3799	2.6247	24.5046	12.7628	1.0526	1.8889	1.2763	67.5676
7	21.8799		3.8499	25.7298	13.4010	1.0526	1.9833	1.3401	67.5676
8	21.8799		5.1364	27.0163	14.0710	1.0526	1.8123	1.4071	77.6398
9	21.8799		5.9469	27.8268	14.4931	1.0526	1.8667	1.4493	77.6398
10	21.8799		6.7817	28.6616	14.9279	1.0526	1.9227	1.4928	77.6398

NOTES:
Assumptions made in this case are as follows:
a) Original issue price = $10
b) Year 1 flotation cost = 5%
c) Issue 1 r = 15.5263%
d) Year 6 issue price = $12.7628
e) Year 6 flotation cost = 3%
f) Year 6 new common stock = $12.7628(1 − F)
= $12.7628(0.97)
= $12.3799
g) Additional issue r = 15.3093%
h) Years 1-7, k = D/P + g = 10% + 5% = 15%
i) Years 8-10, k = D/P + g = 10% + 3% = 13%

Table 6

Case 6: Company Sells Additional Stock and k Changes

Beginning of Year

Year	Common Stock (1)	New Issue (1a)	Retained Earnings (2)	Total Equity (3)	Stock Price (4)	Market-Book Ratio (5)	EPS (6)	DPS (7)	Payout Ratio (8)
1	$ 9.5000		$0.0000	$ 9.5000	$10.0000	1.0526x	$1.4750	$1.0000	67.7966%
2	9.5000		0.4750	9.9750	10.5000	1.0526	1.5488	1.0500	67.7966
3	9.5000		0.9738	10.4738	11.0250	1.0526	1.6262	1.1025	67.7966
4	9.5000		1.4974	10.9974	11.5763	1.0526	1.7075	1.1576	67.7966
5	9.5000		2.0473	11.5473	12.1551	1.0526	1.7929	1.2155	67.7966
6	9.5000	$12.3799	2.6247	24.5046	12.7628	1.0526	1.8889	1.2763	67.5676
7	21.8799		3.8499	25.7298	13.4010	1.0526	1.9833	1.3401	67.5676
8	21.8799		5.1364	27.0163	14.0710	1.0526	1.8011	1.1257	62.5000
9	21.8799		5.9469	27.3671	14.7746	1.0526	1.8911	1.1820	62.5000
10	21.8799		6.7817	29.7855	15.5133	1.0526	1.9857	1.2411	62.5000

NOTES:
Assumptions made in this case are as follows:
a) Original issue price = $10
b) Year 1 flotation cost = 5%
c) Issue 1 r = 15.5263%
d) Year 6 issue price = $12.7628
e) Year 6 flotation cost = 3%
f) Year 6 new common stock = $12.7628(1 − F)
= $12.7628(0.97)
= $12.3799
g) Additional issue r = 15.3093%
h) Years 1-7, k = D/P + g = 10% + 5% = 15%
i) Years 8-10, k = D/P + g = 10% + 3% = 13%

earnings and a smaller dollar amount of flotation costs, also has the lower flotation-adjusted cost of equity. This demonstrates that the issuance cost adjustment formula is itself adjusted to reflect the extent to which a company finances by retaining earnings rather than by selling new common stock.

Changes in the DCF Cost of Equity

We also analyzed the effects of changes in the DCF cost of equity over time. While a change in the DCF k causes a change in earnings, dividends, and the growth rate, the flotation adjustment *process* is not affected – Equation 5 still produces a fair rate of return on book value. This is demonstrated in Tables 5 and 6. It should be noted that the effects of the adjustment as derived by Equation 5 do vary with the level of the DCF cost and with the split between dividend yield and growth. In Case 5, we analyze the effects of a change in the growth rate with the dividend yield held constant, while in Case 6, reversing them, we analyze the effects of a change in the dividend yield with the growth rate held constant. Both cases use Case 3 as their base case. In each instance, a new value for r, based on Equation 5, can be established, and this return on book value permits investors to earn their new DCF cost of equity.

Capitalizing Flotation Costs

Bierman and Hass, almost as an afterthought toward the end of their article, suggested that utilities should be allowed to record the *gross amount* of equity sales and to earn a DCF return on gross equity capital. This would amount to capitalizing flotation costs. These capitalized costs could then be amortized over some prescribed period or else be kept on the books indefinitely.

To show this, we set up computer models using our various cases but capitalizing flotation costs. One can see that earnings, dividends, and stock prices are all exactly like those shown in our tables. Thus, capitalizing flotation costs produces exactly the same results as Equation 5.

Capitalizing flotation costs has much to recommend it, for it would eliminate the confusion that has existed. However, a fundamental problem exists for any company that has incurred flotation costs in the past, that is, for virtually the entire utility industry: How would the fact that past flotation costs were not capitalized be dealt with? In other words, capitalizing flotation costs would be an excellent procedure for a new, start-up, company, but such a plan would not be feasible for an existing company without somehow adjusting for past costs. Such an adjustment could be made, but a discussion of it goes beyond the scope of this article.

Conclusion

The proper treatment of equity flotation costs has caused much confusion. Had such costs been either capitalized in the past or else expensed on an as-incurred basis, there would be no problem, but since neither of these practices has generally been followed, the DCF return must be adjusted to produce a fair rate of return on book equity.

Further, the adjustment is always required, irrespective of whether or not a company has plans to sell new stock in the future, and the adjusted return must be earned on total equity, including retained earnings. Otherwise, it would be impossible for investors to earn the cost of equity, even under prudent and efficient management.

References

[1] "Flotation Cost Allowance in Rate of Return Regulation: A Note," by E. R. Arzac and M. Marcus, *Journal of Finance,* Vol. 36, December, 1981, pp. 1119-1202.

[2] "Flotation Cost Allowance in Rate of Return Regulation: A Reply," by E. R. Arzac and M. Marcus, *Journal of Finance,* Vol. 38, September, 1983, pp. 1339-1341.

[3] "Equity Flotation Cost Adjustments in Utilities' Cost of Service," by Harold Bierman, Jr. and Jerome E. Hass, 113 PUBLIC UTILITIES FORTNIGHTLY 46, March 1, 1984.

[4] "The Effect of New Equity Issues on Utility Stock Prices," by John W. Bowyer and Jess B. Yawitz, 105 PUBLIC UTILITIES FORTNIGHTLY 25, May 22, 1980.

[5] *"Financial Management,"* by Eugene F. Brigham, fourth edition, Dryden Press, Hindsale, Illinois, 1985.

[6] "Issue Costs in the Estimation of the Cost of Equity Capital," by Cleveland S. Patterson, 108 PUBLIC UTILITIES FORTNIGHTLY 28, July 16, 1981.

[7] "Flotation Cost Allowance in Rate of Return Regulation: A Comment," by Cleveland S. Patterson, *Journal of Finance,* Vol. 38, September, 1983, pp. 1335-1338.

[8] "Flotation Cost Allowances Revisited," by Cleveland S. Patterson, working paper.

[9] "A Note on the Flotation Cost of New Equity Capital Issues of Electric Companies," by Richard H. Pettway, 109 PUBLIC UTILITIES FORTNIGHTLY 68, March 18, 1982.

[10] "The Effects of New Equity Sales upon Utility Share Prices," by Richard H. Pettway, 113 PUBLIC UTILITIES FORTNIGHTLY 35, May 10, 1984.

[11] "The Ever-present Need for an Underpricing Allowance," by Paul H. Richter, 109 PUBLIC UTILITIES FORTNIGHTLY 58, February 18, 1982.

NEW REGULATORY FINANCE

Roger A. Morin, PhD

2006
PUBLIC UTILITIES REPORTS, INC.
Vienna, Virginia

Alternative Sources of Equity

A second controversy is whether a flotation cost allowance should be allowed because a company can always obtain equity from sources other than a public issue of common stock, such as a rights issue for example. There are several sources of equity capital available to a firm, including: public common stock issues, conversions of convertible preferred stock, dividend reinvestment plans, employees' savings plans, warrants, and stock dividend programs. Each carries its own set of administrative costs and flotation cost components, including discounts, commissions, corporate expenses, offering spread, and market pressure.

Equity capital raised through a public issue is typically more expensive than alternate sources of equity. Rights issues, when available, are less expensive, but direct costs still would be incurred. Of course, a rights issue assumes that a willing underwriter and a willing market could be found for such offerings in the first place, an unlikely event in public capital markets for small unproven companies. Internal sources of equity, including dividend reinvestment and/or employee stock option plans, are also typically less expensive, unless a discount on the purchase price is inherent in the plan, in which case they are often equivalent to a public issue. Direct costs are also incurred in an employee stock savings plan and/or a shareholder dividend reinvestment plan.

The flotation cost allowance is still warranted, however, because it is a composite factor that reflects the historical mix of all these sources of equity. The flotation cost allowance applicable to all the company's book equity is actually a weighted average of the current allowances required for each past financing, that is, the flotation cost allowance factor is a build-up of historical flotation cost adjustments associated and traceable to each component of equity source. However, it is impractical and prohibitive to start from the inception of a company and source all present equity from various equity vintages and types of equity capital raised by the company. One way of circumventing the problem of vintaging each form of equity is to source book equity by broad categories of equity, such as dividend reinvestment plan equity, stock option equity, and public issue equity, and calculate a weighted average flotation factor. That is also onerous and cumbersome. A practical solution is to rely on the results of the empirical studies discussed earlier that quantify the average flotation cost factor of a large sample of utility stock offerings.

Efficient Markets

A third controversy centers around the argument that the omission of flotation cost is justified on the grounds that, in an efficient market, the stock price already reflects any accretion or dilution resulting from new issuances of securities and that a flotation cost adjustment results in a double counting effect. The simple fact of the matter is that whatever stock price is set by the

market, the company issuing stock will always net an amount less than the stock price due to the presence of intermediation and flotation costs. As a result, the company must earn slightly more on its reduced rate base in order to produce a return equal to that required by shareholders.

Existing shareholders are made worse off when a company issues new stock below the market price, irrespective of how "efficient" that stock price may be. As seen in an earlier example, the new issue results in a transfer of wealth from existing to new shareholders. This is true regardless of the degree of efficiency of the market.

It has also been argued that a flotation cost allowance is inequitable since it results in a windfall gain to shareholders. This argument is erroneous. As stated previously, the company's common equity account is credited by an amount less than the market value of the issue, so that the company must earn slightly more on its reduced rate base in order to produce a return equal to that required by shareholders. Moreover, existing shareholders are made worse off when a company issues new stock below the market price.

The suggestion that the flotation cost allowance is unwarranted because investors factor this shortcoming in the stock price implies that it is appropriate to use a deficient model because such a deficiency is reflected in stock prices. In other words, it is appropriate to use a deficient model because investors are aware of this. Such circular reasoning could be used to justify any regulatory policy. For example, under this reasoning, it would be appropriate to authorize a return on equity of 1% because investors reflect this fact in the stock price. This is clearly illogical and erroneous. Any regulatory policy, as irrational as it may be, can be justified using this argument.

Absence of Imminent Stock Issues

Another controversy is whether the flotation cost allowance should still be applied when the utility is not contemplating an imminent common stock issue. Some argue that flotation costs are real and should be recognized in calculating the fair return on equity, but only at the time when the expenses are incurred. In other words, the flotation cost allowance should not continue indefinitely, but should be made in the year in which the sale of securities occurs, with no need for continuing compensation in future years. This argument implies that the company has already been compensated for these costs and/or the initial contributed capital was obtained freely, devoid of any flotation costs, which is an unlikely assumption, and certainly not applicable to most utilities. If the flotation costs of past stock issues have been fully recovered, the argument has merit. If that assumption is not met, the argument is without merit. The flotation cost adjustment cannot be strictly forward-looking unless all past flotation costs associated with past issues have been recovered.

VERIFICATION

The undersigned, Brian C. Ciborek, being duly sworn, deposes and says he is the Accounting Senior Manager for American Electric Power Service Corporation, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

Signed by:
Brian C. Ciborek
F260D8435C4C4D6...
Brian C. Ciborek

Commonwealth of Kentucky)
) Case No. 2025-00257
County of Boyd)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Brian C. Ciborek, on 10/14/2025 | 1:44 PM EDT.

Signed by:
Michelle Caldwell
E9B1BC7AC81F421...
Notary Public

MARILYN MICHELLE CALDWELL
ONLINE NOTARY PUBLIC
COMMONWEALTH OF KENTUCKY
Commission #KYNP71841
My Commission Expires 5/5/2027

My Commission Expires 05/05/2027

Notary ID Number KYNP71841

VERIFICATION

The undersigned, Adrien M. McKenzie, being duly sworn, deposes and says he is the President of FINCAP, Incorporated, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.

Adrien M. McKenzie

STATE OF TEXAS)
) Case No. 2025-00257
COUNTY OF TRAVIS)

Subscribed and sworn to before me, a Notary Public in and before said County and State, by Adrien M. McKenzie, on October 14th, 2025.

Notary Public

BRUCE HARCUM FAIRCHILD
Notary ID #131906507
My Commission Expires
February 25, 2027

My Commission Expires 2/25/2027

Notary ID Number 131906507