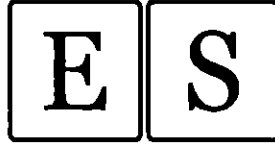


Jerry W. Evenson*
Paul R. Sanderson*
William J. Behrmann
Nils J.D. Eberhardt
Jennifer M. Hauge

*Certified Civil Trial Specialist,
National Board of Trial Advocacy



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September 30, 2020

Executive Secretary
ND Public Service Commission
600 East Boulevard Avenue, Dept. 480
Bismarck, ND 58505-0480

**Re: Montana Dakota Utilities Co. 2020 Natural Gas Rate Case
Case Nos. PU-20-379**

Enclosed for filing is a copy of an errata filing to correct some errors discovered in Ann E. Bulkley's Direct Testimony, which has been filed with the Public Service Commission as Docket # 6. If you have any questions regarding the filing, please let me know. Thank you for your consideration.

Sincerely,

Paul Sanderson

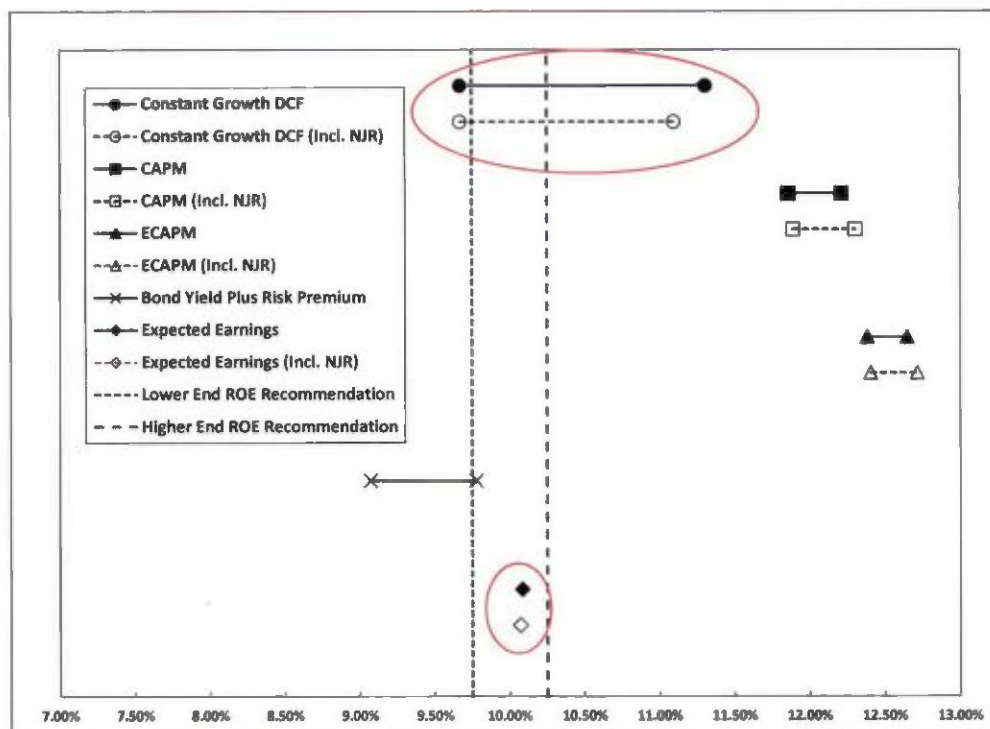
Enclosure

cc: ALJ Timothy J. Dawson (w/enc.)
Travis Jacobson

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Figure 1: Summary of Cost of Equity Analytical Results ^{4,5}

Revised graph. Changes circled in red.



3

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5 results produced by the ROE estimation models is wide. While it is common to
6 consider multiple models to estimate the cost of equity, it is particularly important
7 when the range of results is wide in order to appropriately consider the factors that
8 have resulted in the diverging range of results.

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⁴ The analytical results reflect the results of the Constant Growth DCF analysis excluding the results for individual companies that did not meet the minimum threshold of 7.00 percent.

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2 using the highest growth rate for each proxy group company. The mean results
3 were calculated using the average growth rates from all sources.

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7 specified threshold at which equity investors would consider such returns to provide
8 an insufficient return increment above long-term debt costs. The average credit
9 rating for the companies in my proxy group is between an A- and A.³⁹ The average
10 yield on Moody's A-rated utility bonds for the 30 trading days ending July 31,
11 2020, was 2.82 percent.⁴⁰ As shown in Exhibit No. __ (AEB-2), Schedule 4, I have
12 eliminated Constant Growth DCF results lower than 7.00% because such returns
13 would provide equity investors a risk premium only 418 basis points above A-rated
14 utility bonds.

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16 A60. Figure 10 summarizes the results of my DCF analyses. As shown in Figure 10, the
17 mean DCF results for the proxy group range from ~~9.78~~ 10.06 percent to ~~10.23~~ 48
percent.

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⁴⁰ Source: Bloomberg Professional.

1

Figure 10: Constant Growth Discounted Cash Flow Results⁴¹

	Mean Low	Mean	Mean High
30-Day Average	9.72%	10.23 48%	11.34 52%
90-Day Average	9.51%	10.02 27%	11.3 1%
180-Day Average	9.78%	9.78 10.06%	10.87 11.09%

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D. CAPM Analysis

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Q62. Please briefly describe the Capital Asset Pricing Model.

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1

Figure 14: Summary of Analytical Results^{84 85}

Constant Growth DCF			
	Mean Low	Mean	Mean High
30-Day Average Price	9.72%	10.2348%	11.3152%
90-Day Average Price	9.51%	10.0227%	11.311%
180-Day Average Price	9.78%	9.7810.06%	10.8711.09%
Capital Asset Pricing Model			
	Current Risk-Free Rate (1.34%)	Q4 2020-Q4 2021 Projected Risk-Free Rate (1.70%)	2022-2026 Projected Risk-Free Rate (3.00%)
Value Line Beta	11.95%	12.01%	12.21%
Bloomberg Beta	11.86%	11.92%	12.13%
Empirical Capital Asset Pricing Model			
Value Line Beta	12.45%	12.49%	12.65%
Bloomberg Beta	12.38%	12.43%	12.59%
Bond Yield Plus Risk Premium Analysis			
Risk Premium Analysis	9.07%	9.22%	9.78%
Expected Earnings Analysis			
Expected Earnings Results	10.08%		

2 **Q114. What is your conclusion with respect to Montana-Dakota's proposed capital**
3 **structure?**

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⁸⁵ Results displayed are for the proxy group of six companies, not including NJR. For results based on the proxy group plus NJR, please see Exhibit No. __ (AEB-2), Schedule 2.

SUMMARY OF ROE ANALYSES RESULTS ¹

Constant Growth DCF			
	Mean Low	Mean	Mean High
30-Day Average	9.72%	10.23 10.48%	11.34.52%
90-Day Average	9.51%	10.02.27%	11.431%
180-Day Average	9.78%	9.78 10.06%	10.07 11.09%
Constant Growth Average	9.67%	10.04.27%	11.40.31%
CAPM			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Value Line Beta	11.95%	12.01%	12.21%
Bloomberg Beta	11.86%	11.92%	12.13%
ECAPM			
Value Line Beta	12.45%	12.49%	12.65%
Bloomberg Beta	12.38%	12.43%	12.59%
Bond Yield Plus Risk Premium			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Risk Premium Analysis	9.07%	9.22%	9.78%
Expected Earnings Analysis			
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Notes:

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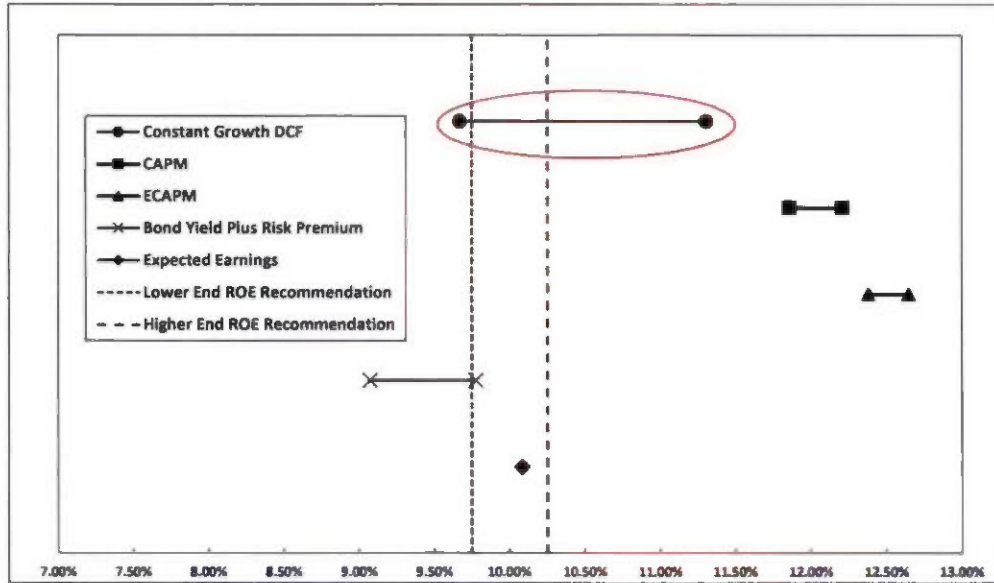
SUMMARY OF ROE ANALYSES RESULTS INCLUDING NJR ¹

Constant Growth DCF			
	Mean Low	Mean	Mean High
30-Day Average	9.72%	10.48.23%	11.52.31%
90-Day Average	9.51%	10.27.02%	11.311%
180-Day Average	9.78%	10.06 9.78%	11.09 10.87%
Constant Growth Average	9.67%	10.27.01%	11.34.10%
CAPM			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Value Line Beta	12.06%	12.11%	12.30%
Bloomberg Beta	11.89%	11.95%	12.16%
ECAPM			
Value Line Beta	12.53%	12.57%	12.71%
Bloomberg Beta	12.40%	12.45%	12.61%
Bond Yield Plus Risk Premium			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Risk Premium Analysis	9.07%	9.22%	9.78%
Expected Earnings Analysis			
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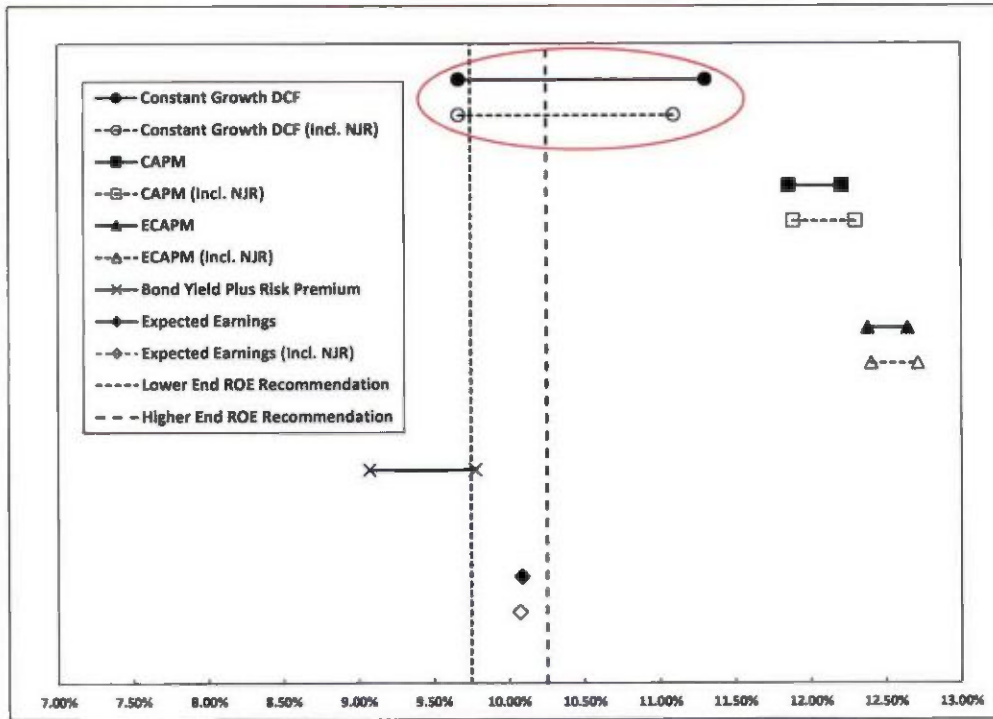
Notes:

[1] The analytical results included in the table reflect the results of the Constant Growth DCF analysis excluding the results for individual companies that did not meet the minimum threshold of 7 percent.

Revised graph. Changes circled in red.



Revised graph. Changes circled in red.



30-DAY CONSTANT GROWTH DCF – MDU NORTH DAKOTA PROXY GROUP

Company	Ticker	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	All Proxy Group			With Exclusions		
		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Earnings Growth	Yahoo! Finance Earnings Growth	Zacks Earnings Growth	Average Growth Rate	Low ROE	Mean ROE	High ROE	Low ROE	Mean ROE	High ROE
Atmos Energy Corporation	ATO	\$2.30	\$100.96	2.28%	2.36%	7.00%	7.15%	7.20%	7.12%	9.36%	9.48%	9.56%	9.36%	9.48%	9.56%
New Jersey Resources Corporation	NJR	\$1.25	\$31.58	3.96%	4.05%	2.00%	6.00%	6.00%	4.67%	6.00%	8.72%	10.08%		8.72%	10.08%
Northwest Natural Gas Company	NWN	\$1.91	\$53.91	3.54%	3.63%	7.56%	3.90%	3.90%	5.12%	7.51%	8.75%	11.24%	7.51%	8.75%	11.24%
ONE Gas Inc.	OGS	\$2.16	\$75.82	2.85%	2.93%	6.50%	5.00%	5.50%	5.67%	7.92%	8.60%	9.44%	7.92%	8.60%	9.44%
South Jersey Industries, Inc.	SJI	\$1.18	\$23.82	4.95%	5.23%	12.50%	10.30%	10.30%	11.03%	15.51%	16.26%	17.76%	15.51%	16.26%	17.76%
Southwest Gas Corporation	SWX	\$2.28	\$68.98	3.31%	3.43%	8.00%	8.20%	6.00%	7.40%	9.40%	10.83%	11.64%	9.40%	10.83%	11.64%
Spire, Inc.	SR	\$2.49	\$64.57	3.86%	3.95%	5.50%	4.67%	4.80%	4.99%	8.62%	8.94%	9.46%	8.62%	8.94%	9.46%
Mean				3.46%	3.59%	7.84%	6.54%	6.28%	6.89%	9.72%	10.48%	11.52%	9.72%	10.29%	11.34%
Mean Incl. NJR						7.01%	6.46%	6.24%	6.57%	8.19%	10.23%	11.31%	9.72%	10.49%	11.52%

Notes:

- [1] Source: Bloomberg Professional
- [2] Source: Bloomberg Professional, equals 30-day average as of July 31, 2020.
- [3] Equals [1] / [2]
- [4] Equals [3] x (1 + 0.50 x [8])
- [5] Source: Value Line
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- [12] - [14] Excludes companies with ROEs less than the a 7.00% return.

90-DAY CONSTANT GROWTH DCF – MDU NORTH DAKOTA PROXY GROUP

Company	Ticker	[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[5] Value Line Earnings Growth	[6] Yahoo! Finance Earnings Growth	[7] Zacks Earnings Growth	[8] Average Growth Rate	All Proxy Group			With Exclusions		
										[9] Low ROE	[10] Mean ROE	[11] High ROE	[12] Low ROE	[13] Mean ROE	[14] High ROE
Atmos Energy Corporation	ATO	\$2.30	\$100.88	2.28%	2.36%	7.00%	7.15%	7.20%	7.12%	9.36%	9.48%	9.56%	9.36%	9.48%	9.56%
New Jersey Resources Corporation	NJR	\$1.25	\$32.74	3.82%	3.91%	2.00%	6.00%	6.00%	4.67%	5.86%	8.57%	9.93%		8.57%	9.93%
Northwest Natural Gas Company	NWN	\$1.91	\$59.27	3.22%	3.31%	7.56%	3.90%	3.90%	5.12%	7.19%	8.43%	10.91%	7.19%	8.43%	10.91%
ONE Gas Inc.	OGS	\$2.18	\$79.56	2.72%	2.79%	6.50%	5.00%	5.50%	5.67%	7.78%	8.46%	9.30%	7.78%	8.46%	9.30%
South Jersey Industries, Inc.	SJI	\$1.18	\$25.63	4.60%	4.86%	12.50%	10.30%	10.30%	11.03%	15.14%	15.89%	17.39%	15.14%	15.89%	17.39%
Southwest Gas Corporation	SWX	\$2.28	\$71.78	3.18%	3.29%	8.00%	8.20%	6.00%	7.40%	9.27%	10.69%	11.51%	9.27%	10.69%	11.51%
Spire, Inc.	SR	\$2.49	\$69.70	3.57%	3.66%	5.50%	4.67%	4.80%	4.99%	8.33%	8.65%	9.17%	8.33%	8.65%	9.17%
Mean				3.26%	3.38%	7.84%	6.54%	6.28%	6.89%	9.51%	10.27%	11.31%	9.51%	10.62%	11.44%
Mean Incl. NJR						7.01%	6.46%	6.24%	6.57%	9.99%	10.02%	11.11%	9.51%	10.27%	11.34%

Notes:

- [1] Source: Bloomberg Professional
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180-DAY CONSTANT GROWTH DCF – MDU NORTH DAKOTA PROXY GROUP

Company	Ticker	[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[5] Value Line Earnings Growth	[6] Yahoo! Finance Earnings Growth	[7] Zacks Earnings Growth	[8] Average Growth Rate	All Proxy Group			With Exclusions		
										[9] Low ROE	[10] Mean ROE	[11] High ROE	[12] Low ROE	[13] Mean ROE	[14] High ROE
Atmos Energy Corporation	ATO	\$2.30	\$105.49	2.18%	2.26%	7.00%	7.15%	7.20%	7.12%	8.26%	9.37%	9.46%	9.26%	9.37%	9.46%
New Jersey Resources Corporation	NJR	\$1.25	\$36.82	3.39%	3.47%	2.00%	6.00%	6.00%	4.67%	5.43%	8.14%	9.50%		8.14%	9.50%
Northwest Natural Gas Company	NWN	\$1.91	\$64.70	2.95%	3.03%	7.56%	3.90%	3.90%	5.12%	6.91%	8.15%	10.63%		8.15%	10.63%
ONE Gas Inc.	OGS	\$2.16	\$84.58	2.55%	2.63%	6.50%	5.00%	5.50%	5.67%	7.62%	8.29%	9.14%	7.62%	8.29%	9.14%
South Jersey Industries, Inc.	SJI	\$1.18	\$28.02	4.21%	4.44%	12.50%	10.30%	10.30%	11.03%	14.73%	15.48%	16.98%	14.73%	15.48%	16.98%
Southwest Gas Corporation	SWX	\$2.28	\$72.86	3.14%	3.25%	8.00%	8.20%	6.00%	7.40%	9.23%	10.65%	11.47%	9.23%	10.65%	11.47%
Spire, Inc.	SR	\$2.49	\$75.11	3.31%	3.40%	5.50%	4.67%	4.80%	4.99%	8.06%	8.39%	8.91%	8.06%	8.39%	8.91%
Mean				3.06%	3.17%	7.84%	6.54%	6.28%	6.89%	9.30%	10.06%	11.09%	9.78%	9.78	10.06%
Mean Incl. NJR						7.01%	6.46%	6.24%	6.57%	8.75%	9.76%	10.87%	9.78%	9.76	9.76%

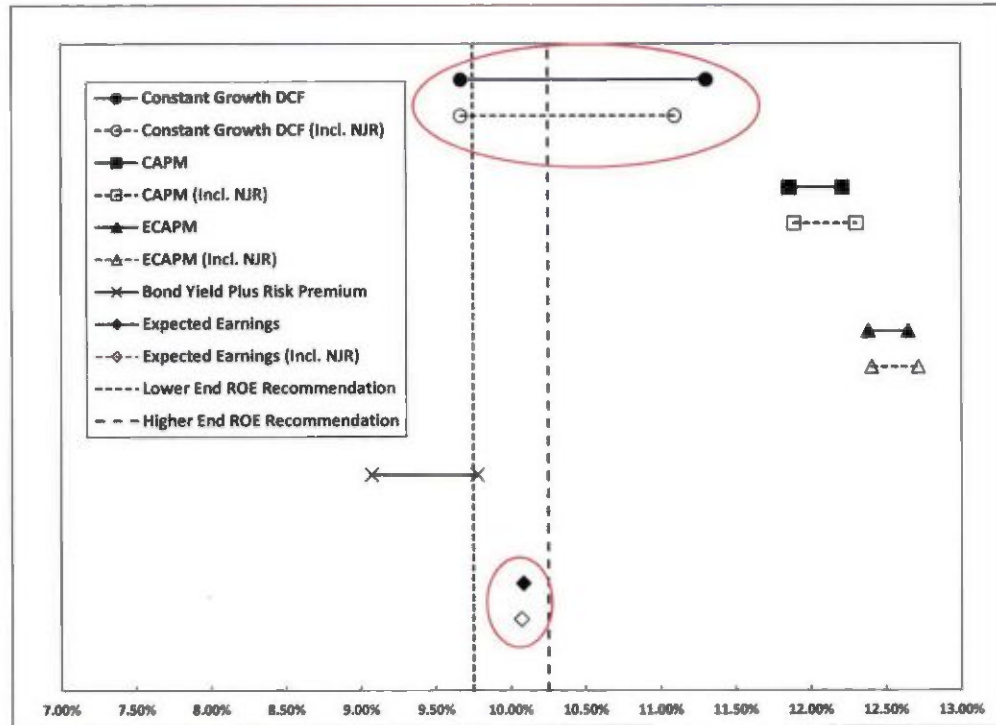
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Figure 10: Constant Growth Discounted Cash Flow Results⁴¹

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Constant Growth Average	9.67%	10.04.27%	11.40.31%
CAPM			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Value Line Beta	11.95%	12.01%	12.21%
Bloomberg Beta	11.86%	11.92%	12.13%
ECAPM			
Value Line Beta	12.45%	12.49%	12.65%
Bloomberg Beta	12.38%	12.43%	12.59%
Bond Yield Plus Risk Premium			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Risk Premium Analysis	9.07%	9.22%	9.78%
Expected Earnings Analysis			
Expected Earnings Analysis	10.08%		

Notes:

[1] The analytical results included in the table reflect the results of the Constant Growth DCF analysis excluding the results for individual companies that did not meet the minimum threshold of 7 percent.

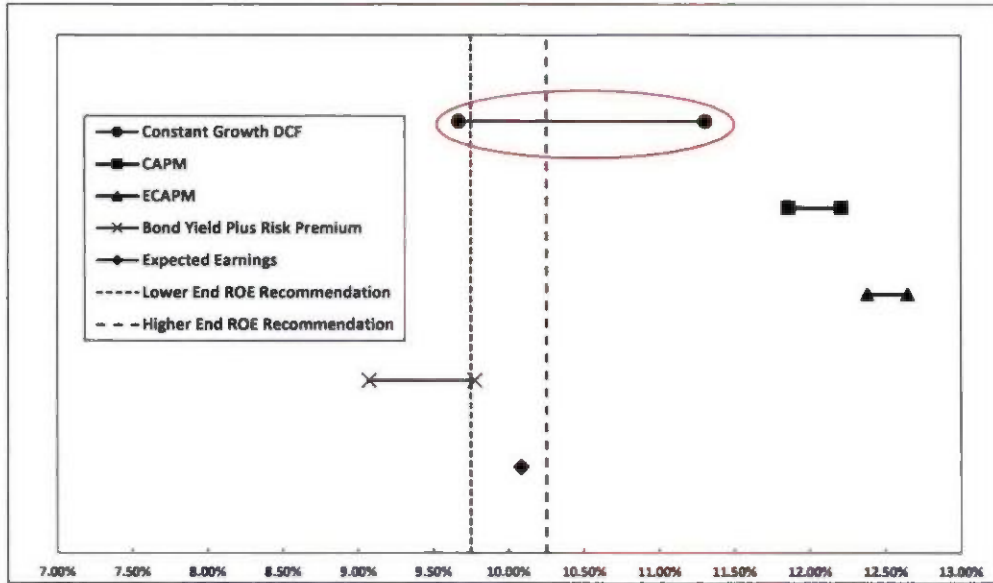
SUMMARY OF ROE ANALYSES RESULTS INCLUDING NJR ¹

Constant Growth DCF			
	Mean Low	Mean	Mean High
30-Day Average	9.72%	10.48.23%	11.52.31%
90-Day Average	9.51%	10.27.02%	11.311%
180-Day Average	9.78%	10.06 9.78%	11.09 10.87%
Constant Growth Average	9.67%	10.27.01%	11.34.10%
CAPM			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Value Line Beta	12.06%	12.11%	12.30%
Bloomberg Beta	11.89%	11.95%	12.16%
ECAPM			
Value Line Beta	12.53%	12.57%	12.71%
Bloomberg Beta	12.40%	12.45%	12.61%
Bond Yield Plus Risk Premium			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Risk Premium Analysis	9.07%	9.22%	9.78%
Expected Earnings Analysis			
Expected Earnings Analysis	10.07%		

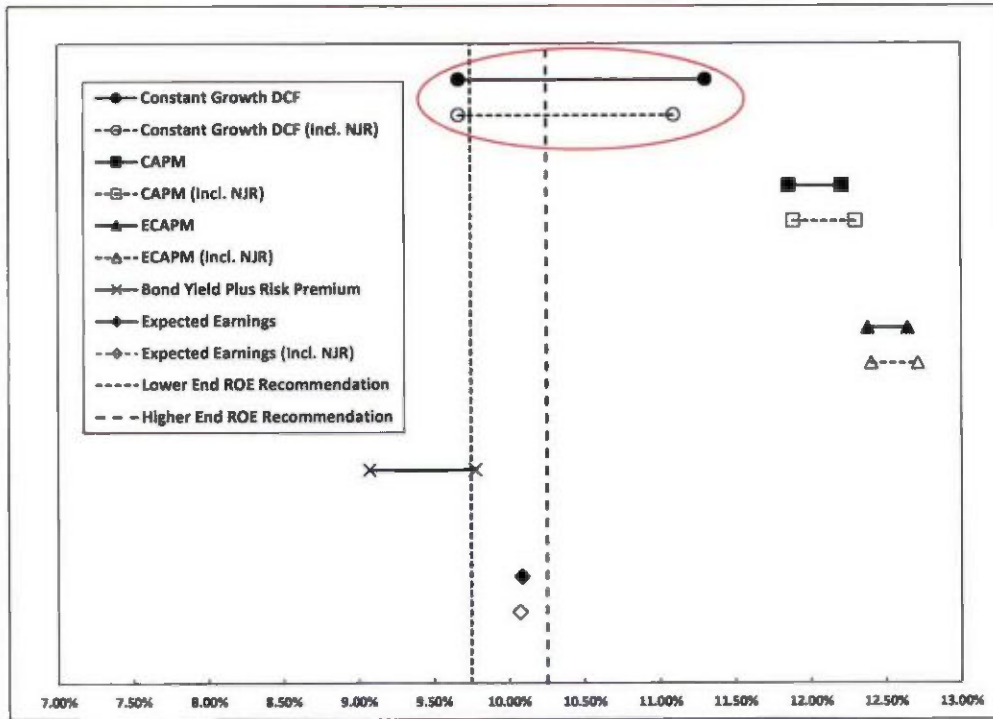
Notes:

[1] The analytical results included in the table reflect the results of the Constant Growth DCF analysis excluding the results for individual companies that did not meet the minimum threshold of 7 percent.

Revised graph. Changes circled in red.



Revised graph. Changes circled in red.



30-DAY CONSTANT GROWTH DCF – MDU NORTH DAKOTA PROXY GROUP

Company	Ticker	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	All Proxy Group			With Exclusions		
		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Earnings Growth	Yahoo! Finance Earnings Growth	Zacks Earnings Growth	Average Growth Rate	Low ROE	Mean ROE	High ROE	Low ROE	Mean ROE	High ROE
Atmos Energy Corporation	ATO	\$2.30	\$100.96	2.28%	2.36%	7.00%	7.15%	7.20%	7.12%	9.36%	9.48%	9.56%	9.36%	9.48%	9.56%
New Jersey Resources Corporation	NJR	\$1.25	\$31.58	3.96%	4.05%	2.00%	6.00%	6.00%	4.67%	6.00%	8.72%	10.08%		8.72%	10.08%
Northwest Natural Gas Company	NWN	\$1.91	\$53.91	3.54%	3.63%	7.56%	3.90%	3.90%	5.12%	7.51%	8.75%	11.24%	7.51%	8.75%	11.24%
ONE Gas Inc.	OGS	\$2.16	\$75.82	2.85%	2.93%	6.50%	5.00%	5.50%	5.67%	7.92%	8.60%	9.44%	7.92%	8.60%	9.44%
South Jersey Industries, Inc.	SJI	\$1.18	\$23.82	4.95%	5.23%	12.50%	10.30%	10.30%	11.03%	15.51%	16.26%	17.76%	15.51%	16.26%	17.76%
Southwest Gas Corporation	SWX	\$2.28	\$68.98	3.31%	3.43%	8.00%	8.20%	6.00%	7.40%	9.40%	10.83%	11.64%	9.40%	10.83%	11.64%
Spire, Inc.	SR	\$2.49	\$64.57	3.86%	3.95%	5.50%	4.67%	4.80%	4.99%	8.62%	8.94%	9.46%	8.62%	8.94%	9.46%
Mean				3.46%	3.59%	7.84%	6.54%	6.28%	6.89%	9.72%	10.48%	11.52%	9.72%	10.29%	11.94%
Mean Incl. NJR						7.01%	6.46%	6.24%	6.57%	8.19%	10.23%	11.31%	9.72%	10.49%	11.56%

Notes:

- [1] Source: Bloomberg Professional
- [2] Source: Bloomberg Professional, equals 30-day average as of July 31, 2020.
- [3] Equals [1] / [2]
- [4] Equals [3] x (1 + 0.50 x [8])
- [5] Source: Value Line
- [6] Source: Yahoo! Finance
- [7] Source: Zacks
- [8] Equals Average ([5], [6], [7])
- [9] Equals [3] x (1 + 0.50 x Minimum ([5], [6], [7]) + Minimum ([5], [6], [7]))
- [10] Equals [4] + [8]
- [11] Equals [3] x (1 + 0.50 x Maximum ([5], [6], [7]) + Maximum ([5], [6], [7]))
- [12] - [14] Excludes companies with ROEs less than the a 7.00% return.

90-DAY CONSTANT GROWTH DCF – MDU NORTH DAKOTA PROXY GROUP

Company	Ticker	[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[5] Value Line Earnings Growth	[6] Yahoo! Finance Earnings Growth	[7] Zacks Earnings Growth	[8] Average Growth Rate	All Proxy Group			With Exclusions		
										[9] Low ROE	[10] Mean ROE	[11] High ROE	[12] Low ROE	[13] Mean ROE	[14] High ROE
Atmos Energy Corporation	ATO	\$2.30	\$100.88	2.28%	2.36%	7.00%	7.15%	7.20%	7.12%	9.36%	9.48%	9.56%	9.36%	9.48%	9.56%
New Jersey Resources Corporation	NJR	\$1.25	\$32.74	3.82%	3.91%	2.00%	6.00%	6.00%	4.67%	5.86%	8.57%	9.93%		8.57%	9.93%
Northwest Natural Gas Company	NWN	\$1.91	\$59.27	3.22%	3.31%	7.56%	3.90%	3.90%	5.12%	7.19%	8.43%	10.91%	7.19%	8.43%	10.91%
ONE Gas Inc.	OGS	\$2.18	\$79.56	2.72%	2.79%	6.50%	5.00%	5.50%	5.67%	7.78%	8.46%	9.30%	7.78%	8.46%	9.30%
South Jersey Industries, Inc.	SJI	\$1.18	\$25.63	4.60%	4.86%	12.50%	10.30%	10.30%	11.03%	15.14%	15.89%	17.39%	15.14%	15.89%	17.39%
Southwest Gas Corporation	SWX	\$2.28	\$71.78	3.18%	3.29%	8.00%	8.20%	6.00%	7.40%	9.27%	10.69%	11.51%	9.27%	10.69%	11.51%
Spire, Inc.	SR	\$2.49	\$69.70	3.57%	3.66%	5.50%	4.67%	4.80%	4.99%	8.33%	8.65%	9.17%	8.33%	8.65%	9.17%
Mean				3.26%	3.38%	7.84%	6.54%	6.28%	6.89%	9.51%	10.27%	11.31%	9.51%	10.82%	11.44%
Mean Incl. NJR						7.01%	6.46%	6.24%	6.57%	9.99%	10.02%	11.11%	9.51%	10.27%	11.31%

Notes:

- [1] Source: Bloomberg Professional
- [2] Source: Bloomberg Professional, equals 30-day average as of July 31, 2020.
- [3] Equals [1] / [2]
- [4] Equals [3] x (1 + 0.50 x [8])
- [5] Source: Value Line
- [6] Source: Yahoo! Finance
- [7] Source: Zacks
- [8] Equals Average ([5], [6], [7])
- [9] Equals [3] x (1 + 0.50 x Minimum ([5], [6], [7]) + Minimum ([5], [6], [7]))
- [10] Equals [4] + [8]
- [11] Equals [3] x (1 + 0.50 x Maximum ([5], [6], [7]) + Maximum ([5], [6], [7]))
- [12] - [14] Excludes companies with ROEs less than the 7.00% return.

180-DAY CONSTANT GROWTH DCF – MDU NORTH DAKOTA PROXY GROUP

Company	Ticker	[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[5] Value Line Earnings Growth	[6] Yahoo! Finance Earnings Growth	[7] Zacks Earnings Growth	[8] Average Growth Rate	All Proxy Group			With Exclusions		
										[9] Low ROE	[10] Mean ROE	[11] High ROE	[12] Low ROE	[13] Mean ROE	[14] High ROE
Atmos Energy Corporation	ATO	\$2.30	\$105.49	2.18%	2.26%	7.00%	7.15%	7.20%	7.12%	8.26%	9.37%	9.46%	9.26%	9.37%	9.46%
New Jersey Resources Corporation	NJR	\$1.25	\$36.82	3.39%	3.47%	2.00%	6.00%	6.00%	4.67%	5.43%	8.14%	9.50%		8.14%	9.50%
Northwest Natural Gas Company	NWN	\$1.91	\$64.70	2.95%	3.03%	7.56%	3.90%	3.90%	5.12%	6.91%	8.15%	10.63%		8.15%	10.63%
ONE Gas Inc.	OGS	\$2.16	\$84.58	2.55%	2.63%	6.50%	5.00%	5.50%	5.67%	7.62%	8.29%	9.14%	7.62%	8.29%	9.14%
South Jersey Industries, Inc.	SJI	\$1.18	\$28.02	4.21%	4.44%	12.50%	10.30%	10.30%	11.03%	14.73%	15.48%	16.98%	14.73%	15.48%	16.98%
Southwest Gas Corporation	SWX	\$2.28	\$72.86	3.14%	3.25%	8.00%	8.20%	6.00%	7.40%	9.23%	10.65%	11.47%	9.23%	10.65%	11.47%
Spire, Inc.	SR	\$2.49	\$75.11	3.31%	3.40%	5.50%	4.67%	4.80%	4.99%	8.06%	8.39%	8.91%	8.06%	8.39%	8.91%
Mean				3.06%	3.17%	7.84%	6.54%	6.28%	6.89%	9.30%	10.06%	11.09%	9.78%	9.78	10.06%
Mean Incl. NJR						7.01%	6.46%	6.24%	6.57%	8.75%	9.76%	10.87%	9.78%	9.76	9.76%

Notes:

- [1] Source: Bloomberg Professional
- [2] Source: Bloomberg Professional, equals 30-day average as of July 31, 2020.
- [3] Equals [1] / [2]
- [4] Equals [3] x (1 + 0.50 x [8])
- [5] Source: Value Line
- [6] Source: Yahoo! Finance
- [7] Source: Zacks
- [8] Equals Average ([5], [6], [7])
- [9] Equals [3] x (1 + 0.50 x Minimum ([5], [6], [7]) + Minimum ([5], [6], [7])
- [10] Equals [4] + [8]
- [11] Equals [3] x (1 + 0.50 x Maximum ([5], [6], [7]) + Maximum ([5], [6], [7])
- [12] - [14] Excludes companies with ROEs less than the a 7.00% return.

