

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

CASCADE NATURAL GAS
CORPORATION,

Respondent.

DOCKET UG-240008

CASCADE NATURAL GAS CORPORATION

FOURTH EXHIBIT TO THE
DIRECT TESTIMONY OF ANN E. BULKLEY

March 29, 2024

30-DAY CONSTANT GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Projected EPS Growth Rate	Yahoo! Finance Projected EPS Growth Rate	Zacks Projected EPS Growth Rate	Average Projected EPS Growth Rate	Cost of Equity: Minimum Growth Rate	Cost of Equity: Mean Growth Rate	Cost of Equity: Maximum Growth Rate
Atmos Energy Corporation	ATO	\$3.22	\$115.04	2.80%	2.90%	7.00%	7.50%	7.30%	7.27%	9.90%	10.17%	10.40%
NiSource Inc.	NI	\$1.00	\$26.31	3.80%	3.96%	9.50%	8.30%	7.20%	8.33%	11.14%	12.29%	13.48%
Northwest Natural Gas Company	NWN	\$1.95	\$38.25	5.10%	5.21%	6.50%	2.80%	3.70%	4.33%	7.97%	9.54%	11.76%
ONE Gas, Inc.	OGS	\$2.60	\$62.39	4.17%	4.28%	6.50%	5.00%	5.00%	5.50%	9.27%	9.78%	10.80%
Spire, Inc.	SR	\$3.02	\$61.03	4.95%	5.11%	8.00%	6.36%	5.60%	6.65%	10.69%	11.77%	13.15%
Mean										9.79%	10.71%	11.92%
Median										9.90%	10.17%	11.76%

Notes:

[1] Bloomberg Professional as of January 31, 2023

[2] Bloomberg Professional 30-day average as of January 31, 2023

[3] Equals [1]/[2]

[4] Equals [3] x (1 + 0.5 x [8])

[5] Value Line

[6] Yahoo! Finance

[7] Zacks

[8] Equals average of [5], [6], [7]

[9] Equals [3] x (1 + 0.5 x (min([5], [6], [7])) + (min([5], [6], [7])))

[10] Equals [4] + [8]

[11] Equals [3] x (1 + 0.5 x (max([5], [6], [7])) + (max([5], [6], [7])))

90-DAY CONSTANT GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Projected EPS Growth Rate	Yahoo! Finance Projected EPS Growth Rate	Zacks Projected EPS Growth Rate	Average Projected EPS Growth Rate	Cost of Equity: Minimum Growth Rate	Cost of Equity: Mean Growth Rate	Cost of Equity: Maximum Growth Rate
Atmos Energy Corporation	ATO	\$3.22	\$111.87	2.88%	2.98%	7.00%	7.50%	7.30%	7.27%	9.98%	10.25%	10.49%
NiSource Inc.	NI	\$1.00	\$25.76	3.88%	4.04%	9.50%	8.30%	7.20%	8.33%	11.22%	12.38%	13.57%
Northwest Natural Gas Company	NWN	\$1.95	\$37.60	5.19%	5.30%	6.50%	2.80%	3.70%	4.33%	8.06%	9.63%	11.85%
ONE Gas, Inc.	OGS	\$2.60	\$63.04	4.12%	4.24%	6.50%	5.00%	5.00%	5.50%	9.23%	9.74%	10.76%
Spire, Inc.	SR	\$3.02	\$59.22	5.10%	5.27%	8.00%	6.36%	5.60%	6.65%	10.84%	11.92%	13.30%
Mean										9.87%	10.78%	11.99%
Median										9.98%	10.25%	11.85%

Notes:

[1] Bloomberg Professional as of January 31, 2023

[2] Bloomberg Professional 90-day average as of January 31, 2023

[3] Equals [1]/[2]

[4] Equals [3] x (1 + 0.5 x [8])

[5] Value Line

[6] Yahoo! Finance

[7] Zacks

[8] Equals average of [5], [6], [7]

[9] Equals [3] x (1 + 0.5 x (min([5], [6], [7])) + (min([5], [6], [7])))

[10] Equals [4] + [8]

[11] Equals [3] x (1 + 0.5 x (max([5], [6], [7])) + (max([5], [6], [7])))

180-DAY CONSTANT GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Projected EPS Growth Rate	Yahoo! Finance Projected EPS Growth Rate	Zacks Projected EPS Growth Rate	Average Projected EPS Growth Rate	Cost of Equity: Minimum Growth Rate	Cost of Equity: Mean Growth Rate	Cost of Equity: Maximum Growth Rate
Atmos Energy Corporation	ATO	\$3.22	\$113.76	2.83%	2.93%	7.00%	7.50%	7.30%	7.27%	9.93%	10.20%	10.44%
NiSource Inc.	NI	\$1.00	\$26.27	3.81%	3.97%	9.50%	8.30%	7.20%	8.33%	11.14%	12.30%	13.49%
Northwest Natural Gas Company	NWN	\$1.95	\$39.17	4.98%	5.09%	6.50%	2.80%	3.70%	4.33%	7.85%	9.42%	11.64%
ONE Gas, Inc.	OGS	\$2.60	\$69.55	3.74%	3.84%	6.50%	5.00%	5.00%	5.50%	8.83%	9.34%	10.36%
Spire, Inc.	SR	\$3.02	\$60.12	5.02%	5.19%	8.00%	6.36%	5.60%	6.65%	10.76%	11.84%	13.22%
Mean										9.70%	10.62%	11.83%
Median										9.93%	10.20%	11.64%

Notes:

- [1] Bloomberg Professional as of January 31, 2023
- [2] Bloomberg Professional 180-day average as of January 31, 2023
- [3] Equals [1]/[2]
- [4] Equals [3] x (1 + 0.5 x [8])
- [5] Value Line
- [6] Yahoo! Finance
- [7] Zacks
- [8] Equals average of [5], [6], [7]
- [9] Equals [3] x (1 + 0.5 x (min([5], [6], [7])) + (min([5], [6], [7])))
- [10] Equals [4] + [8]
- [11] Equals [3] x (1 + 0.5 x (max([5], [6], [7])) + (max([5], [6], [7])))