



Edison Electric
INSTITUTE

Stock Performance

Q2 2020
FINANCIAL UPDATE

QUARTERLY REPORT
OF THE U.S. INVESTOR-OWNED
ELECTRIC UTILITY INDUSTRY

About EEI

EEI is the association that represents all U.S. investor-owned electric companies. Our members provide electricity for 220 million Americans, and operate in all 50 states and the District of Columbia. As a whole, the electric power industry supports more than 7 million jobs in communities across the United States. In addition to our U.S. members, EEI has more than 60 international electric companies, with operations in more than 90 countries, as International Members, and hundreds of industry suppliers and related organizations as Associate Members. Organized in 1933, EEI provides public policy leadership, strategic business intelligence, and essential conferences and forums.

About EEI's Quarterly Financial Updates

EEI's quarterly regulatory and financial updates present industry trend analyses and financial data covering 45 U.S. investor-owned electric utility companies. These 45 companies include 40 electric utility holding companies whose stocks are traded on major U.S. stock exchanges and five electric utilities who are subsidiaries of non-utility or foreign companies. Financial updates are published for the following topics:

- Stock Performance
- Dividends
- Credit Ratings
- Rate Review Summary

EEI Finance Department material can be found online at: www.eei.org/QFU.

For EEI Member Companies

The EEI Finance and Accounting Division maintains current year and historical data sets that cover a wide range of industry financial and operating metrics. We look forward to serving as a resource for member companies who wish to produce customized industry financial data and trend analyses for use in:

- Investor relations studies and presentations
- Internal company presentations
- Performance benchmarking
- Peer group analyses
- Annual and quarterly reports to shareholders

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We Welcome Your Feedback

EEI is interested in ensuring that our publications and industry data sets best address the needs of member companies and the regulatory and financial communities. We welcome your comments, suggestions and inquiries.

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Future EEI Finance Meetings

EEI Financial Conference
November 9-11, 2020
Virtual Meeting
www.eei.org

For more information about future EEI Finance Meetings, please contact Devin James at (202) 508-5057 or djames@eei.org, or Aaron Cope, Jr. at (202) 508-5128 or acope@eei.org.

The 45 U.S. Investor-Owned Electric Utilities

The companies listed below all serve a regulated distribution territory. Other utilities, such as transmission provider ITC Holdings, are not shown below because they do not serve a regulated distribution territory. However, their financial information is included in relevant EEI data sets, such as transmission-related construction spending.

ALLETE, Inc. (ALE)
Alliant Energy Corporation (LNT)
Ameren Corporation (AEE)
American Electric Power Company, Inc. (AEP)
AVANGRID, Inc. (AGR)
Avista Corporation (AVA)
Berkshire Hathaway Energy
Black Hills Corporation (BKH)
CenterPoint Energy, Inc. (CNP)
Cleco Corporation
CMS Energy Corporation (CMS)
Consolidated Edison, Inc. (ED)
Dominion Energy, Inc. (D)
DPL, Inc.
DTE Energy Company (DTE)
Duke Energy Corporation (DUK)
Edison International (EIX)
El Paso Electric Company (EE)
Entergy Corporation (ETR)
Eversource Energy (ES)
Exelon Corporation (EXC)
FirstEnergy Corp. (FE)
Hawaiian Electric Industries, Inc. (HE)
IDACORP, Inc. (IDA)

IPALCO Enterprises, Inc.
MDU Resources Group, Inc. (MDU)
MGE Energy, Inc. (MGEE)
NextEra Energy, Inc. (NEE)
NiSource Inc. (NI)
NorthWestern Corporation (NWE)
OGE Energy Corp. (OGE)
Otter Tail Corporation (OTTR)
PG&E Corporation (PCG)
Pinnacle West Capital Corporation (PNW)
PNM Resources, Inc. (PNM)
Portland General Electric Company (POR)
PPL Corporation (PPL)
Public Service Enterprise Group Inc. (PEG)
Puget Energy, Inc.
Sempra Energy (SRE)
Southern Company (SO)
Unitil Corporation (UTL)
WEC Energy Group, Inc. (WEC)
Xcel Energy, Inc. (XEL)

Note: Companies shown in italics are not listed on U.S. stock exchanges for one of the following reasons — they are subsidiaries of an independent power producer; they are subsidiaries of foreign-owned companies; or they were acquired by other investment firms.

Companies Listed by Category

(Based on Business Segmentation Data as of 12/31/2019)

Please refer to the Quarterly Financial Updates webpage for previous years' lists.

Given the diversity of utility holding company corporate strategies, no single company categorization approach will be useful for all EEI members and utility industry analysts. Nevertheless, we believe the following classification provides an informative framework for tracking financial trends and the capital markets' response to business strategies as companies depart from the traditional regulated utility model.

Regulated
Mostly Regulated

80% or more of total assets are regulated
Less than 80% of total assets are regulated

Categorization is based on year-end business segmentation data presented in SEC 10-K filings, supplemented by discussions with and information provided by parent company IR departments.

The EEI Finance and Accounting Division continues to evaluate our approach to company categorization and business segmentation. In addition, we can produce customized categorization and peer group analyses in response to member company requests. We welcome comments, suggestions and feedback from EEI member companies and the financial community.

Regulated (35 of 45)

Alliant Energy Corporation
Ameren Corporation
American Electric Power Company, Inc.
Avista Corporation
Black Hills Corporation
CenterPoint Energy, Inc.
Cleco Corporation
CMS Energy Corporation
Consolidated Edison, Inc.
Dominion Energy, Inc.
DPL Inc.
Duke Energy Corporation
Edison International
El Paso Electric Company
Entergy Corporation
Eversource Energy
FirstEnergy Corp.

IDACORP, Inc.
IPALCO Enterprises, Inc.
MGE Energy, Inc.
NiSource Inc.
NorthWestern Corporation
OGE Energy Corp.
Otter Tail Corporation
PG&E Corporation
Pinnacle West Capital Corporation
PNM Resources, Inc.
Portland General Electric Company
PPL Corporation
Puget Energy, Inc.
Southern Company
Unitil Corporation
WEC Energy Group, Inc.
Xcel Energy Inc.

Mostly Regulated (10 of 45)

ALLETE, Inc.
AVANGRID, Inc.
Berkshire Hathaway Energy
DTE Energy Company
Exelon Corporation
Hawaiian Electric Industries, Inc.
MDU Resources Group, Inc.
NextEra Energy, Inc.
Public Service Enterprise Group
Incorporated
Sempra Energy

Note: Companies shown in italics are not listed on U.S. stock exchanges for one of the following reasons — they are subsidiaries of an independent power producer; they are subsidiaries of foreign-owned companies; or they were acquired by other investment firms.

Stock Performance

HIGHLIGHTS

■ The EEI Index returned -12.1% for the year's first half, underperforming the S&P 500's -3.1% return, the Dow Jones Industrials' -8.4% return and the Nasdaq Composite's remarkable 12.1% gain. Draconian predictions of the COVID-19 pandemic's effect on economic data took a back seat to massive government support of markets and stocks retraced much of their March decline during Q2.

■ Wall Street research published in June and July showed that analysts' capex outlooks for utilities were largely unchanged versus pre-COVID-19 estimates and that bullish fundamental growth themes remained intact.

■ At year-end 2019, Wall Street viewed utility stock valuations as high. Utilities' 2020 underperformance turned that on its head. Measured by relative PEs or dividend yields versus Treasuries or corporate bonds, analysts said utilities as Q3 began offered their best value in years.

■ If the market's V-shaped economic recovery thesis fails and unemployment remains high, managing regulatory risk and financing capex through customer rates may become more challenging than it has been in recent years.

COMMENTARY

There's no doubt that 2020's first half is one for financial history books. Major indices and utility shares showed gains through late February. But market sentiment shifted as COVID-19 news worsened and governments worldwide instituted lockdowns and travel restrictions. By March 23, the S&P 500 was down 34% from its late February peak while the Dow Jones was off 37% and utilities as a group were down a comparable 35%. For Q1 as a whole, the EEI Index

I. Index Comparison (% Return)

Index	2014	2015	2016	2017	2018	2019	2020*
EEI Index	28.9	-3.9	17.4	11.7	3.7	25.8	-12.1
Dow Jones Inds.	10.0	0.2	16.5	28.1	-3.5	25.3	-8.4
S&P 500	13.7	1.4	12.0	21.8	-4.4	31.5	-3.1
Nasdaq Comp. ^	13.4	5.7	7.5	28.2	-3.9	35.2	12.1

Calendar year returns shown for all periods, except where noted.

*6 mo. through June 30.

^Price gain/loss only. Other indices show total return.

Source: EEI Finance Department, S&P Global Market Intelligence

II. Category Comparison (% Return)

U.S. Investor-Owned Electric Utilities

Index	2014	2015	2016	2017	2018	2019	2020*
All Companies	27.6	-2.0	22.2	11.6	4.3	23.1	-16.6
Regulated	28.9	-0.7	21.2	11.7	4.5	24.6	-16.1
Mostly Regulated	27.5	-3.7	24.6	11.3	3.6	17.9	-18.1
Diversified	6.6	-14.4	25.6	n/a**	n/a**	n/a**	n/a**

Calendar year returns shown for all periods except where noted.

Returns shown here are unweighted averages of constituent company returns.

The EEI Index return shown in Table I above is cap-weighted.

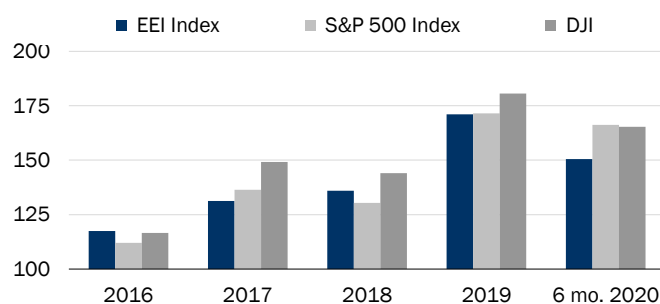
*6 mo. through June 30.

**Diversified category eliminated in 2017 due to lack of constituent companies.

Source: EEI Finance Department, S&P Global Market Intelligence and company reports

III. Total Return Comparison

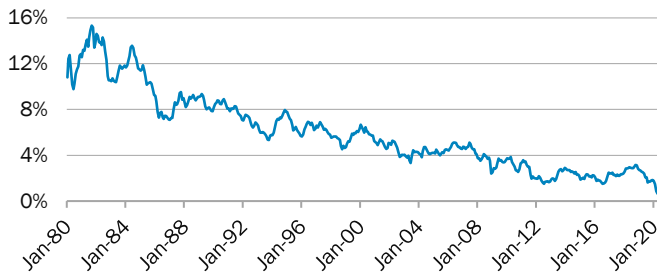
Value of \$100 invested at close on 12/31/2015



Source: EEI Finance Department, S&P Global Market Intelligence

IV. 10-Year Treasury Yield — Monthly

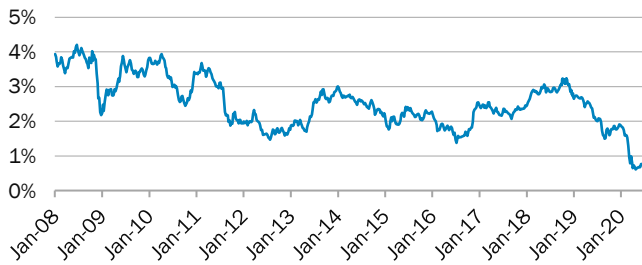
Average Monthly Yield, 1/1/1980 through 06/30/2020



Source: U.S. Federal Reserve

V. 10-Year Treasury Yield — Weekly

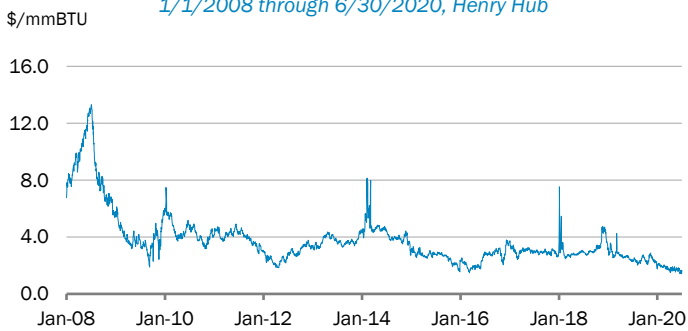
Daily Yield, 1/1/2008 through 06/30/2020



Source: U.S. Federal Reserve

VI. Natural Gas Spot Prices

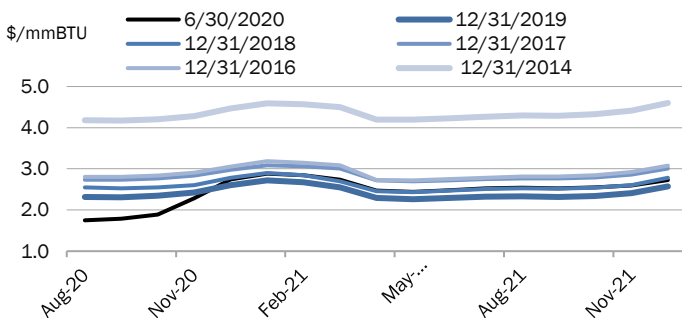
1/1/2008 through 6/30/2020, Henry Hub



Source: S&P Global Market Intelligence

VII. NYMEX Natural Gas Futures

August 2020 through December 2021, Henry Hub



Source: S&P Global Market Intelligence

VIII. Returns by Quarter

U.S. Investor-Owned Electric Utilities

Index	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2
EEl Index	2.7	0.1	-3.3	3.8	2.0	1.3	11.1	4.1	8.2	0.4	-13.6	1.8
Dow Jones Industrials	5.3	11.3	-2.0	1.3	9.6	-11.3	11.8	3.2	1.8	6.7	-22.7	18.5
S&P 500	4.5	6.6	-0.8	3.4	7.7	-13.5	13.7	4.3	1.7	9.1	-19.6	20.5
Nasdaq Comp. [^]	5.8	6.3	2.3	6.3	7.1	-17.5	16.5	3.6	-0.1	12.2	-14.2	30.6

Category*	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2
All Companies	3.2	0.2	-3.0	5.3	1.4	0.8	10.6	4.9	6.5	-0.4	-15.8	-1.0
Regulated	3.5	-0.7	-3.5	5.4	2.0	0.7	10.6	5.9	6.5	-0.1	-15.0	-1.3
Mostly Regulated	2.5	2.5	-1.9	5.0	-0.3	0.9	10.5	1.3	6.6	-1.2	-18.3	0.2

[^]Price gain/(loss) only. Other indices show total return. / * Returns shown here are unweighted averages of constituent company returns. The EEl Index return shown above is cap-weighted.
Source: EEl Finance Department, S&P Global Market Intelligence

IX. Sector Comparison, Trailing 6 mo. Total Return

For the six-month period ending 6/30/2020

Sector	Total Return
Technology	16.4%
Consumer Services	2.3%
Healthcare	0.8%
Consumer Goods	-3.1%
Basic Materials	-7.9%
Industrials	-9.2%
Utilities	-12.0%
EEl Index	-12.1%
Telecommunications	-12.1%
Financials	-18.9%
Oil & Gas	-35.8%

Note: Sector Comparison page based on the Dow Jones U.S. Indexes, which are market-capitalization-weighted indices.

Source: EEl Finance Dept., Dow Jones & Company, Google Finance, Y Charts

X. Sector Comparison, Trailing 12 mo. Total Return

For the twelve-month period ending 6/30/2020

Sector	Total Return
Technology	37.5%
Healthcare	12.4%
Consumer Goods	7.8%
Consumer Services	7.1%
Telecommunications	0.3%
Industrials	-3.1%
Basic Materials	-3.7%
Utilities	-3.9%
EEl Index	-4.4%
Financials	-10.0%
Oil & Gas	-36.9%

Note: Sector Comparison page based on the Dow Jones U.S. Indexes, which are market-capitalization-weighted indices.

Source: EEl Finance Dept., Dow Jones & Company, Google Finance, Y Charts

XI. Market Capitalization at June 30, 2020 (in \$ Millions)

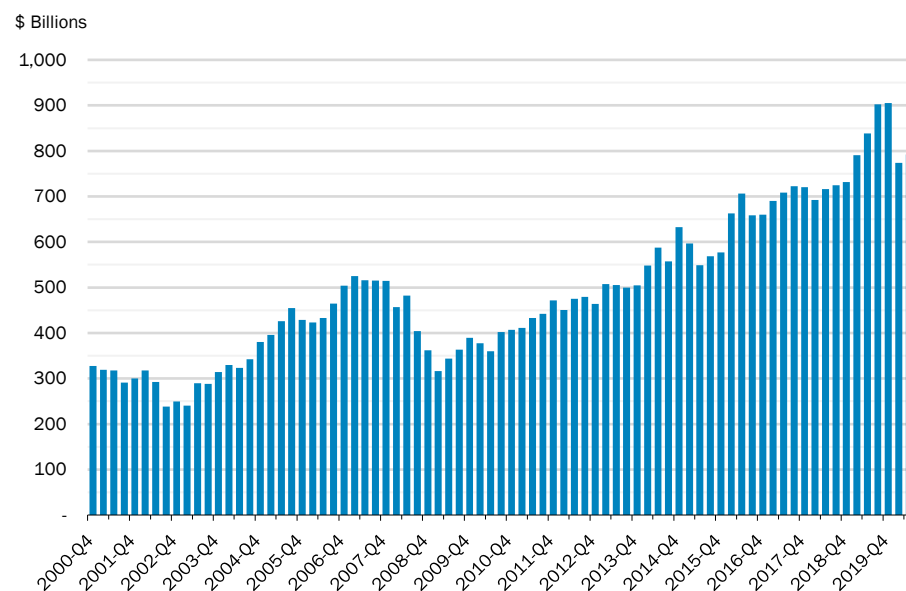
U.S. Investor-Owned Electric Utilities

Company	Stock Symbol	\$ Market Cap	% Total	Company	Stock Symbol	\$ Market Cap	% Total
NextEra Energy, Inc.	NEE	117,515	14.83%	Alliant Energy Corporation	LNT	11,692	1.48%
Dominion Energy, Inc.	D	68,045	8.59%	CenterPoint Energy, Inc.	CNP	9,380	1.18%
Duke Energy Corporation	DUK	58,639	7.40%	NiSource Inc.	NI	8,711	1.10%
Southern Company	SO	54,805	6.92%	Pinnacle West Capital Corp.	PNW	8,252	1.04%
American Electric Power Co., Inc.	AEP	39,390	4.97%	OGE Energy Corp.	OGE	6,078	0.77%
Exelon Corporation	EXC	35,383	4.47%	PG&E Corporation	PCG	4,692	0.59%
Sempra Energy	SRE	34,324	4.33%	MDU Resources Group, Inc.	MDU	4,446	0.56%
Xcel Energy Inc.	XEL	32,875	4.15%	IDACORP, Inc.	IDA	4,414	0.56%
WEC Energy Group, Inc.	WEC	27,645	3.49%	Hawaiian Electric Industries, Inc.	HE	3,932	0.50%
Eversource Energy	ES	27,571	3.48%	Portland General Electric Co.	POR	3,739	0.47%
Public Service Enter. Group Inc.	PEG	24,777	3.13%	Black Hills Corporation	BKH	3,500	0.44%
Consolidated Edison, Inc.	ED	23,996	3.03%	PNM Resources, Inc.	PNM	3,070	0.39%
FirstEnergy Corp.	FE	20,980	2.65%	ALLETE, Inc.	ALE	2,823	0.36%
DTE Energy Company	DTE	20,640	2.60%	NorthWestern Corporation	NWE	2,754	0.35%
PPL Corporation	PPL	19,844	2.50%	El Paso Electric Company	EE	2,724	0.34%
Edison International	EIX	19,715	2.49%	Avista Corporation	AVA	2,447	0.31%
Entergy Corporation	ETR	18,742	2.37%	MGE Energy, Inc.	MGEE	2,236	0.28%
Ameren Corporation	AEE	17,337	2.19%	Otter Tail Corporation	OTTR	1,560	0.20%
CMS Energy Corporation	CMS	16,550	2.09%	Unitil Corporation	UTL	669	0.08%
Evergy, Inc.	EVRG	13,465	1.70%				
AVANGRID, Inc.	AGR	12,992	1.64%				
				Total Industry		792,349	100.00%

Source: EEI Finance Dept., S&P Global Market Intelligence

XII. EEI Index Market Capitalization (at Period End)

U.S. Investor-Owned Electric Utilities

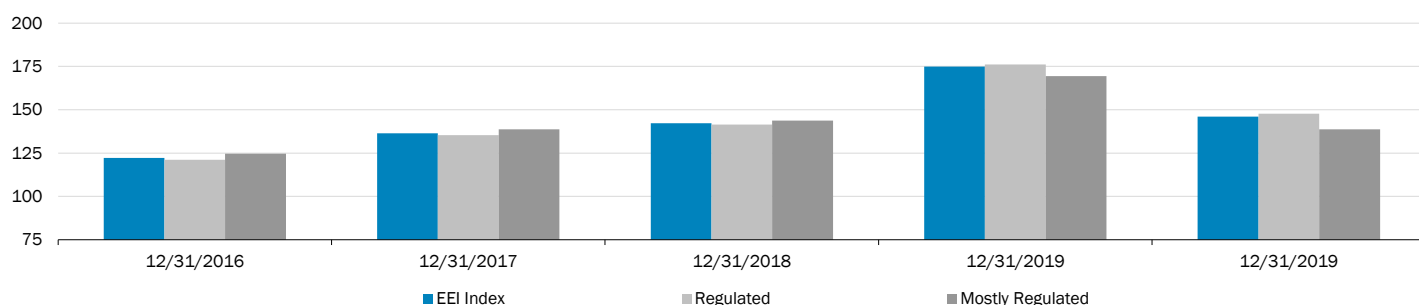


EEI Index Market Cap (in \$ Billions)			
2004-Q3	342	2012-Q3	480
2004-Q4	380	2012-Q4	464
2005-Q1	396	2013-Q1	507
2005-Q2	426	2013-Q2	505
2005-Q3	455	2013-Q3	500
2005-Q4	429	2013-Q4	504
2006-Q1	423	2014-Q1	548
2006-Q2	433	2014-Q2	588
2006-Q3	464	2014-Q3	557
2006-Q4	504	2014-Q4	632
2007-Q1	525	2015-Q1	597
2007-Q2	516	2015-Q2	549
2007-Q3	515	2015-Q3	568
2007-Q4	514	2015-Q4	577
2008-Q1	457	2016-Q1	663
2008-Q2	482	2016-Q2	706
2008-Q3	404	2016-Q3	659
2008-Q4	362	2016-Q4	660
2009-Q1	316	2017-Q1	690
2009-Q2	344	2017-Q2	708
2009-Q3	363	2017-Q3	722
2009-Q4	390	2017-Q4	720
2010-Q1	377	2018-Q1	692
2010-Q2	360	2018-Q2	716
2010-Q3	402	2018-Q3	725
2010-Q4	407	2018-Q4	731
2011-Q1	411	2019-Q1	790
2011-Q2	433	2019-Q2	838
2011-Q3	442	2019-Q3	902
2011-Q4	472	2019-Q4	905
2012-Q1	451	2020-Q1	773
2012-Q2	475	2020-Q2	792

Note: Change in EEI Index market capitalization reflects the impact of buyout and spin-off activity in addition to stock market performance.
Source: EEI Finance Dept., S&P Global Market Intelligence

XIII. Comparative Category Total Annual Returns

U.S. Investor-Owned Electric Utilities, Value of \$100 invested at close on 12/31/2015



	2015	2016	2017	2018	2019	6 mo. 2020
EEI Index Annual Return (%)		22.21	11.56	4.28	23.06	(16.58)
EEI Index Cumulative Return (\$)	100.00	122.21	136.34	142.17	174.95	145.94
Regulated EEI Index Annual Return		21.16	11.66	4.55	24.56	(16.13)
Regulated EEI Index Cumulative Return	100.00	121.16	135.29	141.44	176.18	147.76
Mostly Regulated EEI Index Annual Return		24.57	11.32	3.62	17.87	(18.14)
Mostly Regulated EEI Index Cumulative Return	100.00	124.57	138.67	143.69	169.37	138.64

Calendar year returns shown, except where noted.
 Diversified category eliminated in 2017 due to lack of constituent companies.
 Returns are unweighted averages of constituent company returns.
 Source: EEI Finance Dept., S&P Global Market Intelligence

fell 13.6%, somewhat less than the Dow Jones and S&P's near-20% declines and about the same as the Nasdaq's 14% drop.

Aggressive support from the Federal Reserve and massive federal economic stimulus powered an equally sharp market rebound. The Fed held two emergency meetings in March, cutting overnight rates from a 1.5% to 1.75% range to 0% to 0.25% by month's end, and signaled a dovish outlook through forward guidance. Other Fed moves included reinstating aggressive quantitative easing and instituting a raft of measures to support money markets, bond markets and bank lending. The centerpiece of U.S. fiscal support was the late March CARES act, which injected \$2.3 trillion of stimulus (11% of GDP) through direct payments to individuals along with supplemental unemployment support and an additional \$483 billion of forgivable loans to small businesses who retained employee counts at pre-crisis levels.

Draconian predictions of the pandemic's effect on economic data took a back seat to this outpouring of market support measures combined with investors' bets on a V-shaped economic recovery, and stocks retraced much of their decline by June 30. [The S&P 500 turned positive for the year in early August]. For the first half of the year as a whole, the EEI Index returned -12.1%, underperforming the S&P 500's -3.1% return, the Dow Jones Industrials' -8.4% return and the Nasdaq Composite's remarkable 12.1% gain.

XIV. EEI Index Top Ten Performers

For the six-month period ending 6/30/2020

Company	% Return	Category
Dominion Energy, Inc.	0.4	R
NextEra Energy, Inc.	0.3	MR
El Paso Electric Company	-0.1	R
Xcel Energy Inc.	-0.2	R
Eversource Energy	-0.7	R
WEC Energy Group, Inc.	-3.6	R
CMS Energy Corporation	-5.7	R
Ameren Corporation	-7.1	R
Eergy, Inc.	-7.3	R
Duke Energy Corporation	-10.3	R

Note: Return figures include capital gains and dividends.
 R = Regulated, MR = Mostly Regulated
 Source: EEI Finance Department

Electricity Demand Falls Year-to-Year

Utilities generally underperform during strong market advances and Q2's rebound, in particular, was led by the same growth-oriented, high-momentum tech names that have led the market's advance over the past few years. But utilities offered somewhat less of a safe haven than might have been expected in the downturn; this provoked some analysts to cite utilities rich valuations as the year began, concerns over load strength and dysfunctional credit markets (given the

industry's capital raising needs) as potential causes. In fact, the Moody's Baa index yield (lowest investment-grade rating) spiked from 3.3% in early March to 5.1% by March 23. U.S. electric output was off about 4.7% year-to-year in Q2 and down 4.1% for the year's first half. EEI data shows electric load is off about 3.0% year-to-year when measured from the pandemic's outbreak in March through July 2020; after adjusting for this year's favorable weather, weather-normalized load is about 4.2% weaker for the period.

Interest Rates Fall to Record Lows

An offsetting and favorable trend for utility stocks — given their appeal to income-oriented investors who view utilities as bond substitutes with dividend growth potential — is the year's sharp drop in interest rates. The 10-year Treasury yield fell from 1.8% in January to a trading range of 0.6% to 0.7% for most of Q2, and trended further down into early August. The 30-year yield likewise fell from 2.3% to a range of 1.2% to 1.6% during Q2, and also trended down into Q3. Moody's Baa Index yield fell back below its pre-spike level by late July. These interest rate moves somewhat contradict the evident stock market consensus expectation for a quick return to pre-COVID-19 economic strength.

Wall Street's Industry Outlook Remains Upbeat

Wall Street research published in June and July showed remarkable stability in analysts' updated capex outlooks versus their pre-COVID-19 estimates, while all their bullish growth themes remained very much intact. In fact, a few even said their capex projections had risen slightly. Since capex largely drives rate base growth and earnings growth, such stability is notable given the still-considerable uncertainty over the longer-run impact of the pandemic on U.S. and global economic trends.

Even though analysts are by nature optimistic about their industries, there seems little tangible reason for pessimism. Despite continued lackluster demand, stakeholders across the political spectrum support investments that advance renewable energy goals, decarbonization, network reliability, job creation and the enlarged tax base that comes with it. Investor-owned utilities provide power to 220 million Americans across all 50 states and the nation's capital, and the industry supports approximately seven million jobs nationwide.

Ongoing utility investment programs include new renewable generation, new gas-fired generation and pipeline upgrades, electric transmission and distribution modernization and expansion, smart-grid deployment, and reliability-related network hardening — among other projects.

Analysts have viewed state regulatory relations as generally fair in recent years, balancing the interests of ratepayers, utilities and other stakeholders. Some utilities have successfully advocated for changes to rate design — such as for-

ward test years, rate mechanisms and adjustment clauses — that allow timely recovery of costs associated with big-ticket capital investment programs and offer some protection from lethargic demand.

Green Themes & Elections

Utilities are at the forefront of the nation's broad push for cleaner, greener energy. Since 2020 is a presidential election year and Joe Biden is currently ahead in the polls, analysts began to evaluate the impact of a potential Biden win. A Biden administration would likely target faster carbon-neutral energy goals, promote electric vehicle infrastructure and offer support for off-shore wind development — all largely supporting the industry's ongoing capex plans.

The prospect of electric vehicle (EV) adoption gained some analytical traction in 2019 as a potential longer-term source of demand growth regardless of who is president. While technological evolution is notoriously difficult to predict, some estimates suggested widespread EV adoption could boost load by 1% annually over the next few decades.

A Biden administration may roll back the Trump tax cuts; this could mean slightly higher customer bills for some utilities since taxes are passed through in rates and may compete with capex in rate hike requests. But given the difficulty of predicting tax legislation (not to mention election outcomes), it's impossible to be precise here.

Attractive Valuations

At year-end 2019, Wall Street viewed utility stock valuations as high. The first half of 2020 turned that on its head. With the EEI Index off 12.1%, interest rates well below year-end levels and long-term growth prospects unchanged, analysts became widely bullish. The industry's investment programs underpin prospects for aggregate total returns in excess of 8% (5% from earnings growth and 3%+ from the dividend). And whether measured by relative PE ratios or dividend yields versus Treasuries or investment-grade bonds, analysts said utility stocks as Q3 began offered the best value in years.

Other Risks

Wall Street's rebound from March lows is based on a premise yet to be tested — that pre-crisis economic strength will return and persist, and along with it corporate earnings gains. If it doesn't, the stock market is likely set up for a spill. Utilities too, particularly if a COVID-impaired economy with widespread unemployment causes regulatory pushback on rate hikes needed to fund capex programs, which in turn cools outlooks for dividends and earnings growth. Stable fuel costs and low interest rates have kept bill pressures muted. Industry analysts expect that trend will continue. If the V-shaped recovery thesis fails, managing regulatory risk and financing needed capex through customer rates may become more challenging than it has been in recent years. ■