

US Power & Utilities

Revisiting and raising the Price Objectives
for ED, PNW and SO

Price Objective Change

Raising Price Objectives to reflect updated P/E multiples

We are revisiting our EPS estimates and updating our Price Objectives for Buy rated Consolidated Edison (ED), Buy rated Pinnacle West Capital (PNW) and Neutral rated Southern Company (SO). This update largely reflects changes in electric and gas peer group P/E multiples and not any fundamental change in the outlook or the investment thesis for the individual stocks.

Consolidated Edison Inc. (ED) – PO to \$113 from \$102

We reiterate our Buy rating on Consolidated Edison Inc (ED). Our EPS estimates for '25 through '27 are unchanged at \$5.63/\$6.03/\$6.33/share respectively. These estimates are in-line with consensus of \$5.63/\$5.98/\$6.29/share, fall in the top half of ED's 2025 guidance range of \$5.50-\$5.70/share and are in line with ED's 6%-7% EPS growth guidance through 2029. We are raising our price objective to \$113 from \$102 to reflect an updated peer group P/E multiple and valuation assessment. While we continue to monitor ED's rate case proceeding in New York, we believe the company's strong performance record, stable earnings and regulated nature warrant a valuation premium.

Pinnacle West Capital (PNW) – PO to \$99 from \$90

We reiterate our Buy rating on Pinnacle West Capital (PNW). Our EPS estimates for '25 through '27 are unchanged at \$4.60/\$5.19/\$5.58/share, respectively. These estimates are in-line with consensus of \$4.58/\$5.15/\$5.65/share and are at the top end of the company's guidance range for 2025 of \$4.40-\$4.60 per share. We are raising our Price Objective to \$99 from \$90 prior to reflect and updated electric peer group P/E multiple. There is no change to our valuation methodology or investment thesis. We continue to believe that PNW is well positioned to take advantage of both the growth it is experiencing in its service territory and the improving regulatory environment.

Southern Company (SO) – PO to \$96 from \$93

We reiterate our Neutral rating on Southern Company (SO). Our updated EPS estimates for '25 through '27 are \$4.30/\$4.54/\$4.88/share vs \$4.30/\$4.56/\$4.88/share prior. The modest adjustment in our '26 estimate reflects a model update. These estimates are in-line with 2025 EPS guidance of \$4.20-\$4.30/share and consensus expectations of \$4.29/\$4.57/\$4.88/share respectively over the same period. We are raising our Price Objective to \$96 from \$93 to reflect updated electric and gas peer group P/E multiples. We continue to believe that the high-quality nature of SO's earnings stream, its strong operating record and favorable regulatory oversight is reflected in the current valuation.

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Equity
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PO/EPS update for ED/PNW/SO

Consolidated Edison (ED)

We reiterate our Buy rating on Consolidated Edison Inc (ED). We continue to believe that investor concern around the company's ongoing electric/gas/steam rate case proceedings in New York are overstated and ignore a track record of successfully negotiated constructive multi-year settlements. Further, we believe ED will deliver EPS growth within its recently raised guidance range of 6%-7% through 2029, delivering rate base growth of just over 8% over the same period. We believe the steady, predictable, and regulated nature of this earnings growth warrants a premium valuation.

EPS estimates are unchanged and in-line with consensus and guidance

Our EPS estimates for '25 through '27 are unchanged at \$5.63/\$6.03/\$6.33/share respectively. These estimates are in-line with consensus of \$5.63/\$5.98/\$6.29/share, fall in the top half of ED's 2025 guidance range of \$5.50-\$5.70/share and are in line with ED's 6%-7% EPS growth guidance through 2029.

Exhibit 1: EPS estimates are unchanged and are in line with consensus expectations

EPS growth over the forecast period is consistent with company guidance

	2023A	2024A	2025E	2026E	2027E	2028E	2029E
Con Edison Company of New York (CECONY)	4.60	5.03	5.21	5.60	5.89	6.24	6.64
Orange & Rockland (O&R)	0.27	0.29	0.30	0.32	0.34	0.35	0.37
Regulated	4.87	5.32	5.52	5.92	6.22	6.60	7.01
Consolidated Edison Transmission (CET)	0.07	0.12	0.12	0.12	0.12	0.12	0.12
Parent	0.10	-0.07	-0.01	-0.01	-0.01	-0.02	-0.02
CONSOLIDATED EPS	5.04	5.38	5.63	6.03	6.33	6.70	7.11
Growth y/y %	10.4%	6.6%	4.7%	7.2%	4.9%	5.8%	6.1%
Prior EPS Estimates		5.34	5.63	5.92	\$6.27	\$6.62	\$7.16
Consensus		5.36	5.63	6.02	6.36	6.66	
Management guidance (6-7% off '25 midpoint of \$5.40)		5.30-5.40	5.50-5.70				
CAGR				7.2%	6.0%	6.0%	6.0%

Source: BofA Global Research, Bloomberg, Company Filings

BofA GLOBAL RESEARCH

Price objective to \$113, updated peer group multiple and valuation assessment

We are raising our PO to \$113 from \$102 to reflect an updated peer group P/E multiple and valuation assessment. There is no change to our sum-of-the-parts valuation methodology. Our updated Price Objective uses an electric peer group P/E multiple of 16.9x vs 16.7x prior and a gas peer group P/E multiple of 17.0x vs 16.8x prior.

Off of this base peer group P/E multiple we apply a 5% premium to reflect the growth inherent in the sector. Further, we now apply a 5% premium to the earnings of CECONY (Consolidated Edison Company of New York) vs a 5% discount prior, this is consistent with the 5% premium we apply to O&R (Orange & Rockland) earnings reflecting the recent rate case settlement recently achieve at that entity. There is no change to our valuation methodology for either electric or gas transmission assets.

Exhibit 2: Con Edison Valuation Assessment

PO of \$113/share implies 9.4% potential total shareholder return

ConEd Valuation	Metric	Multiples	Equity Value
	2026 EPS	Prem/ Discount	Base
	-	-	-
Group Peer Multiple - Electric	-	16.9x	-
Group EPS CAGR - Electric	-	5.00%	-
Group Peer Multiple - Gas	-	17.0x	-
Group EPS CAGR - Gas	-	5.00%	-
Applied Multiple	-	-	-
Electric (& Steam)	-	17.7x	-
Gas	-	17.9x	-



Exhibit 2: Con Edison Valuation Assessment

PO of \$113/share implies 9.4% potential total shareholder return

ConEd Valuation	Metric	Multiples	Equity Value
Utilities			P/E
CECONY Electric	\$3.93	5%	18.6x
CECONY Gas	\$1.38	5%	18.7x
CECONY Steam	\$0.23	5%	18.6x
Total CECONY	\$5.60		
O&R + RECO Electric	\$0.22	5%	18.6x
O&R Gas	\$0.10	5%	18.7x
Total O&R	\$0.32		
Grand Total Utilities EPS	\$5.92		
Competitive Businesses	2026 EPS		P/E
CET Electric Transmission (NY Transco)	\$0.12	20%	21.3x
			\$2.52
Infrastructure	2024 EBITDA		EV/EBITDA
Mountain Valley Pipeline (MVP)	\$33		10.0x
			\$0.94
Parent + HoldCo Debt	2026 EPS		
Corp & Other Drag	-\$0.01	0%	17.7x
			-\$0.17
Shares Outstanding			353.11
Total Equity Value			\$113
Implied Consolidated P/E			24.7x
Current Price			106.41
Dividend Yield			3.2%
Total Return			9.4%

Source: BofA Global Research, Bloomberg, Company Filings

BofA GLOBAL RESEARCH

Pinnacle West Capital (PNW)

We reiterate our Buy rating on Pinnacle West Capital. We continue to believe that regulatory oversight is improving in Arizona and that PNW can capitalize on the strong economic development and growth that it is seeing in its service territory.

EPS estimates are in-line with consensus and company guidance

Our EPS estimates for '25 through '27 are unchanged at \$4.60/\$5.19/\$5.58/share, respectively. These estimates are in-line with consensus of \$4.58/\$5.15/\$5.65/share and are at the top end of the company's guidance range for 2025 of \$4.40-\$4.60 per share. Further, these estimates are consistent with PNW's long-term EPS growth target of 5%-7%, its 6%-8% annual rate base growth guidance and capital spending plans.

Exhibit 3: EPS estimates are in-line with company guidance and consensus expectations

EPS growth over the forecast period is consistent with company guidance

	2023	2024	2025E	2026E	2027E	2028E
Arizona Public Service	\$4.96	\$5.67	\$4.99	\$5.51	\$5.92	\$6.36
Corporate	(\$0.40)	(\$0.28)	(\$0.30)	(\$0.26)	(\$0.26)	(\$0.27)
Non-controlling interest	(\$0.15)	(\$0.15)	(\$0.14)	(\$0.14)	(\$0.14)	(\$0.13)
PNW EPS	\$4.41	\$5.24	\$4.60	\$5.19	\$5.58	\$6.02
Previous BofA estimate			\$4.60	\$5.19	\$5.58	\$6.02
EPS y/y % CAGR	3.4%	18.9%	-12.3%	12.9%	7.5%	7.9%
EPS % CAGR from 2024 midpoint (\$4.70, guide 5-7%)			-2.2%	5.1%	5.9%	6.4%
EPS Guidance		\$5.10	\$4.40-\$4.60			
Consensus PNW EPS	\$4.27	\$5.13	\$4.58	\$5.15	\$5.65	\$5.95
EPS y/y % CAGR	-15.7%	20.1%	-10.7%	12.4%	9.8%	5.3%
EPS % CAGR from 2024 (guide 5-7%)			7.0%	8.8%	9.0%	8.3%

Source: BofA Global Research, Bloomberg, Company Filings

BofA GLOBAL RESEARCH

Price Objective to \$99 from \$90 on updated peer group P/E multiple

We are raising our Price Objective to \$99 from \$90 prior to reflect and updated electric peer group P/E multiple. Our valuation methodology is unchanged, we continue to use a sum-of-the-parts calculation based on a 2026 valuation year and the relative P/E



multiple of an electric peer group which is currently 16.9x vs 15.5x in our prior calculation. We gross up this baseline multiple by 5% to reflect the growth inherent in the sector. We then apply a 5% premium valuation to earnings derived from operations in Arizona, reflecting the positive nature of regulation in that state and a 20% premium for Federal Energy Regulatory Commission (FERC) regulated earnings.

Exhibit 4: Pinnacle West Capital Valuation Assessment

PO of \$99/share implies a 9.4% potential total share return

PNW Valuation: P/E Based on 2026 EPS		
	Price Objective	
Group Peer Multiple - Electric		16.9x
Group EPS CAGR - Electric		5.00%
P/E Multiple - Utility Average		17.7x
ACC Relative Discount		5%
FERC Relative Premium		20%
ACC 2026 Earnings (\$m)	547	
EPS (\$/sh)	4.39	
Multiple applied		18.6x
\$/share Equity value		\$81.7
FERC 2026 Earnings (\$m)	140	
EPS (\$/share)	1.12	
Multiple applied		21.4x
\$/share Equity value		\$24.0
Parent drag (\$/share)		(\$0.26)
Non-controlling interest (\$/share)		(\$0.14)
Multiple applied		17.7x
\$/share Equity value		(\$7.1)
Price objective		\$99
Shares outstanding (2026 BofAe)	124.8	
Last Price		\$93.71
2024 Dividend		\$3.5
Dividend Yield		3.8%
Total Return (%)		9.4%

Source: BofA Global Research, Bloomberg, Company Filings

BofA GLOBAL RESEARCH

Southern Company (SO)

We reiterate our Neutral rating on Southern Company (SO). While we recognize the busy regulatory calendar the company is currently facing in Georgia with both an Integrated Resource Plan (IRP) proceeding underway and planned general rate case filing mid-year, we believe the premium valuation applied to the stock can be justified by both its performance track record, significant rate base investment opportunity and constructive regulatory jurisdictions.

EPS estimates are in-line with consensus and company guidance

Our updated EPS estimates for '25 through '27 are \$4.30/\$4.54/\$4.88/share vs \$4.30/\$4.56/\$4.88 prior. The modest adjustment in our '26 estimate reflects company guidance and a model update. These estimates are in-line with SO's 2025 EPS guidance of \$4.20-\$4.30/share and consensus expectations of \$4.29/\$4.57/\$4.88/share respectively over the same period. These estimates are also consistent with SO's 5%-7% long-term earnings growth and 7% rate base growth guidance.



Exhibit 5: '25-'27 EPS estimates are in-line with company guidance and consensus expectations

EPS growth over the forecast period is consistent with company guidance

Southern Company Financial Snapshot

EPS by Segment/Subsidiary	2023A	2024A	2025E	2026E	2027E	2028E
Mississippi Power	0.17	0.18	0.21	0.22	0.22	0.23
Alabama Power	1.25	1.27	1.53	1.64	1.67	1.73
Georgia Power	1.89	2.31	2.32	2.34	2.48	2.69
Total Electric	3.31	3.76	4.06	4.20	4.36	4.65
Guidance	3.35	3.76	4.05			
Gas LDCs	0.44	0.52	0.52	0.55	0.58	0.61
Guidance	0.45	0.50	0.52			
SO Power	0.33	0.30	0.26	0.26	0.26	0.26
Gas Midstream	0.08	0.08	0.08	0.08	0.08	0.08
Gas Retail	0.07	0.07	0.07	0.08	0.08	0.09
Total Energy Infrastructure (SO Power + Midstream)	0.47	0.44	0.41	0.41	0.42	0.42
Guidance	0.39	0.38	0.39			
Other & Eliminations	(0.60)	(0.74)	(0.68)	(0.62)	(0.47)	(0.58)
Guidance - Parent Drag	(0.63)	(0.64)	(0.80)			
Consolidated	3.63	3.99	4.30	4.54	4.88	5.11
Guidance: 5-7% Long-Term	3.55-3.65	3.95-4.05	4.20-4.30	4.51	4.78	5.06
BofA vs Guidance	-3.6%	-0.2%	1.3%	0.8%	2.3%	0.9%
Consensus	3.60	4.05	4.29	4.57	4.88	5.16
BofA vs Consensus	0.8%	-1.3%	0.3%	-0.8%	0.0%	-1.1%
BofA Change vs Prior	-0.1%	-0.2%	0.1%	-0.5%	1.1%	-1.2%
Dividend per Share	2.78	2.86	2.97	3.09	3.21	3.30

Source: BofA Global Research, Bloomberg, Company Filings

BofA GLOBAL RESEARCH

Price Objective to \$96 from \$93 on updated peer group P/E multiples

We are updating our Price Objective to \$96 from \$93 to reflect updated electric and gas peer group P/E multiples. Our methodology is unchanged. We are updating the electric peer group P/E multiple to 16.9x from 16.3x prior and the gas peer group P/E multiple to 17.0x from 16.2x prior. We gross up these premiums by 5% to reflect sector growth.

We apply premiums of 20% to Georgia Power and Alabama Power reflecting both the constructive regulation and favorable load growth profiles in those jurisdictions, we value Mississippi Power at a 15% premium for its slightly less favorable but still above average regulatory oversight. We value the gas utilities are par with the peer group. Similarly, we apply no premium or discount to the underlying infrastructure assets, which include some gas midstream and retail exposure.

Exhibit 6: Southern Company Valuation Assessment

PO of \$96/share implies 9.3% potential total shareholder return.

Southern Company (SO) Sum of the Parts Analysis

All figures in \$Mn except per share

	2026 EPS	Peer	Prem/ (Discount)	Base P/E	Equity Value
Group Peer Multiple - Electric	-	16.9x	-	-	-
Group EPS CAGR	-	5.0%	-	-	-
Electric Utilities	-	17.7x	-	-	-
Mississippi Power	\$0.22		15%	20.4x	\$4.51
Alabama Power	\$1.64		20%	21.3x	\$34.89
Georgia Power	\$2.34		20%	21.3x	\$49.76
Total Electric Utility Value	\$4.20		20%	21.2x	\$89.16
Group Peer Multiple - Gas		17.0x			
Group EPS CAGR		5.0%			
Gas Utilities		17.9x			
Southern Gas Utilities	\$0.55		0%	17.9x	\$9.78
Infrastructure	2026 EPS				
SO Power Core - Wind	\$0.12		0%	17.7x	\$2.14
SO Power Core - Solar	\$0.01		0%	17.7x	\$0.20
SO Power Core - Gas	\$0.09		0%	17.7x	\$1.67



Exhibit 6: Southern Company Valuation Assessment

PO of \$96/share implies 9.3% potential total shareholder return.

Southern Company (SO) Sum of the Parts Analysis

SO Power Core - Other	\$0.03	0%	17.7x	\$0.56
SO Gas - Midstream	\$0.08	0%	17.7x	\$1.35
SO Gas - Retail	\$0.08	0%	17.7x	\$1.39
Net Infrastructure Equity	\$0.41	0%	17.7x	\$7.31
Parent	2026 EPS	17.0x		
Parent & Other	-\$0.62	17.0x	0%	17.0x
Shares Outstanding				1,108
Total Equity Value				\$96.00
Stock Price				\$90.38
Potential Stock Return				6.2%
NTM Dividend Yield (%)				3.1%
Total Potential Return				9.3%

Source: BofA Global Research, Bloomberg, Company Filings

BofA GLOBAL RESEARCH

Exhibit 7: Stocks mentioned

Prices and ratings for stocks mentioned in this report

BofA Ticker	Bloomberg ticker	Company name	Price	Rating
ED	ED US	Consolidated Edison	US\$ 106.41	A-1-7
PNW	PNW US	Pinnacle West Capit	US\$ 93.71	B-1-7
SO	SO US	Southern Company	US\$ 90.38	A-2-7

Source: BofA Global Research

BofA GLOBAL RESEARCH

Price objective basis & risk**Consolidated Edison (ED)**

Our \$113 PO is based on a sum-of-the-parts valuation methodology. Using group 26E P/E multiples of 16.9x/17.0x for electric and gas utilities we apply a -5% premium valuation to CECONY's electric/gas/steam business lines to reflect the reasonable regulatory environment and significant investment opportunities in that territory, tempered by the ongoing NY rate case. We apply a +5% P/E multiple premium to ED's O&R subsidiary given recent regulatory de-risking with a constructive settlement in NY. Both electric and gas peer 2026 P/E multiples are grossed up by 5% to reflect capital appreciation across the sector.

We apply a 20% premium to Con Edison Electric Transmission (CET) given potential for earnings growth and attractive regulatory characteristics. For the Mountain Valley Pipeline stake we apply a 10x EBITDA multiple to our 2024 EPS.

Upside/downside risks are 1) earned regulatory returns, 2) capital expenditures, 3) regulatory/political/legislative changes, 4) interest rates, 5) natural disasters, 6) execution on unregulated projects.

Pinnacle West (PNW)

Our price objective of \$99 is based on a peer utility 26E P/E multiple of 16.9x, grossed up for a year by 5% to reflect capital appreciation across the sector.



For Arizona Corporation Commission (ACC) regulated assets we now apply a 5% premium to reflect the improving quality of the jurisdiction and efforts to address ROE lag.

For Federal Energy Regulatory Commission (FERC) regulated assets we apply a 20% premium to reflect a premium ROE and rider recovery of invested capital.

Upside and downside risks to the price objective are changes in 1) regulatory, political, and legislative relationships/outcomes, 2) load growth in territory versus expectations, 3) riders and capital trackers implementation 4) weather, nuclear, and natural disasters, 5) interest rates, 6) pension liabilities and asset returns, 7) equity needs relative to forecasts, 8) capital expenditures, and 9) ability to control costs to earn a return on equity.

Southern Company (SO)

Our \$96 PO is derived from a sum-of-the-parts analysis (SOTP). We use a P/E valuation approach on 2026 estimates and use peer multiples of 16.9x for electric and 17.0x for gas, respectively (with dis/prem applied per asset depending on growth/risk): we then gross up these multiples by +5% to account for sector wide EPS growth to derive a 12-month forward PO. We apply a 20% premium to Georgia Power and Alabama Power for constructive regulation and above-average load growth prospects. We value Mississippi Power at a 15% premium, as the jurisdiction also provides for above-average regulatory treatment, though not to the same degree as Georgia and Alabama. We value the gas subsidiaries at parity to the gas utility peer group. We apply an electric- and gas-average multiple to the parent drag.

We cite the following risks to our thesis: 1) regulatory, political, and legislative changes, 2) ability to earn the allowed rate of return, 3) changes to the capital expenditure forecast, 4) nuclear incidents, weather, and natural disasters, 5) rate of customer and sales growth, 6) O&M trends, 7) interest rates, 8) environmental policies and regulations, 9) M&A, and 10) interest rates.

Analyst Certification

I, Ross Fowler, CFA, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

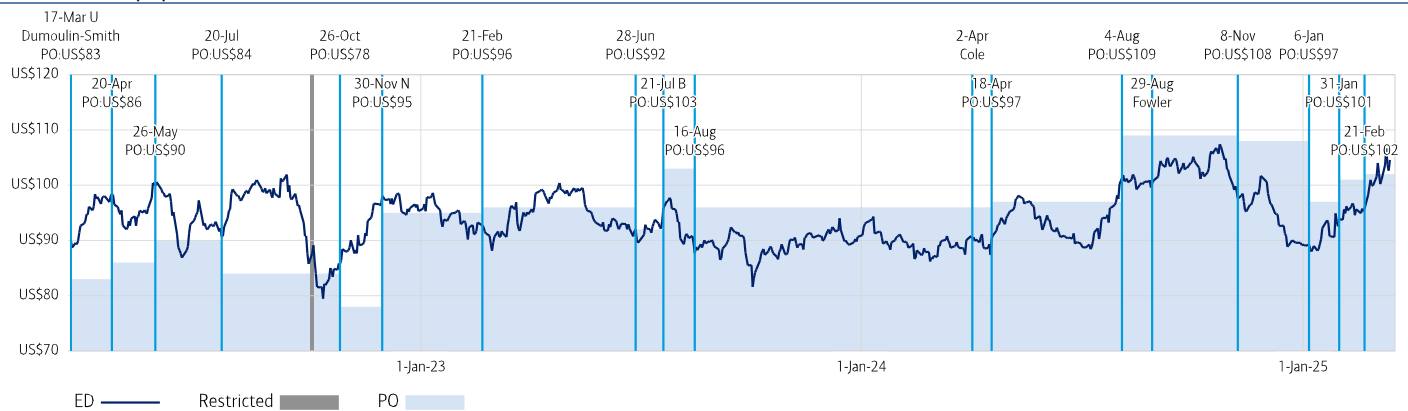
North America – Utilities Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Alliant Energy Corporation	LNT	LNT US	Ross Fowler, CFA
	American Electric Power	AEP	AEP US	Ross Fowler, CFA
	Atmos Energy Corp	ATO	ATO US	Ross Fowler, CFA
	California Water Service Gp	CWT	CWT US	Ross Fowler, CFA
	Clearway Energy	CWENA	CWEN/A US	Dimple Gosai, CFA
	CMS Energy	CMS	CMS US	Ross Fowler, CFA
	Consolidated Edison	ED	ED US	Ross Fowler, CFA
	Constellation Energy Corp	CEG	CEG US	Ross Fowler, CFA
	DTE Energy	DTE	DTE US	Ross Fowler, CFA
	Edison International	EIX	EIX US	Ross Fowler, CFA
	Emera Inc	YEMA	EMA CN	Ross Fowler, CFA
	Essential Utilities Inc	WTRG	WTRG US	Ross Fowler, CFA
	Evergy	EVRG	EVRG US	Ross Fowler, CFA
	Idacorp	IDA	IDA US	Ross Fowler, CFA
	MDU Resources Group, Inc.	MDU	MDU US	Ross Fowler, CFA
	NiSource Inc	NI	NI US	Ross Fowler, CFA
	NorthWestern Energy Group	NWE	NWE US	Ross Fowler, CFA
	ONE Gas, Inc.	OGS	OGS US	Ross Fowler, CFA
	PG&E Corp	PCG	PCG US	Ross Fowler, CFA
	Pinnacle West	PNW	PNW US	Ross Fowler, CFA
	PPL Corporation	PPL	PPL US	Ross Fowler, CFA
	Public Service Enterprise Group	PEG	PEG US	Ross Fowler, CFA
	Sempra	SRE	SRE US	Ross Fowler, CFA
	SJW Group	SJW	SJW US	Ross Fowler, CFA
	Talen Energy	TLN	TLN US	Ross Fowler, CFA
	TXNM Energy	TXNM	TXNM US	Ross Fowler, CFA
	Vistra	VST	VST US	Ross Fowler, CFA
	Xcel Energy Inc	XEL	XEL US	Ross Fowler, CFA
NEUTRAL				
	Ameren Corporation	AEE	AEE US	Ross Fowler, CFA
	CenterPoint Energy	CNP	CNP US	Ross Fowler, CFA
	Dominion Energy	D	D US	Ross Fowler, CFA
	Duke Energy	DUK	DUK US	Ross Fowler, CFA
	Entergy	ETR	ETR US	Ross Fowler, CFA
	Eversource Energy	ES	ES US	Ross Fowler, CFA
	Exelon	EXC	EXC US	Ross Fowler, CFA
	NextEra Energy	NEE	NEE US	Ross Fowler, CFA
	OGE Energy	OGE	OGE US	Ross Fowler, CFA
	Southern Company	SO	SO US	Ross Fowler, CFA
	Spire	SR	SR US	Ross Fowler, CFA
	WEC Energy Group Inc	WEC	WEC US	Ross Fowler, CFA
UNDERPERFORM				
	American States Water	AWR	AWR US	Ross Fowler, CFA
	American Water Works	AWK	AWK US	Ross Fowler, CFA
	Avista	AVA	AVA US	Ross Fowler, CFA
	Black Hills Corp	BKH	BKH US	Ross Fowler, CFA
	FirstEnergy	FE	FE US	Ross Fowler, CFA
	Fortis Inc	YFTS	FTS CN	Ross Fowler, CFA
	Fortis Inc	FTS	FTS US	Ross Fowler, CFA
	Hydro One	YH	H CN	Ross Fowler, CFA
	Middlesex Water Co.	MSEX	MSEX US	Ross Fowler, CFA
	Portland General Electric	POR	POR US	Ross Fowler, CFA
	Southwest Gas	SWX	SWX US	Ross Fowler, CFA

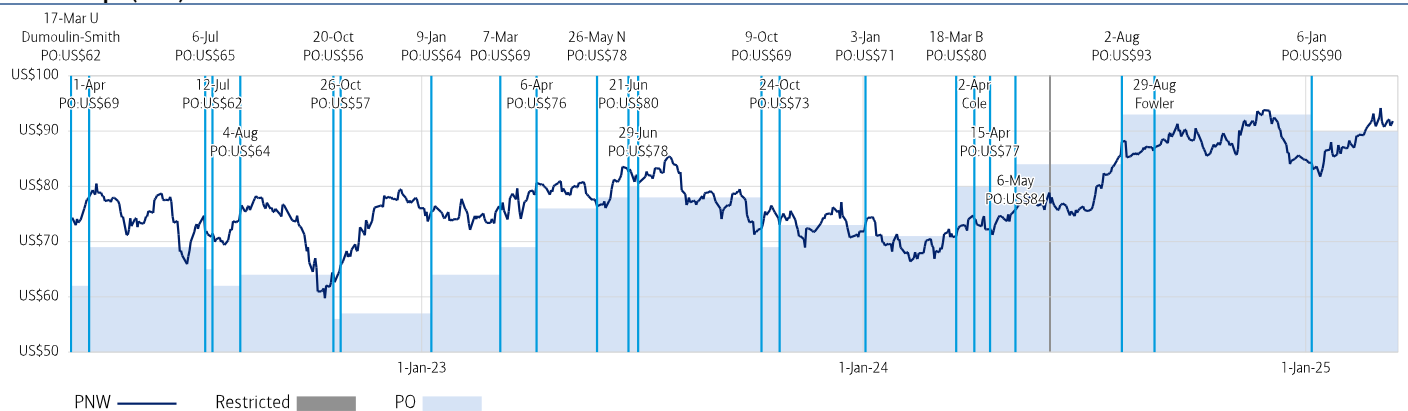
Disclosures

Important Disclosures

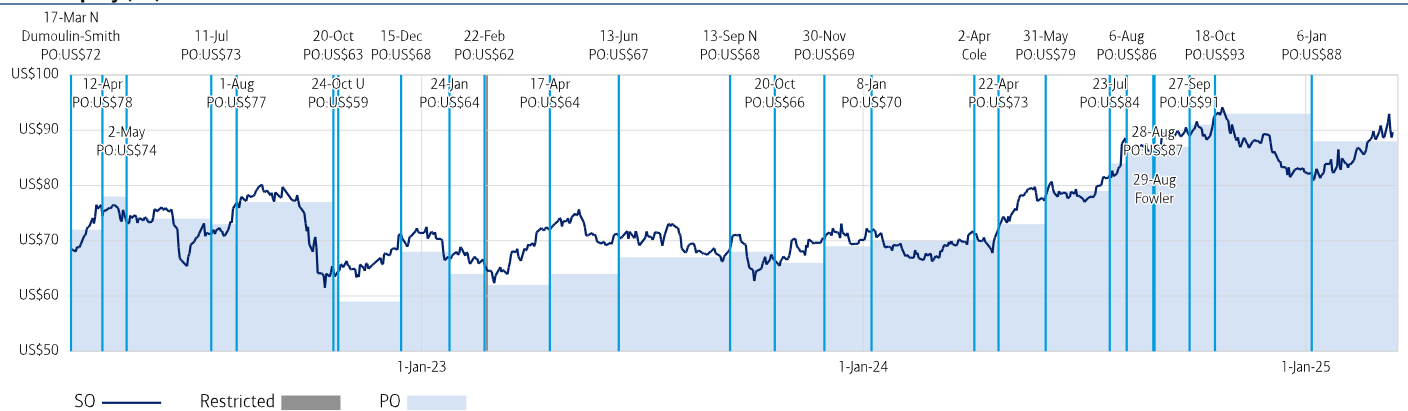


Consolidated Edison (ED) Price Chart

The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Pinnacle West Capital (PNW) Price Chart

The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Southern Company (SO) Price Chart

The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Equity Investment Rating Distribution: Utilities Group (as of 31 Dec 2024)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	73	47.71%	Buy	52	71.23%
Hold	39	25.49%	Hold	27	69.23%
Sell	41	26.80%	Sell	22	53.66%

Equity Investment Rating Distribution: Global Group (as of 31 Dec 2024)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	1869	54.39%	Buy	1108	59.28%
Hold	766	22.29%	Hold	463	60.44%
Sell	801	23.31%	Sell	370	46.19%

^{R1} Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R2}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

^{R2} Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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