

Staff's Updated Position Based Upon Add'l Data Provided by Company on 9/19/2013 and 9/23/2013

	Total	WEMO	SEMO	NEMO
Staff's Filed Position on 9/3/2013	\$ 606,978	\$ 31,863	\$ 188,304	\$ 386,811
Impact of Disallowances and Correction to Staff Prop Tax Calc	\$ 1,611	\$ 93	\$ (3,123)	\$ 4,641
Staff's Filed Position on 9/20/2013	<u>\$ 608,589</u>	<u>\$ 31,956</u>	<u>\$ 185,181</u>	<u>\$ 391,452</u>
Impact of Reallocation of Costs Described in Company Testimony at Page 12 (\$650,000)	\$ (18,153)	\$ (300)	\$ (576)	\$ (17,277)
Impact of Double Counting of Materials and Supplies (\$74,997) Described in Company Testimony at Page 13	\$ (10,774)	\$ (1,224)	\$ (5,806)	\$ (3,745)
Updated ISRS Revenues as of 9/24/2013	<u>\$ 579,662</u>	<u>\$ 30,432</u>	<u>\$ 178,799</u>	<u>\$ 370,430</u>

NOTE: Company's revised workpapers do not reflect required corrections to Deferred Income Tax or Property Tax nor does it reflect all corrections made by Staff during the course of its review.

Staff Adjustment to Reflect Impact of Company's Corrected Reallocation of Atmos Costs for Eligible Replacements

	Total	WEMO	WEMO	NEMO
Revised Gross Additions Based Upon Addl Data Rec'd 9/19/2013	\$ 3,477,681	\$ 203,468	\$ 1,344,170	\$ 1,930,043
Revised Accum Depr Based Upon Addl Data Rec'd 9/19/2013	\$ (100,313)	\$ (4,747)	\$ (35,439)	\$ (60,127)
Net Additions	\$ 3,377,368	\$ 198,721	\$ 1,308,731	\$ 1,869,916
LESS: Net Additions as filed on 9/20/2013	\$ 3,504,760	\$ 200,784	\$ 1,313,275	\$ 1,990,701
Difference	\$ (127,392)	\$ (2,063)	\$ (4,544)	\$ (120,785)
LESS:				
Revised Deferred Income Taxes Based Upon Addl Data Rec'd 9/19/2013	\$ (62,645)	\$ (3,628)	\$ (38,592)	\$ (20,425)
LESS: Deferred Income Taxes as filed on 9/20/2013	\$ (63,719)	\$ (3,661)	\$ (38,648)	\$ (21,410)
Difference	\$ 1,074	\$ 33	\$ 56	\$ 985
Total Change in Revised ISRS Rate Base	\$ (126,318)	\$ (2,030)	\$ (4,488)	\$ (119,800)
Overall Rate of Return per GR-2010-0192	8.34%	8.34%	8.34%	8.34%
UOI Required	\$ (10,535)	\$ (169)	\$ (374)	\$ (9,991)
Income Tax Conversion Factor	1.6231	1.6231	1.6231	1.6231
Revenue Requirement Before Interest Deductibility	\$ (17,099)	\$ (275)	\$ (608)	\$ (16,217)
Total Change in Revised ISRS Rate Base	\$ (126,318)	\$ (2,030)	\$ (4,488)	\$ (119,800)
Weighted Cost of Debt per GR-2006-0387	3.24%	3.24%	3.24%	3.24%
	\$ (4,093)	\$ (66)	\$ (145)	\$ (3,882)
Marginal Income Tax Rate	39.06%	39.06%	39.06%	39.06%
	\$ (1,599)	\$ (26)	\$ (57)	\$ (1,516)
Income Tax Conversion Factor	1.6231	1.6231	1.6231	1.6231
Income Tax Rate	\$ (2,595)	\$ (42)	\$ (92)	\$ (2,461)
Total Change in Revenue Requirement on Capital	\$ (14,505)	\$ (233)	\$ (515)	\$ (13,756)
Depreciation Expense Based Upon Addl Data Rec'd on 9/19/2013	\$ 95,933	\$ 5,717	\$ 33,863	\$ 56,353
LESS: Depreciation Expense as Filed on 9/20/2013	\$ 99,534	\$ 5,784	\$ 33,925	\$ 59,875
Difference	\$ (3,651)	\$ (67)	\$ (62)	\$ (3,522)
Property Tax Based Upon Addl Data Rec'd on 9/19/2013	\$ 17,767	\$ 1,948	\$ 12,961	\$ 2,858
LESS: Property Tax as Filed on 9/20/2013	\$ 17,767	\$ 1,948	\$ 12,961	\$ 2,858
Difference	\$ -	\$ -	\$ -	\$ -
Total Difference in ISRS Revenues for \$650K Reallocation of Costs	\$ (18,156)	\$ (300)	\$ (577)	\$ (17,278) Staff Adjustment

Difference due to rounding

Staff Adjustment to Reflect Impact of Company's Corrected Reallocation of Atmos Costs for Eligible Replacements

	Total	WEMO	SEMO	NEMO
Revised Gross Additions Based Upon Addl Data Rec'd 9/19/2013	\$ 3,534,389	\$ 196,581	\$ 1,306,968	\$ 2,030,840
Revised Accum Depr Based Upon Addl Data Rec'd 9/19/2013	\$ (103,852)	\$ (4,704)	\$ (35,168)	\$ (63,980)
Net Additions	\$ 3,430,537	\$ 191,877	\$ 1,271,800	\$ 1,966,860
LESS: Net Additions as filed on 9/20/2013	\$ 3,504,760	\$ 200,784	\$ 1,313,275	\$ 1,990,701
Difference	\$ (74,223)	\$ (8,907)	\$ (41,475)	\$ (23,841)
LESS:				
Revised Deferred Income Taxes Based Upon Addl Data Rec'd 9/19/2013	\$ (62,444)	\$ (3,499)	\$ (37,911)	\$ (21,034)
LESS: Deferred Income Taxes as filed on 9/20/2013	\$ (63,719)	\$ (3,661)	\$ (38,648)	\$ (21,410)
Difference	\$ 1,275	\$ 162	\$ 737	\$ 376
Total Change in Revised ISRS Rate Base	\$ (72,948)	\$ (8,745)	\$ (40,738)	\$ (23,465)
Overall Rate of Return per GR-2010-0192	8.34%	8.34%	8.34%	8.34%
UOI Required	\$ (6,084)	\$ (729)	\$ (3,398)	\$ (1,957)
Income Tax Conversion Factor	1.6231	1.6231	1.6231	1.6231
Revenue Requirement Before Interest Deductibility	\$ (9,875)	\$ (1,184)	\$ (5,515)	\$ (3,176)
Total Change in Revised ISRS Rate Base	\$ (72,948)	\$ (8,745)	\$ (40,738)	\$ (23,465)
Weighted Cost of Debt per GR-2006-0387	3.24%	3.24%	3.24%	3.24%
	\$ (2,364)	\$ (283)	\$ (1,320)	\$ (760)
Marginal Income Tax Rate	39.06%	39.06%	39.06%	39.06%
	\$ (923)	\$ (111)	\$ (516)	\$ (297)
Income Tax Conversion Factor	1.6231	1.6231	1.6231	1.6231
Income Tax Rate	\$ (1,498)	\$ (180)	\$ (837)	\$ (482)
Total Change in Revenue Requirement on Capital	\$ (8,376)	\$ (1,004)	\$ (4,678)	\$ (2,694)
Depreciation Expense Based Upon Addl Data Rec'd on 9/19/2013	\$ 97,184	\$ 5,564	\$ 32,797	\$ 58,823
LESS: Depreciation Expense as Filed on 9/20/2013	\$ 99,584	\$ 5,784	\$ 33,925	\$ 59,875
Difference	\$ (2,400)	\$ (220)	\$ (1,128)	\$ (1,052)
Property Tax Based Upon Addl Data Rec'd on 9/19/2013	\$ 17,767	\$ 1,948	\$ 12,961	\$ 2,858
LESS: Property Tax as Filed on 9/20/2013	\$ 17,767	\$ 1,948	\$ 12,961	\$ 2,858
Difference	\$ -	\$ -	\$ -	\$ -
Total Difference in ISRS Revenues for \$75K Double Counting of Materials & Supplies	\$ (10,776)	\$ (1,224)	\$ (5,806)	\$ (3,746) Staff Adjustment

Difference due to rounding