Common Equity	1999	2000	2001	2002	2003	Average
Southwest Gas	35.50%	35.80%	39.60%	34.10%	36.50%	36.30%
AGL Resources	49.20%	48.30%	38.70%	41.70%	50.00%	45.58%
South Jersey Inds.	37.00%	37.60%	35.90%	46.10%	48.00%	40.92%
North West Natural Gas	49.90%	50.90%	53.20%	51.50%	50.50%	51.20%
Cascade Natural Gas	46.60%	48.80%	49.30%	40.90%	42.00%	45.52%
Nicor Inc.	64.00%	66.70%	61.70%	64.50%	66.00%	64.58%
WGL Holdings	56.10%	54.80%	56.30%	52.40%	57.00%	55.32%
Peoples Energy	59.60%	64.90%	55.60%	59.30%	53.50%	58.58%
Atmos Energy Corp.	50.00%	51.90%	45.70%	46.10%	49.00%	48.54%
Keyspan	60.60%	39.20%	37.70%	35.70%	40.50%	42.74%
NUI Corp.	46.60%	48.50%	48.10%	47.40%	44.00%	46.92%
New Jersey Res.	51.20%	52.90%	49.90%	49.40%	61.00%	52.88%
Piedmont Nat'l	53.80%	53.90%	52.40%	56.10%	59.00%	55.04%
UGI Corp.	19.80%	19.10%	17.40%	21.70%	29.00%	21.40%
Laclede Group	57.80%	54.50%	50.20%	52.30%	50.00%	52.96%
					Average	47.90%
					St. Dev.	10.30%
					Common Equity	37.60%

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Common Equity	35.42%
Preferred Equity	5.71%
Long-Term Debt	53.07%
Short-Term Debt	5.80%
	100.00%

	Capital Percentage	Cost Rate	Weighted Cost Rate
Common Stock Equity	35.42%	9.010%	3.19%
Preferred Stock	5.71%	7.758%	0.44%
Long-Term Debt	53.07%	7.397%	3.93%
Short-Term Debt	5.80%	1.870%	0.11%
		WACC	**7.67%**

Exhibit No. 235
Case No(s). GR-2004-0209
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	Capital Percentage	Cost Rate	Weighted Cost Rate
Common Stock Equity	35.42%	9.340%	3.31%
Preferred Stock	5.71%	7.758%	0.44%
Long-Term Debt	53.07%	7.397%	3.93%
Short-Term Debt	5.80%	1.870%	0.11%
		WACC	**7.79%**

Hypothetical Capital Structure Methodology

1) Calculate each company's five-year average common equity ratio.
2) Calculate the standard deviation of the average common equity ratios.
3) Calculate the overall average common equity ratio.
4) Add and subtract the standard deviation from the overall average common equity ratio to create a "zone of reasonableness".
5) Add the preferred equity percentage to the low end of the zone of reasonableness to determine what percentage of capital is left to attribute to long-term debt, must total 100%.
6) Add back the short-term debt percentage.
7) Subtract the short-term debt percentage from 100.
8) Multiply the common equity, preferred equity, and long-term debt percentages by the outcome of the subtraction in step seven. The sum of these calculations and the short-term debt percentage should sum up to 100%.