

Houston Lighting & Power Company		Forecasting
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PUBLIC UTILITY REGULATION BOARD OF EL PASO, TEXAS		
Southern Union Gas Company		Cost of Capital

DISTRICT COURT CAMERON COUNTY, TEXAS		
City of San Benito, et. al. vs. PGE Gas Transmission et. al.	96-12-7404	Fairness Hearing

DISTRICT COURT HARRIS COUNTY, TEXAS		
City of Wharton, et al vs. Houston Lighting & Power	96-016613	Franchise fees

DISTRICT COURT TRAVIS COUNTY, TEXAS		
City of Round Rock, et al vs. Railroad Commission of Texas et al	GV 304,700	Mandamus

MISSOURI GAS ENERGY  
DOCKET NO. GR-2009-0355  
VALUE LINE INVESTMENT SURVEY  
DATA INPUTS

COMPANY	SYMBOL	RECENT			VALUE LINE HISTORICAL GROWTH					V.L. FORECASTED GROWTH								
		PRICE	BETA	EPS 10 YR	DPS 10 YR	BVPS 10 YR	EPS 5 YR	DPS 5 YR	BVPS 5 YR	EPS	DPS	BVPS	DPS 2006	DPS 2007	DPS 2008	DPS 2009	DPS 2010	DPS 12-14
AGL RESOURCES INC.	AGL	\$30.34	0.75	7.00%	4.00%	7.00%	8.50%	8.00%	10.00%	3.50%	2.50%	1.50%	\$1.48	\$1.64	\$1.68	\$1.72	\$1.76	\$1.88
ATMOS ENERGY CORP	ATO	\$24.76	0.65	2.50%	2.50%	6.50%	5.00%	1.50%	7.50%	4.00%	1.50%	4.00%	\$1.26	\$1.28	\$1.30	\$1.32	\$1.34	\$1.40
LACLEDE GROUP	LG	\$33.05	0.60	3.50%	1.00%	3.50%	9.50%	1.50%	5.50%	3.50%	2.50%	5.50%	\$1.40	\$1.45	\$1.49	\$1.53	\$1.57	\$1.70
NEW JERSEY RESOURCES CORP	NJR	\$35.24	0.65	7.50%	4.00%	8.50%	7.50%	5.00%	11.50%	6.00%	5.50%	9.50%	\$0.96	\$1.01	\$1.11	\$1.24	\$1.28	\$1.40
NICOR, INC.	GAS	\$32.83	0.75	1.50%	3.00%	3.00%	1.00%	0.50%	4.00%	0.50%		4.50%	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86	\$1.86
NISOURCE INC.	NI	\$11.10	0.85			6.50%			1.50%	1.00%		0.50%	\$0.92	\$0.92	\$0.92	\$0.92	\$0.92	\$0.92
NORTHWEST NATURAL GAS CO.	NWN	\$44.60	0.60	5.00%	2.00%	3.50%	8.00%	3.00%	3.50%	5.00%	5.50%	5.00%	\$1.39	\$1.44	\$1.52	\$1.58	\$1.66	\$2.00
PIEDMONT NATURAL Gas Co.	PNY	\$23.20	0.65	4.50%	5.00%	5.50%	6.50%	4.50%	6.00%	6.00%	3.50%	4.00%	\$0.95	\$0.99	\$1.03	\$1.07	\$1.11	\$1.23
SOUTH JERSEY INDUSTRIES INC.	SJI	\$34.15	0.65	11.50%	3.50%	9.00%	13.00%	6.00%	11.00%	5.50%	7.00%	6.00%	\$0.92	\$1.01	\$1.11	\$1.20	\$1.28	\$1.50
SOUTHWEST GAS	SWX	\$21.92	0.75	7.00%	0.50%	4.50%	9.00%	1.00%	5.00%	5.00%	5.00%	3.50%	\$0.82	\$0.86	\$0.90	\$0.95	\$1.00	\$1.15
UGI CORP	UGI	\$24.93	0.70	16.00%	4.00%	12.50%	14.50%	6.00%	21.50%	7.50%	5.50%	10.50%	\$0.68	\$0.72	\$0.76	\$0.80	\$0.86	\$0.98
WGL HOLDINGS, INC.	WGL	\$31.01	0.65	2.00%	1.50%	4.00%	4.00%	1.50%	4.50%	4.00%	2.50%	5.00%	\$1.35	\$1.37	\$1.41	\$1.45	\$1.50	\$1.60
AVERAGE	AVERAGE	\$28.93	0.69	6.18%	2.82%	6.17%	7.86%	3.50%	7.63%	4.29%	4.10%	4.96%	\$1.17	\$1.21	\$1.26	\$1.30	\$1.35	\$1.47
MEDIAN	MEDIAN	\$30.68	0.65	5.00%	3.00%	6.00%	8.00%	3.00%	5.75%	4.50%	4.25%	4.75%	\$1.11	\$1.15	\$1.21	\$1.28	\$1.31	\$1.45

SOURCE: VALUE LINE JUNE 12, 2009  
NEGATIVE GROWTH VALUES OMITTED

MISSOURI GAS ENERGY  
DOCKET NO. GR-2009-0355  
VALUE LINE INVESTMENT SURVEY  
DATA INPUTS

COMPANY	SYMBOL	EPS 2006	EPS 2007	EPS 2008	EPS 2009	EPS 2010	EPS 12-14	BVPS 2006	BVPS 2007	BVPS 2008	BVPS 2009	BVPS 2010	BVPS 12-14	EQUITY RATIO 2006	EQUITY RATIO 2007	EQUITY RATIO 2008	EQUITY RATIO 2009	EQUITY RATIO 2010	EQUITY RATIO 2012-2014
AGL RESOURCES INC.	AGL	\$2.72	\$2.72	\$2.71	\$2.80	\$2.95	\$3.30	\$20.71	\$21.74	\$21.48	\$23.10	\$23.40	\$23.55	49.80%	49.80%	49.70%	52.00%	55.00%	57.00%
ATMOS ENERGY CORP	ATO	\$2.00	\$1.94	\$2.00	\$2.05	\$2.15	\$2.50	\$20.16	\$22.01	\$22.60	\$24.10	\$24.40	\$26.90	43.00%	48.00%	49.20%	50.00%	49.50%	51.00%
LACLEDE GROUP	LG	\$2.37	\$2.31	\$2.64	\$3.00	\$2.60	\$3.00	\$18.85	\$19.79	\$22.12	\$23.60	\$25.10	\$28.05	50.40%	54.60%	55.50%	55.00%	55.00%	53.00%
NEW JERSEY RESOURCES CORP	NJR	\$1.87	\$1.55	\$2.70	\$2.50	\$2.70	\$2.90	\$15.00	\$15.50	\$17.28	\$18.80	\$20.75	\$27.50	65.20%	62.70%	61.50%	61.50%	63.00%	68.00%
NICOR, INC.	GAS	\$2.87	\$2.99	\$2.63	\$2.65	\$2.85	\$2.95	\$19.43	\$20.58	\$21.55	\$22.40	\$23.40	\$26.45	63.70%	69.00%	68.40%	69.00%	70.00%	74.00%
NISOURCE INC.	NI	\$1.14	\$1.14	\$1.34	\$1.05	\$1.15	\$1.30	\$18.32	\$18.52	\$17.24	\$17.35	\$17.55	\$18.35	49.30%	47.60%	44.30%	42.00%	42.00%	42.00%
NORTHWEST NATURAL GAS CO.	NWN	\$2.35	\$2.76	\$2.57	\$2.85	\$2.85	\$3.45	\$22.01	\$22.52	\$23.71	\$24.90	\$26.10	\$30.50	53.70%	53.70%	55.10%	53.00%	53.00%	53.00%
PIEDMONT NATURAL Gas Co.	PNY	\$1.27	\$1.40	\$1.49	\$1.55	\$1.65	\$2.00	\$11.83	\$11.99	\$12.11	\$12.70	\$13.25	\$15.05	51.70%	51.60%	52.80%	52.50%	52.00%	53.00%
SOUTH JERSEY INDUSTRIES INC.	SJI	\$2.46	\$2.09	\$2.27	\$2.50	\$2.65	\$3.10	\$15.11	\$16.25	\$17.33	\$18.85	\$20.15	\$22.75	55.30%	57.30%	60.80%	62.00%	61.00%	62.00%
SOUTHWEST GAS	SWX	\$1.98	\$1.95	\$1.39	\$1.70	\$1.90	\$2.35	\$21.58	\$22.98	\$23.49	\$25.25	\$26.65	\$28.00	39.40%	41.90%	44.70%	49.00%	49.50%	51.00%
UGI CORP	UGI	\$1.61	\$1.79	\$1.99	\$2.40	\$2.35	\$2.80	\$10.43	\$12.40	\$13.20	\$14.80	\$16.35	\$21.90	35.90%	39.30%	41.60%	43.00%	46.00%	54.00%
WGL HOLDINGS, INC.	WGL	\$1.94	\$2.10	\$2.44	\$2.50	\$2.55	\$2.75	\$18.86	\$19.83	\$20.99	\$22.05	\$23.10	\$26.50	60.40%	60.30%	62.40%	62.00%	63.00%	64.50%
AVERAGE	AVERAGE	\$2.05	\$2.06	\$2.18	\$2.30	\$2.36	\$2.70	\$17.69	\$18.68	\$19.43	\$20.66	\$21.68	\$24.63	51.48%	52.98%	53.83%	54.25%	54.92%	56.88%
MEDIAN	MEDIAN	\$1.99	\$2.02	\$2.36	\$2.50	\$2.58	\$2.85	\$18.86	\$19.81	\$21.24	\$22.23	\$23.25	\$26.48	51.05%	52.65%	53.95%	52.75%	54.00%	53.50%

SOURCE: VALUE LINE JUNE 12, 2009

MISSOURI GAS ENERGY  
DOCKET NO. GR-2009-0355  
VALUE LINE INVESTMENT SURVEY  
DATA INPUTS

COMPANY	SYMBOL	SHARES MM						AVG HI LO	AVG HI LO	AVG HI LO	AVG HI LO	AVG HI LO	AVG HI LO	AVG HI LO	AVERAGE	RECENT	ANNUAL	AVERAGE	AVERAGE
		2006	2007	2008	2009	2010	2012-2014	PRICE	PRICE	PRICE	AVERAGE	PRICE	PRICE	PRICE	PRICE				
AGL RESOURCES INC.	AGL	77.70	76.40	76.90	78.00	79.00	85.00	\$37.25	\$39.95	\$31.55	\$36.25	\$29.45	N/A	\$47.50	\$38.48	\$0.43	\$1.72	\$21.31	\$23.35
ATMOS ENERGY CORP	ATO	81.74	89.33	90.81	92.00	93.00	110.00	\$29.30	\$28.70	\$24.50	\$27.50	\$23.25	N/A	\$35.00	\$29.13	\$0.33	\$1.32	\$21.59	\$25.13
LACLEDE GROUP	LG	21.36	21.65	21.99	22.50	23.00	26.00	\$33.30	\$32.40	\$43.85	\$36.52	\$38.80	N/A	\$52.50	\$45.65	\$0.39	\$1.54	\$20.25	\$25.58
NEW JERSEY RESOURCES CORP	NJR	41.44	41.61	42.06	42.50	43.00	45.00	\$31.55	\$33.95	\$32.85	\$32.78	\$36.20	N/A	\$40.00	\$38.10	\$0.31	\$1.24	\$15.93	\$22.35
NICOR, INC.	GAS	44.90	45.90	45.13	45.00	45.00	45.00	\$44.30	\$45.75	\$42.15	\$44.07	\$31.90	N/A	\$47.50	\$39.70	\$0.47	\$1.86	\$20.52	\$24.08
NISOURCE INC.	NI	273.65	274.18	274.26	275.50	276.00	279.00	\$22.15	\$21.45	\$15.10	\$19.57	\$9.70	N/A	\$17.50	\$13.60	\$0.23	\$0.92	\$18.03	\$17.75
NORTHWEST NATURAL GAS CO.	NWN	27.24	26.41	26.50	26.50	26.50	28.00	\$38.25	\$46.30	\$46.45	\$43.67	\$41.70	N/A	\$62.50	\$52.10	\$0.40	\$1.58	\$22.75	\$27.17
PIEDMONT NATURAL Gas Co.	PNY	74.61	73.23	73.26	73.50	73.50	73.00	\$25.80	\$25.00	\$28.50	\$26.43	\$26.35	N/A	\$35.00	\$30.68	\$0.27	\$1.08	\$11.98	\$13.67
SOUTH JERSEY INDUSTRIES INC.	SJI	29.33	29.61	29.73	30.50	31.00	33.00	\$29.95	\$36.25	\$32.90	\$33.03	\$36.40	N/A	\$42.50	\$39.45	\$0.30	\$1.19	\$16.23	\$20.58
SOUTHWEST GAS	SWX	41.77	42.81	44.19	45.50	46.00	50.00	\$32.70	\$33.20	\$27.20	\$31.03	\$21.75	N/A	\$35.00	\$28.38	\$0.24	\$0.95	\$22.68	\$26.63
UGI CORP	UGI	105.45	106.65	107.40	108.50	109.50	111.00	\$24.60	\$26.20	\$23.80	\$24.87	\$24.25	N/A	\$35.00	\$29.63	\$0.20	\$0.80	\$12.01	\$17.68
WGL HOLDINGS, INC.	WGL	48.89	49.45	49.92	50.00	50.00	50.00	\$30.30	\$32.85	\$29.75	\$30.97	\$32.05	N/A	\$40.00	\$36.03	\$0.37	\$1.48	\$19.89	\$23.88
AVERAGE	AVERAGE	72.34	73.10	73.51	74.17	74.63	77.92	\$31.62	\$33.50	\$31.55	\$32.22	\$29.32		\$40.83	\$35.08	\$0.33	\$1.31	\$18.60	\$22.32
MEDIAN	MEDIAN	46.90	47.68	47.53	47.75	48.00	50.00	\$30.93	\$33.03	\$30.65	\$31.91	\$30.68		\$40.00	\$37.06	\$0.32	\$1.28	\$20.07	\$23.62

SOURCE: VALUE LINE INVESTMENT SURVEY NATURAL GAS UTILITY JUNE 12, 2009



MISSOURI GAS ENERGY  
DOCKET NO. GR-2009-0355  
VALUE LINE INVESTMENT SURVEY  
DATA INPUTS

COMPANY		"b 2006"	"b 2007"	"b 2008"	Average 2006-2008	"b 2009"	"b 2010"	"b 2012-2014"	Average 2012-2014	"r 2006"	"r 2007"	"r 2008"	Average 2006-2008	"r 2009"	"r 2010"	"r 2012-2014"	Average 2012-2014
AGL RESOURCES INC.	AGL	45.59%	39.71%	38.01%	41.10%	38.57%	40.34%	43.03%	40.65%	13.13%	12.51%	12.62%	12.75%	12.12%	12.61%	14.01%	12.91%
ATMOS ENERGY CORP	ATO	37.00%	34.02%	35.00%	35.34%	35.61%	37.67%	44.00%	39.09%	9.92%	8.81%	8.85%	9.19%	8.51%	8.81%	9.29%	8.87%
LACLEDE GROUP	LG	40.93%	37.23%	43.56%	40.57%	49.00%	39.62%	43.33%	43.98%	12.57%	11.67%	11.93%	12.06%	12.71%	10.36%	10.70%	11.26%
NEW JERSEY RESOURCES CORP	NJR	48.66%	34.84%	58.89%	47.46%	50.40%	52.59%	51.72%	51.57%	12.47%	10.00%	15.63%	12.70%	13.30%	13.01%	10.55%	12.29%
NICOR, INC.	GAS	35.19%	37.79%	29.28%	34.09%	29.81%	34.74%	36.95%	33.83%	14.77%	14.53%	12.20%	13.83%	11.83%	12.18%	11.15%	11.72%
NISOURCE INC.	NI	19.30%	19.30%	31.34%	23.31%	12.38%	20.00%	29.23%	20.54%	6.22%	6.16%	7.77%	6.72%	6.05%	6.55%	7.08%	6.56%
NORTHWEST NATURAL GAS CO.	NWN	40.85%	47.83%	40.86%	43.18%	44.56%	41.75%	42.03%	42.78%	10.68%	12.26%	10.84%	11.26%	11.45%	10.92%	11.31%	11.23%
PIEDMONT NATURAL Gas Co.	PNY	25.20%	29.29%	30.87%	28.45%	30.97%	32.73%	38.50%	34.07%	10.74%	11.68%	12.30%	11.57%	12.20%	12.45%	13.29%	12.65%
SOUTH JERSEY INDUSTRIES INC.	SJI	62.60%	51.67%	51.10%	55.13%	52.00%	51.70%	51.61%	51.77%	16.28%	12.86%	13.10%	14.08%	13.26%	13.15%	13.63%	13.35%
SOUTHWEST GAS	SWX	58.59%	55.90%	35.25%	49.91%	44.12%	47.37%	51.06%	47.52%	9.18%	8.49%	5.92%	7.86%	6.73%	7.13%	8.39%	7.42%
UGI CORP	UGI	57.76%	59.78%	61.81%	59.78%	66.67%	63.40%	65.00%	65.02%	15.44%	14.44%	15.08%	14.98%	16.22%	14.37%	12.79%	14.46%
WGL HOLDINGS, INC.	WGL	30.41%	34.76%	42.21%	35.80%	42.00%	41.18%	41.82%	41.66%	10.29%	10.59%	11.62%	10.83%	11.34%	11.04%	10.38%	10.92%
AVERAGE	AVERAGE	41.84%	40.18%	41.52%	41.18%	41.34%	41.92%	44.86%	42.71%	11.81%	11.17%	11.49%	11.49%	11.31%	11.05%	11.05%	11.14%
MEDIAN	MEDIAN	40.89%	37.51%	39.43%	40.84%	43.06%	40.76%	43.18%	42.22%	11.60%	11.67%	12.07%	11.82%	11.98%	11.61%	10.92%	11.49%

SOURCE: VALUE LINE INVESTMENT SURVEY NATURAL GAS UTILITY JUNE 12, 2009

**MISSOURI GAS ENERGY RATE CASE**  
**CASE NO. GR-2009-0355**  
**ANALYSIS OF STRAIGHT FIXED VARIABLE AND MINIMUM BILL CHARGES**  
**ON OVERALL REQUESTED REVENUE REQUIREMENT**

LINE NO.	DESCRIPTION	BILLS	RATE	FIXED REVENUES	VOLUME REVENUE	TOTAL MARGIN	GAS COST	TOTAL REVENUES	RECONCIL. ADJUSTMENT	TOTAL REVENUES	PRESENT REVENUES	PROPOSED INCREASE
1	RESIDENTIAL	5,256,656	\$29.83	\$156,806,048	\$464	\$156,806,512	\$273,424,766	\$430,231,278	\$1,529,099	\$431,760,377	\$404,106,048	\$27,654,329
2	SMALL GENERAL SERVICE											
3	SGS	694,369	\$41.20	\$28,608,003	\$0	\$28,608,003	\$60,236,387	\$88,844,390		\$88,844,390	\$85,833,457	\$3,010,933
4	SCHOOL AGREGATION	3,977	\$41.20	\$163,852	\$5,325	\$169,177	\$0	\$169,177		\$169,177	\$295,357	-\$126,180
5	LARGE GENERAL SERVICE	412	\$41.20	\$16,974	\$0	\$16,974	\$99,969	\$116,943		\$116,943	\$162,672	-\$45,729
6	SCHOOL AGREGATION	36	\$41.20	\$1,483	\$50	\$1,533	\$0	\$1,533		\$1,533	\$5,537	-\$4,004
7	OTHER GAS LIGHTS					\$4,273	\$0	\$4,273		\$4,273	\$3,853	\$420
8	SUBTOTAL SGS			\$28,790,313	\$5,375	\$28,799,961	\$60,336,356	\$89,136,317	\$253,196	\$89,389,513	\$86,554,069	\$2,835,444
9	LARGE GENERAL SERVICE											
10	SGS	36,480	\$140.00	\$5,107,200	\$5,879,739	\$10,986,939	\$46,587,533	\$57,574,472		\$57,574,472	\$56,461,458	\$1,113,014
11	SCHOOL AGREGATION	4,239	\$140.00	\$593,460	\$700,824	\$1,294,284		\$1,294,284		\$1,294,284	\$1,199,721	\$94,563
12	LARGE GENERAL SERVICE	2,794	\$140.00	\$391,160	\$1,242,847	\$1,634,007	\$9,847,573	\$11,481,580		\$11,481,580	\$11,785,744	-\$304,164
13	SCHOOL AGREGATION	345	\$140.00	\$48,300	\$100,550	\$148,850		\$148,850		\$148,850	\$168,617	-\$19,767
14	SUBTOTAL LGS	43,858		\$6,140,120	\$7,923,960	\$14,064,080	\$56,435,106	\$70,499,186	\$128,336	\$70,627,522	\$69,744,069	\$883,453
15	LARGE VOLUME TRANSPORT											
16	LTV1	5,831	\$830.13	\$4,840,488	\$9,369,502	\$14,209,990	\$0	\$14,209,990		\$14,209,990	\$13,181,602	\$1,028,388
17	LTV2	132	\$929.57	\$122,703	\$112,467	\$235,170	\$2,191,676	\$2,426,846		\$2,426,846	\$2,423,375	\$3,471
18	LTV SUBTOTAL	5,963		\$4,963,191	\$9,481,969	\$14,445,160	\$2,191,676	\$16,636,836	\$140,862	\$16,777,698	\$15,735,777	\$1,041,921
19												
20				\$196,699,673	\$17,411,768	\$214,115,714	\$392,387,904	\$606,503,618	\$2,051,493	\$608,555,111	\$576,139,963	\$32,415,148
21	DECOUPLING IMPACT			<b>91.87%</b>	<b>8.13%</b>							

**MISSOURI GAS ENERGY RATE CASE**

**CASE NO. GR-2009-0355**

**ANALYSIS OF STRAIGHT FIXED VARIABLE AND MINIMUM BILL CHARGES  
ON OVERALL COST OF CAPITAL AND REQUESTED REVENUE REQUIREMENT**

**COMPANY REQUESTED CAPITAL STRUCTURE AND COST RATES**

LINE NO.	DESCRIPTION	RATIO	COST RATE	WEIGHTED COST	WEIGHTED COST W/ FIT	
1	LONG TERM DEBT	41.06%	6.08%	2.50%	2.50%	
2	SHORT TERM DEBT	10.94%	4.92%	0.54%	0.54%	
3	COMMON EQUITY	48.00%	11.25%	5.40%	8.76%	
4	TOTAL	100.00%		8.43%	11.80%	
5						
6	RATE BASE					\$604,954,779
7	RETURN REQUIREMENT W/TAXES					\$71,380,599
8						
9						
10	<b>CAPITAL STRUCTURE ADJUSTED FOR REDUCED RISK</b>					
11						

LINE NO.	DESCRIPTION	RATIO	COST RATE	WEIGHTED COST	WEIGHTED COST W/ FIT	
1	LONG TERM DEBT	43.56%	6.08%	2.65%	2.65%	
2	SHORT TERM DEBT	10.94%	4.92%	0.54%	0.54%	
3	COMMON EQUITY	45.50%	11.25%	5.12%	8.31%	
4	TOTAL	100.00%		8.31%	11.49%	
5						
6	RATE BASE					\$604,954,779
7	RETURN REQUIREMENT W/TAXES					\$69,538,564
8						
9	CHANGE					-\$1,842,034



**MGE GAS CASE  
CASE NO. GR-2009-0355**

**HISTORICAL INTEREST RATES**

LINE NO.	DATE	A	B	C	D	E	F	G	H	I
		30 Year U.S. Treasury	20 Year U.S. Treasury	10 Year U.S. Treasury	AAA Corporate Bond	BBB Corporate Bond	30 Year Treas. less AAA Spread	30 Year Treas. less BBB Spread	BBB Utility Bond	BBB Corp. less BBB Utility Spread
1	Jan-06	n/a	4.65%	4.42%	5.29%	6.24%			6.06%	0.18%
2	Feb-06	4.54%	4.73%	4.57%	5.35%	6.27%	-0.81%	-1.73%	6.11%	0.16%
3	Mar-06	4.73%	4.91%	4.72%	5.53%	6.41%	-0.80%	-1.68%	6.26%	0.15%
4	Apr-06	5.06%	5.22%	4.99%	5.84%	6.68%	-0.78%	-1.62%	6.54%	0.14%
5	May-06	5.20%	5.35%	5.11%	5.95%	6.75%	-0.75%	-1.55%	6.59%	0.16%
6	Jun-06	5.15%	5.29%	5.11%	5.89%	6.78%	-0.74%	-1.63%	6.61%	0.17%
7	Jul-06	5.13%	5.25%	5.09%	5.85%	6.76%	-0.72%	-1.63%	6.61%	0.15%
8	Aug-06	5.00%	5.08%	4.88%	5.68%	6.59%	-0.68%	-1.59%	6.43%	0.16%
9	Sep-06	4.85%	4.93%	4.72%	5.51%	6.43%	-0.66%	-1.58%	6.26%	0.17%
10	Oct-06	4.85%	4.94%	4.73%	5.51%	6.42%	-0.66%	-1.57%	6.24%	0.18%
11	Nov-06	4.69%	4.78%	4.60%	5.33%	6.20%	-0.64%	-1.51%	6.04%	0.16%
12	Dec-06	4.68%	4.78%	4.56%	5.32%	6.22%	-0.64%	-1.54%	6.05%	0.17%
13	Jan-07	4.85%	4.95%	4.76%	5.40%	6.34%	-0.55%	-1.49%	6.16%	0.18%
14	Feb-07	4.82%	4.93%	4.72%	5.39%	6.28%	-0.57%	-1.46%	6.10%	0.18%
15	Mar-07	4.72%	4.81%	4.56%	5.30%	6.27%	-0.58%	-1.55%	6.10%	0.17%
16	Apr-07	4.87%	4.95%	4.69%	5.47%	6.39%	-0.60%	-1.52%	6.24%	0.15%
17	May-07	4.90%	4.98%	4.75%	5.47%	6.39%	-0.57%	-1.49%	6.23%	0.16%
18	Jun-07	5.20%	5.29%	5.10%	5.79%	6.70%	-0.59%	-1.50%	6.54%	0.16%
19	Jul-07	5.11%	5.19%	5.00%	5.73%	6.65%	-0.62%	-1.54%	6.49%	0.16%
20	Aug-07	4.93%	5.00%	4.67%	5.79%	6.65%	-0.86%	-1.72%	6.51%	0.14%
21	Sep-07	4.79%	4.84%	4.52%	5.74%	6.59%	-0.95%	-1.80%	6.45%	0.14%
22	Oct-07	4.77%	4.83%	4.53%	5.66%	6.48%	-0.89%	-1.71%	6.36%	0.12%
23	Nov-07	4.52%	4.56%	4.15%	5.44%	6.40%	-0.92%	-1.88%	6.27%	0.13%
24	Dec-07	4.53%	4.57%	4.10%	5.49%	6.65%	-0.96%	-2.12%	6.51%	0.14%
25	Jan-08	4.33%	4.35%	3.74%	5.33%	6.54%	-1.00%	-2.21%	6.35%	0.19%
26	Feb-08	4.52%	4.49%	3.74%	5.53%	6.82%	-1.01%	-2.30%	6.60%	0.22%
27	Mar-08	4.39%	4.36%	3.51%	5.51%	6.89%	-1.12%	-2.50%	6.68%	0.21%
28	Apr-08	4.44%	4.44%	3.68%	5.55%	6.97%	-1.11%	-2.53%	6.81%	0.16%
29	May-08	4.60%	4.60%	3.88%	5.57%	6.92%	-0.97%	-2.32%	6.79%	0.13%
30	Jun-08	4.69%	4.74%	4.10%	5.68%	7.07%	-0.99%	-2.38%	6.93%	0.14%
31	Jul-08	4.57%	4.62%	4.01%	5.67%	7.16%	-1.10%	-2.59%	6.97%	0.19%
32	Aug-08	4.50%	4.53%	3.89%	5.64%	7.15%	-1.14%	-2.65%	6.98%	0.17%
33	Sep-08	4.27%	4.32%	3.69%	5.65%	7.31%	-1.38%	-3.04%	7.15%	0.16%
34	Oct-08	4.17%	4.45%	3.81%	6.28%	8.88%	-2.11%	-4.71%	8.58%	0.30%
35	Nov-08	4.00%	4.27%	3.53%	6.12%	9.22%	-2.12%	-5.22%	8.99%	0.23%
36	Dec-08	2.87%	3.18%	2.42%	5.05%	8.43%	-2.18%	-5.56%	8.11%	0.32%
37	Jan-09	3.13%	3.46%	2.52%	5.05%	8.14%	-1.92%	-5.01%	7.90%	0.24%
38	Feb-09	3.59%	3.83%	2.87%	5.27%	8.08%	-1.68%	-4.49%	7.74%	0.34%
39	Mar-09	3.64%	3.78%	2.82%	5.50%	8.42%	-1.86%	-4.78%	8.00%	0.42%
40	Apr-09	3.76%	3.84%	2.93%	5.39%	8.39%	-1.63%	-4.63%	8.03%	0.36%
41	May-09	4.23%	4.22%	3.29%	5.54%	8.06%	-1.31%	-3.83%	7.77%	0.29%
42	Jun-09	4.52%	4.51%	3.72%	5.61%	7.50%	-1.09%	-2.98%		
43	Jul-09	4.41%	4.38%	3.56%	5.41%	7.09%	-1.00%	-2.68%		
44	Average	4.54%	4.63%	4.16%	5.56%	6.99%	-1.03%	-2.47%	6.78%	0.19%
45	3 Mo. Avg	4.39%	4.37%	3.52%	5.52%	7.55%	-1.13%	-3.16%		

SOURCES: [www.federalreserve](http://www.federalreserve)

Merchant Bond Record



**MGE GAS CASE**  
**CASE NO. GR-2009-0355**  
**COMPARABLE GROUP BETA AND EQUITY RATIOS**

LINE NO.	COMPANY	SYMBOL	BETA	EQUITY	EQUITY	EQUITY	EQUITY	EQUITY	EQUITY
				RATIO	RATIO	RATIO	RATIO	RATIO	RATIO
				2006	2007	2008	2009	2010	2012-2014
1	AGL RESOURCES INC.	AGL	0.75	49.80%	49.80%	49.70%	52.00%	55.00%	57.00%
2	ATMOS ENERGY CORP	ATO	0.65	43.00%	48.00%	49.20%	50.00%	49.50%	51.00%
3	LACLEDE GROUP	LG	0.60	50.40%	54.60%	55.50%	55.00%	55.00%	53.00%
4	NEW JERSEY RESOURCES CORP	NJR	0.65	65.20%	62.70%	61.50%	61.50%	63.00%	68.00%
5	NICOR, INC.	GAS	0.75	63.70%	69.00%	68.40%	69.00%	70.00%	74.00%
6	NISOURCE INC.	NI	0.85	49.30%	47.60%	44.30%	42.00%	42.00%	42.00%
7	NORTHWEST NATURAL GAS CO.	NWN	0.60	53.70%	53.70%	55.10%	53.00%	53.00%	53.00%
8	PIEDMONT NATURAL Gas Co.	PNY	0.65	51.70%	51.60%	52.80%	52.50%	52.00%	53.00%
9	SOUTH JERSEY INDUSTRIES INC.	SJI	0.65	55.30%	57.30%	60.80%	62.00%	61.00%	62.00%
10	SOUTHWEST GAS	SWX	0.75	39.40%	41.90%	44.70%	49.00%	49.50%	51.00%
11	UGI CORP	UGI	0.70	35.90%	39.30%	41.60%	43.00%	46.00%	54.00%
12	WGL HOLDINGS, INC.	WGL	0.65	60.40%	60.30%	62.40%	62.00%	63.00%	64.50%
13	AVERAGE	AVERAGE	0.69	51.48%	52.98%	53.83%	54.25%	54.92%	56.88%
14	MEDIAN	MEDIAN	0.65	51.05%	52.65%	53.95%	52.75%	54.00%	53.50%
	NATURAL GAS UTILITY COMPOSITE			48.70%	49.50%	49.40%	48.00%	48.00%	46.00%
	SOURCES: VALUE LINE JUNE 12, 2009								

**MGE GAS CASE**  
**CASE NO. GR-2009-0355**  
**COMPARABLE GROUP**  
**PRICES, DIVIDENDS AND YIELDS**

**LINE**

NO	COMPANY	SYMBOL	QUARTERLY DIVIDEND	ANNUALIZED DIVIDEND	PRICE	YIELD	GROWTH	ADJUSTED YIELD
1	AGL RESOURCES INC.	AGL	\$0.43	\$1.72	\$32.31	5.32%	4.69%	5.45%
2	ATMOS ENERGY CORP	ATO	\$0.33	\$1.32	\$25.78	5.12%	4.93%	5.25%
3	LACLEDE GROUP	LG	\$0.39	\$1.54	\$33.03	4.66%	4.93%	4.78%
4	NEW JERSEY RESOURCES CORP	NJR	\$0.31	\$1.24	\$37.77	3.28%	7.16%	3.40%
5	NICOR, INC.	GAS	\$0.47	\$1.86	\$34.99	5.32%	3.72%	5.41%
6	NISOURCE INC.	NI	\$0.23	\$0.92	\$12.21	7.54%	1.87%	7.61%
7	NORTHWEST NATURAL GAS CO.	NWN	\$0.40	\$1.58	\$43.95	3.59%	4.76%	3.68%
8	PIEDMONT NATURAL Gas Co.	PNY	\$0.27	\$1.08	\$24.02	4.50%	4.83%	4.60%
9	SOUTH JERSEY INDUSTRIES INC.	SJI	\$0.30	\$1.19	\$35.63	3.35%	8.12%	3.48%
10	SOUTHWEST GAS	SWX	\$0.24	\$0.95	\$22.75	4.18%	5.21%	4.29%
11	UGI CORP	UGI	\$0.20	\$0.80	\$25.82	3.10%	9.18%	3.24%
12	WGL HOLDINGS, INC.	WGL	\$0.37	\$1.48	\$32.14	4.61%	5.20%	4.72%
13	AVERAGE		\$0.33	\$1.31	\$30.03	4.55%	5.38%	4.66%
14	MEDIAN				\$32.22	4.55%	4.93%	4.66%

Column B page 2 this Sched. Col. O

Column D is Col. B/Col. C

Column E From Schedule (DJL-8)

Column F is yield or Col. D increased by 50% of growth in Col E