

MGE GAS CASE
DOCKET NO.GR 2009-0355
IMPACT ON REVENUE REQUIREMENTS OF UPDATED COST OF CAPITAL

LINE NO.	DESCRIPTION	COMPANY FILED REQUEST	COMPANY UPDATED RETURN		
1	RATE BASE	\$604,954,779	\$604,954,779		
2	REQUESTED RATE OF RETURN ON INVESTMENT	8.43%	8.01%		
3	REQUESTED RETURN GROSSED UP FOR TAX	11.80%	11.15%		
4	RETURN AND TAXES REQUIRED	\$71,380,598.63	\$67,479,807.86		
5	DIFFERENCE		(\$3,900,790.76)		
6					
7					
				WEIGHTED	WEIGHTED
				COST	COST W/
8	COMPANY ORIGINAL CLAIMED CAPITAL COST	RATIO	COST	COST	TAXES
9	LONG-TERM DEBT	41.06%	6.08%	2.50%	2.50%
10	SHORT-TERM DEBT	10.94%	4.92%	0.54%	0.54%
11	TOTAL DEBT	52.00%			
12	COMMON EQUITY	48.00%	11.25%	5.40%	8.76%
13	TOTAL RETURN REQUEST	100.00%		8.43%	11.80%
14					
				WEIGHTED	WEIGHTED
				COST	COST W/
15	COMPANY UPDATED CAPITAL COST	RATIO	COST	COST	TAXES
16	LONG-TERM DEBT	41.06%	6.08%	2.50%	2.50%
17	SHORT-TERM DEBT	10.94%	4.37%	0.48%	0.48%
18	TOTAL DEBT	52.00%			
19	COMMON EQUITY	48.00%	10.50%	5.04%	8.18%
20	TOTAL RETURN REQUEST	100.00%		8.01%	11.15%