

## Alternative Samples

	PE Ratio From Yahoo or Forward EPS/Share Price	Growth from ROE x Retention	Forward ROE from the Forward EPS and Book Value	Equity Cost of Capital from PE Formula	Forward Dividend Yield	Equity Cost of Capital from DCF Model
AGL Resources Inc. (ATG)	13.28	6.3%	13.94%	10.41%	4.14%	10.42%
Atmos Energy Corp. (ATO)	13.63	3.5%	9.73%	8.20%	4.69%	8.20%
Cascade Natural Gas Corp. (CGC)	16.48	2.1%	10.94%	7.01%	4.90%	7.01%
Laclede SA (LG)	16.10	3.8%	11.53%	7.98%	4.14%	7.98%
New Jersey Resources Corp. (NJR)	15.51	7.5%	15.03%	10.72%	3.24%	10.72%
Nicor Inc. (GAS)	16.70	3.5%	13.67%	7.98%	4.44%	7.98%
Northwest Natural Gas Co. (NWN)	14.44	4.7%	11.18%	8.71%	4.02%	8.72%
Peoples Energy Corp. (PGL)	14.50	2.1%	12.46%	7.81%	5.76%	7.81%
Piedmont Natural Gas Co. Inc. (PNY)	16.92	3.8%	11.59%	7.75%	4.00%	7.75%
South Jersey Industries Inc. (SJI)	14.93	7.4%	14.08%	10.58%	3.17%	10.58%
Southwest Gas Corp. (SWX)	15.69	5.1%	9.42%	8.03%	2.90%	8.03%
WGL Holdings Inc. (WGL)	16.12	2.8%	9.94%	7.26%	4.46%	7.26%
CH Energy Group Inc. (CHG)	17.89	1.7%	8.45%	6.16%	4.47%	6.16%
Consolidated Edison Inc. (ED)	14.36	2.8%	10.54%	7.92%	5.10%	7.92%
Energy East Corp. (EAS)	14.11	3.1%	9.10%	7.78%	4.64%	7.78%
NSTAR (NST)	13.86	6.1%	14.47%	10.25%	4.20%	10.25%
Northeast Utilities (NU)	14.84	4.1%	8.52%	7.59%	3.49%	7.59%
UIL Holdings Corp. (UIL)	16.86	0.1%	7.77%	5.94%	5.89%	5.95%
Pepco Holdings Inc. (POM)	13.83	3.5%	9.06%	7.95%	4.40%	7.95%
Median	14.93	3.5%	10.94%	7.95%	4.40%	7.95%
Average	15.27	3.9%	11.13%	8.21%	4.32%	8.21%
LDC Only Sample						
Median	14.93	3.80%	11.56%	8.01%	4.14%	8.01%
Mean	15.27	4.38%	11.96%	8.54%	4.15%	8.54%
Wires Only Sample						
Median	14.36	3.14%	9.06%	7.78%	4.47%	7.78%
Mean	15.11	3.06%	9.70%	7.66%	4.60%	7.66%

## TTM ROE in Growth Formula

	PE Ratio From Yahoo or Forward EPS/Share Price	Growth from ROE x Retention	ROE TTM Reported by Yahoo (Base Page)	Equity Cost of Capital from PE Formula	Forward Dividend Yield	Equity Cost of Capital from DCF Model
AGL Resources Inc. (ATG)	13.28	6.0%	13.38%	10.16%	4.14%	10.16%
Atmos Energy Corp. (ATO)	13.63	3.3%	9.27%	8.03%	4.69%	8.03%
Cascade Natural Gas Corp. (CGC)	16.48	1.7%	8.62%	6.56%	4.90%	6.56%
Laclede SA (LG)	16.10	4.3%	13.04%	8.49%	4.14%	8.49%
New Jersey Resources Corp. (NJR)	15.51	7.8%	15.61%	11.01%	3.24%	11.01%
Nicor Inc. (GAS)	16.70	4.5%	17.45%	8.96%	4.44%	8.96%
Northwest Natural Gas Co. (NWN)	14.44	4.2%	10.07%	8.25%	4.02%	8.25%
Peoples Energy Corp. (PGL)	14.50	0.7%	4.29%	6.47%	5.76%	6.47%
Piedmont Natural Gas Co. Inc. (PNY)	16.92	3.6%	11.03%	7.57%	4.00%	7.57%
South Jersey Industries Inc. (SJI)	14.93	7.0%	13.23%	10.14%	3.17%	10.14%
Southwest Gas Corp. (SWX)	15.69	3.3%	6.02%	6.18%	2.90%	6.18%
WGL Holdings Inc. (WGL)	16.12	3.3%	11.62%	7.73%	4.46%	7.73%
CH Energy Group Inc. (CHG)	17.89	1.8%	8.88%	6.25%	4.47%	6.25%
Consolidated Edison Inc. (ED)	14.36	2.7%	10.19%	7.83%	5.10%	7.83%
Energy East Corp. (EAS)	14.11	3.2%	9.33%	7.86%	4.64%	7.86%
NSTAR (NST)	13.86	5.5%	13.18%	9.71%	4.20%	9.71%
Northeast Utilities (NU)	14.84	0.5%	1.00%	3.98%	3.49%	3.98%
UIL Holdings Corp. (UIL)	16.86	0.0%	5.74%	5.93%	5.89%	5.93%
Pepco Holdings Inc. (POM)	13.83	4.1%	10.46%	8.50%	4.40%	8.50%
Median	14.93	3.3%	10.19%	7.86%	4.40%	7.86%
Average	15.27	3.6%	10.13%	7.87%	4.32%	7.87%
LDC Only Sample						
Median	14.93	3.90%	11.33%	8.14%	4.14%	8.14%
Mean	15.27	4.14%	11.14%	8.30%	4.15%	8.30%
Wires Only Sample						
Median	14.36	2.73%	9.33%	7.83%	4.47%	7.83%
Mean	15.11	2.55%	8.40%	7.15%	4.60%	7.15%

## Current ROE

	PE Ratio From Yahoo or Forward EPS/Share Price	Growth from ROE x Retention	ROE Current Computed from EPS and Book Value	Equity Cost of Capital from PE Formula	Forward Dividend Yield	Equity Cost of Capital from DCF Model
AGL Resources Inc. (ATG)	13.28	6.0%	13.43%	10.18%	4.14%	10.18%
Atmos Energy Corp. (ATO)	13.63	3.3%	9.23%	8.02%	4.69%	8.02%
Cascade Natural Gas Corp. (CGC)	16.48	1.8%	9.38%	6.71%	4.90%	6.71%
Laclede SA (LG)	16.10	4.0%	12.07%	8.16%	4.14%	8.16%
New Jersey Resources Corp. (NJR)	15.51	7.3%	14.61%	10.52%	3.24%	10.52%
Nicor Inc. (GAS)	16.70	3.4%	13.01%	7.81%	4.44%	7.81%
Northwest Natural Gas Co. (NWN)	14.44	4.4%	10.57%	8.46%	4.02%	8.46%
Peoples Energy Corp. (PGL)	14.50	1.6%	9.79%	7.37%	5.76%	7.37%
Piedmont Natural Gas Co. Inc. (PNY)	16.92	3.5%	10.77%	7.48%	4.00%	7.48%
South Jersey Industries Inc. (SJI)	14.93	7.1%	13.56%	10.31%	3.17%	10.31%
Southwest Gas Corp. (SWX)	15.69	4.0%	7.28%	6.87%	2.90%	6.87%
WGL Holdings Inc. (WGL)	16.12	2.7%	9.73%	7.20%	4.46%	7.20%
CH Energy Group Inc. (CHG)	17.89	1.6%	8.10%	6.09%	4.47%	6.09%
Consolidated Edison Inc. (ED)	14.36	2.7%	10.10%	7.80%	5.10%	7.80%
Energy East Corp. (EAS)	14.11	3.3%	9.72%	7.99%	4.64%	7.99%
NSTAR (NST)	13.86	5.7%	13.64%	9.90%	4.20%	9.90%
Northeast Utilities (NU)	14.84	3.6%	7.38%	7.05%	3.49%	7.05%
UIL Holdings Corp. (UIL)	16.86	0.1%	7.40%	5.94%	5.89%	5.94%
Pepco Holdings Inc. (POM)	13.83	3.2%	8.26%	7.63%	4.40%	7.63%
Median	14.93	3.4%	9.79%	7.80%	4.40%	7.80%
Average	15.27	3.7%	10.42%	7.97%	4.32%	7.97%
LDC Only Sample						
Median	14.93	3.73%	10.67%	7.91%	4.14%	7.91%
Mean	15.27	4.10%	11.12%	8.26%	4.15%	8.26%
Wires Only Sample						
Median	14.36	3.24%	8.26%	7.63%	4.47%	7.63%
Mean	15.11	2.89%	9.23%	7.49%	4.60%	7.49%

## P/E Model versus DCF Model

	PE Ratio From Yahoo or Forward EPS/Share Price	Prospective Annual Growth Over Next 5 Years (Growth Page from Yahoo)	Forward ROE from the Forward EPS and Book Value	Equity Cost of Capital from PE Formula	Forward Dividend Yield	Equity Cost of Capital from DCF Model
AGL Resources Inc. (ATG)	13.28	5.0%	13.94%	9.83%	4.14%	9.14%
Atmos Energy Corp. (ATO)	13.63	5.6%	9.73%	8.71%	4.69%	10.29%
Cascade Natural Gas Corp. (CGC)	16.48	3.0%	10.94%	7.40%	4.90%	7.90%
Laclede SA (LG)	16.10	3.8%	11.53%	7.98%	4.14%	7.98%
New Jersey Resources Corp. (NJR)	15.51	5.5%	15.03%	9.59%	3.24%	8.74%
Nicor Inc. (GAS)	16.70	3.7%	13.67%	8.07%	4.44%	8.14%
Northwest Natural Gas Co. (NWN)	14.44	5.0%	11.18%	8.83%	4.02%	9.02%
Peoples Energy Corp. (PGL)	14.50	4.5%	12.46%	8.91%	5.76%	10.26%
Piedmont Natural Gas Co. Inc. (PNY)	16.92	4.6%	11.59%	8.16%	4.00%	8.60%
South Jersey Industries Inc. (SJI)	14.93	5.0%	14.08%	9.32%	3.17%	8.17%
Southwest Gas Corp. (SWX)	15.69	5.1%	9.42%	8.03%	2.90%	8.03%
WGL Holdings Inc. (WGL)	16.12	3.5%	9.94%	7.52%	4.46%	7.96%
CH Energy Group Inc. (CHG)	17.89	1.7%	8.45%	6.16%	4.47%	6.16%
Consolidated Edison Inc. (ED)	14.36	3.5%	10.54%	8.15%	5.10%	8.60%
Energy East Corp. (EAS)	14.11	4.0%	9.10%	7.97%	4.64%	8.64%
NSTAR (NST)	13.86	5.0%	14.47%	9.72%	4.20%	9.20%
Northeast Utilities (NU)	14.84	8.0%	8.52%	8.41%	3.49%	11.49%
UIL Holdings Corp. (UIL)	16.86	10.5%	7.77%	8.42%	5.89%	16.39%
Pepco Holdings Inc. (POM)	13.83	4.0%	9.06%	8.04%	4.40%	8.40%
Median	14.93	4.6%	10.94%	8.16%	4.40%	8.60%
Average	15.27	4.8%	11.13%	8.38%	4.32%	9.11%
LDC Only Sample						
Median	14.93	4.80%	11.56%	8.44%	4.14%	8.38%
Mean	15.27	4.53%	11.96%	8.53%	4.15%	8.69%
Wires Only Sample						
Median	14.36	4.00%	9.06%	8.15%	4.47%	8.64%
Mean	15.11	5.24%	9.70%	8.12%	4.60%	9.84%