Ms. Freetly Gas Sample

DCF Constant Growth Costs of Equity

Company	DCF Cost
AGL Resources	9.6%
Atmos Energy	9.7%
Nicor Inc.	9.2%
NJ Resources	8.9%
Northwest Natural Gas	8.7%
Piedmont Natural Gas	9.9%
South Jersey Industries	10.8%
WGL Holdings	8.6%
Average	**9.4%**

Source: Ms. Freetly Workpaper "Freetly GAS DCF non-constan wpt.xls"

Ms. Freetly Electric Sample

DCF Constant Growth Costs of Equity

Company	DCF Cost
American Electric Power	9.4%
Consolidated Edison	8.9%
Entergy	16.6%
IDACORP	9.1%
NSTAR	10.9%
Northeast Utilties	16.0%
Pinnacle West Capital Corp.	13.0%
Progress Energy	11.1%
Southern Co.	9.4%
Westar Energy	9.5%
Wisconsin Energy	12.0%
Xcel Energy 1/	10.0%
Average	**11.3%**

1/ Ms. Freetly uses Westar's 4.5% growth rate instead of Xcel's 5.2% in her workpaper. This has been corrected here.
Source: Ms. Freetly Workpaper "Freetly ELECTRIC DCF non-constant wp.xls"

DCF COSTS OF EQUITY FOR 8 SELECTED
U.S. LOCAL NATURAL GAS DISTRIBUTION COMPANIES
(BASED ON ANALYSTS' EARNINGS GROWTH FORECASTS)

Company	Annualized Last Paid Dividend (1)	Average Daily Closing Prices Feb 21-Mar 20, 2008[1/] (2)	Expected Dividend Yield [2/] (3)	I/B/E/S Long-Term EPS Forecasts (February 2008) (4)	DCF Cost of Equity [3/] (5)
AGL RESOURCES INC	1.68	34.99	5.0	5.0	10.0
ATMOS ENERGY CORP	1.30	26.11	5.2	4.6	9.8
NEW JERSEY RESOURCES	1.07	30.99	3.6	5.4	9.0
NICOR INC [4/]	1.86	34.27	5.6	3.7	9.3
NORTHWEST NATURAL GAS CO	1.50	42.89	3.7	4.9	8.6
PIEDMONT NATURAL GAS CO	1.00	25.28	4.2	5.2	9.4
SOUTH JERSEY INDUSTRIES	1.08	34.28	3.4	6.6	10.0
WGL HOLDINGS INC	1.37	32.08	4.4	4.0	8.4
Mean	**1.36**	**32.61**	**4.4**	**4.9**	**9.3**
Median	**1.34**	**33.18**	**4.3**	**4.9**	**9.3**

1/ www.yahoo.com
2/ Expected Dividend Yield = (Col (1) / Col (2)) * (1 + Col (4))
3/ Expected Dividend Yield (Col (3)) + I/B/E/S Growth Forecast (Col (4))
4/ Long-term EPS forecast from www.yahoo.com.

Source: Standard & Poor's Research Insight, I/B/E/S

DCF COSTS OF EQUITY FOR 8 SELECTED
U.S. LOCAL NATURAL GAS DISTRIBUTION COMPANIES
(BASED ON ANALYSTS' EARNINGS GROWTH FORECASTS)

Company	Annualized Last Paid Dividend (1)	Closing Prices Mar 20, 2008 1/ (2)	Expected Dividend Yield 2/ (3)	I/B/E/S Long-Term EPS Forecasts (February 2008) (4)	DCF Cost of Equity 3/ (5)
AGL RESOURCES INC	1.68	33.96	5.2	5.0	10.2
ATMOS ENERGY CORP	1.30	25.22	5.4	4.6	10.0
NEW JERSEY RESOURCES	1.07	30.94	3.6	5.4	9.0
NICOR INC 4/	1.86	33.33	5.8	3.7	9.5
NORTHWEST NATURAL GAS CO	1.50	42.82	3.7	4.9	8.6
PIEDMONT NATURAL GAS CO	1.00	26.21	4.0	5.2	9.2
SOUTH JERSEY INDUSTRIES	1.08	34.56	3.3	6.6	10.0
WGL HOLDINGS INC	1.37	32.24	4.4	4.0	8.4
Mean	**1.36**	**32.41**	**4.4**	**4.9**	**9.4**
Median	**1.34**	**32.79**	**4.2**	**4.9**	**9.4**

1/ www.yahoo.com
2/ Expected Dividend Yield = (Col (1) / Col (2)) * (1 + Col (4))
3/ Expected Dividend Yield (Col (3)) + I/B/E/S Growth Forecast (Col (4))
4/ Long-term EPS forecast from www.yahoo.com.

Source: Standard & Poor's Research Insight, I/B/E/S

DCF COSTS OF EQUITY FOR 8 SELECTED
U.S. LOCAL NATURAL GAS DISTRIBUTION COMPANIES
(BASED ON VALUE LINE LONG TERM EPS GROWTH RATES)

Company	Annualized Last Paid Dividend (1)	Average Daily Closing Prices Feb 21-Mar 20, 2008[1/] (2)	Expected Dividend Yield [2/] (3)	Value Line EPS Growth (4)	DCF Cost of Equity [3/] (5)
AGL RESOURCES INC	1.68	34.99	5.0	3.5	8.5
ATMOS ENERGY CORP	1.30	26.11	5.2	4.5	9.7
NEW JERSEY RESOURCES	1.07	30.99	3.7	6.0	9.7
NICOR INC	1.86	34.27	5.6	4.0	9.6
NORTHWEST NATURAL GAS CO	1.50	42.89	3.7	7.0	10.7
PIEDMONT NATURAL GAS CO	1.00	25.28	4.2	5.0	9.2
SOUTH JERSEY INDUSTRIES	1.08	34.28		NMF	
WGL HOLDINGS INC	1.37	32.08	4.4	3.5	7.9
Mean	**1.36**	**32.61**	**4.5**	**4.8**	**9.3**
Median	**1.34**	**33.18**	**4.4**	**4.5**	**9.6**

1/ www.yahoo.com
2/ Expected Dividend Yield = (Col (1) / Col (2)) * (1 + Col (4))
3/ Expected Dividend Yield (Col (3)) + I/B/E/S Growth Forecast (Col (4))

Source: Standard & Poor's Research Insight, *Value Line* (www.valueline.com, March 25, 2008)

DCF COSTS OF EQUITY FOR 8 SELECTED
U.S. LOCAL NATURAL GAS DISTRIBUTION COMPANIES
(BASED ON VALUE LINE LONG TERM EPS GROWTH RATES)

Company	Annualized Last Paid Dividend (1)	Closing Prices Mar 20, 2008[1/] (2)	Expected Dividend Yield [2/] (3)	Value Line EPS Growth (4)	DCF Cost of Equity [3/] (5)
AGL RESOURCES INC	1.68	33.96	5.1	3.5	8.6
ATMOS ENERGY CORP	1.30	25.22	5.4	4.5	9.9
NEW JERSEY RESOURCES	1.07	30.94	3.7	6.0	9.7
NICOR INC	1.86	33.33	5.8	4.0	9.8
NORTHWEST NATURAL GAS CO	1.50	42.82	3.7	7.0	10.7
PIEDMONT NATURAL GAS CO	1.00	26.21	4.0	5.0	9.0
SOUTH JERSEY INDUSTRIES	1.08	34.56		NMF	
WGL HOLDINGS INC	1.37	32.24	4.4	3.5	7.9
Mean	**1.36**	**32.41**	**4.6**	**4.8**	**9.4**
Median	**1.34**	**32.79**	**4.4**	**4.5**	**9.7**

1/ www.yahoo.com
2/ Expected Dividend Yield = (Col (1) / Col (2)) * (1 + Col (4))
3/ Expected Dividend Yield (Col (3)) + I/B/E/S Growth Forecast (Col (4))

Source: Standard & Poor's Research Insight, *Value Line* (www.valueline.com, March 25, 2008)

DCF COSTS OF EQUITY FOR 8 SELECTED
U.S. LOCAL NATURAL GAS DISTRIBUTION COMPANIES
(TWO-STAGE MODEL)

Company	Annualized Last Paid Dividend (1)	Average Daily Closing Prices Feb 21-Mar 20, 2008[1/] (2)	Stage 1 I/B/E/S EPS Forecasts (3)	Stage 2 GDP Growth [2/] (4)	DCF Cost of Equity [3/] (5)
AGL RESOURCES INC	1.68	34.99	5.0	4.8	9.8
ATMOS ENERGY CORP	1.30	26.11	4.6	4.8	9.9
NEW JERSEY RESOURCES	1.07	30.99	5.4	4.8	8.4
NICOR INC [3/]	1.86	34.27	3.7	4.8	10.2
NORTHWEST NATURAL GAS CO	1.50	42.89	4.9	4.8	8.4
PIEDMONT NATURAL GAS CO	1.00	25.28	5.2	4.8	8.9
SOUTH JERSEY INDUSTRIES	1.08	34.28	6.6	4.8	8.2
WGL HOLDINGS INC	1.37	32.08	4.0	4.8	9.0
Mean	**1.36**	**32.61**	**4.9**	**4.8**	**9.1**
Median	**1.34**	**33.18**	**4.9**	**4.8**	**9.0**

1/ www.yahoo.com
2/ Forecast nominal rate of GDP growth, 2009-18
3/ Internal Rate of Return: I/B/E/S EPS forecast growth rate applies for first 5 years; GDP growth thereafter.

Source: Standard & Poor's Research Insight; Blue Chip Economic Indicators (March 10, 2008); I/B/E/S (February 2008)

DCF COSTS OF EQUITY FOR 8 SELECTED
U.S. LOCAL NATURAL GAS DISTRIBUTION COMPANIES
(TWO-STAGE MODEL)

Company	Annualized Last Paid Dividend (1)	Closing Prices Mar 20, 2008[1/] (2)	Stage 1 I/B/E/S EPS Forecasts (3)	Stage 2 GDP Growth [2/] (4)	DCF Cost of Equity [3/] (5)
AGL RESOURCES INC	1.68	33.96	5.0	4.8	10.0
ATMOS ENERGY CORP	1.30	25.22	4.6	4.8	10.1
NEW JERSEY RESOURCES	1.07	30.94	5.4	4.8	8.4
NICOR INC [3/]	1.86	33.33	3.7	4.8	10.3
NORTHWEST NATURAL GAS CO	1.50	42.82	4.9	4.8	8.4
PIEDMONT NATURAL GAS CO	1.00	26.21	5.2	4.8	8.8
SOUTH JERSEY INDUSTRIES	1.08	34.56	6.6	4.8	8.2
WGL HOLDINGS INC	1.37	32.24	4.0	4.8	9.0
Mean	**1.36**	**32.41**	**4.9**	**4.8**	**9.1**
Median	**1.34**	**32.79**	**4.9**	**4.8**	**8.9**

1/ www.yahoo.com
2/ Forecast nominal rate of GDP growth, 2009-18
3/ Internal Rate of Return: I/B/E/S EPS forecast growth rate applies for first 5 years; GDP growth thereafter.

Source: Standard & Poor's Research Insight; Blue Chip Economic Indicators (March 10, 2008); I/B/E/S (February 2008)

DCF COSTS OF EQUITY FOR
29 SELECTED U.S. ELECTRIC UTILITIES
(BASED ON ANALYSTS' EARNINGS GROWTH FORECASTS)

Company	Annualized Last Paid Dividend (1)	Average Daily Closing Prices Feb 21-Mar 20, 2008 1/ (2)	Expected Dividend Yield 2/ (3)	I/B/E/S Long-Term EPS Forecasts (February 2008) (4)	DCF Cost of Equity 3/ (5)
AEP	1.64	41.34	4.2	6.0	10.2
ALLETE	1.72	36.55	4.9	5.0	9.9
Alliant	1.40	35.18	4.2	6.0	10.2
Ameren	2.54	42.65	6.3	6.4	12.7
Avista Corp.	0.66	18.89	3.7	4.5	8.2
Cleco	0.90	22.94	4.5	14.0	18.5
DPL	1.10	25.45	4.7	8.9	13.6
DTE Energy	2.12	40.32	5.6	5.8	11.3
Edison International	1.22	50.04	2.7	8.9	11.5
Empire District	1.28	20.47	6.6	6.0	12.6
Entergy	3.00	106.04	3.1	10.6	13.7
Exelon	2.00	78.77	2.8	11.0	13.8
FirstEnergy	2.20	69.23	3.5	11.0	14.5
FPL	1.78	62.03	3.2	9.9	13.1
Great Plains Energy	1.66	25.35	6.9	4.8	11.7
IDACORP	1.20	30.84	4.1	6.0	10.1
Integrys Energy	2.68	46.29	6.4	9.8	16.2
OGE	1.39	31.99	N/A	N/A	N/A
OtterTail Corp	1.19	33.11	3.9	7.7	11.5
Pepco Holdings	1.04	25.16	4.6	11.4	16.0
PG&E	1.44	38.06	4.1	8.5	12.6
Pinnacle	2.10	35.73	6.1	3.6	9.7
PNM	0.92	11.18	9.0	9.4	18.4
PPL	1.22	46.42	3.0	13.7	16.7
Progress Energy	2.46	42.41	6.1	4.6	10.7
PSEG	1.17	45.09	3.1	17.9	21.0
TECO Energy	0.78	15.16	5.4	4.5	9.8
Westar	1.08	22.97	5.0	5.9	10.9
Xcel	0.92	20.10	4.9	6.9	11.8
Mean	**1.55**	**38.61**	**4.7**	**8.2**	**12.9**
Median	**1.39**	**35.73**	**4.5**	**7.3**	**12.2**

1/ www.yahoo.com
2/ Expected Dividend Yield = (Col (1) / Col (2)) * (1 + Col (4))
3/ Expected Dividend Yield (Col (3)) + I/B/E/S Growth Forecast (Col (4))

Source: Standard & Poor's Research Insight, I/B/E/S

DCF COSTS OF EQUITY FOR
29 SELECTED U.S. ELECTRIC UTILITIES
(BASED ON ANALYSTS' EARNINGS GROWTH FORECASTS)

Company	Annualized Last Paid Dividend (1)	Closing Prices Mar 20, 2008 1/ (2)	Expected Dividend Yield 2/ (3)	I/B/E/S Long-Term EPS Forecasts (February 2008) (4)	DCF Cost of Equity 3/ (5)
AEP	1.64	40.83	4.3	6.0	10.3
ALLETE	1.72	38.14	4.7	5.0	9.7
Alliant	1.40	34.74	4.3	6.0	10.3
Ameren	2.54	43.56	6.2	6.4	12.6
Avista Corp.	0.66	19.40	3.6	4.5	8.1
Cleco	0.90	22.85	4.5	14.0	18.5
DPL	1.10	25.24	4.7	8.9	13.6
DTE Energy	2.12	39.21	5.7	5.8	11.5
Edison International	1.22	48.70	2.7	8.9	11.6
Empire District	1.28	20.67	6.6	6.0	12.6
Entergy	3.00	105.55	3.1	10.6	13.7
Exelon	2.00	80.40	2.8	11.0	13.7
FirstEnergy	2.20	69.52	3.5	11.0	14.5
FPL	1.78	60.87	3.2	9.9	13.1
Great Plains Energy	1.66	24.50	7.1	4.8	11.9
IDACORP	1.20	32.78	3.9	6.0	9.9
Integrys Energy	2.68	45.55	6.5	9.8	16.3
OGE	1.39	30.29	N/A	N/A	N/A
OtterTail Corp	1.19	34.33	3.7	7.7	11.4
Pepco Holdings	1.04	24.60	4.7	11.4	16.1
PG&E	1.44	37.00	4.2	8.5	12.7
Pinnacle	2.10	35.81	6.1	3.6	9.7
PNM	0.92	11.68	8.6	9.4	18.0
PPL	1.22	46.05	3.0	13.7	16.7
Progress Energy	2.46	41.82	6.2	4.6	10.8
PSEG	1.17	41.17	3.3	17.9	21.3
TECO Energy	0.78	15.28	5.3	4.5	9.8
Westar	1.08	23.51	4.9	5.9	10.8
Xcel	0.92	20.15	4.9	6.9	11.8
Mean	**1.55**	**38.42**	**4.7**	**8.2**	**12.9**
Median	**1.39**	**35.81**	**4.6**	**7.3**	**12.3**

1/ www.yahoo.com
2/ Expected Dividend Yield = (Col (1) / Col (2)) * (1 + Col (4))
3/ Expected Dividend Yield (Col (3)) + I/B/E/S Growth Forecast (Col (4))

Source: Standard & Poor's Research Insight, I/B/E/S

DCF COSTS OF EQUITY FOR
29 SELECTED U.S. ELECTRIC UTILITIES
(BASED ON VALUE LINE LONG TERM EPS GROWTH RATES)

Company	Annualized Last Paid Dividend (1)	Average Daily Closing Prices Feb 21-Mar 20, 2008 1/ (2)	Expected Dividend Yield 2/ (3)	Value Line EPS Growth (4)	DCF Cost of Equity 3/ (5)
AEP	1.64	41.34	4.2	6.5	10.7
ALLETE	1.72	36.55	5.1	8.0	13.1
Alliant	1.40	35.18	4.2	5.5	9.7
Ameren	2.54	42.65	6.1	3.0	9.1
Avista Corp.	0.66	18.89	3.8	9.0	12.8
Cleco	0.90	22.94	4.2	6.5	10.7
DPL	1.10	25.45	4.8	10.5	15.3
DTE Energy	2.12	40.32	5.5	4.0	9.5
Edison International	1.22	50.04	2.6	6.5	9.1
Empire District	1.28	20.47	6.8	8.5	15.3
Entergy	3.00	106.04	3.1	9.5	12.6
Exelon	2.00	78.77	2.8	9.0	11.8
FirstEnergy	2.20	69.23	3.4	8.5	11.9
FPL	1.78	62.03	3.2	11.5	14.7
Great Plains Energy	1.66	25.35	6.6	1.5	8.1
IDACORP	1.20	30.84	4.0	2.0	6.0
Integrys Energy	2.68	46.29	5.8	1.0	6.8
OGE	1.39	31.99	4.6	5.5	10.1
OtterTail Corp	1.19	33.11	3.8	5.0	8.8
Pepco Holdings	1.04	25.16	4.7	13.0	17.7
PG&E	1.44	38.06	4.0	4.5	8.5
Pinnacle	2.10	35.73	6.0	1.5	7.5
PNM	0.92	11.18	8.4	2.5	10.9
PPL	1.22	46.42	3.0	13.5	16.5
Progress Energy	2.46	42.41	6.0	3.5	9.5
PSEG	1.17	45.09	2.9	10.5	13.4
TECO Energy	0.78	15.16	5.4	4.0	9.4
Westar	1.08	22.97	4.9	4.5	9.4
Xcel	0.92	20.10	4.8	5.5	10.3
Mean	**1.55**	**38.61**	**4.6**	**6.4**	**11.0**
Median	**1.39**	**35.73**	**4.6**	**5.5**	**10.3**

1/ www.yahoo.com
2/ Expected Dividend Yield = (Col (1) / Col (2)) * (1 + Col (4))
3/ Expected Dividend Yield (Col (3)) + I/B/E/S Growth Forecast (Col (4))

Source: Standard & Poor's Research Insight, *Value Line* (www.valueline.com, March 25, 2008)

DCF COSTS OF EQUITY FOR
29 SELECTED U.S. ELECTRIC UTILITIES
(BASED ON VALUE LINE LONG TERM EPS GROWTH RATES)

Company	Annualized Last Paid Dividend (1)	Closing Prices Mar 20, 2008 1/ (2)	Expected Dividend Yield 2/ (3)	Value Line EPS Growth (4)	DCF Cost of Equity 3/ (5)
AEP	1.64	40.83	4.3	6.5	10.8
ALLETE	1.72	38.14	4.9	8.0	12.9
Alliant	1.40	34.74	4.3	5.5	9.8
Ameren	2.54	43.56	6.0	3.0	9.0
Avista Corp.	0.66	19.40	3.7	9.0	12.7
Cleco	0.90	22.85	4.2	6.5	10.7
DPL	1.10	25.24	4.8	10.5	15.3
DTE Energy	2.12	39.21	5.6	4.0	9.6
Edison International	1.22	48.70	2.7	6.5	9.2
Empire District	1.28	20.67	6.7	8.5	15.2
Entergy	3.00	105.55	3.1	9.5	12.6
Exelon	2.00	80.40	2.7	9.0	11.7
FirstEnergy	2.20	69.52	3.4	8.5	11.9
FPL	1.78	60.87	3.3	11.5	14.8
Great Plains Energy	1.66	24.50	6.9	1.5	8.4
IDACORP	1.20	32.78	3.7	2.0	5.7
Integrys Energy	2.68	45.55	5.9	1.0	6.9
OGE	1.39	30.29	4.8	5.5	10.3
OtterTail Corp	1.19	34.33	3.6	5.0	8.6
Pepco Holdings	1.04	24.60	4.8	13.0	17.8
PG&E	1.44	37.00	4.1	4.5	8.6
Pinnacle	2.10	35.81	6.0	1.5	7.5
PNM	0.92	11.68	8.1	2.5	10.6
PPL	1.22	46.05	3.0	13.5	16.5
Progress Energy	2.46	41.82	6.1	3.5	9.6
PSEG	1.17	41.17	3.1	10.5	13.6
TECO Energy	0.78	15.28	5.3	4.0	9.3
Westar	1.08	23.51	4.8	4.5	9.3
Xcel	0.92	20.15	4.8	5.5	10.3
Mean	**1.55**	**38.42**	**4.6**	**6.4**	**11.0**
Median	**1.39**	**35.81**	**4.8**	**5.5**	**10.3**

1/ www.yahoo.com
2/ Expected Dividend Yield = (Col (1) / Col (2)) * (1 + Col (4))
3/ Expected Dividend Yield (Col (3)) + I/B/E/S Growth Forecast (Col (4))

Source: Standard & Poor's Research Insight, *Value Line* (www.valueline.com, March 25, 2008)

DCF COSTS OF EQUITY FOR
29 SELECTED U.S. ELECTRIC UTILITIES
(TWO-STAGE MODEL)

Company	Annualized Last Paid Dividend (1)	Average Daily Closing Prices Feb 21-Mar 20, 2008 1/ (2)	Stage 1 I/B/E/S EPS Forecasts (3)	Stage 2 GDP Growth 2/ (4)	DCF Cost of Equity 3/ (5)
AEP	1.64	41.34	6.0	4.8	9.1
ALLETE	1.72	36.55	5.0	4.8	9.7
Alliant	1.40	35.18	6.0	4.8	9.1
Ameren	2.54	42.65	6.4	4.8	11.5
Avista Corp.	0.66	18.89	4.5	4.8	8.6
Cleco	0.90	22.94	14.0	4.8	10.8
DPL	1.10	25.45	8.9	4.8	10.2
DTE Energy	2.12	40.32	5.8	4.8	10.5
Edison International	1.22	50.04	8.9	4.8	7.6
Empire District	1.28	20.47	6.0	4.8	11.7
Entergy	3.00	106.04	10.6	4.8	8.5
Exelon	2.00	78.77	11.0	4.8	8.1
FirstEnergy	2.20	69.23	11.0	4.8	9.1
FPL	1.78	62.03	9.9	4.8	8.4
Great Plains Energy	1.66	25.35	4.8	4.8	11.7
IDACORP	1.20	30.84	6.0	4.8	9.0
Integrys Energy	2.68	46.29	9.8	4.8	12.2
OGE	1.39	31.99	N/A	4.8	N/A
OtterTail Corp	1.19	33.11	7.7	4.8	9.0
Pepco Holdings	1.04	25.16	11.4	4.8	10.5
PG&E	1.44	38.06	8.5	4.8	9.4
Pinnacle	2.10	35.73	3.6	4.8	10.6
PNM	0.92	11.18	9.4	4.8	15.1
PPL	1.22	46.42	13.7	4.8	8.7
Progress Energy	2.46	42.41	4.6	4.8	10.8
PSEG	1.17	45.09	17.9	4.8	9.4
TECO Energy	0.78	15.16	4.5	4.8	10.1
Westar	1.08	22.97	5.9	4.8	9.9
Xcel	0.92	20.10	6.9	4.8	10.0
Mean	**1.55**	**38.61**	**8.2**	**4.8**	**10.0**
Median	**1.39**	**35.73**	**7.3**	**4.8**	**9.8**

1/ www.yahoo.com
2/ Forecast nominal rate of GDP growth, 2009-18
3/ Internal Rate of Return: I/B/E/S EPS forecast growth rate applies for first 5 years; GDP growth thereafter.

Source: Standard & Poor's Research Insight; Blue Chip Economic Indicators (March 10, 2008); I/B/E/S (February 2008)

DCF COSTS OF EQUITY FOR
29 SELECTED U.S. ELECTRIC UTILITIES
(TWO-STAGE MODEL)

Company	Annualized Last Paid Dividend (1)	Closing Prices Mar 20, 2008[1/] (2)	Stage 1 I/B/E/S EPS Forecasts (3)	Stage 2 GDP Growth [2/] (4)	DCF Cost of Equity [3/] (5)
AEP	1.64	40.83	6.0	4.8	9.2
ALLETE	1.72	38.14	5.0	4.8	9.5
Alliant	1.40	34.74	6.0	4.8	9.2
Ameren	2.54	43.56	6.4	4.8	11.3
Avista Corp.	0.66	19.40	4.5	4.8	8.2
Cleco	0.90	22.85	14.0	4.8	10.8
DPL	1.10	25.24	8.9	4.8	10.2
DTE Energy	2.12	39.21	5.8	4.8	10.7
Edison International	1.22	48.70	8.9	4.8	7.7
Empire District	1.28	20.67	6.0	4.8	11.6
Entergy	3.00	105.55	10.6	4.8	8.5
Exelon	2.00	80.40	11.0	4.8	8.1
FirstEnergy	2.20	69.52	11.0	4.8	9.1
FPL	1.78	60.87	9.9	4.8	8.5
Great Plains Energy	1.66	24.50	4.8	4.8	11.9
IDACORP	1.20	32.78	6.0	4.8	8.7
Integrys Energy	2.68	45.55	9.8	4.8	12.4
OGE	1.39	30.29		4.8	
OtterTail Corp	1.19	34.33	7.7	4.8	8.8
Pepco Holdings	1.04	24.60	11.4	4.8	10.6
PG&E	1.44	37.00	8.5	4.8	9.5
Pinnacle	2.10	35.81	3.6	4.8	10.6
PNM	0.92	11.68	9.4	4.8	14.7
PPL	1.22	46.05	13.7	4.8	8.8
Progress Energy	2.46	41.82	4.6	4.8	10.9
PSEG	1.17	41.17	17.9	4.8	9.9
TECO Energy	0.78	15.28	4.5	4.8	10.0
Westar	1.08	23.51	5.9	4.8	9.8
Xcel	0.92	20.15	6.9	4.8	10.0
Mean	**1.55**	**38.42**	**8.2**	**4.8**	**10.0**
Median	**1.39**	**35.81**	**7.3**	**4.8**	**9.8**

1/ www.yahoo.com
2/ Forecast nominal rate of GDP growth, 2009-18
3/ Internal Rate of Return: I/B/E/S EPS forecast growth rate applies for first 5 years; GDP growth thereafter.

Source: Standard & Poor's Research Insight; Blue Chip Economic Indicators (March 10, 2008); I/B/E/S (February 2008)

Exhibit 22.1.xls
Schedule 8

Updated Value Line Betas

8 Selected U.S. Local Gas Distribution Companies

Company	Beta
AGL Resources	0.85
Atmos Energy	0.85
New Jersey Resources	0.85
Nicor Inc.	1.00
Northwest Natural Gas	0.80
Piedmont Natural Gas	0.85
South Jersey Industries	0.80
WGL Holdings	0.85
Average	**0.86**
Median	**0.85**

29 Selected U.S. Electric Utilities

Company	Beta
ALLETE	0.95
Alliant	0.80
Ameren	0.80
American Electric Power	0.85
Avista Corp.	0.95
Cleco	1.00
DPL	0.75
DTE Energy	0.75
Edison International	0.85
Empire District	0.85
Entergy	0.85
Exelon	0.85
FirstEnergy	0.80
FPL	0.75
Great Plains Energy	0.75
IDACORP	0.90
Integrys Energy	0.80
OGE	0.80
OtterTail Corp	0.90
Pepco Holdings	0.90
Pinnacle West Capital Corp	0.80
PG&E	0.80
PNM	0.85
PPL	0.90
Progress Energy	0.80
PSEG	0.90
TECO Energy	0.85
Westar Energy	0.85
Xcel Energy	0.75
Average	**0.84**
Median	**0.85**

Source: Value Line Summary and Opinion (March 21, 2008)

EQUITY RISK PREMIUM STUDY FOR
8 SELECTED U.S. LOCAL NATURAL GAS DISTRIBUTION COMPANIES
(Quarterly Averages of Monthly Data)

	Expected Dividend Yields 1/	I/B/E/S EPS Growth Forecast	DCF Cost	10-Year Treasury Yield	Risk Premium
1993 1Q	5.6	6.6	12.2	6.2	6.1
2Q	5.4	6.5	11.8	6.0	5.8
3Q	5.1	6.6	11.7	5.6	6.1
4Q	5.4	6.3	11.7	5.7	6.0
1994 1Q	5.6	5.9	11.5	6.2	5.3
2Q	6.0	5.9	11.9	7.2	4.7
3Q	6.3	5.7	12.0	7.3	4.7
4Q	6.6	5.2	11.8	7.9	3.9
1995 1Q	6.2	5.0	11.3	7.3	3.9
2Q	6.0	5.1	11.1	6.5	4.6
3Q	5.9	5.1	11.0	6.3	4.7
4Q	5.6	5.2	10.8	5.8	5.0
1996 1Q	5.5	5.1	10.7	6.0	4.7
2Q	5.5	5.2	10.7	6.7	4.0
3Q	5.4	5.3	10.8	6.8	3.9
4Q	5.1	5.4	10.5	6.3	4.2
1997 1Q	5.3	5.6	10.9	6.7	4.2
2Q	5.3	5.5	10.7	6.6	4.1
3Q	5.0	5.5	10.5	6.2	4.4
4Q	4.6	5.6	10.3	5.8	4.4
1998 1Q	4.5	5.8	10.3	5.6	4.7
2Q	4.6	5.8	10.4	5.6	4.9
3Q	4.9	5.9	10.8	5.0	5.8
4Q	4.5	5.7	10.2	4.7	5.6
1999 1Q	5.1	5.6	10.7	5.1	5.7
2Q	5.1	5.5	10.6	5.6	5.0
3Q	4.9	5.5	10.4	5.9	4.5
4Q	5.1	5.5	10.6	6.2	4.4
2000 1Q	5.7	5.5	11.2	6.4	4.8
2Q	5.7	5.5	11.2	6.2	5.0
3Q	5.3	5.7	11.0	5.9	5.1
4Q	4.9	5.6	10.5	5.5	5.0
2001 1Q	5.0	5.7	10.6	5.0	5.6
2Q	4.9	5.8	10.7	5.4	5.3
3Q	5.0	5.9	10.9	4.8	6.0
4Q	4.9	5.6	10.6	4.7	5.8
2002 1Q	4.9	5.7	10.6	5.1	5.5
2Q	4.6	5.6	10.3	5.0	5.2
3Q	5.2	5.8	11.0	4.1	6.9
4Q	5.1	5.7	10.8	4.0	6.8
2003 1Q	5.2	5.5	10.7	3.8	6.9
2Q	4.7	5.3	10.1	3.6	6.5
3Q	4.6	5.2	9.8	4.3	5.5
4Q	4.5	4.9	9.5	4.3	5.1
2004 1Q	4.4	4.8	9.2	4.0	5.2
2Q	4.5	4.7	9.2	4.6	4.6
3Q	4.4	4.3	8.6	4.3	4.4
4Q	4.1	4.3	8.4	4.2	4.1
2005 1Q	4.0	4.6	8.6	4.3	4.2
2Q	3.9	4.7	8.7	4.1	4.6
3Q	3.8	4.7	8.5	4.2	4.3
4Q	4.2	4.8	9.0	4.5	4.5
2006 1Q	4.2	4.8	9.0	4.6	4.3
2Q	4.2	4.8	9.0	5.1	3.9
3Q	4.0	4.9	8.9	4.8	4.1
4Q	3.7	4.8	8.5	4.6	3.9
2007 1Q	3.8	4.8	8.6	4.7	3.9
2Q	3.7	4.8	8.5	4.9	3.6
3Q	4.0	5.0	9.0	4.6	4.3
4Q	4.0	4.8	8.7	4.2	4.6
2008 1Q	4.3	5.0	9.2	3.6	5.7
All periods	**4.9**	**5.4**	**10.3**	**5.3**	**4.9**

1/ Dividend Yield is adjusted for I/B/E/S growth

Source: Standard & Poor's Research Insight, I/B/E/S,
www.federalreserve.gov

Exhibit 22.1.xls
Schedule 10

EQUITY RISK PREMIUM STUDY FOR
29 SELECTED U.S. ELECTRIC UTILITIES
(Quarterly Averages of Monthly Data)

	Expected Dividend Yields [1/]	I/B/E/S EPS Growth Forecast	DCF Cost	10-Year Treasury Yield	Risk Premium
1998 1Q	5.3	3.2	8.5	5.6	2.9
2Q	5.3	3.4	8.7	5.6	3.1
3Q	5.2	3.7	8.9	5.0	3.9
4Q	4.9	3.7	8.7	4.7	4.0
1999 1Q	5.4	4.2	9.6	5.1	4.5
2Q	5.2	4.4	9.6	5.6	4.0
3Q	5.6	4.6	10.2	5.9	4.2
4Q	6.1	4.6	10.7	6.2	4.5
2000 1Q	6.5	4.7	11.3	6.4	4.9
2Q	6.0	5.2	11.2	6.2	5.0
3Q	5.3	5.5	10.8	5.9	4.9
4Q	4.7	5.7	10.4	5.5	5.0
2001 1Q	5.0	5.7	10.7	5.0	5.7
2Q	4.7	6.1	10.9	5.4	5.5
3Q	5.0	6.6	11.7	4.8	6.8
4Q	5.2	6.7	11.9	4.7	7.2
2002 1Q	5.0	6.4	11.5	5.1	6.4
2Q	5.1	6.5	11.6	5.0	6.5
3Q	6.5	6.3	12.9	4.1	8.8
4Q	6.3	6.2	12.5	4.0	8.5
2003 1Q	6.4	5.9	12.3	3.8	8.5
2Q	5.3	5.5	10.7	3.6	7.1
3Q	5.2	4.9	10.1	4.3	5.8
4Q	4.8	4.4	9.3	4.3	5.0
2004 1Q	4.5	4.3	8.9	4.0	4.8
2Q	4.7	4.3	8.9	4.6	4.3
3Q	4.7	4.3	8.9	4.3	4.7
4Q	4.4	4.1	8.6	4.2	4.4
2005 1Q	4.3	4.2	8.5	4.3	4.2
2Q	4.1	4.3	8.4	4.1	4.4
3Q	3.9	4.5	8.4	4.2	4.2
4Q	4.2	5.0	9.2	4.5	4.7
2006 1Q	4.3	5.8	10.0	4.6	5.4
2Q	4.3	6.3	10.7	5.1	5.6
3Q	4.1	6.1	10.2	4.8	5.4
4Q	3.8	6.2	10.1	4.6	5.5
2007 1Q	3.8	6.3	10.1	4.7	5.5
2Q	3.8	6.6	10.4	4.9	5.5
3Q	4.1	6.1	10.5	4.6	5.9
4Q	3.8	6.6	10.7	4.2	6.5
2008 1Q	4.4	7.4	12.0	3.6	8.4
Average	**4.9**	**5.3**	**10.2**	**4.8**	**5.4**

1/ Dividend Yield is adjusted for I/B/E/S growth

Source: Standard & Poor's Research Insight, I/B/E/S,
www.federalreserve.gov

Exhibit 22.1.xls
Schedule 11

ESTIMATE OF MARKET VALUE CAPITAL STRUCTURES FOR 8 SELECTED U.S. LOCAL NATURAL GAS DISTRIBUTORS

Company	Average Daily Closing Prices Feb 21-Mar 20, 2008[1/] (1)	Book Value Per Share (Dec 2006) (2)	Market/Book Ratio (3) = (1)/(2)	Book Value Common Equity Ratio (Total Capital) 2006 (4)	Market Value Common Equity Ratio (Debt at Par) (5)=[(4)*(3)]/[(4)*(3)+(1-(4))]	Market Value Debt Ratio (6)=1.0-Col (5)
AGL RESOURCES INC	34.99	20.71	1.69	42.7%	55.7%	44.3%
ATMOS ENERGY CORP	26.11	20.16	1.29	39.1%	45.4%	54.6%
NEW JERSEY RESOURCES	30.99	15.00	2.07	50.2%	67.6%	32.4%
NICOR INC	34.27	19.43	1.76	50.7%	64.5%	35.5%
NORTHWEST NATURAL GAS CO	42.89	21.97	1.95	48.1%	64.4%	35.6%
PIEDMONT NATURAL GAS CO	25.28	11.70	2.16	47.0%	65.7%	34.3%
SOUTH JERSEY INDUSTRIES	34.28	15.11	2.27	44.4%	64.4%	35.6%
WGL HOLDINGS INC	32.08	18.86	1.70	52.2%	65.0%	35.0%
Mean				**46.8%**	**61.6%**	**38.4%**

1/ www.yahoo.com

Sources: www.yahoo.com and Standard & Poor's Research Insight (March 31, 2008)

Exhibit 22.1.xls
Schedule 12

ESTIMATE OF MARKET VALUE CAPITAL STRUCTURES FOR 29 SELECTED U.S. ELECTRIC UTILITIES

Company	Average Daily Closing Prices Feb 21-Mar 20, 2008[1/] (1)	Book Value Per Share (Dec 2006) (2)	Market/Book Ratio (3) = (1)/(2)	Book Value Common Equity Ratio (Total Capital) 2006 (4)	Market Value Common Equity Ratio (Debt at Par) (5)=[(4)*(3)]/[(4)*(3)+(1-(4))]	Market Value Debt Ratio (6)=1.0-Col (5)
AEP	41.34	23.73	1.74	40.1%	53.8%	46.2%
ALLETE	36.55	21.90	1.67	63.1%	74.0%	26.0%
Alliant	35.18	22.83	1.54	57.7%	67.8%	32.2%
Ameren	42.65	31.86	1.34	50.1%	57.3%	42.7%
Avista Corp.	18.89	17.46	1.08	45.0%	47.0%	53.0%
Cleco	22.94	15.22	1.51	56.0%	65.7%	34.3%
DPL Inc.	25.45	6.69	3.81	28.3%	60.1%	39.9%
DTE Energy	40.32	33.02	1.22	39.5%	44.4%	55.6%
Edison International	50.04	23.66	2.12	42.0%	60.5%	39.5%
Empire District	20.47	15.49	1.32	46.5%	53.4%	46.6%
Entergy	106.04	40.45	2.62	45.8%	68.9%	31.1%
Exelon	78.77	14.90	5.29	43.2%	80.1%	19.9%
FirstEnergy	69.23	28.30	2.45	44.0%	65.8%	34.2%
FPL	62.03	24.49	2.53	44.6%	67.1%	32.9%
Great Plains Energy	25.35	16.70	1.52	50.1%	60.4%	39.6%
IDACORP	30.84	25.65	1.20	49.4%	54.0%	46.0%
Integrys Energy	46.29	35.36	1.31	42.4%	49.0%	51.0%
OGE	31.99	17.59	1.82	54.3%	68.4%	31.6%
OtterTail Corp	33.11	16.67	1.99	61.1%	75.7%	24.3%
Pepco Holdings	25.16	18.82	1.34	39.2%	46.3%	53.7%
PG&E	38.06	22.44	1.70	42.5%	55.7%	44.3%
Pinnacle	35.73	34.48	1.04	51.3%	52.2%	47.8%
PNM	11.18	22.24	0.50	40.1%	25.2%	74.8%
PPL	46.42	13.30	3.49	38.5%	68.6%	31.4%
Progress Energy	42.41	32.37	1.31	47.2%	54.0%	46.0%
PSEG	45.09	13.35	3.38	36.6%	66.1%	33.9%
TECO Energy	15.16	8.25	1.84	30.7%	44.9%	55.1%
Westar	22.97	17.61	1.30	46.9%	53.5%	46.5%
Xcel	20.10	14.28	1.41	43.6%	52.1%	47.9%
Mean				**45.5%**	**58.3%**	**41.7%**

1/ www.yahoo.com

Sources: www.yahoo.com and Standard & Poor's Research Insight (March 31, 2008)

Value Line Actual and Forecast Returns on Equity and Retention Rates For Mr. Thomas' Samples

	Returns On Equity		Retention Rates	
	Electric Sample	**Gas Sample**	**Electric Sample**	**Gas Sample**
2002	11.1%	12.1%	30%	29%
2003	11.2%	12.2%	31%	36%
2004	10.4%	11.4%	35%	36%
2005	11.2%	12.1%	39%	38%
2006	11.2%	12.3%	39%	43%
Average 2002-2006	**11.0%**	**12.0%**	**35%**	**36%**
Forecast 2010-2012	**11.7%**	**11.9%**	**43%**	**42%**

Source: Mr. Thomas' workpaper "Ameren Gas and Electric ROE Charts.xls", Sheet 'Value Line Data'