Cost of Capital Study

2010 Assessment Year

Appendix C

Industry: **Natural Gas Distribution**

								Reference
Equity:								
Yield Capitalization								Page
CAPM (Ex Ante)			**7.66%**					5
CAPM (Ex Post)			**7.85%**					6
Dividend Growth Models								
Value Line, based on Dividends Growth			**8.50%**					8
Value Line, based on Earnings Growth			**9.00%**					9
Yield Equity Component							**8.50%**	
Debt:								
Debt Rate							**6.60%**	10
Industry Market Capital Structure								
Equity	65%	x	8.50%			=	**5.53%**	3
Debt	35%	x	6.60%	x	(1-.38)	=	**1.43%**	3
Marginal Tax Rate	38%							
Weighted Average Cost of Capital:							**6.96%**	

Support for Guideline Companies

Natural Gas Distribution
2010 Assessment Year

Industry Overall

Company Name	Ticker	Beta	P/E Ratio	Div'd Yield	Long Term Debt	Pref Stock	Com Stock
AGL Resources	atg	0.75	12.5	4.8%	54.0%		46.0%
Atmos Energy Corp	ato	0.65	12.5	4.8%	49.0%		51.0%
Laclede Group	lg	0.60	13.8	4.7%	42.5%		57.5%
New Jersey Resources	njr	0.65	14.4	3.6%	41.5%		58.5%
Nicor Inc	gas	0.70	14.4	4.4%	32.0%		68.0%
Nisource Inc	ni	0.85	14.4	6.1%	56.0%		44.0%
NW Natural Gas	nwn	0.60	17.0	3.7%	50.0%		50.0%
Piedmont Natural Gas	pny	0.65	16.0	4.2%	44.5%		55.5%
South Jersey Industries	sji	0.60	15.7	3.3%	40.0%		60.0%
Southwest Gas	swx	0.75	14.6	3.4%	51.0%		49.0%
UGI Corp	ugi	0.65	10.7	3.4%	53.0%		47.0%
WGL Holdings	wgl	0.65	14.6	4.4%	36.0%		64.0%
	Mean	**0.68**	**14.2**	**4.23%**	**46%**		**54%**

source: Value Line Mar 12, 2010

Support for Capital Structure
(based on Market Value)
Natural Gas Distribution
2010 Assessment Year

Industry Overall

Company Name	Ticker	$Stock$ Average	Common Shares	Common $ Stock $	%	Preferred $ Stock $	%	Book Val $LT Debt$	%	Mkt:Bk Ratio	Mkt Val $LT Debt$	%	$ Total $ Debt & Equity
AGL Resources	atg	35.490	77,543,821	2,752,030,207	59.4%		0.0%	1,974,000,000	42.6%	95.4%	1,882,999,827	40.6%	4,635,030,034
Atmos Energy Corp	ato	28.530	93,054,189	2,654,836,012	58.1%		0.0%	2,159,500,000	47.3%	88.5%	1,910,884,387	41.9%	4,565,720,399
Laclede Group	lg	32.047	22,262,436	713,436,866	66.6%		0.0%	364,300,000	34.0%	98.3%	358,254,383	33.4%	1,071,691,248
New Jersey Resources	njr	36.143	41,417,220	1,496,956,388	78.2%		0.0%	438,400,000	22.9%	95.4%	418,190,032	21.8%	1,915,146,421
Nicor Inc	gas	38.953	45,245,188	1,762,450,890	78.7%	100,000	0.00%	498,800,000	22.3%	95.4%	475,805,630	21.3%	2,238,356,520
Nisource Inc	ni	14.095	275,754,599	3,886,761,073	38.3%		0.0%	6,560,700,000	64.7%	95.4%	6,258,255,808	61.7%	10,145,016,881
NW Natural Gas	nwn	43.448	26,533,028	1,152,815,845	66.8%		0.0%	601,700,000	34.8%	95.4%	574,094,208	33.2%	1,726,910,053
Piedmont Natural Gas	pny	24.515	73,295,803	1,796,846,611	71.3%		0.0%	732,500,000	29.1%	98.7%	723,139,155	28.7%	2,519,985,766
South Jersey Industries	sji	36.587	29,812,932	1,090,755,805	78.5%		0.0%	312,800,000	22.5%	95.4%	298,380,114	21.5%	1,389,135,920
Southwest Gas	swx	26.530	45,228,164	1,199,903,191	48.7%		0.0%	1,269,400,000	51.5%	99.7%	1,266,168,800	51.3%	2,466,071,991
UGI Corp	ugi	24.263	108,859,989	2,641,306,200	58.7%		0.0%	2,025,200,000	45.0%	91.6%	1,855,751,085	41.3%	4,497,057,285
WGL Holdings	wgl	33.048	50,302,721	1,662,421,091	73.1%	28,200,000	1.24%	612,800,000	26.9%	95.4%	584,550,301	25.7%	2,275,171,392
Mean:					**64.7%**		**0.1%**		**37.0%**			**35.2%**	
Weighted Mean:				22,810,520,179	**57.8%**	28,300,000	**0.1%**	17,550,100,000	**44.5%**		16,606,473,731	**42.1%**	39,445,293,909
Median:					**66.7%**		**0.0%**		**34.4%**			**33.3%**	
Estimated:					**65%**							**35%**	**100%**

Support for Market Multiples

Natural Gas Distribution

2010 Assessment Year

Industry Overall

Company Name	Ticker	$Stock$ Average	Rev's	Multiple	Cash Flow	Multiple	Earnings	Multiple	Book Value	Multiple
AGL Resources	atg	35.490	34.35	1.03	5.05	7.03	2.95	12.03	24.10	1.47
Atmos Energy Corp	ato	28.530	48.95	0.58	4.70	6.07	2.25	12.68	24.50	1.16
Laclede Group	lg	32.047	72.90	0.44	4.15	7.72	2.45	13.08	23.90	1.34
New Jersey Resources	njr	36.143	65.50	0.55	3.50	10.33	2.60	13.90	17.50	2.07
Nicor Inc	gas	38.953	60.45	0.64	7.15	5.45	2.75	14.16	23.70	1.64
Nisource Inc	ni	14.095	22.80	0.62	2.45	5.75	1.10	12.81	17.85	0.79
NW Natural Gas	nwn	43.448	35.85	1.21	5.25	8.28	2.80	15.52	26.10	1.66
Piedmont Natural Gas	pny	24.515	23.60	1.04	2.90	8.45	1.65	14.86	12.95	1.89
South Jersey Industries	sji	36.587	31.45	1.16	3.60	10.16	2.65	13.81	19.35	1.89
Southwest Gas	swx	26.530	42.95	0.62	6.40	4.15	2.05	12.94	26.10	1.02
UGI Corp	ugi	24.263	52.95	0.46	4.20	5.78	2.35	10.32	16.10	1.51
WGL Holdings	wgl	33.048	53.00	0.62	4.20	7.87	2.30	14.37	22.65	1.46
	Mean:			**0.75**		**7.25**		**13.37**		**1.49**
	Median:			**0.62**		**7.37**		**13.44**		**1.49**
	Weighted Mean:	373.65	544.75	**0.69**	53.55	**6.98**	27.90	**13.39**	254.80	**1.47**
	Estimated:			**0.65**		**7.30**		**13.40**		**1.50**

source: Value Line Investment Survey and finance.yahoo.com
Note: Average Stock Price = 4th 1/4 High/Low common stock price averages
Note: Units per share comparisons

Washington State Department of Revenue

Support for Yield Capitalization Equity Component
Capital Asset Pricing Model

Natural Gas Distribution

2010 Assessment Year

Ex Post

Ke = Rf + B (Rm-Rf)

Ke = Cost of Equity			**7.66%**
			to page 1
Rf =	risk free rate	4.6%	
Rp =	risk premium	4.7%	
B =	Beta	0.65	page 7

Rp = Risk Premium			**4.70%**
			to above
2010 Ibbotson Risk Premia Over Time Report, page 4			
Ibbotson, SBBI, Large Co.		9.8%	Geometric Rm
	less	5.1%	Average Historical Rf Return

Rf = Risk Free Rate			**4.60%**
			to above
2010 Ibbotson Risk Premia Over Time Report, page 5			
Long Term (20 years) US Treasury Bond Yield		4.60%	
Value Line Investment Survey, Selected Yields January 8, 2010, page 3117			
US Treasury Securities year end data			
	30 year	4.64%	
	30 year Zero	4.81%	
Federal Reserve Statistical Release (http://www.federalreserve.gov/Releases/H15/Current/)			
as of 12-31-09			
Treasury Constant Maturities			
	20 year	4.58%	
	30 year	4.63%	
	20 year TIPS	2.03%	
		2.55%	Inflation Indication

Washington State Department of Revenue

Support for Yield Capitalization Equity Component
Capital Asset Pricing Model

Natural Gas Distribution

2010 Assessment Year

Ex Ante

Ke = Rf + B (Rp)

Ke =	**Cost of Equity**			**7.85%**
				to page 1
	Rm =	rate of return	9.6%	
	Rf =	risk free rate	4.6%	
	Rp =	risk premium	5.0%	
	B =	Beta	0.65	page 7

Rp =	**Risk Premium**			**5.00%**
				to above
	Shannon Pratt and Roger Grabowski		3.5 - 6%	
		Cost of Capital, Applications and Examples, Third Edition, 2008, Page 113		
	Dr. Aswath Damodaran		4.36%	
		http://pages.stern.nyu.edu/~adamodar/ 2009 Implied Premium		
	Ibbotson		5.2%	
		2010 Risk Premia Over Time Report, Page 5 Long-horizon expected ERP (supply side)		
	Campbell Harvey		3.23%	December 2009
		The Duke/CFO Business Outlook Survey	3.47%	10 year average
			2.39 - 4.74%	10 year average range

Rf =	**Risk Free Rate**			**4.60%**
				to above
	2010 Ibbotson Risk Premia Over Time Report page 5			
		Long Term (20 years) US Treasury Bond Yield	4.60%	
	Value Line Investment Survey, Selected Yields January 8, 2010, page 3117			
		US Treasury Securities year end data		
		30 year	4.64%	
		30 year Zero	4.81%	
	Federal Reserve Statistical Release (http://www.federalreserve.gov/Releases/H15/Current/) as of 12-31-09			
		Treasury Constant Maturities		
		20 year	4.58%	
		30 year	4.63%	
		20 year TIPS	2.03%	
			2.55%	Inflation Indication

Beta Calculation for CAPM
Natural Gas Distribution
2010 Assessment Year

Beta =

Industry Overall		ValueLine
AGL Resources	atg	0.75
Atmos Energy Corp	ato	0.65
Laclede Group	lg	0.60
New Jersey Resources	njr	0.65
Nicor Inc	gas	0.70
Nisource Inc	ni	0.85
NW Natural Gas	nwn	0.60
Piedmont Natural Gas	pny	0.65
South Jersey Industries	sji	0.60
Southwest Gas	swx	0.75
UGI Corp	ugi	0.65
WGL Holdings	wgl	0.65
	Mean:	**0.68**
	Median:	**0.65**

Previous Year's Beta	**0.65**

Support for Yield Capitalization Equity Component
Natural Gas Distribution
2010 Assessment Year

Dividend Growth Model
(based on Value Line Dividends Growth)

Ke = D1 / Po + G

where:

Ke = Cost of Equity
D1 = Expected Dividends
Po = Current Price
G = Sustainable Growth

Industry Overall

Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/P0)	Dividend Growth (G)	Ke
AGL Resources	atg	35.490	1.80	5.07%	2.50%	7.57%
Atmos Energy Corp	ato	28.530	1.36	4.77%	2.00%	6.77%
Laclede Group	lg	32.047	1.61	5.02%	2.50%	7.52%
New Jersey Resources	njr	36.143	1.45	4.01%	5.50%	9.51%
Nicor Inc	gas	38.953	1.86	4.77%	nil	nmf
Nisource Inc	ni	14.095	0.92	6.53%	nil	nmf
NW Natural Gas	nwn	43.448	1.78	4.10%	6.00%	10.10%
Piedmont Natural Gas	pny	24.515	1.15	4.69%	3.50%	8.19%
South Jersey Industries	sji	36.587	1.40	3.83%	6.50%	10.33%
Southwest Gas	swx	26.530	1.05	3.96%	5.50%	9.46%
UGI Corp	ugi	24.263	0.90	3.71%	5.00%	8.71%
WGL Holdings	wgl	33.048	1.55	4.69%	3.00%	7.69%
			Mean:			**8.58%**
			Median:			**8.45%**
			Range:			**6.77% - 10.33%**
					Estimated:	**8.50%**

source: Value Line Mar 12, 2010 and finance.yahoo.com
Note: Stock Price = 4th ¼ High / Low average

Support for Yield Capitalization Equity Component

Natural Gas Distribution

2010 Assessment Year

Dividend Growth Model

(based on Value Line Earnings Growth)

Ke = D1 / Po + G

where:

Ke = Cost of Equity
D1 = Expected Dividends
Po = Current Price
G = Sustainable Growth

Industry Overall

Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/P0)	Earnings Growth (G)	Ke
AGL Resources	atg	35.490	1.80	5.07%	3.50%	8.57%
Atmos Energy Corp	ato	28.530	1.36	4.77%	5.50%	10.27%
Laclede Group	lg	32.047	1.61	5.02%	2.50%	7.52%
New Jersey Resources	njr	36.143	1.45	4.01%	6.50%	10.51%
Nicor Inc	gas	38.953	1.86	4.77%	2.50%	7.27%
Nisource Inc	ni	14.095	0.92	6.53%	4.00%	10.53%
NW Natural Gas	nwn	43.448	1.78	4.10%	5.00%	9.10%
Piedmont Natural Gas	pny	24.515	1.15	4.69%	4.00%	8.69%
South Jersey Industries	sji	36.587	1.40	3.83%	5.50%	9.33%
Southwest Gas	swx	26.530	1.05	3.96%	8.00%	11.96%
UGI Corp	ugi	24.263	0.90	3.71%	5.00%	8.71%
WGL Holdings	wgl	33.048	1.55	4.69%	2.50%	7.19%
			Mean:			**9.14%**
			Median:			**8.90%**
			Range:			**7.19% - 11.96%**
					Estimated:	**9.00%**

source: Value Line Mar 12, 2010 and finance.yahoo.com
Note: Stock Price = 4th ¼ High / Low average

Support for Debt Rating and Debt Yield Rate

Natural Gas Distribution

2010 Assessment Year

Industry Overall		----- Ratings -----	
Company	**Ticker**	**Mergent's**	**S&P**
AGL Resources	atg		A-
Atmos Energy Corp	ato	Baa2	BBB+
Laclede Group	lg	A2	A
New Jersey Resources	njr		A
Nicor Inc	gas		AA
Nisource Inc	ni	Baa3	
NW Natural Gas	nwn		AA-
Piedmont Natural Gas	pny		A
South Jersey Industries	sji	A2	BBB+
Southwest Gas	swx		BBB
UGI Corp	ugi		
WGL Holdings	wgl		AA-
Overall Average Debt Rating		**Baa**	**A**

Mergent's Bond Record, Jan 2010, pg 285

Corporate	**Aaa**	**Aa**	**A**	**Baa**
October	5.15%	5.24%	5.57%	6.29%
November	5.19%	5.29%	5.64%	6.32%
December	5.26%	5.44%	5.77%	6.37%
Average	**5.20%**	**5.32%**	**5.66%**	**6.33%**

Public Utilities	**Aaa**	**Aa**	**A**	**Baa**
October		5.23%	5.55%	6.14%
November		5.33%	5.64%	6.18%
December		5.52%	5.79%	6.26%
Average		**5.36%**	**5.66%**	**6.19%**

Industrials	**Aaa**	**Aa**	**A**	**Baa**
October	5.15%	5.25%	5.59%	6.44%
November	5.19%	5.26%	5.64%	6.46%
December	5.26%	5.36%	5.74%	6.47%
Average	**5.20%**	**5.29%**	**5.66%**	**6.46%**

DEBT YIELD RATE
6.60%

Company Name	Coupons	Maturity	YTM	YE Price	Issued	Mkt Val	Total Bk Val	Total Mkt Val	Mkt:Bk	Rating
Laclede Gas	6.500	2010	5.29	102.24	25,000,000	25,560,000	310,000,000	304,855,500	98.3%	A
Piedmont Nat Gas	7.800	2010	4.39	106.39	60,000,000	63,834,000	580,000,000	572,588,000	98.7%	A
Piedmont Nat Gas	6.550	2011	4.93	104.42	60,000,000	62,652,000				A
Laclede Gas	6.500	2012	5.40	103.88	25,000,000	25,970,000				A
Piedmont Nat Gas	5.000	2013	5.33	98.58	100,000,000	98,580,000				A
Laclede Gas	5.500	2019	6.07	95.81	50,000,000	47,905,000				A
Northwest Nat Gas	7.630	2019	6.67	107.34	20,000,000	21,468,000	295,000,000	281,465,500	95.4%	A
Northwest Nat Gas	9.050	2021	6.75	119.57	10,000,000	11,957,000				A
Laclede Gas	7.000	2029	6.58	104.59	25,000,000	26,147,500				A
Piedmont Nat Gas	7.950	2029	6.73	113.52	60,000,000	68,112,000				A
Laclede Gas	7.900	2030	6.58	115.03	30,000,000	34,509,000				A
Piedmont Nat Gas	6.000	2033	6.72	91.45	100,000,000	91,450,000				A
Laclede Gas	6.000	2034	6.60	92.80	100,000,000	92,800,000				A
Piedmont Nat Gas	6.250	2036	6.74	93.98	200,000,000	187,960,000				A
Northwest Nat Gas	7.450	2010	5.99	102.67	25,000,000	25,667,500				AA-
Northwest Nat Gas	7.130	2012	6.02	102.96	40,000,000	41,184,000				AA-
Northwest Nat Gas	8.260	2014	6.62	107.87	10,000,000	10,787,000				AA-
Northwest Nat Gas	4.700	2015	6.32	91.01	40,000,000	36,404,000				AA-
Northwest Nat Gas	7.000	2017	6.70	101.98	40,000,000	40,792,000				AA-
Northwest Nat Gas	5.620	2023	7.06	86.92	40,000,000	34,768,000				AA-
Northwest Nat Gas	5.820	2032	7.19	84.58	30,000,000	25,374,000				AA-
Northwest Nat Gas	5.660	2033	7.19	82.66	40,000,000	33,064,000				AA-
Atmos Energy	7.375	2011	7.23	100.26	350,000,000	350,910,000	1,700,000,000	1,504,285,000	88.5%	BBB+
Southwest Gas	8.375	2011	7.74	101.12	200,000,000	202,240,000	275,000,000	274,300,000	99.7%	BBB-
Atmos Energy	5.125	2013	7.60	91.72	250,000,000	229,300,000				BBB+
Atmos Energy	4.950	2014	7.70	87.14	500,000,000	435,700,000				BBB+
Atmos Energy	6.350	2017	8.36	88.60	250,000,000	221,500,000				BBB+
UGI Utilities	7.250	2017	6.92	102.12	20,000,000	20,424,000	235,000,000	215,337,500	91.6%	BBB
Southwest Gas	8.000	2026	8.43	96.08	75,000,000	72,060,000				BBB-
Atmos Energy	6.750	2028	8.68	81.93	150,000,000	122,895,000				BBB+
Atmos Energy	5.950	2034	8.70	71.99	200,000,000	143,980,000				BBB+
Laclede Gas	6.150	2036	6.60	94.48	55,000,000	51,964,000				NR
UGI Utilities	5.530	2012	5.98	98.44	40,000,000	39,376,000				NR
UGI Utilities	5.367	2013	6.24	96.33	25,000,000	24,082,500				NR
UGI Utilities	5.640	2015	6.63	94.59	50,000,000	47,295,000				NR
UGI Utilities	6.206	2036	7.58	84.16	100,000,000	84,160,000				NR
							3,395,000,000	3,152,831,500	95.4%	

Average for all A	6.06
Median for all A	6.58
Average long term A	6.66
Median long term A	6.66
Average for all AA	6.64
Median for all AA	6.66

data is limited for AA only one company for source

Average for all BBB	7.93
Median for all BBB	7.74

data is limited for long term

Support for Equity Component of Direct Capitalization Rates
Natural Gas Distribution
2010 Assessment Year

Industry Overall

Company Name	Ticker	$Stock$ Average	Actual Earnings	Actual Ratio	Projected Earnings	Projected Ratio	Actual Cash Flow	Actual Ratio	Projected Cash Flow	Projected Ratio
AGL Resources	atg	35.490	2.95	8.3%	3.10	8.7%	5.05	14.2%	5.30	14.9%
Atmos Energy Corp	ato	28.530	2.25	7.9%	2.35	8.2%	4.70	16.5%	4.90	17.2%
Laclede Group	lg	32.047	2.45	7.6%	2.60	8.1%	4.15	12.9%	4.35	13.6%
New Jersey Resources	njr	36.143	2.60	7.2%	2.75	7.6%	3.50	9.7%	3.75	10.4%
Nicor Inc	gas	38.953	2.75	7.1%	3.10	8.0%	7.15	18.4%	7.60	19.5%
Nisource Inc	ni	14.095	1.10	7.8%	1.20	8.5%	2.45	17.4%	2.60	18.4%
NW Natural Gas	nwn	43.448	2.80	6.4%	2.95	6.8%	5.25	12.1%	5.45	12.5%
Piedmont Natural Gas	pny	24.515	1.65	6.7%	1.70	6.9%	2.90	11.8%	2.95	12.0%
South Jersey Industries	sji	36.587	2.65	7.2%	2.80	7.7%	3.60	9.8%	3.90	10.7%
Southwest Gas	swx	26.530	2.05	7.7%	2.20	8.3%	6.40	24.1%	6.80	25.6%
UGI Corp	ugi	24.263	2.35	9.7%	2.45	10.1%	4.20	17.3%	4.35	17.9%
WGL Holdings	wgl	33.048	2.30	7.0%	2.45	7.4%	4.20	12.7%	4.35	13.2%
	Mean:			**7.6%**		**8.0%**		**14.7%**		**15.5%**
	Median:			**7.4%**		**8.0%**		**13.6%**		**14.3%**
	Weighted Mean:	**373.650**	**27.900**	**7.5%**	**29.650**	**7.9%**	**53.550**	**14.3%**	**56.300**	**15.1%**
Estimated:				**7.40%**		**8.0%**		**14.0%**		**14.3%**

source: Value Line Mar 12, 2010 and finance.yahoo.com

AGL Resources atg

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	34.78	37.52	34.51	36.47	240200	36.47	**Q4 Average**
11/02/2009	35.15	35.83	33.5	34.55	319900	34.55	**35.49**
10/01/2009	35.28	37.47	34.11	34.96	284700	34.54	

Atmos Energy Corp ato

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	27.55	30.32	27.35	29.4	505300	29.4	**Q4 Average**
11/02/2009	27.85	29.31	27.22	27.39	592900	27.39	**28.53**
10/01/2009	28.18	29.53	27.45	27.85	1341000	27.52	

Laclede Group Inc lg

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	31.53	34.92	31.4	33.77	132300	33.77	**Q4 Average**
11/02/2009	30.74	32.68	30.17	31.31	129000	30.94	**32.05**
10/01/2009	32.13	32.9	30.21	30.71	109900	30.35	

New Jersey Resources njr

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	35.56	38.55	35.28	37.4	248000	37.4	**Q4 Average**
11/02/2009	35.5	36.51	34.49	35.23	160900	34.91	**36.14**
10/01/2009	36.26	37.28	34.75	35.2	215900	34.88	

Nicor Inc gas

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	39.5	43.39	39.28	42.1	347300	42.1	**Q4 Average**
11/02/2009	37.09	40.21	36.81	39.16	450300	38.74	**38.95**
10/01/2009	36.42	39.07	34.96	37.08	414500	36.68	

Nisource Inc ni

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	14.41	15.82	14.33	15.38	2207300	15.38	**Q4 Average**
11/02/2009	12.97	14.58	12.83	14.25	3509000	14.25	**14.095**
10/01/2009	13.88	14.17	12.84	12.92	3050600	12.92	

NW Natural Gas nwn

Date	Open	High	Low	Close	Volume	Adj Close

12/01/2009	43.06	46.47	42.82	45.04	99600	45.04	**Q4 Average**
11/02/2009	41.93	44.55	41.28	42.88	116700	42.88	**43.45**
10/01/2009	41.6	44.74	40.83	41.81	137900	41.81	

Piedmont Natural Gas pny

Date	Open	High	Low	Close	Volume	Adj Close	**Q4 Average**
12/01/2009	23.84	27.84	23.66	26.75	402000	26.75	**24.52**
11/02/2009	23.47	24.05	22.51	23.7	482900	23.46	
10/01/2009	23.9	24.69	23.13	23.28	428800	23.04	

South Jersey Industries sji

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	36.41	40.24	36.09	38.18	163400	38.18	**Q4 Average**
11/02/2009	35.41	36.68	34.07	36.06	161600	35.74	**36.59**
10/01/2009	35.3	37.56	34.88	35.29	212700	34.98	

Southwest Gas Corp swx

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	26.46	29.48	26.33	28.53	216900	28.53	**Q4 Average**
11/02/2009	25.1	27.42	24.91	26.21	241100	26.21	**26.53**
10/01/2009	25.52	26.23	24.81	24.99	275700	24.77	

UGI Corp ugi

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	23.67	25.13	23.18	24.19	783900	24.19	**Q4 Average**
11/02/2009	23.98	24.55	23.2	23.48	496300	23.28	**24.26**
10/01/2009	25.14	25.65	23.87	23.88	563400	23.68	

WGL Holdings wgl

Date	Open	High	Low	Close	Volume	Adj Close	
12/01/2009	31.63	34.58	31.43	33.54	310100	33.54	**Q4 Average**
11/02/2009	33.19	34	30.96	31.48	338000	31.48	**33.05**
10/01/2009	33.12	34.98	32.34	33.06	330400	33.06	

(instructions: any data entered on this page will flow to the applicable worksheets)

Industry: Natural Gas Distribution
Assessment Year: **2010 Assessment Year**

Guideline Companies:		Stock Price	Revenues	Cash Flow	Earnings	Dividends
Name	**Ticker**	**(4th 1/4 average)**	**Per Share**	**Per Share**	**Per Share**	**Per Share**
AGL Resources	atg	35.49	34.35	5.05	2.95	1.76
Atmos Energy Corp	ato	28.53	48.95	4.70	2.25	1.34
Laclede Group	lg	32.05	72.90	4.15	2.45	1.57
New Jersey Resources	njr	36.14	65.50	3.50	2.60	1.36
Nicor Inc	gas	38.95	60.45	7.15	2.75	1.86
Nisource Inc	ni	14.10	22.80	2.45	1.10	0.92
NW Natural Gas	nwn	43.45	35.85	5.25	2.80	1.68
Piedmont Natural Gas	pny	24.52	23.60	2.90	1.65	1.11
South Jersey Industries	sji	36.59	31.45	3.60	2.65	1.34
Southwest Gas	swx	26.53	42.95	6.40	2.05	1.00
UGI Corp	ugi	24.26	52.95	4.20	2.35	0.86
WGL Holdings	wgl	33.05	53.00	4.20	2.30	1.51