Updated Attachment RBH-2
National Grid NH
Docket DG 10-017

30-DAY CONSTANT EARNINGS GROWTH DCF

Company		[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[5] Zacks EPS Growth	[6] Value Line EPS Growth	[7] First Call EPS Growth	[8] BR + SV	[9] Average Growth Rate	[10] Low DCF ROE	[11] Mean DCF ROE	[12] High DCF ROE
AGL Resources	AGL	1.76	37.43	4.70%	4.82%	4.00%	5.00%	5.77%	5.40%	5.04%	8.80%	9.86%	10.61%
Laclede Group	LG	1.58	33.79	4.68%	4.76%	3.00%	2.50%	3.50%	4.46%	3.37%	7.23%	8.12%	9.24%
Nicor Inc.	GAS	1.86	43.54	4.27%	4.33%	3.50%	1.00%	2.70%	3.93%	2.78%	5.29%	7.11%	8.29%
Northwest Nat. Gas	NWN	1.66	45.89	3.62%	3.70%	4.90%	4.50%	4.13%	5.03%	4.64%	7.82%	8.34%	8.73%
Piedmont Natural Gas	PNY	1.12	27.58	4.06%	4.14%	4.50%	3.50%	3.56%	3.24%	3.70%	7.37%	7.84%	8.65%
South Jersey Industries	SJI	1.32	46.94	2.81%	2.91%	6.50%	7.00%	6.33%	9.29%	7.28%	9.23%	10.19%	12.23%
Southwest Gas	SWX	1.00	31.83	3.14%	3.25%	7.60%	7.50%	6.00%	5.15%	6.56%	8.38%	9.81%	10.86%
WGL Holdings Inc.	WGL	1.51	36.01	4.20%	4.26%	3.00%	2.50%	3.15%	3.97%	3.16%	6.75%	7.42%	8.25%
		PROXY GROUP MEAN		3.94%	4.02%	4.63%	4.19%	4.39%	5.06%	4.57%	7.61%	8.59%	9.61%
		PROXY GROUP MEAN w/o SJI		4.10%	4.18%	4.36%	3.79%	4.12%	4.46%	4.18%	7.38%	8.36%	9.23%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [3] x (1 + (0.5 x Col. [9])))
[5] Source: Zacks
[6] Source: Value Line
[7] Source: Yahoo! Finance
[8] Source: Attachment RBH-3
[9] Equals average of Cols [5], [6], [7] & [8]
[10] Equals Min. (Cols. [5], [6], [7] & [8]) + (Col. [3] x (1 + (0.5 x Min. (Cols. [5], [6], [7] & [8]))))
[11] Equals Col. [4] + Col. [9]
[12] Equals Max. (Cols. [5], [6], [7] & [8]) + (Col. [3] x (1 + (0.5 x Max. (Cols. [5], [6], [7] & [8]))))

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90-DAY CONSTANT EARNINGS GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Zacks EPS Growth	Value Line EPS Growth	First Call EPS Growth	BR + SV	Average Growth Rate	Low DCF ROE	Mean DCF ROE	High DCF ROE
AGL Resources	AGL	1.76	37.38	4.71%	4.83%	4.00%	5.00%	5.77%	5.40%	5.04%	8.80%	9.87%	10.61%
Laclede Group	LG	1.58	33.81	4.67%	4.75%	3.00%	2.50%	3.50%	4.46%	3.37%	7.23%	8.12%	9.24%
Nicor Inc.	GAS	1.86	42.54	4.37%	4.43%	3.50%	1.00%	2.70%	3.93%	2.78%	5.39%	7.22%	8.39%
Northwest Nat. Gas	NWN	1.66	45.43	3.65%	3.74%	4.90%	4.50%	4.13%	5.03%	4.64%	7.86%	8.38%	8.77%
Piedmont Natural Gas	PNY	1.12	26.60	4.21%	4.29%	4.50%	3.50%	3.56%	3.24%	3.70%	7.52%	7.99%	8.80%
South Jersey Industries	SJI	1.32	45.53	2.90%	3.00%	6.50%	7.00%	6.33%	9.29%	7.28%	9.32%	10.28%	12.32%
Southwest Gas	SWX	1.00	31.18	3.21%	3.31%	7.60%	7.50%	6.00%	5.15%	6.56%	8.44%	9.88%	10.93%
WGL Holdings Inc.	WGL	1.51	35.30	4.28%	4.35%	3.00%	2.50%	3.15%	3.97%	3.16%	6.84%	7.51%	8.34%
		PROXY GROUP MEAN		4.00%	4.09%	4.63%	4.19%	4.39%	5.06%	4.57%	7.68%	8.65%	9.68%
		PROXY GROUP MEAN w/o SJI		4.16%	4.24%	4.36%	3.79%	4.12%	4.46%	4.18%	7.44%	8.42%	9.30%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [1] x (1 + (0.5 x Col. [9]))) / Col. [2]
[5] Source: Zacks
[6] Source: Value Line
[7] Source: Yahoo! Finance
[8] Source: Attachment RBH-3
[9] Equals average of Cols [5], [6], [7] & [8]
[10] Equals Min. (Cols. [5], [6], [7] & [8]) + (Col. [3] x (1 + (0.5 x Min. (Cols. [5], [6], [7] & [8]))))
[11] Equals Col. [4] + Col. [9]
[12] Equals Max. (Cols. [5], [6], [7] & [8]) + (Col. [3] x (1 + (0.5 x Max. (Cols. [5], [6], [7] & [8]))))

Updated Attachment RBH-2
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180-DAY CONSTANT EARNINGS GROWTH DCF

Company		[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[5] Zacks EPS Growth	[6] Value Line EPS Growth	[7] First Call EPS Growth	[8] BR + SV	[9] Average Growth Rate	[10] Low DCF ROE	[11] Mean DCF ROE	[12] High DCF ROE
AGL Resources	AGL	1.76	37.34	4.71%	4.83%	4.00%	5.00%	5.77%	5.40%	5.04%	8.81%	9.87%	10.62%
Laclede Group	LG	1.58	33.67	4.69%	4.77%	3.00%	2.50%	3.50%	4.46%	3.37%	7.25%	8.14%	9.26%
Nicor Inc.	GAS	1.86	42.25	4.40%	4.46%	3.50%	1.00%	2.70%	3.93%	2.78%	5.42%	7.25%	8.42%
Northwest Nat. Gas	NWN	1.66	45.53	3.65%	3.73%	4.90%	4.50%	4.13%	5.03%	4.64%	7.85%	8.37%	8.76%
Piedmont Natural Gas	PNY	1.12	26.63	4.21%	4.28%	4.50%	3.50%	3.56%	3.24%	3.70%	7.52%	7.98%	8.80%
South Jersey Industries	SJI	1.32	43.24	3.05%	3.16%	6.50%	7.00%	6.33%	9.29%	7.28%	9.48%	10.44%	12.48%
Southwest Gas	SWX	1.00	30.44	3.29%	3.39%	7.60%	7.50%	6.00%	5.15%	6.56%	8.52%	9.96%	11.01%
WGL Holdings Inc.	WGL	1.51	34.55	4.38%	4.45%	3.00%	2.50%	3.15%	3.97%	3.16%	6.93%	7.60%	8.44%
		PROXY GROUP MEAN		4.05%	4.14%	4.63%	4.19%	4.39%	5.06%	4.57%	7.72%	8.70%	9.72%
		PROXY GROUP MEAN w/o SJI		4.19%	4.27%	4.36%	3.79%	4.12%	4.46%	4.18%	7.47%	8.45%	9.33%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [1] x (1 + (0.5 x Col. [9]))) / Col. [2]
[5] Source: Zacks
[6] Source: Value Line
[7] Source: Yahoo! Finance
[8] Source: Attachment RBH-3
[9] Equals average of Cols [5], [6], [7] & [8]
[10] Equals Min. (Cols. [5], [6], [7] & [8]) + (Col. [3] x (1 + (0.5 x Min. (Cols. [5], [6], [7] & [8]))))
[11] Equals Col. [4] + Col. [9]
[12] Equals Max. (Cols. [5], [6], [7] & [8]) + (Col. [3] x (1 + (0.5 x Max. (Cols. [5], [6], [7] & [8]))))

RETENTION GROWTH

Company	Ticker	[1] Payout Ratio 1 ("All Div'ds to Net Prof" 2010)	[2] Payout Ratio 2 ("All Div'ds to Net Prof" 2011)	[3] Payout Ratio 3 ("All Div'ds to Net Prof" 13-15)	[4] Average Retention Ratio	[5] Value Line Return on Book Value 1 ("Return on Com Eq" 2010)	[6] Value Line Return on Book Value 2 ("Return on Com Eq" 2011)	[7] Value Line Return on Book Value 3 ("Return on Com Eq" 13-15)	[8] Average Return on Book Value	[9] B*R	[10] Common Shares O/S 2011	[11] Common Shares O/S 13-14	[12] Common Shares Growth Rate	[13] Price Est. 2010 High	[14] Price Est. 2010 Low	[15] Est. 2010 Mid	[16] 2011 Book Value per sh	[17] Market/ Book Ratio	[18] "S"	[19] "V"	[20] S x V	[21] BR + SV
AGL Resources	AGL	59.00%	59.00%	55.00%	42.33%	12.50%	12.50%	12.00%	12.33%	5.22%	78.50	80.00	0.38%	40.10	34.30	37.20	25.30	1.47	0.56%	31.99%	0.18%	5.40%
Laclede Group	LG	70.00%	62.00%	57.00%	37.00%	9.00%	10.00%	11.00%	10.00%	3.70%	23.00	26.00	2.48%	35.90	30.90	33.40	25.55	1.31	3.25%	23.50%	0.76%	4.46%
Nicor Inc.	GAS	68.00%	65.00%	63.00%	34.67%	11.50%	11.50%	11.00%	11.33%	3.93%	45.50	45.50	0.00%	45.40	38.00	41.70	24.60	1.70	0.00%	41.01%	0.00%	3.93%
Northwest Nat. Gas	NWN	61.00%	61.00%	54.00%	41.33%	10.50%	10.50%	12.00%	11.00%	4.55%	26.75	27.70	0.70%	49.20	41.10	45.15	26.80	1.68	1.18%	40.64%	0.48%	5.03%
Piedmont Natural Gas	PNY	73.00%	67.00%	67.00%	31.00%	12.00%	13.00%	13.00%	12.67%	3.93%	71.50	69.00	-0.71%	28.50	23.90	26.20	13.35	1.96	-1.39%	49.05%	-0.68%	3.24%
South Jersey Industries	SJI	51.00%	49.00%	47.00%	51.00%	14.00%	15.00%	14.50%	14.50%	7.40%	31.50	34.00	1.54%	49.10	37.20	43.15	19.35	2.23	3.43%	55.16%	1.89%	9.29%
Southwest Gas	SWX	44.00%	45.00%	43.00%	56.00%	9.00%	9.00%	9.00%	9.00%	5.04%	47.00	50.00	1.25%	34.00	26.30	30.15	27.65	1.09	1.36%	8.29%	0.11%	5.15%
WGL Holdings Inc.	WGL	66.00%	62.00%	62.00%	36.67%	10.50%	11.00%	11.00%	10.83%	3.97%	50.00	50.00	0.00%	37.30	31.00	34.15	23.55	1.45	0.00%	31.04%	0.00%	3.97%

Notes:
[1] Source: Value Line
[2] Source: Value Line
[3] Source: Value Line
[4] Equals 1 - Mean (Cols. [1], [2] & [3]
[5] Source: Value Line
[6] Source: Value Line
[7] Source: Value Line
[8] Mean (Cols. [5], [6] & [7])
[9] Equals Col. [4] x Col. [8]
[10] Source: Value Line
[11] Source: Value Line
[12] Equals ((Col. [11] / Col. [10]) ^ 0.2) - 1
[13] Source: Value Line
[14] Source: Value Line
[15] Equals Mean (Cols. [13] & [14])
[16] Source: Value Line
[17] Equals Col. [15] / Col. [16]
[18] Equals Col. [12] x Col. [17]
[19] Equals 1 - (1 / Col. [17])
[20] Equals Col. [18] x Col. [19]
[21] Equals Col. [9] + Col. [20]

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30-DAY CONSTANT DIVIDEND GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Growth	DCF ROE
AGL Resources	AGL	1.76	37.43	4.70%	4.73%	1.00%	5.73%
Laclede Group	LG	1.58	33.79	4.68%	4.73%	2.50%	7.23%
Nicor Inc.	GAS	1.86	43.54	4.27%	4.27%	0.00%	4.27%
Northwest Nat. Gas	NWN	1.66	45.89	3.62%	3.69%	4.00%	7.69%
Piedmont Natural Gas	PNY	1.12	27.58	4.06%	4.13%	3.50%	7.63%
South Jersey Industries	SJI	1.32	46.94	2.81%	2.90%	6.00%	8.90%
Southwest Gas	SWX	1.00	31.83	3.14%	3.22%	5.00%	8.22%
WGL Holdings Inc.	WGL	1.51	36.01	4.20%	4.26%	3.00%	7.26%
		PROXY GROUP MEAN		3.94%	3.99%	3.13%	7.12%
		PROXY GROUP MEAN w/o SJI		4.10%	4.15%	2.71%	6.86%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [3] x (1 + (0.5 x Col. [5])))
[5] Source: Value Line
[6] Equals Col. [4] + Col. [9]

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90-DAY CONSTANT DIVIDEND GROWTH DCF

Company		[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[9] Value Line Growth	[12] DCF ROE
AGL Resources	AGL	1.76	37.38	4.71%	4.73%	1.00%	5.73%
Laclede Group	LG	1.58	33.81	4.67%	4.73%	2.50%	7.23%
Nicor Inc.	GAS	1.86	42.54	4.37%	4.37%	0.00%	4.37%
Northwest Nat. Gas	NWN	1.66	45.43	3.65%	3.73%	4.00%	7.73%
Piedmont Natural Gas	PNY	1.12	26.60	4.21%	4.28%	3.50%	7.78%
South Jersey Industries	SJI	1.32	45.53	2.90%	2.99%	6.00%	8.99%
Southwest Gas	SWX	1.00	31.18	3.21%	3.29%	5.00%	8.29%
WGL Holdings Inc.	WGL	1.51	35.30	4.28%	4.35%	3.00%	7.35%
		PROXY GROUP MEAN		4.00%	4.06%	3.13%	7.18%
		PROXY GROUP MEAN w/o SJI		4.16%	4.21%	2.71%	6.93%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [3] x (1 + (0.5 x Col. [5])))
[5] Source: Value Line
[6] Equals Col. [4] + Col. [9]

180-DAY CONSTANT DIVIDEND GROWTH DCF

		[1]	[2]	[3]	[4]	[9]	[12]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Growth	DCF ROE
AGL Resources	AGL	1.76	37.34	4.71%	4.74%	1.00%	5.74%
Laclede Group	LG	1.58	33.67	4.69%	4.75%	2.50%	7.25%
Nicor Inc.	GAS	1.86	42.25	4.40%	4.40%	0.00%	4.40%
Northwest Nat. Gas	NWN	1.66	45.53	3.65%	3.72%	4.00%	7.72%
Piedmont Natural Gas	PNY	1.12	26.63	4.21%	4.28%	3.50%	7.78%
South Jersey Industries	SJI	1.32	43.24	3.05%	3.14%	6.00%	9.14%
Southwest Gas	SWX	1.00	30.44	3.29%	3.37%	5.00%	8.37%
WGL Holdings Inc.	WGL	1.51	34.55	4.38%	4.44%	3.00%	7.44%
		PROXY GROUP MEAN		4.05%	4.11%	3.13%	7.23%
		PROXY GROUP MEAN w/o SJI		4.19%	4.24%	2.71%	6.96%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [3] x (1 + (0.5 x Col. [5])))
[5] Source: Value Line
[6] Equals Col. [4] + Col. [9]

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30-DAY CONSTANT BOOK VALUE GROWTH DCF

Company		[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[5] Value Line Growth	[6] DCF ROE
AGL Resources	AGL	1.76	37.43	4.70%	4.82%	5.00%	9.82%
Laclede Group	LG	1.58	33.79	4.68%	4.77%	4.00%	8.77%
Nicor Inc.	GAS	1.86	43.54	4.27%	4.37%	4.50%	8.87%
Northwest Nat. Gas	NWN	1.66	45.89	3.62%	3.69%	4.00%	7.69%
Piedmont Natural Gas	PNY	1.12	27.58	4.06%	4.12%	3.00%	7.12%
South Jersey Industries	SJI	1.32	46.94	2.81%	2.89%	5.50%	8.39%
Southwest Gas	SWX	1.00	31.83	3.14%	3.22%	5.00%	8.22%
WGL Holdings Inc.	WGL	1.51	36.01	4.20%	4.28%	4.00%	8.28%
			PROXY GROUP MEAN	3.94%	4.02%	4.38%	8.40%
			PROXY GROUP MEAN w/o SJI	4.10%	4.18%	4.21%	8.40%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [3] x (1 + (0.5 x Col. [5])))
[5] Source: Value Line
[6] Equals Col. [4] + Col. [9]

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90-DAY CONSTANT BOOK VALUE GROWTH DCF

Company		[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield	[4] Expected Dividend Yield	[5] Value Line Growth	[6] DCF ROE
AGL Resources	AGL	1.76	37.38	4.71%	4.83%	5.00%	9.83%
Laclede Group	LG	1.58	33.81	4.67%	4.77%	4.00%	8.77%
Nicor Inc.	GAS	1.86	42.54	4.37%	4.47%	4.50%	8.97%
Northwest Nat. Gas	NWN	1.66	45.43	3.65%	3.73%	4.00%	7.73%
Piedmont Natural Gas	PNY	1.12	26.60	4.21%	4.27%	3.00%	7.27%
South Jersey Industries	SJI	1.32	45.53	2.90%	2.98%	5.50%	8.48%
Southwest Gas	SWX	1.00	31.18	3.21%	3.29%	5.00%	8.29%
WGL Holdings Inc.	WGL	1.51	35.30	4.28%	4.37%	4.00%	8.37%
		PROXY GROUP MEAN		4.00%	4.09%	4.38%	8.46%
		PROXY GROUP MEAN w/o SJI		4.16%	4.25%	4.21%	8.46%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [3] x (1 + (0.5 x Col. [5])))
[5] Source: Value Line
[6] Equals Col. [4] + Col. [9]

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180-DAY CONSTANT BOOK VALUE GROWTH DCF

		[1]	[2]	[3]	[4]	[5]	[6]
Company		Annualized Dividend	Stock Price	Dividend Yield	Expected Dividend Yield	Value Line Growth	DCF ROE
AGL Resources	AGL	1.76	37.34	4.71%	4.83%	5.00%	9.83%
Laclede Group	LG	1.58	33.67	4.69%	4.79%	4.00%	8.79%
Nicor Inc.	GAS	1.86	42.25	4.40%	4.50%	4.50%	9.00%
Northwest Nat. Gas	NWN	1.66	45.53	3.65%	3.72%	4.00%	7.72%
Piedmont Natural Gas	PNY	1.12	26.63	4.21%	4.27%	3.00%	7.27%
South Jersey Industries	SJI	1.32	43.24	3.05%	3.14%	5.50%	8.64%
Southwest Gas	SWX	1.00	30.44	3.29%	3.37%	5.00%	8.37%
WGL Holdings Inc.	WGL	1.51	34.55	4.38%	4.46%	4.00%	8.46%
		PROXY GROUP MEAN		4.05%	4.13%	4.38%	8.51%
		PROXY GROUP MEAN w/o SJI		4.19%	4.28%	4.21%	8.49%

Notes:
[1] Source: Yahoo! Finance
[2] Source: Yahoo! Finance. Based on indicated number of days historical average.
[3] Equals Col. [1] / Col. [2]
[4] Equals (Col. [3] x (1 + (0.5 x Col. [5])))
[5] Source: Value Line
[6] Equals Col. [4] + Col. [9]

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Fundamental DCF Indications

Gas Utility Proxy Group

	Company	(1) Projected D/P	(2) Fundamental Growth	(3) D/P + g
1 AGL	AGL Resources	4.2%	5.5%	9.7%
2 LG	Laclede Group	3.7%	5.0%	8.7%
3 GAS	Nicor Inc.	3.7%	4.0%	7.7%
4 NWN	Northwest Nat. Gas	3.6%	5.5%	9.1%
5 PNY	Piedmont Natural Gas	3.7%	4.0%	7.7%
6 SJI	South Jersey Industries	3.4%	7.5%	10.9%
7 SWX	Southwest Gas	2.9%	5.0%	7.9%
8 WGL	WGL Holdings Inc.	4.2%	4.0%	8.2%
	Average			**8.7%**
	Average w/o SJI			**8.4%**

Source: The Value Line Investment Survey (September 10, 2010).

Updated Attachment RBH-6
National Grid NH
Docket DG 10-017

MULTI-STAGE DCF MODEL − 30-DAY AVERAGE PRICE

Inputs		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]
		Stock	Dividend	2010	EPS		Sustainable		Payout Ratio			Solver Cells		Near Term	Intermediate	Long Term
Company	Ticker	Price	Yield	EPS	Growth		Growth	2010	2014	2023	Delta	k(e)	Solution	Growth	Growth	Growth
AGL Resources	AGL	$ 37.43	4.70%	$ 3.00	4.92%		5.40%	59.00%	55.00%	65.00%	$ 0.00	10.56%	10.56%	4.92%	5.11%	5.40%
Laclede Group	LG	$ 33.79	4.68%	$ 2.25	3.00%		4.46%	70.00%	57.00%	65.00%	$ -	8.55%	8.55%	3.00%	3.58%	4.46%
Nicor Inc.	GAS	$ 43.54	4.27%	$ 2.70	2.40%		3.93%	68.00%	63.00%	65.00%	$ -	7.74%	7.74%	2.40%	3.01%	3.93%
Northwest Nat. Gas	NWN	$ 45.89	3.62%	$ 2.70	4.51%		5.03%	61.00%	54.00%	65.00%	$ 0.00	8.82%	8.82%	4.51%	4.72%	5.03%
Piedmont Natural Gas	PNY	$ 27.58	4.06%	$ 1.55	3.85%		3.24%	73.00%	67.00%	65.00%	$ -	7.20%	7.20%	3.85%	3.61%	3.24%
South Jersey Industries	SJI	$ 46.94	2.81%	$ 2.65	6.61%		9.29%	51.00%	47.00%	65.00%	$ -	12.56%	12.56%	6.61%	7.68%	9.29%
Southwest Gas	SWX	$ 31.83	3.14%	$ 2.25	7.03%		5.15%	44.00%	43.00%	65.00%	$ -	10.13%	10.13%	7.03%	6.28%	5.15%
WGL Holdings Inc.	WGL	$ 36.01	4.20%	$ 2.30	2.88%		3.97%	66.00%	62.00%	65.00%	$ -	7.99%	7.99%	2.88%	3.32%	3.97%
MEAN:		$ 37.88	3.94%	$ 2.43	4.40%		5.06%	61.50%	56.00%	65.00%			9.19%	4.40%	4.66%	5.06%
MEAN w/o SJI		$ 36.58	4.10%	$ 2.39	4.09%		4.46%	63.00%	57.29%	65.00%			8.71%	4.09%	4.23%	4.46%

Projected Annual Data
Earnings per Share

		[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]	[31]	[32]
																		Terminal
Company	Ticker	2008	**2010**	2011	2012	2013	2014	**2015**	2016	2017	2018	**2019**	2020	2021	2022	2023	**2024**	Growth
AGL Resources	AGL	$ 2.71	$ 3.00	$ 3.15	$ 3.30	$ 3.47	$ 3.64	$ 3.81	$ 4.01	$ 4.21	$ 4.43	$ 4.67	$ 4.92	$ 5.18	$ 5.46	$ 5.76	$ 6.07	5.40%
Laclede Group	LG	$ 2.64	$ 2.25	$ 2.32	$ 2.39	$ 2.46	$ 2.53	$ 2.61	$ 2.69	$ 2.79	$ 2.90	$ 3.02	$ 3.15	$ 3.30	$ 3.44	$ 3.60	$ 3.76	4.46%
Nicor Inc.	GAS	$ 2.63	$ 2.70	$ 2.76	$ 2.83	$ 2.90	$ 2.97	$ 3.04	$ 3.12	$ 3.22	$ 3.32	$ 3.44	$ 3.58	$ 3.72	$ 3.87	$ 4.02	$ 4.17	3.93%
Northwest Nat. Gas	NWN	$ 2.57	$ 2.70	$ 2.82	$ 2.95	$ 3.08	$ 3.22	$ 3.37	$ 3.52	$ 3.69	$ 3.87	$ 4.06	$ 4.26	$ 4.47	$ 4.70	$ 4.93	$ 5.18	5.03%
Piedmont Natural Gas	PNY	$ 1.49	$ 1.55	$ 1.61	$ 1.67	$ 1.74	$ 1.80	$ 1.87	$ 1.94	$ 2.01	$ 2.08	$ 2.15	$ 2.22	$ 2.29	$ 2.37	$ 2.45	$ 2.53	3.24%
South Jersey Industries	SJI	$ 2.27	$ 2.65	$ 2.83	$ 3.01	$ 3.21	$ 3.42	$ 3.65	$ 3.91	$ 4.21	$ 4.56	$ 4.96	$ 5.42	$ 5.92	$ 6.47	$ 7.07	$ 7.73	9.29%
Southwest Gas	SWX	$ 1.39	$ 2.25	$ 2.41	$ 2.58	$ 2.76	$ 2.95	$ 3.16	$ 3.37	$ 3.58	$ 3.79	$ 4.00	$ 4.21	$ 4.43	$ 4.66	$ 4.90	$ 5.15	5.15%
WGL Holdings Inc.	WGL	$ 2.44	$ 2.30	$ 2.37	$ 2.43	$ 2.50	$ 2.58	$ 2.65	$ 2.73	$ 2.82	$ 2.92	$ 3.03	$ 3.15	$ 3.28	$ 3.41	$ 3.55	$ 3.69	3.97%

Projected Annual Data
Dividend Payout Ratio

		[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]	[46]	[47]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
AGL Resources	AGL	59.00%	58.00%	57.00%	56.00%	55.00%	57.00%	59.00%	61.00%	63.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Laclede Group	LG	70.00%	66.75%	63.50%	60.25%	57.00%	58.60%	60.20%	61.80%	63.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Nicor Inc.	GAS	68.00%	66.75%	65.50%	64.25%	63.00%	63.40%	63.80%	64.20%	64.60%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Northwest Nat. Gas	NWN	61.00%	59.25%	57.50%	55.75%	54.00%	56.20%	58.40%	60.60%	62.80%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Piedmont Natural Gas	PNY	73.00%	71.50%	70.00%	68.50%	67.00%	66.60%	66.20%	65.80%	65.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
South Jersey Industries	SJI	51.00%	50.00%	49.00%	48.00%	47.00%	50.60%	54.20%	57.80%	61.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Southwest Gas	SWX	44.00%	43.75%	43.50%	43.25%	43.00%	47.40%	51.80%	56.20%	60.60%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
WGL Holdings Inc.	WGL	66.00%	65.00%	64.00%	63.00%	62.00%	62.60%	63.20%	63.80%	64.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%

MULTI-STAGE DCF MODEL − 30-DAY AVERAGE PRICE

Projected Annual Data
Dividends per Share & Terminal Market Value

		[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	[62]	[63]	[64]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024	Terminal P/E Ratio
AGL Resources	AGL	$ 1.77	$ 1.83	$ 1.88	$ 1.94	$ 2.00	$ 2.17	$ 2.36	$ 2.57	$ 2.79	$ 3.03	$ 3.20	$ 3.37	$ 3.55	$ 3.74	$ 3.94	$ 80.59	13.28
Laclede Group	LG	$ 1.58	$ 1.55	$ 1.52	$ 1.48	$ 1.44	$ 1.53	$ 1.62	$ 1.72	$ 1.84	$ 1.96	$ 2.05	$ 2.14	$ 2.24	$ 2.34	$ 2.44	$ 62.47	16.63
Nicor Inc.	GAS	$ 1.84	$ 1.85	$ 1.85	$ 1.86	$ 1.87	$ 1.93	$ 1.99	$ 2.06	$ 2.15	$ 2.24	$ 2.33	$ 2.42	$ 2.51	$ 2.61	$ 2.71	$ 73.99	17.72
Northwest Nat. Gas	NWN	$ 1.65	$ 1.67	$ 1.70	$ 1.72	$ 1.74	$ 1.89	$ 2.06	$ 2.23	$ 2.43	$ 2.64	$ 2.77	$ 2.91	$ 3.05	$ 3.21	$ 3.37	$ 93.38	18.02
Piedmont Natural Gas	PNY	$ 1.13	$ 1.15	$ 1.17	$ 1.19	$ 1.21	$ 1.25	$ 1.29	$ 1.32	$ 1.36	$ 1.40	$ 1.44	$ 1.49	$ 1.54	$ 1.59	$ 1.64	$ 42.85	16.97
South Jersey Industries	SJI	$ 1.35	$ 1.41	$ 1.48	$ 1.54	$ 1.61	$ 1.85	$ 2.12	$ 2.43	$ 2.80	$ 3.22	$ 3.52	$ 3.85	$ 4.20	$ 4.60	$ 5.02	$ 167.80	21.72
Southwest Gas	SWX	$ 0.99	$ 1.05	$ 1.12	$ 1.19	$ 1.27	$ 1.50	$ 1.75	$ 2.01	$ 2.30	$ 2.60	$ 2.74	$ 2.88	$ 3.03	$ 3.18	$ 3.35	$ 70.75	13.75
WGL Holdings Inc.	WGL	$ 1.52	$ 1.54	$ 1.56	$ 1.58	$ 1.60	$ 1.66	$ 1.73	$ 1.80	$ 1.88	$ 1.97	$ 2.05	$ 2.13	$ 2.22	$ 2.30	$ 2.40	$ 62.00	16.82
																	Terminal Price	16.86

Projected Annual Data
Investor Cash Flows

		[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	[79]	[80]
Company	Ticker	Initial Outflow	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
AGL Resources	AGL	($37.43)	$ 1.77	$ 1.83	$ 1.88	$ 1.94	$ 2.00	$ 2.17	$ 2.36	$ 2.57	$ 2.79	$ 3.03	$ 3.20	$ 3.37	$ 3.55	$ 3.74	$ 84.53
Laclede Group	LG	($33.79)	$ 1.58	$ 1.55	$ 1.52	$ 1.48	$ 1.44	$ 1.53	$ 1.62	$ 1.72	$ 1.84	$ 1.96	$ 2.05	$ 2.14	$ 2.24	$ 2.34	$ 64.91
Nicor Inc.	GAS	($43.54)	$ 1.84	$ 1.85	$ 1.85	$ 1.86	$ 1.87	$ 1.93	$ 1.99	$ 2.06	$ 2.15	$ 2.24	$ 2.33	$ 2.42	$ 2.51	$ 2.61	$ 76.71
Northwest Nat. Gas	NWN	($45.89)	$ 1.65	$ 1.67	$ 1.70	$ 1.72	$ 1.74	$ 1.89	$ 2.06	$ 2.23	$ 2.43	$ 2.64	$ 2.77	$ 2.91	$ 3.05	$ 3.21	$ 96.75
Piedmont Natural Gas	PNY	($27.58)	$ 1.13	$ 1.15	$ 1.17	$ 1.19	$ 1.21	$ 1.25	$ 1.29	$ 1.32	$ 1.36	$ 1.40	$ 1.44	$ 1.49	$ 1.54	$ 1.59	$ 44.49
South Jersey Industries	SJI	($46.94)	$ 1.35	$ 1.41	$ 1.48	$ 1.54	$ 1.61	$ 1.85	$ 2.12	$ 2.43	$ 2.80	$ 3.22	$ 3.52	$ 3.85	$ 4.20	$ 4.60	$ 172.82
Southwest Gas	SWX	($31.83)	$ 0.99	$ 1.05	$ 1.12	$ 1.19	$ 1.27	$ 1.50	$ 1.75	$ 2.01	$ 2.30	$ 2.60	$ 2.74	$ 2.88	$ 3.03	$ 3.18	$ 74.10
WGL Holdings Inc.	WGL	($36.01)	$ 1.52	$ 1.54	$ 1.56	$ 1.58	$ 1.60	$ 1.66	$ 1.73	$ 1.80	$ 1.88	$ 1.97	$ 2.05	$ 2.13	$ 2.22	$ 2.30	$ 64.40

MULTI-STAGE DCF MODEL − 90-DAY AVERAGE PRICE

Inputs		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]
		Stock	Dividend	2010	EPS		Sustainable		Payout Ratio		Solver Cells			Near Term	Intermediate	Long Term
Company	Ticker	Price	Yield	EPS	Growth		Growth	2010	2014	2023	Delta	k(e)	Solution	Growth	Growth	Growth
AGL Resources	AGL	$ 37.38	4.71%	$ 3.00	4.92%		5.40%	59.00%	55.00%	65.00%	$ -	10.57%	10.57%	4.92%	5.11%	5.40%
Laclede Group	LG	$ 33.81	4.67%	$ 2.25	3.00%		4.46%	70.00%	57.00%	65.00%	$ -	8.54%	8.54%	3.00%	3.58%	4.46%
Nicor Inc.	GAS	$ 42.54	4.37%	$ 2.70	2.40%		3.93%	68.00%	63.00%	65.00%	$ 0.00	7.83%	7.83%	2.40%	3.01%	3.93%
Northwest Nat. Gas	NWN	$ 45.43	3.65%	$ 2.70	4.51%		5.03%	61.00%	54.00%	65.00%	$ -	8.85%	8.85%	4.51%	4.72%	5.03%
Piedmont Natural Gas	PNY	$ 26.60	4.21%	$ 1.55	3.85%		3.24%	73.00%	67.00%	65.00%	$ (0.00)	7.35%	7.35%	3.85%	3.61%	3.24%
South Jersey Industries	SJI	$ 45.53	2.90%	$ 2.65	6.61%		9.29%	51.00%	47.00%	65.00%	$ -	12.66%	12.66%	6.61%	7.68%	9.29%
Southwest Gas	SWX	$ 31.18	3.21%	$ 2.25	7.03%		5.15%	44.00%	43.00%	65.00%	$ 0.00	10.22%	10.22%	7.03%	6.28%	5.15%
WGL Holdings Inc.	WGL	$ 35.30	4.28%	$ 2.30	2.88%		3.97%	66.00%	62.00%	65.00%	$ -	8.07%	8.07%	2.88%	3.32%	3.97%
MEAN:		$ 37.22	4.00%	$ 2.43	4.40%		5.06%	61.50%	56.00%	65.00%			9.26%	4.40%	4.66%	5.06%
MEAN w/o SJI		$ 36.03	4.16%	$ 2.39	4.09%		4.46%	63.00%	57.29%	65.00%			8.78%	4.09%	4.23%	4.46%

Projected Annual Data
Earnings per Share

		[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]	[31]	[32]
																		Terminal
Company	Ticker	2008	**2010**	2011	2012	2013	2014	**2015**	2016	2017	2018	**2019**	2020	2021	2022	2023	**2024**	Growth
AGL Resources	AGL	$ 2.71	$ 3.00	$ 3.15	$ 3.30	$ 3.47	$ 3.64	$ 3.81	$ 4.01	$ 4.21	$ 4.43	$ 4.67	$ 4.92	$ 5.18	$ 5.46	$ 5.76	$ 6.07	5.40%
Laclede Group	LG	$ 2.64	$ 2.25	$ 2.32	$ 2.39	$ 2.46	$ 2.53	$ 2.61	$ 2.69	$ 2.79	$ 2.90	$ 3.02	$ 3.15	$ 3.30	$ 3.44	$ 3.60	$ 3.76	4.46%
Nicor Inc.	GAS	$ 2.63	$ 2.70	$ 2.76	$ 2.83	$ 2.90	$ 2.97	$ 3.04	$ 3.12	$ 3.22	$ 3.32	$ 3.44	$ 3.58	$ 3.72	$ 3.87	$ 4.02	$ 4.17	3.93%
Northwest Nat. Gas	NWN	$ 2.57	$ 2.70	$ 2.82	$ 2.95	$ 3.08	$ 3.22	$ 3.37	$ 3.52	$ 3.69	$ 3.87	$ 4.06	$ 4.26	$ 4.47	$ 4.70	$ 4.93	$ 5.18	5.03%
Piedmont Natural Gas	PNY	$ 1.49	$ 1.55	$ 1.61	$ 1.67	$ 1.74	$ 1.80	$ 1.87	$ 1.94	$ 2.01	$ 2.08	$ 2.15	$ 2.22	$ 2.29	$ 2.37	$ 2.45	$ 2.53	3.24%
South Jersey Industries	SJI	$ 2.27	$ 2.65	$ 2.83	$ 3.01	$ 3.21	$ 3.42	$ 3.65	$ 3.91	$ 4.21	$ 4.56	$ 4.96	$ 5.42	$ 5.92	$ 6.47	$ 7.07	$ 7.73	9.29%
Southwest Gas	SWX	$ 1.39	$ 2.25	$ 2.41	$ 2.58	$ 2.76	$ 2.95	$ 3.16	$ 3.37	$ 3.58	$ 3.79	$ 4.00	$ 4.21	$ 4.43	$ 4.66	$ 4.90	$ 5.15	5.15%
WGL Holdings Inc.	WGL	$ 2.44	$ 2.30	$ 2.37	$ 2.43	$ 2.50	$ 2.58	$ 2.65	$ 2.73	$ 2.82	$ 2.92	$ 3.03	$ 3.15	$ 3.28	$ 3.41	$ 3.55	$ 3.69	3.97%

Projected Annual Data
Dividend Payout Ratio

		[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]	[46]	[47]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
AGL Resources	AGL	59.00%	58.00%	57.00%	56.00%	55.00%	57.00%	59.00%	61.00%	63.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Laclede Group	LG	70.00%	66.75%	63.50%	60.25%	57.00%	58.60%	60.20%	61.80%	63.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Nicor Inc.	GAS	68.00%	66.75%	65.50%	64.25%	63.00%	63.40%	63.80%	64.20%	64.60%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Northwest Nat. Gas	NWN	61.00%	59.25%	57.50%	55.75%	54.00%	56.20%	58.40%	60.60%	62.80%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Piedmont Natural Gas	PNY	73.00%	71.50%	70.00%	68.50%	67.00%	66.60%	66.20%	65.80%	65.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
South Jersey Industries	SJI	51.00%	50.00%	49.00%	48.00%	47.00%	50.60%	54.20%	57.80%	61.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Southwest Gas	SWX	44.00%	43.75%	43.50%	43.25%	43.00%	47.40%	51.80%	56.20%	60.60%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
WGL Holdings Inc.	WGL	66.00%	65.00%	64.00%	63.00%	62.00%	62.60%	63.20%	63.80%	64.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%

MULTI-STAGE DCF MODEL − 90-DAY AVERAGE PRICE

Projected Annual Data
Dividends per Share & Terminal Market Value

		[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	[62]	[63]	[64]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024	Terminal P/E Ratio
AGL Resources	AGL	$ 1.77	$ 1.83	$ 1.88	$ 1.94	$ 2.00	$ 2.17	$ 2.36	$ 2.57	$ 2.79	$ 3.03	$ 3.20	$ 3.37	$ 3.55	$ 3.74	$ 3.94	$ 80.48	13.26
Laclede Group	LG	$ 1.58	$ 1.55	$ 1.52	$ 1.48	$ 1.44	$ 1.53	$ 1.62	$ 1.72	$ 1.84	$ 1.96	$ 2.05	$ 2.14	$ 2.24	$ 2.34	$ 2.44	$ 62.50	16.64
Nicor Inc.	GAS	$ 1.84	$ 1.85	$ 1.85	$ 1.86	$ 1.87	$ 1.93	$ 1.99	$ 2.06	$ 2.15	$ 2.24	$ 2.33	$ 2.42	$ 2.51	$ 2.61	$ 2.71	$ 72.29	17.31
Northwest Nat. Gas	NWN	$ 1.65	$ 1.67	$ 1.70	$ 1.72	$ 1.74	$ 1.89	$ 2.06	$ 2.23	$ 2.43	$ 2.64	$ 2.77	$ 2.91	$ 3.05	$ 3.21	$ 3.37	$ 92.47	17.84
Piedmont Natural Gas	PNY	$ 1.13	$ 1.15	$ 1.17	$ 1.19	$ 1.21	$ 1.25	$ 1.29	$ 1.32	$ 1.36	$ 1.40	$ 1.44	$ 1.49	$ 1.54	$ 1.59	$ 1.64	$ 41.32	16.36
South Jersey Industries	SJI	$ 1.35	$ 1.41	$ 1.48	$ 1.54	$ 1.61	$ 1.85	$ 2.12	$ 2.43	$ 2.80	$ 3.22	$ 3.52	$ 3.85	$ 4.20	$ 4.60	$ 5.02	$ 162.90	21.08
Southwest Gas	SWX	$ 0.99	$ 1.05	$ 1.12	$ 1.19	$ 1.27	$ 1.50	$ 1.75	$ 2.01	$ 2.30	$ 2.60	$ 2.74	$ 2.88	$ 3.03	$ 3.18	$ 3.35	$ 69.43	13.49
WGL Holdings Inc.	WGL	$ 1.52	$ 1.54	$ 1.56	$ 1.58	$ 1.60	$ 1.66	$ 1.73	$ 1.80	$ 1.88	$ 1.97	$ 2.05	$ 2.13	$ 2.22	$ 2.30	$ 2.40	$ 60.77	16.49
																	Terminal Price	16.56

Projected Annual Data
Investor Cash Flows

		[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	[79]	[80]
Company	Ticker	Initial Outflow	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
AGL Resources	AGL	($37.38)	$ 1.77	$ 1.83	$ 1.88	$ 1.94	$ 2.00	$ 2.17	$ 2.36	$ 2.57	$ 2.79	$ 3.03	$ 3.20	$ 3.37	$ 3.55	$ 3.74	$ 84.43
Laclede Group	LG	($33.81)	$ 1.58	$ 1.55	$ 1.52	$ 1.48	$ 1.44	$ 1.53	$ 1.62	$ 1.72	$ 1.84	$ 1.96	$ 2.05	$ 2.14	$ 2.24	$ 2.34	$ 64.95
Nicor Inc.	GAS	($42.54)	$ 1.84	$ 1.85	$ 1.85	$ 1.86	$ 1.87	$ 1.93	$ 1.99	$ 2.06	$ 2.15	$ 2.24	$ 2.33	$ 2.42	$ 2.51	$ 2.61	$ 75.00
Northwest Nat. Gas	NWN	($45.43)	$ 1.65	$ 1.67	$ 1.70	$ 1.72	$ 1.74	$ 1.89	$ 2.06	$ 2.23	$ 2.43	$ 2.64	$ 2.77	$ 2.91	$ 3.05	$ 3.21	$ 95.84
Piedmont Natural Gas	PNY	($26.60)	$ 1.13	$ 1.15	$ 1.17	$ 1.19	$ 1.21	$ 1.25	$ 1.29	$ 1.32	$ 1.36	$ 1.40	$ 1.44	$ 1.49	$ 1.54	$ 1.59	$ 42.96
South Jersey Industries	SJI	($45.53)	$ 1.35	$ 1.41	$ 1.48	$ 1.54	$ 1.61	$ 1.85	$ 2.12	$ 2.43	$ 2.80	$ 3.22	$ 3.52	$ 3.85	$ 4.20	$ 4.60	$ 167.92
Southwest Gas	SWX	($31.18)	$ 0.99	$ 1.05	$ 1.12	$ 1.19	$ 1.27	$ 1.50	$ 1.75	$ 2.01	$ 2.30	$ 2.60	$ 2.74	$ 2.88	$ 3.03	$ 3.18	$ 72.77
WGL Holdings Inc.	WGL	($35.30)	$ 1.52	$ 1.54	$ 1.56	$ 1.58	$ 1.60	$ 1.66	$ 1.73	$ 1.80	$ 1.88	$ 1.97	$ 2.05	$ 2.13	$ 2.22	$ 2.30	$ 63.17

MULTI-STAGE DCF MODEL − 180-DAY AVERAGE PRICE

Inputs		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]
		Stock	Dividend	2010	EPS		Sustainable		Payout Ratio		Solver Cells			Near Term	Intermediate	Long Term
Company	Ticker	Price	Yield	EPS	Growth		Growth	2010	2014	2023	Delta	k(e)	Solution	Growth	Growth	Growth
AGL Resources	AGL	$ 37.34	4.71%	$ 3.00	4.92%		5.40%	59.00%	55.00%	65.00%	$ -	10.57%	10.57%	4.92%	5.11%	5.40%
Laclede Group	LG	$ 33.67	4.69%	$ 2.25	3.00%		4.46%	70.00%	57.00%	65.00%	$ -	8.56%	8.56%	3.00%	3.58%	4.46%
Nicor Inc.	GAS	$ 42.25	4.40%	$ 2.70	2.40%		3.93%	68.00%	63.00%	65.00%	$ 0.00	7.86%	7.86%	2.40%	3.01%	3.93%
Northwest Nat. Gas	NWN	$ 45.53	3.65%	$ 2.70	4.51%		5.03%	61.00%	54.00%	65.00%	$ -	8.84%	8.84%	4.51%	4.72%	5.03%
Piedmont Natural Gas	PNY	$ 26.63	4.21%	$ 1.55	3.85%		3.24%	73.00%	67.00%	65.00%	$ -	7.34%	7.34%	3.85%	3.61%	3.24%
South Jersey Industries	SJI	$ 43.24	3.05%	$ 2.65	6.61%		9.29%	51.00%	47.00%	65.00%	$ -	12.83%	12.83%	6.61%	7.68%	9.29%
Southwest Gas	SWX	$ 30.44	3.29%	$ 2.25	7.03%		5.15%	44.00%	43.00%	65.00%	$ 0.00	10.33%	10.33%	7.03%	6.28%	5.15%
WGL Holdings Inc.	WGL	$ 34.55	4.38%	$ 2.30	2.88%		3.97%	66.00%	62.00%	65.00%	$ -	8.16%	8.16%	2.88%	3.32%	3.97%
MEAN:		$ 36.70	4.05%	$ 2.43	4.40%		5.06%	61.50%	56.00%	65.00%			9.31%	4.40%	4.66%	5.06%
MEAN w/o SJI		$ 35.77	4.19%	$ 2.39	4.09%		4.46%	63.00%	57.29%	65.00%			8.81%	4.09%	4.23%	4.46%

Projected Annual Data
Earnings per Share

		[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]	[25]	[26]	[27]	[28]	[29]	[30]	[31]	[32]
																		Terminal
Company	Ticker	2008	**2010**	2011	2012	2013	2014	**2015**	2016	2017	2018	**2019**	2020	2021	2022	2023	**2024**	Growth
AGL Resources	AGL	$ 2.71	$ 3.00	$ 3.15	$ 3.30	$ 3.47	$ 3.64	$ 3.81	$ 4.01	$ 4.21	$ 4.43	$ 4.67	$ 4.92	$ 5.18	$ 5.46	$ 5.76	$ 6.07	5.40%
Laclede Group	LG	$ 2.64	$ 2.25	$ 2.32	$ 2.39	$ 2.46	$ 2.53	$ 2.61	$ 2.69	$ 2.79	$ 2.90	$ 3.02	$ 3.15	$ 3.30	$ 3.44	$ 3.60	$ 3.76	4.46%
Nicor Inc.	GAS	$ 2.63	$ 2.70	$ 2.76	$ 2.83	$ 2.90	$ 2.97	$ 3.04	$ 3.12	$ 3.22	$ 3.32	$ 3.44	$ 3.58	$ 3.72	$ 3.87	$ 4.02	$ 4.17	3.93%
Northwest Nat. Gas	NWN	$ 2.57	$ 2.70	$ 2.82	$ 2.95	$ 3.08	$ 3.22	$ 3.37	$ 3.52	$ 3.69	$ 3.87	$ 4.06	$ 4.26	$ 4.47	$ 4.70	$ 4.93	$ 5.18	5.03%
Piedmont Natural Gas	PNY	$ 1.49	$ 1.55	$ 1.61	$ 1.67	$ 1.74	$ 1.80	$ 1.87	$ 1.94	$ 2.01	$ 2.08	$ 2.15	$ 2.22	$ 2.29	$ 2.37	$ 2.45	$ 2.53	3.24%
South Jersey Industries	SJI	$ 2.27	$ 2.65	$ 2.83	$ 3.01	$ 3.21	$ 3.42	$ 3.65	$ 3.91	$ 4.21	$ 4.56	$ 4.96	$ 5.42	$ 5.92	$ 6.47	$ 7.07	$ 7.73	9.29%
Southwest Gas	SWX	$ 1.39	$ 2.25	$ 2.41	$ 2.58	$ 2.76	$ 2.95	$ 3.16	$ 3.37	$ 3.58	$ 3.79	$ 4.00	$ 4.21	$ 4.43	$ 4.66	$ 4.90	$ 5.15	5.15%
WGL Holdings Inc.	WGL	$ 2.44	$ 2.30	$ 2.37	$ 2.43	$ 2.50	$ 2.58	$ 2.65	$ 2.73	$ 2.82	$ 2.92	$ 3.03	$ 3.15	$ 3.28	$ 3.41	$ 3.55	$ 3.69	3.97%

Projected Annual Data
Dividend Payout Ratio

		[33]	[34]	[35]	[36]	[37]	[38]	[39]	[40]	[41]	[42]	[43]	[44]	[45]	[46]	[47]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
AGL Resources	AGL	59.00%	58.00%	57.00%	56.00%	55.00%	57.00%	59.00%	61.00%	63.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Laclede Group	LG	70.00%	66.75%	63.50%	60.25%	57.00%	58.60%	60.20%	61.80%	63.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Nicor Inc.	GAS	68.00%	66.75%	65.50%	64.25%	63.00%	63.40%	63.80%	64.20%	64.60%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Northwest Nat. Gas	NWN	61.00%	59.25%	57.50%	55.75%	54.00%	56.20%	58.40%	60.60%	62.80%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Piedmont Natural Gas	PNY	73.00%	71.50%	70.00%	68.50%	67.00%	66.60%	66.20%	65.80%	65.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
South Jersey Industries	SJI	51.00%	50.00%	49.00%	48.00%	47.00%	50.60%	54.20%	57.80%	61.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
Southwest Gas	SWX	44.00%	43.75%	43.50%	43.25%	43.00%	47.40%	51.80%	56.20%	60.60%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
WGL Holdings Inc.	WGL	66.00%	65.00%	64.00%	63.00%	62.00%	62.60%	63.20%	63.80%	64.40%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%

Updated Attachment RBH-6
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MULTI-STAGE DCF MODEL − 180-DAY AVERAGE PRICE

Projected Annual Data
Dividends per Share & Terminal Market Value

		[48]	[49]	[50]	[51]	[52]	[53]	[54]	[55]	[56]	[57]	[58]	[59]	[60]	[61]	[62]	[63]	[64]
Company	Ticker	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024	Terminal P/E Ratio
AGL Resources	AGL	$ 1.77	$ 1.83	$ 1.88	$ 1.94	$ 2.00	$ 2.17	$ 2.36	$ 2.57	$ 2.79	$ 3.03	$ 3.20	$ 3.37	$ 3.55	$ 3.74	$ 3.94	$ 80.39	13.25
Laclede Group	LG	$ 1.58	$ 1.55	$ 1.52	$ 1.48	$ 1.44	$ 1.53	$ 1.62	$ 1.72	$ 1.84	$ 1.96	$ 2.05	$ 2.14	$ 2.24	$ 2.34	$ 2.44	$ 62.25	16.57
Nicor Inc.	GAS	$ 1.84	$ 1.85	$ 1.85	$ 1.86	$ 1.87	$ 1.93	$ 1.99	$ 2.06	$ 2.15	$ 2.24	$ 2.33	$ 2.42	$ 2.51	$ 2.61	$ 2.71	$ 71.79	17.19
Northwest Nat. Gas	NWN	$ 1.65	$ 1.67	$ 1.70	$ 1.72	$ 1.74	$ 1.89	$ 2.06	$ 2.23	$ 2.43	$ 2.64	$ 2.77	$ 2.91	$ 3.05	$ 3.21	$ 3.37	$ 92.66	17.88
Piedmont Natural Gas	PNY	$ 1.13	$ 1.15	$ 1.17	$ 1.19	$ 1.21	$ 1.25	$ 1.29	$ 1.32	$ 1.36	$ 1.40	$ 1.44	$ 1.49	$ 1.54	$ 1.59	$ 1.64	$ 41.37	16.38
South Jersey Industries	SJI	$ 1.35	$ 1.41	$ 1.48	$ 1.54	$ 1.61	$ 1.85	$ 2.12	$ 2.43	$ 2.80	$ 3.22	$ 3.52	$ 3.85	$ 4.20	$ 4.60	$ 5.02	$ 154.92	20.05
Southwest Gas	SWX	$ 0.99	$ 1.05	$ 1.12	$ 1.19	$ 1.27	$ 1.50	$ 1.75	$ 2.01	$ 2.30	$ 2.60	$ 2.74	$ 2.88	$ 3.03	$ 3.18	$ 3.35	$ 67.90	13.19
WGL Holdings Inc.	WGL	$ 1.52	$ 1.54	$ 1.56	$ 1.58	$ 1.60	$ 1.66	$ 1.73	$ 1.80	$ 1.88	$ 1.97	$ 2.05	$ 2.13	$ 2.22	$ 2.30	$ 2.40	$ 59.48	16.13
																	Terminal Price	16.33

Projected Annual Data
Investor Cash Flows

		[65]	[66]	[67]	[68]	[69]	[70]	[71]	[72]	[73]	[74]	[75]	[76]	[77]	[78]	[79]	[80]
Company	Ticker	Initial Outflow	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
AGL Resources	AGL	($37.34)	$ 1.77	$ 1.83	$ 1.88	$ 1.94	$ 2.00	$ 2.17	$ 2.36	$ 2.57	$ 2.79	$ 3.03	$ 3.20	$ 3.37	$ 3.55	$ 3.74	$ 84.33
Laclede Group	LG	($33.67)	$ 1.58	$ 1.55	$ 1.52	$ 1.48	$ 1.44	$ 1.53	$ 1.62	$ 1.72	$ 1.84	$ 1.96	$ 2.05	$ 2.14	$ 2.24	$ 2.34	$ 64.69
Nicor Inc.	GAS	($42.25)	$ 1.84	$ 1.85	$ 1.85	$ 1.86	$ 1.87	$ 1.93	$ 1.99	$ 2.06	$ 2.15	$ 2.24	$ 2.33	$ 2.42	$ 2.51	$ 2.61	$ 74.50
Northwest Nat. Gas	NWN	($45.53)	$ 1.65	$ 1.67	$ 1.70	$ 1.72	$ 1.74	$ 1.89	$ 2.06	$ 2.23	$ 2.43	$ 2.64	$ 2.77	$ 2.91	$ 3.05	$ 3.21	$ 96.02
Piedmont Natural Gas	PNY	($26.63)	$ 1.13	$ 1.15	$ 1.17	$ 1.19	$ 1.21	$ 1.25	$ 1.29	$ 1.32	$ 1.36	$ 1.40	$ 1.44	$ 1.49	$ 1.54	$ 1.59	$ 43.01
South Jersey Industries	SJI	($43.24)	$ 1.35	$ 1.41	$ 1.48	$ 1.54	$ 1.61	$ 1.85	$ 2.12	$ 2.43	$ 2.80	$ 3.22	$ 3.52	$ 3.85	$ 4.20	$ 4.60	$ 159.94
Southwest Gas	SWX	($30.44)	$ 0.99	$ 1.05	$ 1.12	$ 1.19	$ 1.27	$ 1.50	$ 1.75	$ 2.01	$ 2.30	$ 2.60	$ 2.74	$ 2.88	$ 3.03	$ 3.18	$ 71.25
WGL Holdings Inc.	WGL	($34.55)	$ 1.52	$ 1.54	$ 1.56	$ 1.58	$ 1.60	$ 1.66	$ 1.73	$ 1.80	$ 1.88	$ 1.97	$ 2.05	$ 2.13	$ 2.22	$ 2.30	$ 61.87

MULTI-STAGE DCF MODEL − NOTES

Notes:
[1] Source: Attachment RBH-2
[2] Source: Yahoo! Finance.; equals most recent annualized dividend divided by 30, 90, and 180-day average stock price
[3] Source: Value Line
[4] Source: Value Line, Yahoo! Finance & Zacks; equals average earnings growth estimate
[5]
[6] Source: Value Line; (B x R) + (S x V)
[7] Source: Value Line
[8] Source: Value Line
[9] Source: Value Line; natural gas utility industry composite statistics
[10] Equals Column [1] + Column [64]
[11] Equals result of Excel Solver function; goal - Column [10] equals $0.00
[12] Equals Column [11]
[13] Equals ((Column [21] / Column [17]) ^ (1 / (2013 − 2009))) − 1
[14] Equals ((Column [26] / Column [21]) ^ (1 / (2018 − 2013))) − 1
[15] Equals ((Column [31] / Column [26]) ^ (1 / (2023 − 2018))) − 1
[16] Source: Value Line
[17] Source: Value Line
[18] Equals Column [17] x (1 + Column [4])
[19] Equals Column [18] x (1 + Column [4])
[20] Equals Column [19] x (1 + Column [4])
[21] Equals Column [20] x (1 + Column [4])
[22] Equals Column [21] x (1 + Column [4])
[23] Equals (1 + (Column [4] + (((Column [6] − Column [4]) / (2018 − 2013 + 1)) x (2015 − 2013)))) x Column [22]
[24] Equals (1 + (Column [4] + (((Column [6] − Column [4]) / (2018 − 2013 + 1)) x (2016 − 2013)))) x Column [23]
[25] Equals (1 + (Column [4] + (((Column [6] − Column [4]) / (2018 − 2013 + 1)) x (2017 − 2013)))) x Column [24]
[26] Equals (1 + (Column [4] + (((Column [6] − Column [4]) / (2018 − 2013 + 1)) x (2018 − 2013)))) x Column [25]
[27] Equals Column [26] x (1 + Column [6])
[28] Equals Column [27] x (1 + Column [6])
[29] Equals Column [28] x (1 + Column [6])
[30] Equals Column [29] x (1 + Column [6])
[31] Equals Column [30] x (1 + Column [6])
[32] Equals (Column [31] / Column [30]) − 1
[33] Equals Column [7]
[34] Equals Column [33] + ((Column [37] − Column [33]) / 4)
[35] Equals Column [34] + ((Column [37] − Column [33]) / 4)
[36] Equals Column [35] + ((Column [37] − Column [33]) / 4)
[37] Equals Column [8]
[38] Equals Column [37] + ((Column [42] − Column [37]) / 5)
[39] Equals Column [38] + ((Column [42] − Column [37]) / 5)
[40] Equals Column [39] + ((Column [42] − Column [37]) / 5)
[41] Equals Column [40] + ((Column [42] − Column [37]) / 5)
[42] Equals Column [41] + ((Column [42] − Column [37]) / 5)
[43] Equals Column [42]
[44] Equals Column [43]
[45] Equals Column [44]
[46] Equals Column [45]
[47] Equals Column [46]
[48] Equals Column [17] x Column [33]
[49] Equals Column [18] x Column [34]
[50] Equals Column [19] x Column [35]
[51] Equals Column [20] x Column [36]
[52] Equals Column [21] x Column [37]
[53] Equals Column [22] x Column [38]
[54] Equals Column [23] x Column [39]
[55] Equals Column [24] x Column [40]
[56] Equals Column [25] x Column [41]
[57] Equals Column [26] x Column [42]
[58] Equals Column [27] x Column [43]
[59] Equals Column [28] x Column [44]
[60] Equals Column [29] x Column [45]
[61] Equals Column [30] x Column [46]
[62] Equals Column [31] x Column [47]
[63] Equals (Column [62] x (1 + Column [6])) / (Column [12] − Column [6])
[64] Equals Column [63] / Column [31]
[65] Equals negative net present value; discount rate equals Column [11], cash flows equal Column [67] through Column [80]
[66] Equals Column [48]
[67] Equals Column [49]
[68] Equals Column [50]
[69] Equals Column [51]
[70] Equals Column [52]
[71] Equals Column [53]
[72] Equals Column [54]
[73] Equals Column [55]
[74] Equals Column [56]
[75] Equals Column [57]
[76] Equals Column [58]
[77] Equals Column [59]
[78] Equals Column [60]
[79] Equals Column [61]
[80] Equals Column [62] + Column [63]

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Capital Asset Pricing Model

Gas Utility Proxy Group
(Using Risk-Free Interest Rate)

Cost of Equity Capital: $k = R_f + \beta (R_m - R_f)$	
Risk-free Yield (R_f)	1% to 5%
Beta Coefficient (β)	0.675
Equity Risk Premium ($R_m - R_f$)	3% to 7%
Estimated Cost of Equity Capital Range (k)	3.02% - 9.72%
Mid Point of Range	6.37%

Capital Asset Pricing Model

Gas Utility Proxy Group
(Using Ten Year Treasury Rate)

Cost of Equity Capital: $k = R_f + \beta\ (R_m - R_f)$

Risk-free Yield (R_f)	2.65% to 5.11%
Beta Coefficient (β)	0.675
Equity Risk Premium ($R_m - R_f$)	3% to 7%
Estimated Cost of Equity Capital Range (k)	4.68% - 9.84%
Mid Point of Range	7.26%

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Comparative Risk Indicators

GAS UTILITY PROXY GROUP

		(1)	(2)	(3)	(4)	(5)
	Company	**Beta**	**Safety**	**Price Stability**	**Earnings Predictability**	**Financial Strength**
AGL	AGL Resources	0.75	2	100	95	B++
LG	Laclede Group	0.60	2	100	85	B+
GAS	Nicor Inc.	0.75	3	100	85	A
NWN	Northwest Nat. Gas	0.60	1	100	95	A
PNY	Piedmont Natural Gas	0.65	2	100	95	B++
SJI	South Jersey Industries	0.65	2	100	85	B++
SWX	Southwest Gas	0.75	3	100	70	B
WGL	WGL Holdings Inc.	0.65	1	100	95	A
	Average	**0.675**	**2.00**	**100.00**	**88.13**	**B++**

Source: Value Line Investment Survey September 10, 2010.

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Summary

Cost of Common Equity Return Indicators

DCF Evidence (Constant Growth)	
Earnings Growth	8.38 - 8.66 %
Dividend Growth	6.92 - 7.18 %
Book Value Growth	8.45 - 8.46 %
Multi-Stage DCF	8.77 - 9.25 %
Fundamental DCF	8.4 - 8.7 %
CAPM Evidence	3.02 - 9.84 %
Average of Above Measures	7.32 - 8.68 %
Indicated Range of Reasonableness	7 % to 9.8 %