American Gas Association

Energy Analysis

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2009-2011 PERFORMANCE BENCHMARKS FOR NATURAL GAS UTILITIES

I. INTRODUCTION

Summary data of gas utility financial profiles and performance appear in this Energy Analysis. The intent is to provide industry participants and observers with relative measures of financial returns and operational efficiencies of natural gas distribution companies. For this study, the American Gas Association (AGA) collected data from its members. The data source for these benchmarking metrics is the Uniform Statistical Report (USR), which is administered annually by AGA on behalf of its member companies. Results are presented for the years 2009 through 2011. Additional information, some of which is company specific, is included in an attachment to this analysis and available only to AGA member companies.

For study purposes, the gas utility industry is segmented into distinct groups: investor-owned gas-only utilities, investor-owned combination gas and electric utilities, and municipally-owned gas utilities. Summary results are segmented in this sample accordingly. Comprehensive details are provided in the appendices.

II. BACKGROUND

THE NATURAL GAS DISTRIBUTION INDUSTRY. Approximately 1,400 utilities distribute natural gas to end-use consumers in the United States. For this analysis, a total of 85 utilities were included in the 2011 sample, 89 utilities were examined in 2010, and 84 companies were studied for 2009.[1] They are located across the United States, and each company has a unique combination of scale, load profile, and climatic attributes. In aggregate, the firms included in this study accounted for 67 percent of the residential and commercial natural gas consumed in 2011, 76 percent in 2010, and 72 percent in 2009. *Given this sample size, any inferences about the sample's depiction of the entire industry are accordingly limited.*

Many AGA member companies are gas-only, investor-owned utilities, as are most companies in this analysis. These companies earn returns that accrue to their investors. State-level public utility commissions regulate their operations, finance, and capital investment activities.

[1] This set number was determined after eliminating member companies for whom data was either incomplete or not provided. Firms with zero net income are excluded from the analysis. This is not a scientific sample in that sample stratification by segment type does not reflect population stratification. See Appendix 9 for list of companies included.

See Notice on Page 16

Combination utilities have the franchise rights to transport and sell both gas and electric power commodities. These are also investor-owned firms with financial obligations to shareholders. Like the gas-only investor-owned firms, these companies are subject to various state and federal regulations.

Municipal utilities are publicly owned by the citizens of the jurisdictions that the utilities serve. Local governments enjoy tax-free bond-issuing capabilities, usually at interest rates lower than can be obtained by investor-owned utilities. Ultimately, such debt is usually collateralized by these utilities' abilities to secure tax revenue to back up debt commitments. What an investor-owned utility would pay out in dividends accrues instead to the municipal company's citizen-shareholders in the form of lower rates. Municipal utility regulation is performed primarily by local governments as opposed to state-level commissions.[2]

DESCRIPTION OF DATA SOURCES. Financial data about AGA member companies are drawn from the Uniform Statistical Report (USR). Member company staff prepares these standardized forms annually for collection by AGA, but companies may choose to withhold any or all of the requested data. Some of the USR duplicates the information found in audited end-of-year financial statements, but the USR requests additional information, such as heating degree-day profiles, type of sales by customer class, number of customers served, and various employment profile statistics. Data for miles of mains came from the U.S. Department of Transportation, Office of Pipeline Safety.

DATA LIMITATIONS. Since the data used for this analysis are annual figures only, a few inferential limitations should be noted. First, a single year's data for gas distribution operations are influenced by weather patterns for that year. For the United States as a whole, 2011 was one of the warmest winters on record, 2010 was a normal winter in terms of heating degree days, and 2009 was one percent warmer than normal.[3] The deviation between actual heating degree days (HDDs) versus historic normals will vary by location. This in turn suggests that utility benchmarks may slightly overstate or understate overall utility financial performance or efficiency of operations when impacted by weather.

Another limitation is that the ability to perform trend analysis is somewhat limited. While three years' worth of data are presented here, comparison of actual values (total revenues for example) from year to year can be distorted by changes in sample size. Also, variances in weather can affect these trends. Finally, the data set covers only three years and this limits the ability to compare longer-term trends.

Sample size and composition must also be considered as a potential limitation. The industry segment sample sizes used in this study are not consistently proportional to their respective populations. Additionally, the sample size—measured both in number of companies, and more importantly as percentage of total gas deliveries—has varied over time. Finally, specific company participation in the data collection changes from year to year. **This makes annual comparisons of absolute values, such as total number of therms sold, difficult and any resulting conclusions suspect.** However, the purpose of ratio analysis is to address this problem and facilitate annual comparisons.

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2 Note that relatively few financial profiles were available for the municipal segment. The operations data used here considers only gas activities. The financial profiles of gas-only and combination municipal utilities are blended together for summary purposes.

3 Source: AGA *Gas Facts*, Table 6-16.

III. BENCHMARKING METRICS

Benchmarking metrics created for this study take several forms. Typical accounting ratios, based on income statements and balance sheets, serve as financial performance indicators. Financial statements are also recast in same-size formats, which present line items in percentage terms. Other benchmarks describe numbers of employees, meters, and volumes of gas throughput. All AGA data are summarized so that no individual company statistics are revealed. Additionally, summaries are created which divide the industry into type-of-company segments. These include gas utilities, combination gas and electric utilities, and municipally owned gas utilities.[4] Appendix 2 is a series of charts that display the range of observations for selected benchmarking metrics. Appendix 9 shows the list of companies that were included in this analysis.

- *Utility Operating Profiles - Absolute Values (Section IV-A and Appendix 3a)*. System profiles are summarized here by type of company. This data includes information on gas volumes delivered as well as the number of customers by class.

- *Financial Statements - Absolute Values (Section IV-B and Appendix 3b).* Income statement and balance sheet data are summarized here by type of company.[5] Income statement amounts are expressed in absolute dollars in Appendix 3b. Note that these items represent gas operations only.

- *Financial Statements - Same-Size Analysis (Appendix 3c).* The financial statement data shown in absolute values are re-cast in percentage terms for a same-size analysis. Income statement line items are in percentages relative to operating revenue while balance sheet items are expressed as a percentage of total assets. This shows the disposition of a firm's revenue and composition of its asset base without respect to the size of an individual firm.

- *Financial Statements - Per Cost Driver (Section IV-B and Appendix 3d)*. Income statements are shown in several formats: per therm delivered, per customer served, per dollar value of gas plant in service, and per mile of main in operation.

- *Financial Ratios (Section IV-D and Appendix 3e)*. These are conventional financial analysis tools, and they compare a company's financial status to other firms or types of firms. Ratios are calculated from group totals or averages (explanations are provided in the Glossary, Appendix 1).

- *O&M Detail Analysis (Section IV-C and Appendix 4).* These cost elements represent major gas delivery activities, starting with purchase or production and continuing sequentially through transmission, distribution, customer service, sales activities, and administrative and general (A&G) accounting. These results are also arrayed by type of company. Benchmarks for these data are created by expressing each line item on a basis of annual costs per therm delivered. See Table 3 for more detail.

- *Debt Analysis - Ratios (Section IV-E).* Data are presented to highlight various measures of debt. These include debt as a percent of capitalization and interest coverage ratios. The data in this section necessarily include both gas and electric operations.

[4] See *Glossary* in Appendix 1 for a definition of these categories.

[5] Appendix 3a financial statements are in thousands of dollars.

- *Wages and benefits: Ratios and Same-Size Analysis (Section IV-G and Appendix 5).* Data about utility employment and benefits profiles are included. These measures are intended to illustrate the norms for staffing levels and expenses as they vary by type of firm. Benchmark measures include:

    - Total salaries and wages per employee
    - Total benefits and pensions per employee
    - Ratio of total benefits to total compensation
    - Annual therm throughput per employee
    - Average annual customers served per employee

- *Profitability (Section IV-F and Appendix 6).* Profitability is expressed here in terms of return on assets (ROA) as well as return on common equity. Since ROA measures the returns attributable to operations (prior to finance costs), ROA in used to describe the relative economic efficiency of natural gas distribution by industry segment. This section will examine selected cost drivers-- numbers of therms sold, of customers served, dollars of gas plant utilized, and miles of pipe in service-- to evaluate each in terms of its impact on ROA. Additionally, return on equity indicates the rate of return that a firm earns on its equity base. See Table 6 for more detail.

IV. BENCHMARK DISCUSSION

IV-A. OVERVIEW

Benchmark summaries are presented here in order of accounting process: revenues are discussed first, followed by O&M costs, operating income, debt management, capitalized income values, and profitability. Finally, wage and benefit profiles are discussed. Table 1 summarizes the scope and scale of the companies studied. It is important to emphasize that the following data are meant to illustrate the typical company studied in this sample and absolute values should not be extrapolated to the industry as a whole. This is especially true of the average number of customers.

TABLE 1

UTILITY PROFILES

STATISTICAL SUMMARY, BY INDUSTRY SEGMENT
DATA BASED ON SEGMENT AVERAGES

	2009	2010	2011
All Companies	**84 Firms**	**89 Firms**	**85 Firms**
Number of gas customers	618,915	615,277	570,436
Annual therms delivered ('000)	1,012,540	1,024,085	1,034,685
Annual therms delivered per account	1,953	1,931	2,019
Therms delivered per $1,000 of gas plant	805	780	775
Density of system[2]	60.4	59.0	71.3
Firm sales[3]	91.7%	92.1%	92.5%
Gas utilities	**55 Firms**	**60 Firms**	**59 Firms**
Number of gas customers	666,319	630,003	638,609
Annual therms delivered ('000)	1,117,346	1,070,512	1,133,137
Annual therms delivered per account	2,065	2,017	2,098
Therms delivered per $1,000 of gas plant	809	801	788
Density of system[2]	57.4	53.6	73.2
Firm sales[3]	92.9%	93.5%	93.7%
Comb. Gas & Electric Utilities[1]	**19 Firms**	**20 Firms**	**17 Firms**
Number of gas customers	726,681	771,475	545,580
Annual therms delivered ('000)	1,141,571	1,248,404	1,111,297
Annual therms delivered per account	1,958	1,941	2,085
Therms delivered per $1,000 of gas plant	860	790	817
Density of system[2]	68.8	72.8	67.7
Firm sales[3]	92.1%	92.1%	93.2%
Municipal Utilities	**10 Firms**	**9 Firms**	**9 Firms**
Number of gas customers	153,436	169,996	170,476
Annual therms delivered ('000)	190,946	216,081	244,564
Annual therms delivered per account	1,327	1,333	1,376
Therms delivered per $1,000 of gas plant	680	617	618
Density of system[2]	60.5	65.0	65.9
Firm sales[3]	84.3%	83.3%	83.4%

Source: AGA, USR and US Department of Transportation, Office of Pipeline Safety.

1 Data for "Combination Gas & Electric Utilities is from gas operations only.

2 "Density" refers to the number of customers per mile of pipe in service.

3 "Firm Sales" is expressed as a percentage of total annual therm volume delivered.

IV-B. REVENUE PERFORMANCE

Figure 1 shows the allocation of average revenue for the three years studied. Table 2 summarizes average industry revenue performance by segment. Weather patterns impacted revenues per customer, while changing gas costs impacted both revenues per customer and per therm.

TABLE 2

UTILITY REVENUE PERFORMANCE

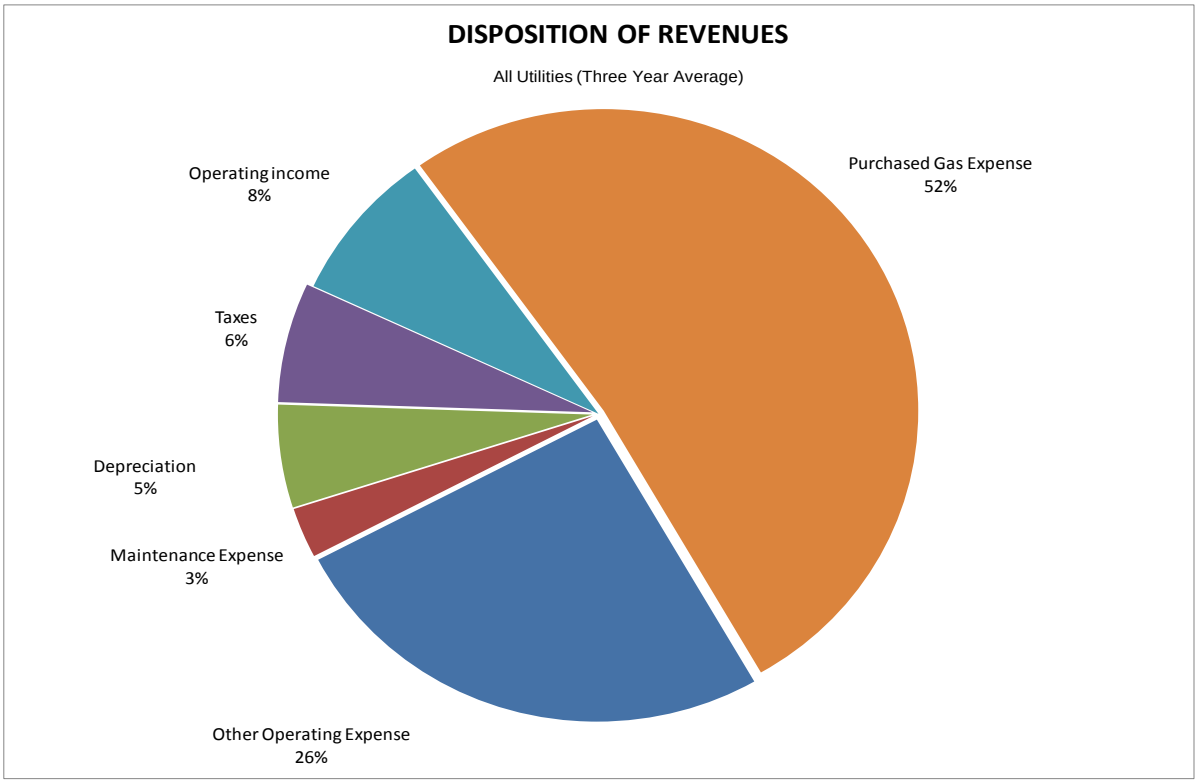
Annual Average Values per Group
Data Based on Segment Averages

	2009	2010	2011
All Companies			
Operating revenue ('000)	$726,574	$672,660	$599,368
Per customer	$1,422	$1,273	$1,220
Per therm	$0.885	$0.798	$0.725
Gross sales margin (Rev. less Pur. Gas, '000)	$313,078	$203,995	$288,864
Per customer	$547	$350	$556
Per therm	$0.353	$0.216	$0.337
Collection period (days)	34.4	36.1	33.1
Gas Utilities			
Operating revenue ('000)	$770,404	$665,983	$634,895
Per customer	$1,446	$1,257	$1,207
Per therm	$0.868	$0.765	$0.690
Gross sales margin (Rev. less Pur. Gas, '000)	$333,363	$200,630	$320,680
Per customer	$563	$348	$565
Per therm	$0.353	$0.210	$0.330
Collection period (days)	36.3	36.9	33.4
Comb. Gas & Electric Utilities[1]			
Operating revenue ('000)	$867,960	$896,598	$683,375
Per customer	$1,356	$1,310	$1,278
Per therm	$0.822	$0.792	$0.760
Gross sales margin (Rev. less Pur. Gas, '000)	$376,983	$276,596	$283,252
Per customer	$543	$313	$569
Per therm	$0.343	$0.183	$0.350
Collection period (days)	31.7	34.3	31.0
Municipal Utilities			
Operating revenue ('000)	$216,875	$219,527	$207,794
Per customer	$1,417	$1,299	$1,198
Per therm	$1.101	$1.035	$0.894
Gross sales margin (Rev. less Pur. Gas, '000)	$80,090	$65,091	$90,895
Per customer	$469	$443	$476
Per therm	$0.371	$0.324	$0.361
Collection period (days)	29.2	35.1	35.1

Source: AGA

[1] Figures for gas operations only.

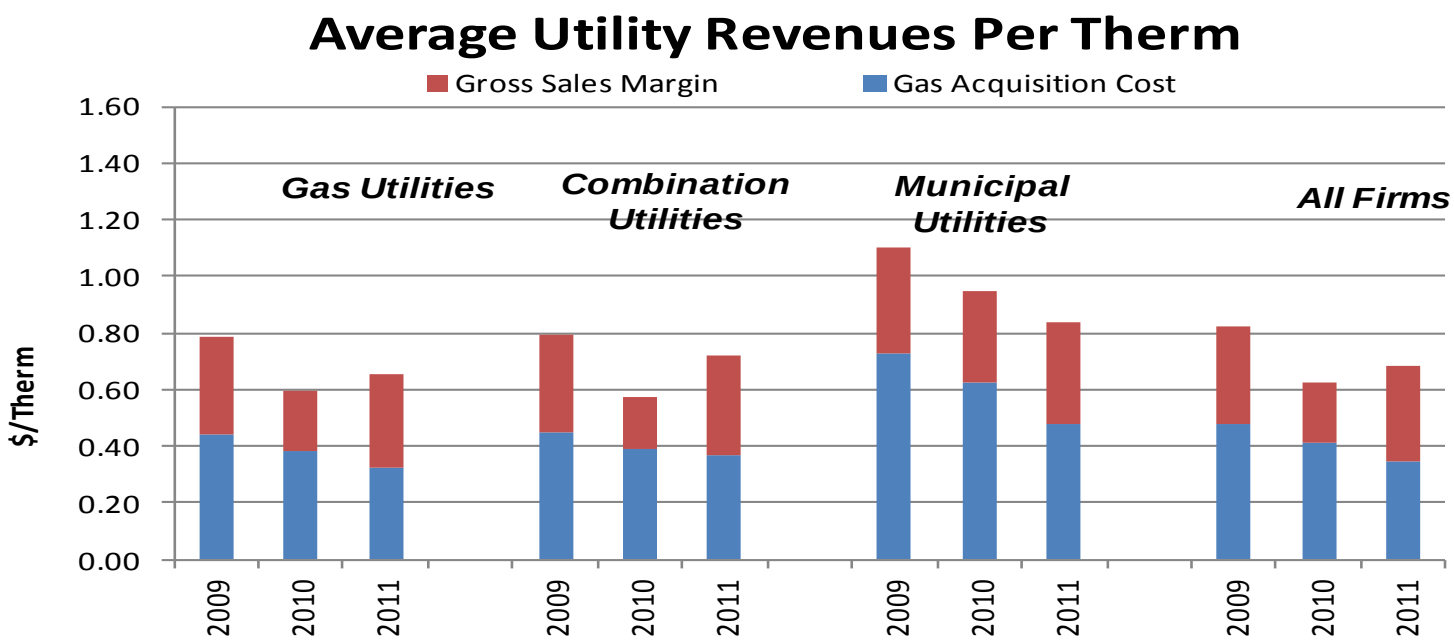
FIGURE 1



IV-C. O&M ANALYSIS

Operations and maintenance (O&M) expenses are those costs specifically attributable to current-year gas distribution activity. These are cost items that are incurred within an annual time period (as opposed to costs amortized over a period of years as is the case with finance costs and depreciation). A presentation of O&M costs on a per-therm basis will facilitate a comparison of cost efficiencies attained by the various industry segments. Table 3 shows average O&M expense detail for the years studied for the combination and gas utility segments.

FIGURE 2



Source: AGA, USR.

TABLE 3

UTILITY O&M DETAIL ANALYSIS

	GAS UTILITIES			COMBO UTILITIES[1]		
	2009	2010	2011	2009	2010	2011
VALUES PER THERM						
Gas-only revenues	$0.8528	$0.6359	$0.6898	$0.8216	$0.7923	$0.7599
Purchased-gas expense	$0.4420	$0.3855	$0.3233	$0.4522	$0.3884	$0.3706
Gross sales margin	$0.3437	$0.2102	$0.3299	$0.3433	$0.1830	$0.3496
Total production costs[2]	$0.5091	$0.4258	$0.3599	$0.4783	$0.4372	$0.4103
Storage & LNG	0.0056	0.0031	0.0043	0.00148	0.00153	0.00167
Transmission	0.0100	0.0087	0.0098	0.01036	0.01000	0.00345
Distribution	0.0465	0.0486	0.0468	0.04466	0.04461	0.04657
Customer accounts	0.0333	0.0325	0.0299	0.03016	0.02964	0.02868
Customer svc. & info.	0.0033	0.0051	0.0044	0.01131	0.01632	0.01577
Sales	0.0018	0.0016	0.0023	0.00234	0.00217	0.00178
Admin. & general	0.0651	0.0711	0.0734	0.06341	0.07096	0.07103
Total O&M	0.6747	0.5952	0.5307	$0.6420	$0.6124	$0.5793
SAME-SIZE ANALYSIS						
Gas-only revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Purchased-gas expense	51.8%	60.6%	46.9%	55.0%	49.0%	48.8%
Gross sales margin	40.3%	33.0%	47.8%	41.8%	23.1%	46.0%
Total production costs[2]	59.7%	67.0%	52.2%	58.2%	55.2%	54.0%
Storage & LNG	0.7%	0.5%	0.6%	0.2%	0.2%	0.2%
Transmission	1.2%	1.4%	1.4%	1.3%	1.3%	0.5%
Distribution	5.4%	7.6%	6.8%	5.4%	5.6%	6.1%
Customer accounts	3.9%	5.1%	4.3%	3.7%	3.7%	3.8%
Customer svc. & info.	0.4%	0.8%	0.6%	1.4%	2.1%	2.1%
Sales	0.2%	0.3%	0.3%	0.3%	0.3%	0.2%
Admin. & general	7.6%	11.2%	10.6%	7.7%	9.0%	9.3%
Total O&M	79.1%	93.6%	76.9%	78.1%	77.3%	76.2%

Source: AGA, USR.

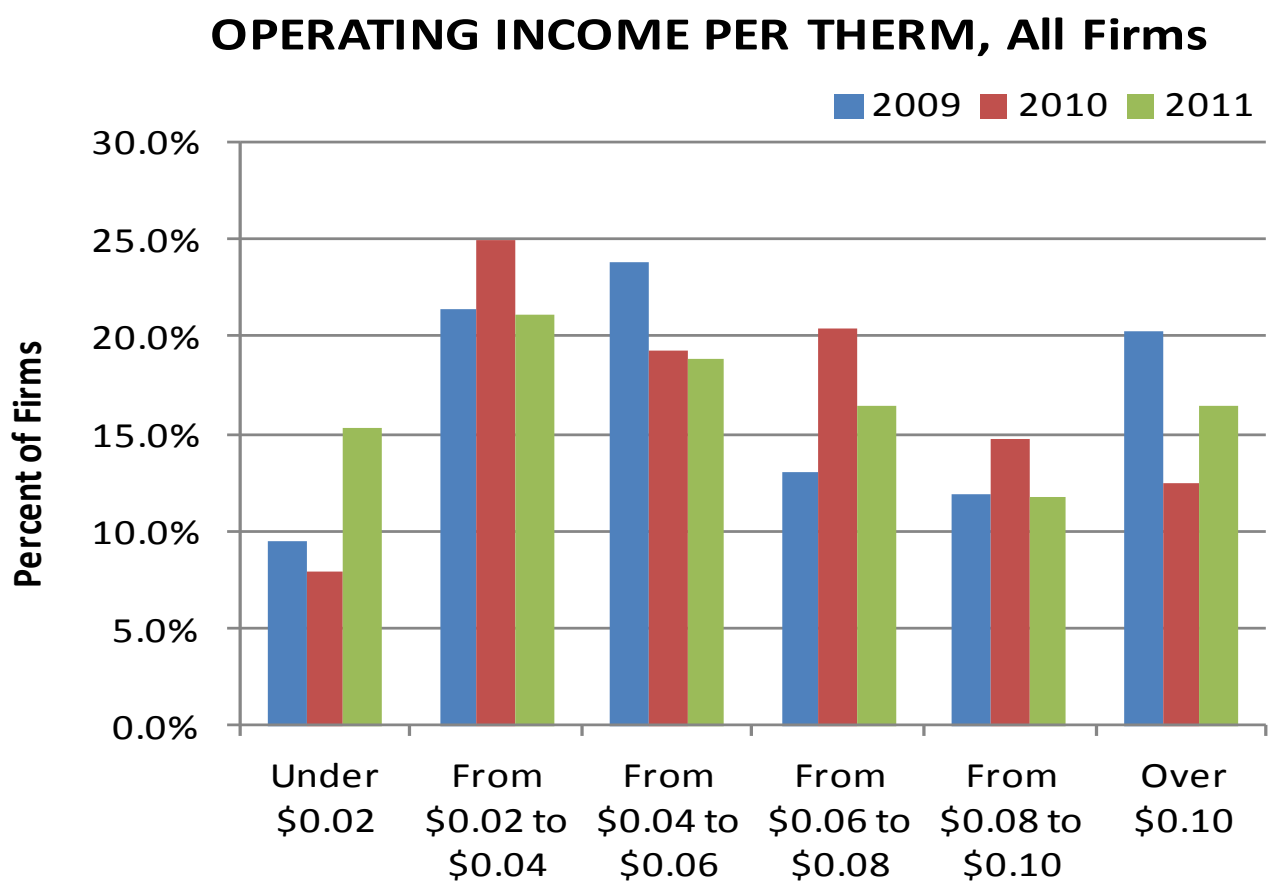
[1] Figures for gas operations only.
[2] Purchased-gas expense is subsumed within total production costs.

NOTE: Figures do not sum precisely due to independent rounding**.**

IV-D. INCOME ANALYSIS

Operating income, by accounting definition, represents revenues net of operations expenses. Operating income does not net out capital cost-related expenses such as interest and amortization. A summary of operating income, then, allows a comparison of efficiency in gas distribution. Figure 3 shows the dispersion of individual companies' operating income per-therm. Table 4 shows average operating income results by type of firm.

FIGURE 3



Source: AGA, USR.

TABLE 4

UTILITY INCOME STATEMENT HIGHLIGHTS

AVERAGE VALUES PER GROUP, GAS OPERATIONS ONLY

	GAS UTILITIES			COMBO UTILITIES[1]		
	2009	2010	2011	2009	2010	2011
Operating revenue, $000	$770,404	$665,983	$634,895	$867,960	$896,598	$683,375
Total O&M, $000	592,154	$503,920	$467,474	$671,765	$692,340	$544,007
Operating income, $000	74,450	$61,760	$65,233	$73,546	$74,935	$31,607
Percent of Revenue						
Total O&M	76.9%	75.7%	73.6%	77.4%	77.2%	79.6%
Operating income	9.7%	9.3%	10.3%	8.5%	8.4%	4.6%
Per Therm						
Revenue	$0.868	$0.765	$0.690	$0.822	$0.792	$0.760
Total O&M	$0.685	$0.595	$0.531	$0.642	$0.612	$0.579
Operating income	$0.078	$0.066	$0.063	$0.074	$0.072	$0.062
Per Customer						
Revenue	$1,446	$1,257	$1,207	$1,356	$1,310	$1,278
Total O&M	$1,156	$976	$929	$1,065	$1,018	$990
Operating income	$115	$110	$105	$121	$116	$93
Per Dollar of Gas Plant						
Revenue	$0.567	$0.501	$0.462	$0.548	$0.490	$0.465
Total O&M	$0.457	$0.402	$0.365	$0.432	$0.384	$0.364
Operating income	$0.043	$0.038	$0.037	$0.048	$0.042	$0.035
Per Mile of Main[2]						
Revenue	$83,814	$69,335	$82,106	$93,956	$94,929	$86,801
Total O&M	$66,117	$53,170	$62,271	$71,414	$71,444	$69,527
Operating income	$7,012	$6,358	$7,557	$9,020	$8,930	$1,901

Source: AGA, USR.

1 Figures for gas operations only.
2 Miles of main only.

IV-E. DEBT ANALYSIS

Historically, utilities have operated in a regulated environment. Therefore, debt instruments and their management have been prominent items on the utilities' financial agendas. Debt has traditionally represented a large share of utility capitalization. This is due to the historically regulated environment in which utilities have operated. The presence of regulatory oversight, from an investor's perspective, suggests less risk, more stable cash flow, and generally better debt ratings and interest coverage from cash flow. Historically, this made

the utility industries attractive to bond investors. As for utilities, the containment of interest and other debt-related carrying costs can have a decisive impact on the overall profitability of operations.

The total cost of capital for a utility reflects that of both debt and equity financing.[6] Table 5 shows summary descriptors of capital costs for utilities by industry segment.

TABLE 5

UTILITY DEBT AND DEBT COVERAGE

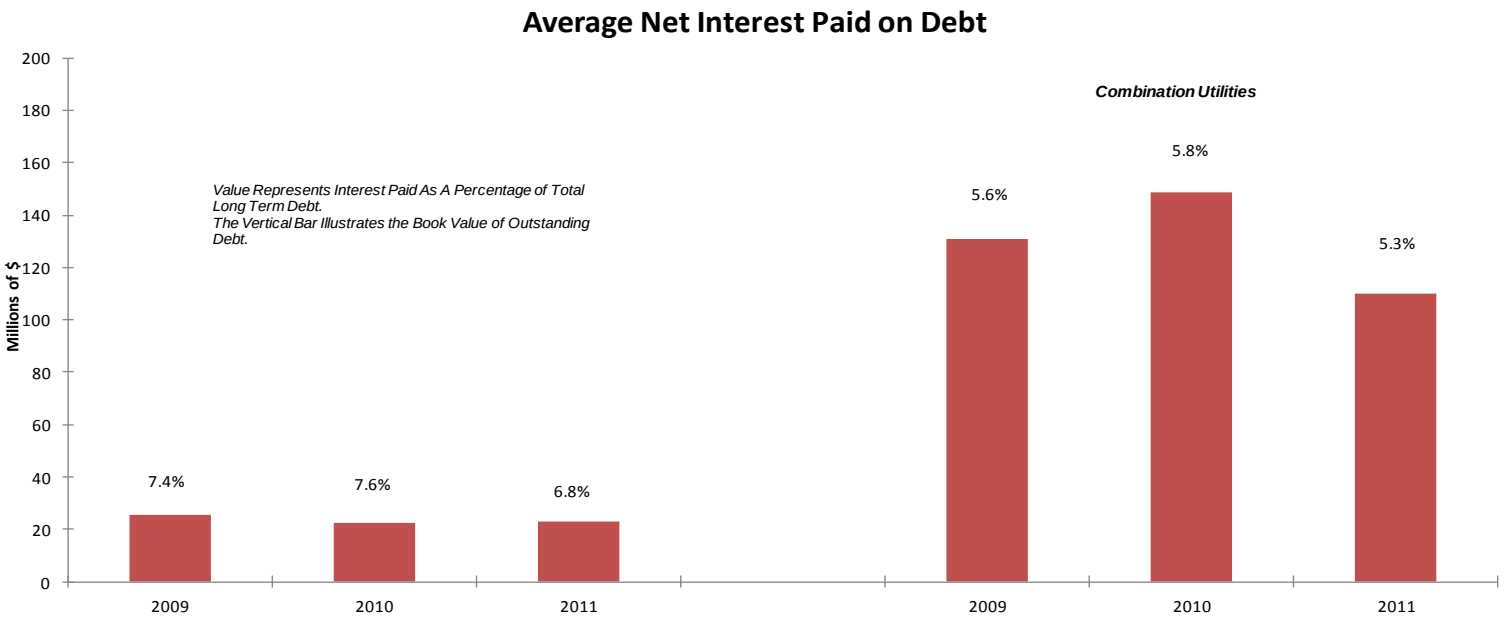
AVERAGE VALUES

	2009	2010	2011
Gas utilities			
Total LT Debt to Total Assets	21.5%	19.9%	20.4%
LT Debt to Total Capitalization	38.9%	35.4%	37.0%
EBITDA Interest Coverage	8.4x	7.6x	8.2x
Combination Utilities[1]			
Total LT Debt to Total Assets	30.0%	27.7%	27.8%
LT Debt to Total Capitalization	46.7%	47.2%	43.9%
EBITDA Interest Coverage	7.3x	7.8x	8.1x

Source: AGA, USR.

[1] Figures represent combined gas and electric operations.

FIGURE 4



Note: Combination utility figures represent combined gas and electric operations.

[6] For combination utilities, such measures necessarily reflect combined gas and electric financials. Some municipal utilities in this study have similar combined activity financing.

Note again that the discussion of combination utility debt and capital structure cannot be limited to gas operations. Therefore, this portion of the analysis necessarily considers combined-commodity financial performance. The combination utilities feature a diversity of

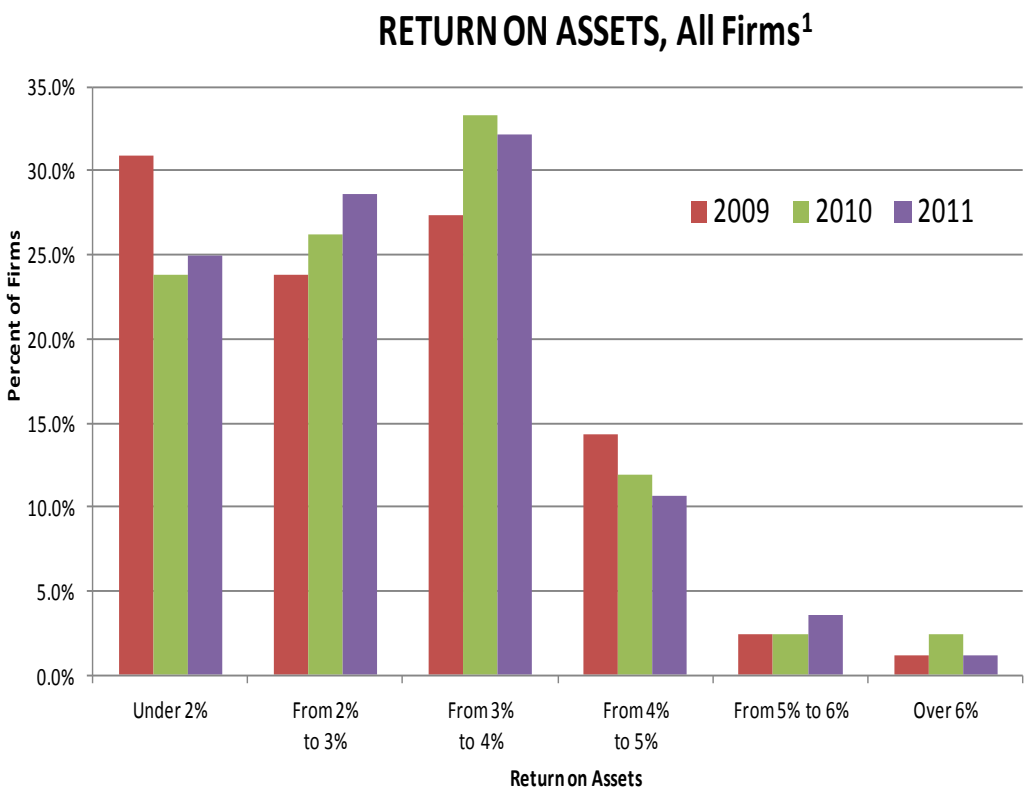
commodity sales and stabilized electric base-load operations attributable to base-load (i.e., not weather-driven) sales.

IV-F. PROFITABILITY ANALYSIS

For this study, profitability is expressed in terms of return on assets (ROA), which relates net income to the value of the asset base that generated that income. Stated differently, ROA measures how well a company's assets "work" to generate income from operations. As such, ROA is convenient for comparing the operating results across companies within an industry.

Figure 5 shows the dispersion of individual company ROA results. Table 6 shows profitability measures for both gas and combination utilities for the years studied.

FIGURE 5



[1] When referring to combined gas and electric operations, the balance sheet items (i.e., total end-of-year assets) refer to the total firm, which could include non-utility assets, gas transmission assets and "other" utility assets (e.g., water), while income statement items (i.e., total revenues) refer to only gas and electric utility distribution operations combined. As a result, these ratios may differ from other reports that consolidate income statement items for the total firm.

While ROA is typically measured as the ratio of net income to assets, it can also be expressed as asset turnover multiplied by profit margin. Asset turnover measures a firm's ability to generate sales from its fixed asset base. The second component of ROA is profit margin, or return on sales. This measures the operating profit per dollar of sales.

TABLE 6

UTILITY PROFITABILITY INDICATORS

AVERAGE VALUES

	2009	2010	2011
Gas Utilities			
Asset Turnover	0.61X	0.59X	0.57X
Financial Leverage	65.7%	63.8%	64.1%
Equity Multiplier	4.14x	3.29X	3.68X
Profit Margin	5.5%	5.9%	6.0%
ROA[2]	2.9%	3.0%	2.8%
ROE[2]	9.3%	10.0%	9.2%
Current Ratio	1.10	1.05	1.00
Current Assets/Total Assets	20.9%	19.6%	17.1%
Combination Utilities[1]			
Asset Turnover	0.44X	0.43X	0.39X
Financial Leverage	66.4%	67.8%	65.0%
Equity Multiplier	3.24x	5.96X	3.13X
Profit Margin	6.8%	7.2%	8.9%
ROA[2]	2.7%	2.8%	3.2%
ROE[2]	8.7%	8.3%	10.0%
Current Ratio	1.38	1.62	1.39
Current Assets/Total Assets	12.3%	13.6%	10.0%

Source: AGA, USR.

[1] Figures represent combined gas and electric operations.

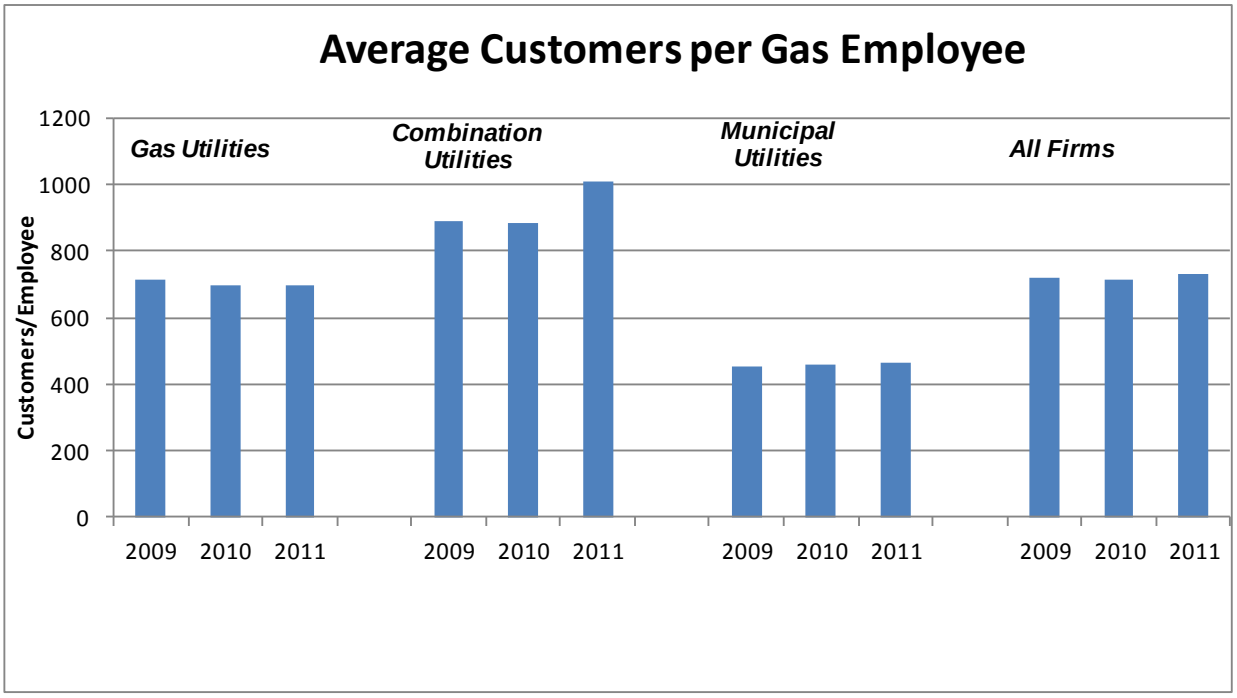
[2] When referring to combined gas and electric operations, the balance sheet items (i.e., total end-of-year assets) refer to the total firm, which could include non-utility assets, gas transmission assets and "other" utility assets (e.g., water), while income statement items (i.e., total revenues) refer to only gas and electric utility distribution operations combined. As a result, these ratios may differ from other reports that consolidate income statement items for the total firm.

Another measure of profitability is return on common equity (ROE). This differs from ROA in that it takes into account the impact of a firm's capital structure on its profitability. The capital structure of a firm can be examined in many different ways. ROE can be expressed as ROA multiplied by the equity multiplier. The equity multiplier (shown in Table 6) measures a firm's assets relative to its common stock equity. An increase in a firm's level debt financing (an increase in liabilities) will cause a reduction in stockholders' equity. This will cause the equity multiplier to rise and thereby increase total ROE. The rise in ROE compensates equity holders for the increased risk they must bear as the firm increases its level of debt.

IV-G. LABOR PRODUCTIVITY AND WAGE ANALYSIS

Current industry interest in restructuring, efficiency, and cost effectiveness often calls attention to staffing and wage profiles. Figure 6 and Table 7 summarize wage and benefit values by industry segment.

FIGURE 6



Source: AGA, USR.

TABLE 7 UTILITY WAGES AND BENEFITS AVERAGE VALUES PER EMPLOYEE AT YEAR-END	2009	2010	2011	3-Year Average
All Firms				
Number of employees at year-end	812	754	746	771
Total salaries and wages	$72,636	$72,843	$71,881	$72,453
Total benefits and pensions	$24,027	$26,688	$33,436	$28,050
Total salaries, benefits, and pensions	$96,663	$98,674	$105,317	$100,218
Ratio of total benefits to total compensation	25.6%	28.7%	26.5%	26.9%
Therms sold per employee	1,406,038	1,369,284	1,507,113	1,427,478
Customers per employee	721	713	732	722
Gas Utilities				
Number of employees at year-end	870	726	826	807
Total salaries and wages	$71,257	$72,761	$70,895	$71,638
Total benefits and pensions	$19,179	$21,604	$27,064	$22,616
Total salaries, benefits, and pensions	$90,436	$93,131	$97,959	$93,842
Ratio of total benefits to total compensation	20.5%	24.2%	23.6%	22.8%
Therms sold per employee	1,378,221	1,300,044	1,378,522	1,352,262
Customers per employee	712	696	697	702
Combination Utilities[1]				
Number of employees at year-end	888	1,008	667	854
Total salaries and wages	$85,866	$83,612	$87,961	$85,813
Total benefits and pensions	$43,756	$45,645	$62,878	$50,760
Total salaries, benefits, and pensions	$129,622	$129,257	$150,839	$136,573
Ratio of total benefits to total compensation	37.2%	37.1%	33.1%	35.8%
Therms sold per employee	1,908,317	1,913,272	2,454,849	2,092,146
Customers per employee	892	882	1,009	928
Municipal Utilities				
Number of employees at year-end	349	382	378	370
Total salaries and wages	$56,077	$49,206	$48,878	$51,387
Total benefits and pensions	$16,383	$21,532	$24,429	$20,781
Total salaries, benefits, and pensions	$72,460	$70,737	$73,307	$72,168
Ratio of total benefits to total compensation	34.4%	43.3%	35.9%	37.9%
Therms sold per employee	627,281	655,949	662,395	648,542
Customers per employee	451	461	465	459

Source: AGA, USR.

[1] Figures for gas operations only.

APPENDIX1: GLOSSARY

NOTE: Immediately below some glossary items are references to the USR data field(s) which are the source for that item. The specific field reference is in the format (*x*,*y*) where *x* is the schedule and *y* is the line item on that schedule. For example, [(6, 21) divided by (2,1 / 365)] refers to Schedule VI, 21 divided by the result of Schedule II, line 1 divided by 365.

Absolute values; absolute dollars
These numbers show the sum of the actual reported data of those companies responding to the survey.

Admin. and gen. expense (4,12)
The overhead cost associated with office activities. Examples of such expenses include stationery, telephone service, office cleaning, heat and power, etc.

Asset turnover (2,1)/(6,36)
A ratio which expresses sales revenue as a percentage of assets on-hand over corresponding accounting periods (usually one year). This ratio can be interpreted as the relative degree to which a company's assets "work" to generate sales revenue.

Assets (6,36)
The total accounting value of a company's productive resources at a point in time (as on a balance sheet).

Average salaries, benefits, & pensions per employee [(13,6)+(13,10)]/(13,2)
Total compensation to employees (wages, benefits, etc.) divided by number of employees.

Capitalization (6,51)
The structure of a firm's long-term financing. "Capitalization" refers to the combination of debt and equity, which (in addition to retained earnings) is the monetary equivalent of the firm's assets.

Collection period (days) (6,21)/ [(2,1)/365]
An accounting measure that indicates the efficiency of revenue collections. This measure expresses an accounts receivable total in terms of the number of days of normal revenue collections that would be accumulated to make a sum equivalent to the accounts receivable balance.

Combination gas and electric company
A business entity that distributes both gas and electricity to customers within a franchise territory.

Common equity (6,42)
The total value of wealth given by investors to a company in return for ownership of shares (common stock) of that company's assets and retained earnings.

Current ratio (6,29)/(6,61)
Current assets divided by current liabilities. An indication of a company's ability to meet short-term debt obligations; the higher the ratio, the more liquid the company is.

Customer
An entity which enters into an account with a utility in order to receive natural gas for heating, power, feedstock, and other uses. For current purposes, an individual gas meter functionally represents each customer account. As such the terms "customer," "meter," and "account" are used interchangeably in this study.

Customers per employee [20,15)+(20,18)]/(8,2)
Total customers (including both sales and transportation) divided by total employees**.**

Customer accounts expense (4,9)
The expense attributable to serving a customer. For utility operations, this includes metering, billing, and fixed charges incurred by customer hook-ups. Includes FERC System of Accounts 901 (Supervision), 902 (Meter reading expenses), 903 (Customer records and collection expenses), 904 (Uncollectable accounts), and 905 (Misc. customer accounts expenses).

Customer accounts expense per therm (4,9)/[(20,15+20,18)]
Customer accounts expense divided by total therms (including both sales and transportation volumes).

Customer service and information (4,10)
The expense attributable to all customer assistance and information operations. Bill remediation, bill inserts, and other communication with existing customers is included in this category. Includes FERC System of Accounts 907 (Supervision), 908 (Customer assistance expenses), 909 (Informational and instructional advertising expenses), and 910 (Misc. customer and informational expense).

Customer service and information expense per therm (4,10)/[(20,15+20,18)]
Customer service and information expense divided by total therms (including both sales and transportation volumes)

Debt (6,50) + (6,54) + (6,61)
The summed monetary value of a company's short- and long-term obligations to repay money that it has borrowed from lenders.

Depreciation (2,4)
The operating expense that, as an accounting mechanism, represents the predetermined annual write-down of a durable capital asset. Depreciation, as an accounting item, impacts net income and taxes. It is not a cash expenditure, but is an annual recognition of long-lived asset costs which are spread over the years that these assets are expected to be in operation.

Distribution expense (4,8)
The operating expense that represents the cost of moving natural gas from a utility's city gate to all the meters along the franchise's system of gas mains. Includes FERC System of Accounts 871 (Distribution load dispatching), 872 Compressor station labor and expenses), 873 (Compressor station fuel and power (Major only), 874 (Mains and service expenses), 875 (Measuring and regulating station expenses 0 General), 876 (Measuring and regulating station expenses – Industrial), 877 (Measuring and regulating station expenses – City Gate Check Stations), 878 (Meter and house regulator expenses), 879 (Customer Installation expenses), 880 (Other expenses), 881 ((Rents), 885 (Maintenance supervision and engineering), 886 (Maintenance of structure and improvements), 887 (Maintenance of mains), 888 (Maintenance of mains), 888 (Maintenance of compressor station equipment), 889 (Maintenance of measuring and regulating stations equipment – General 890 (Maintenance of measuring and regulating station equipment – Industrial), 891 (Maintenance of measuring and regulating station equipment – City Gate Check Stations), 892 (Maintenance of services), 893 (Maintenance of meters and house regulators), and 894 (Maintenance of other equipment).

EBIT (2,18)+(2,8)
A measure which describes, for an accounting period, the total company income net of operations expense, but not yet net of interest and tax expenses. This measure facilitates comparisons of companies' economic output after operations, capital depletion, and depreciation conventions.

EBITDA (2,18)+(2,6)+(2,8)
A measure which describes, for an accounting period, the total company income net of operations expense, but not yet net of interest, tax, depreciation, and amortization expenses. This measure facilitates comparisons of companies' economic output from operations.

Equity multiplier (4,36)/(4,42)
Total assets divided by total common stock equity. Used as a measure of corporate profitability.

Fuel (4,1)
Includes FERC System of Accounts 501, 518 and 547.

Field
An element of database structure that holds the recorded values for a specific attribute of interest common to all observations. See also *Uniform Statistical Report (USR).*

Financial leverage [(6,50)+(6,54))+(6,61))+(6,67)]/(6,36)
Total debt divided by total assets. Measures the employment of funds obtained at a fixed cost.

Firm, percent ((20,1+20,2+20,3+20,5+20,7+20,9)/20,15)
Total sales volumes of gas sold under the firm tariff divided by total sales volumes.

Gas plant (6,2)
The undepreciated capital facilities directly related to gas distribution. See also "total plant in service."

Gas plant per customer (6,2)/[(20,15)+(20,18)]
Gas plant divided by total customers (including both sales and transportation).

Gas plant per mile of main (6,2)/miles of main
Gas plant divided by total miles of mains (from U.S. Dept. of Transportation).

Gas utility
A franchised gas distribution company, the equity value of which is held by shareholders in the form of stock. The earnings of such a company are distributed wholly or in part to shareholders in the form of dividends. Any earnings not distributed are retained by the company on its balance sheet.

General & administrative costs per customer (4,12)/[(20,15)+(20,18)]
Expenses incurred by the utility not specifically assignable to operations or sales, such as overhead, general office, personnel, etc., divided by total customers (both sales and transportation).

General & administrative costs per therm (4,12)/[(20,15)+(20,18)]
Expenses incurred by the utility not specifically assignable to operations or sales, such as overhead, general office, personnel, etc., divided by total therms (both sales and transportation volumes).

Gross sales margin per customer or Gross margin per customer [(2,1) - (4,5)]/[(20,15)+(20,18)]
Defined as revenue, less total production costs, divided by total customers, both sales and transportation. An accounting measure that describes the per-unit dollar value that remains after the acquisition cost of the unit is subtracted from the retail revenue received for that unit.

Gross sales margin per therm or Gross margin per therm [(2,1) - (4,5)]/[(20,15)+(20.18)]
Defined as revenue, less total production costs, divided by total delivered therms. An accounting measure that describes the per-unit dollar value that remains after the acquisition cost of the unit is subtracted from the retail revenue received for that unit. Includes both sales and transportation volumes.

Heating Degree Days (HDD)
A measure of the coldness of the weather experienced, based on the extent to which the daily mean temperature falls below a reference temperature, usually 65 degrees F.

Implied long-term (LT) debt cost (2,24)/(6,50)
A proxy measure of the interest rate paid by utilities for long-term borrowing (obligations over one year). Data as collected on the USR did not request a breakout of short- versus long-term interest obligations. Therefore, a strict calculation of cost of long term debt (annual interest paid on long-term obligations divided by total long-term debt) was not possible. The implied cost relates net interest costs (interest of all types) to long-term debt. The result permits some distortion of true long-term debt costs.

Interest coverage [(2,18 + 2,4 + 2,6 + 2,8) divided by (2,24)]
The comparison of a company's financial returns to its interest payment obligations, for a specific accounting period. "EBITDA" is an income statement result; specifically, it means "earnings before interest, taxes, depreciation, and amortization." This ratio indicates the company's relative ability to generate the cash flow necessary to meet its interest payment obligations.

Long-term debt (6,50)
Financial instruments that become due on a date at least one year beyond the current accounting period. These include the mortgages and bonds, which represents a company's capital borrowings. By issuing debt, the company has an obligation to repay its lenders the amount borrowed plus regular increments of interest.

Lower quartile (LQ)
A statistical measure that describes a data value that is halfway between the median and the lowest value in the data set. Technically defined as the "first quartile." See "quartile" and "median."

Mean (Arithmetic – See Weighted Average.)
An average value; i.e., a single calculated value which is representative of a set of values. The mean is calculated by summing a set of observation values, then dividing that total by the number of observations that were used.

Median (MED)
A statistical measure describing the "middle position" for a sequence of observations, or the 50-percent position in a sequence of ordered observations (2^{nd} quartile). See "quartile."

Meter
(See "customer")

Miles of Main
Length of utility system's distribution mains (excludes transmission and service lines) as reported by utilities to the US Department of Transportation, Office of Pipeline Safety.

Municipal utility
A type of gas distribution company that is owned by a local government entity and run on behalf of that entity's citizenry. Whereas investor-owned utilities usually pay out dividends to shareholders, the municipal utility's dividends accrue to the citizens in the form of a lower cost for energy.

Net margin per customer [(2,1)-(4,13)]/[(20,15)+(20,18)]
Operating revenues less total O&M, with the result divided by total customers (includes both sales and transportation).

Net margin per therm [(2,1)-(4,13)]/[(20,15)+(20,18)]
Operating revenues less total O&M, with the result divided by total therms (includes both sales and transportation volumes).

Net worth
The residual value of a company's assets after deducting liabilities.

Operations and maintenance (O&M) (20,13)
These are accounting summaries of expenditures attributable to company operations. Most importantly, these are expenses over which management has direction. These are distinct from (i.e., do not include) expenses imposed from outside of operations such as interest payments and amortization.

Observation
A single event for which an activity is recorded or measured. For a measurable event the unique record for any observation is that observation's value. For example, if the variable of interest is annual therms sold," then "1,000,000" may be the value of this variable for the single observation "ABC Company."

Operating income (2,11)
The financial outcome of a company that represents revenues earned less the expenses attributable to operations, including depreciation, amortization, and taxes (but not expenses such as interest payments, amortization, etc.).

Operating revenue
See revenue.

Other production expenses (4,4)
Includes FERC System of Accounts 805 (Other gas purchases and purchase gas adjustments), 806 (Exchange gas), 812 (Gas used for the utility operations), and 813 (Other gas supply expense).

Profit margin (2,29)/(2,1)
Net income available for common stockholders divided by total operating revenues (including electric for combination companies, since net income is not segmented by operational division).

Purchased gas expense (4,3)
The utility expenditure for the gas it buys on the market from producers, transmission companies, marketers, and other sources. Includes FERC System of Accounts 800 (wellhead purchases), 801 (field line purchases), 802 (plant outlet purchases), 803 (transmission line purchases), 804 (city gate purchases) LESS 804.1 (LNG), and 807 (Purchased or expense).

Purchased gas cost per therm (4,5)/(20,15)
Total production gas expense divided by total sales volumes

Quartile
A statistical tool that analyzes a set of values that are sequenced by order of magnitude. Any set of ordered values can be divided into four quartiles. The first quartile is the observation reached after counting off the first 25 percent of the sequenced values (counting from the lowest value). The second quartile is the observation at the 50 percent position in the sequence; the third quartile is at the 75 percent position; and the fourth quartile is at the 100 percent position, which is also the highest value for the entire data set.

Return on Assets (ROA) (2,29)/(6,36)
A financial ratio that expresses net income as a percentage of assets. This ratio measures how well a company uses its assets to generate operating income.

Return on Equity (ROE) (2,29)/(6,42)
A financial ratio that expresses net income as a percentage of total common stock equity. This ratio measures how well investors in a firm are doing relative to other investments.

Revenue (2,1)
The receipts from utility operations and sales of gas, excluding non-utility and other income, before expenses are considered.

Revenue per customer (2,1)/[(20,15)+(20,18)]
Operating revenues divided by total meters, including transportation customers.

Revenue per therm (2,1)/[(20,15)+(20,18)]
Operating revenues divided by total therms, including transportation volumes.

Sales expense (4,11)
The cost of sales administration, including commissions overhead, materials, etc. Includes FERC System of Accounts 911 (Supervision), 912 (Demonstrating and selling expenses), 913 (Advertising expenses), and 916 (Misc. sales expenses).

Same-size financial statement
This is an alternative method of displaying income statement and balance sheet summaries. It is intended to facilitate comparisons across company types. As opposed to displaying absolute dollar values, the same-size statement presents each line item is a percentage of its aggregate total. The same-size income statement sets revenues at 100.0 and all other items are a percent of that total. The same-size balance sheet similarly sets total assets (as well as total liabilities and owners' equity) to 100.0.

System density [(20,15)+(20,18)]/Miles of Main
Total customers (both sales and transportation) divided by total miles of mains (from the U.S. Dept. of Transportation). A ratio that describes the degree to which meters are "packed" onto a distribution system.

Tax expense (2,8)
The amount representing the utility's obligation to pay taxes, including sale, gross receipts, income, and property taxes. This total includes pass-through taxes collected by the utility on behalf of local government jurisdictions.

Therm
A unit of measurement for energy, equivalent to 100,000 British thermal units.

Therms per customer [(20,15)+(20,18)]/[(20,15)+(20,18)]
Total therms (both sales and transportation) divided by total customers (both sales and transportation).

Therms delivered per employee [(20,15)+(20,18)]/(8,2)
Total therms (both sales and transportation) divided by total employees.

Total benefits (13,10)
The annual compensation accruing to utility employees in the form of pensions, health care, insurance, and other non-payroll items.

Total compensation (13,6 + 13,10)
The total annual compensation accruing to utility employees, both as payroll and non-payroll compensation, as well as benefits.

Total production expense (4,5)
Combination of fuel (4,1), purchased gas (4,3), and other production expenses (4,4).

Total O&M per customer (4,13)/[(20,15)+(20,18)]
All operations and maintenance expenses divided by total customers (includes both sales and transportation).

Total O&M per therm (4,13)/[(20,15)+(20,18)]
All operations and maintenance expenses divided by total therms (includes both sales and transportation volumes).

Total plant in service (6,5)
The total value of utility plant as shown on the balance sheet. In the case of combination utilities, this will include gas and electric plant used for the purpose of power distribution.

Transmission (4,7)
The cost to a utility for moving natural gas purchases from its source to its city gate. Includes FERC System of Accounts 850 (Operations, supervision and engineering), 851 (System control and load dispatching), 852 (Communication system expenses), 853 (Compressor station labor and expenses), 854 (Gas for compressor station fuel), 855 (Other fuel and power for compressor stations), 856 (Main expenses), 857 (Measuring and regulating station expenses), 858 (Transmission and compression of gas by others), 859 (Other expenses), 860 (Rents), 861 (Maintenance supervision and engineering), 862 (Maintenance of structures and improvements), 863 (Maintenance of mains), 864 (Maintenance of compressor station equipment), 865 (Maintenance of measuring and regulating station equipment), 866 (Maintenance of communication equipment), 867 (Maintenance of other equipment), and 870 (Operation supervision and engineering).

Transmission and distribution costs per customer [(4,7)+(4,8)]/[(20,15)+(20,18)]
Cost of transporting gas to the customer, divided by total customers (both sales and transportation).

Transmission and distribution costs per therm [(4,7+4,8)/(20,15+20,18)]
Cost of transporting gas to the customer, divided by total therms (both sales and transportation).

Uniform Statistical Report (USR)
The standardized reporting form used by the American Gas Association to collect financial and operating information from its individual member companies. The USR data is the source for information presented in this study.

Upper quartile (UQ)
A statistical measure, which describes a data value that, is halfway between the median and the highest value in the data set. Technically defined as the "third quartile." See "Quartile" and "Median."

Value
In statistics, a "value" is the recorded measurement for an individual observation. For example, if the variable of interest is "annual therms sold," then "1,000,000" may be the value of this variable for the single observation "ABC Company."

Variable
An attribute, more or less common to a set of observations, which is subject to measurement. For example, if the variable of interest is "annual therms sold," then "1,000,000" may be the value of this variable for the single observation "ABC Company."

Weighted average
A statistical measure for describing the mean or "central tendency" of a set of numeric observations. Weighted averages are used in this study to provide benchmark ratios per group or per industry segment. For these benchmark ratios and arithmetic (simple) average would be the mean value of the ratios calculated individually for each company. Instead, the weighted average ratio has as its numerator the sum of observations for that variable divided by the sum of observations for the denominator variable. For example, the density of distribution system metric for gas utilities relates the sum of all gas utility meters divided by the sum of all gas utility miles of pipe.

APPENDIX 2: MULTI-YEAR CHARTS FOR ALL COMPANIES

Explanation of factors influencing results:

REVENUE: Impacted by weather, rate design, customer growth, the economy, allowed rates of return, taxes, depreciation expense, total O&M expense, and subsidiary operations.

REVENUE PER CUSTOMER: Determined by revenue and customer base (predominantly higher-consuming customer population yields larger results).

REVENUE PER THERM: Determined by revenue and customer base (predominantly smaller-consuming customer base yields larger results).

THERMS DELIVERED PER CUSTOMER: Influenced by weather and customer base (predominantly higher-consuming customer population yields larger results).

PERCENT FIRM SALES: Determined by customer base. Utilities with predominantly residential and small commercial customers tend to have higher values here. Large customers switching from sales to transportation tariffs also influence results.

PURCHASED GAS COST PER SALES THERM: Impacted by proximity to supplies (closer leads to lower transportation costs), interstate pipeline access (more competition leads to lower costs), volumes purchased (economies of scale), and purchasing strategies (spot versus contracts, storage refill, hedging, etc.).

GROSS SALES MARGIN: Influenced by revenue, O&M, and company size (economies of scale).

TRANSMISSION AND DISTRIBUTION COST PER THERM/CUSTOMER: Determined by age of system, throughput, customer base, system density, and size of company (economies of scale).

CUSTOMER ACCOUNT EXPENSE PER THERM: Impacted by customer base (concentration of smaller customers leads to higher costs per therm), types of administrative (e.g., billing) systems, and throughput.

CUSTOMER SERVICE AND INFORMATION EXPENSE PER THERM: Influenced by types of administrative systems (e.g., database software and hardware), customer base, and throughput.

SALES EXPENSE PER THERM: Determined by level of marketing effort put forth by company and throughput.

GENERAL AND ADMINSTRATIVE EXPENSE PER THERM/CUSTOMER: Impacted by employee base/compensation, overhead expenses, customer base, and throughput.

TOTAL OPERATION AND MAINTENANCE EXPENSE PER THERM/CUSTOMER: Combination of purchased gas expense, other production costs, T&D, customer accounts, service, & information expenses, sales, and G&A. See those factors for explanation.

NET MARGIN PER THERM/CUSTOMER: Influenced by allowed rates of return, taxes, depreciation, weather, customer base, and throughput.

AVERAGE SALARIES, BENEFITS, AND PENSIONS PER EMPLOYEE: Impacted by union contracts, experience/tenure of average employee, age of employees and retirees, local economic competition for employees, proportion of upper management relative to employee base (higher for companies outsourcing significant workload), and special offers to employees (early retirement, severance packages due to downsizing, etc.).

CUSTOMERS PER EMPLOYEE: Determined by the customer base (companies with predominately small-use customers tend to have a higher value) as well as the employee base (more efficient companies and those outsourcing significant workload tend to have a higher value).

THERMS DELIVERED PER EMPLOYEE: Primarily determined by the customer base (companies with predominately large-use customers tend to have a higher value).

GAS PLANT PER CUSTOMER: Influenced by the customer base (companies with predominately large-use customers tend to have a higher value).

RETURN ON ASSETS: Impacted by allowed rate of return, weather, sales growth, subsidiary performance, and one-time charges (e.g., asset reevaluation, merger expense, etc.).

RETURN ON EQUITY: Impacted by allowed rate of return, weather, sales growth, subsidiary performance, and one-time charges (e.g., asset reevaluation, merger expense, etc.).

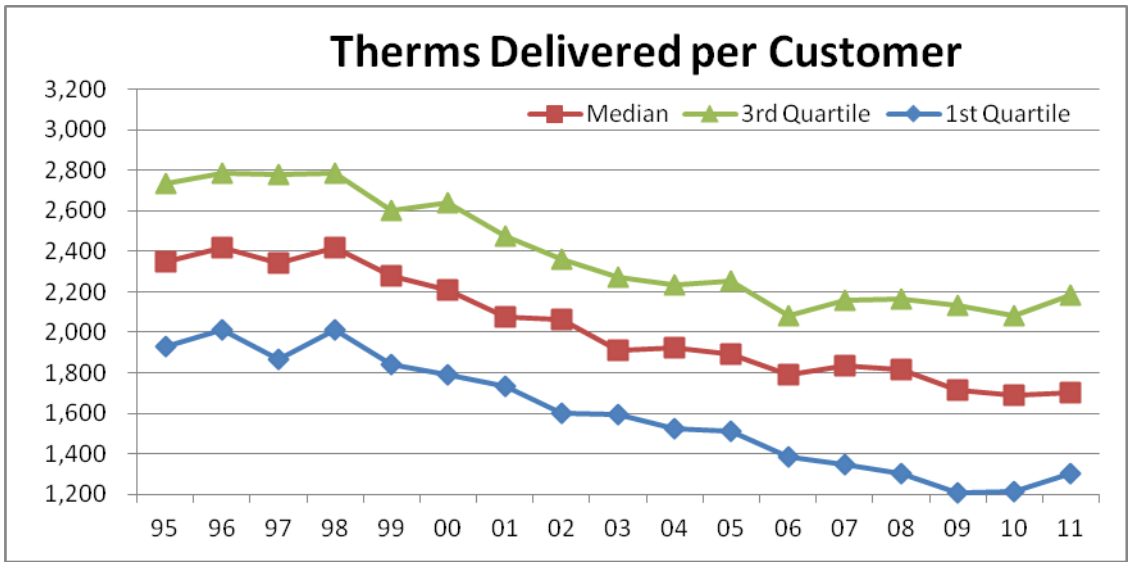
ASSET TURNOVER: Influenced by revenue and composition/age of gas plant.

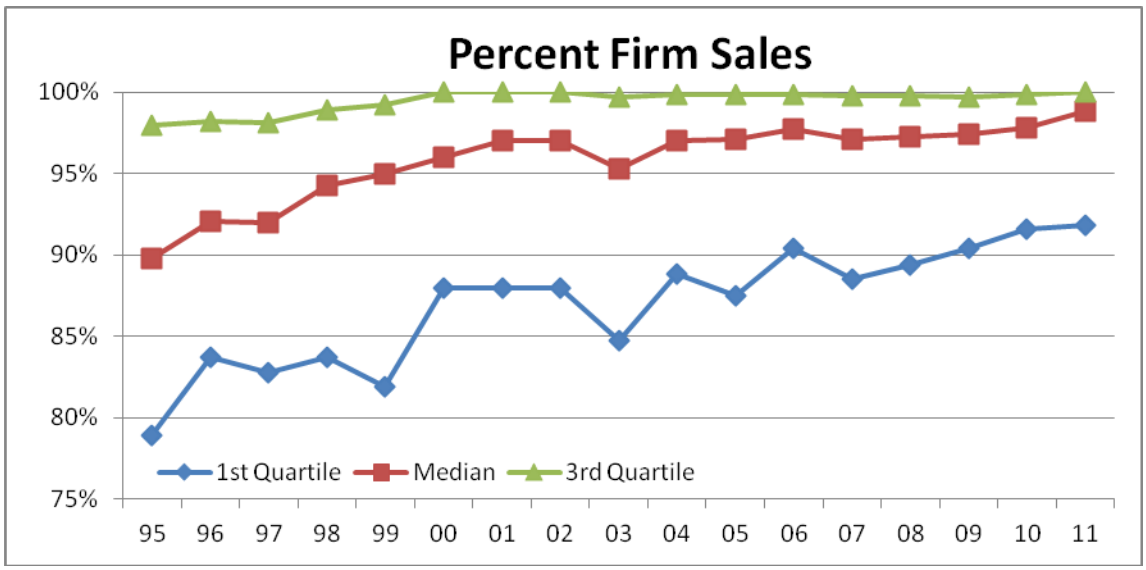
PROFIT MARGIN: Impacted by allowed rate of return, income taxes, interest expense, and weather.

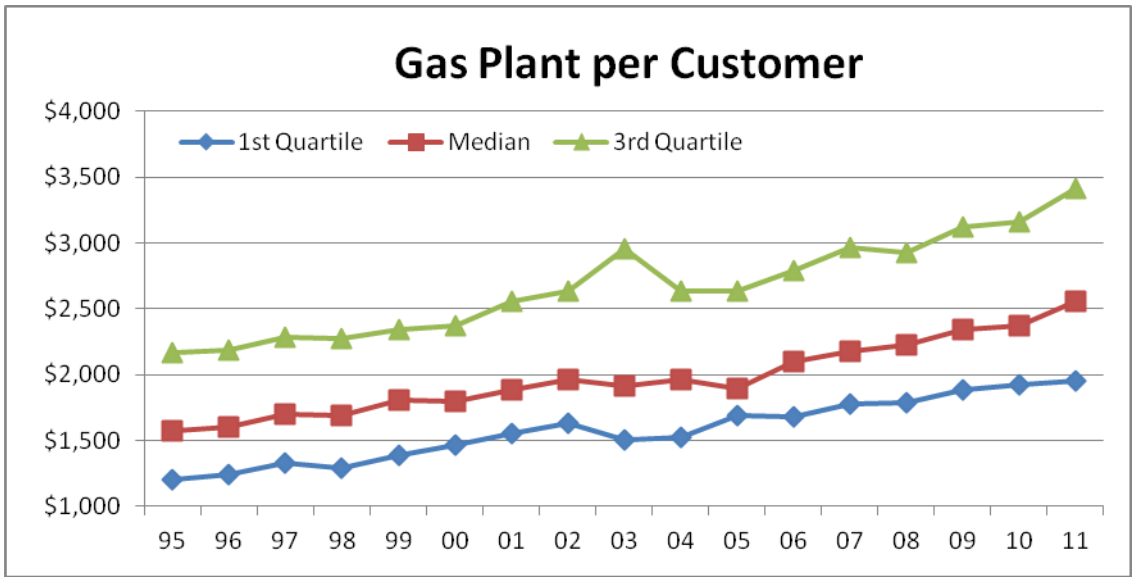
FINANCIAL LEVERAGE: Influenced by the proportion of debt and the amount of gas plant for a company.

NOTE: Recent results of metrics involving miles of main are not comparable for years prior to 2004 because of changes in the definition of miles of main changed (no longer includes services) and in the data source (now derived from the US Department of Transportation, Office of Pipeline Safety database).

Appendix 2: Multi-year Charts for All Companies

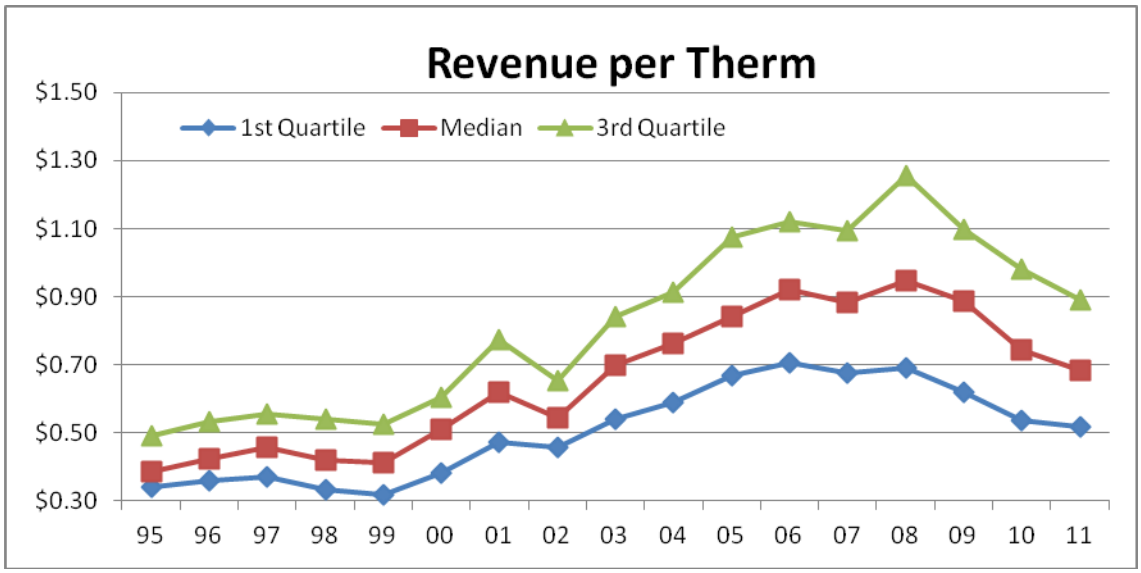


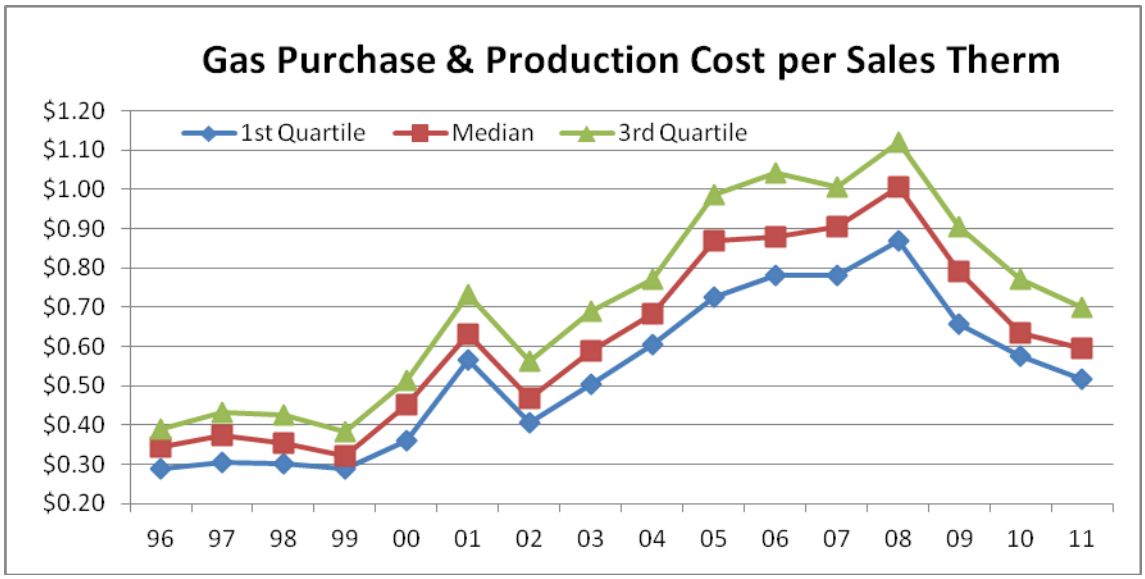


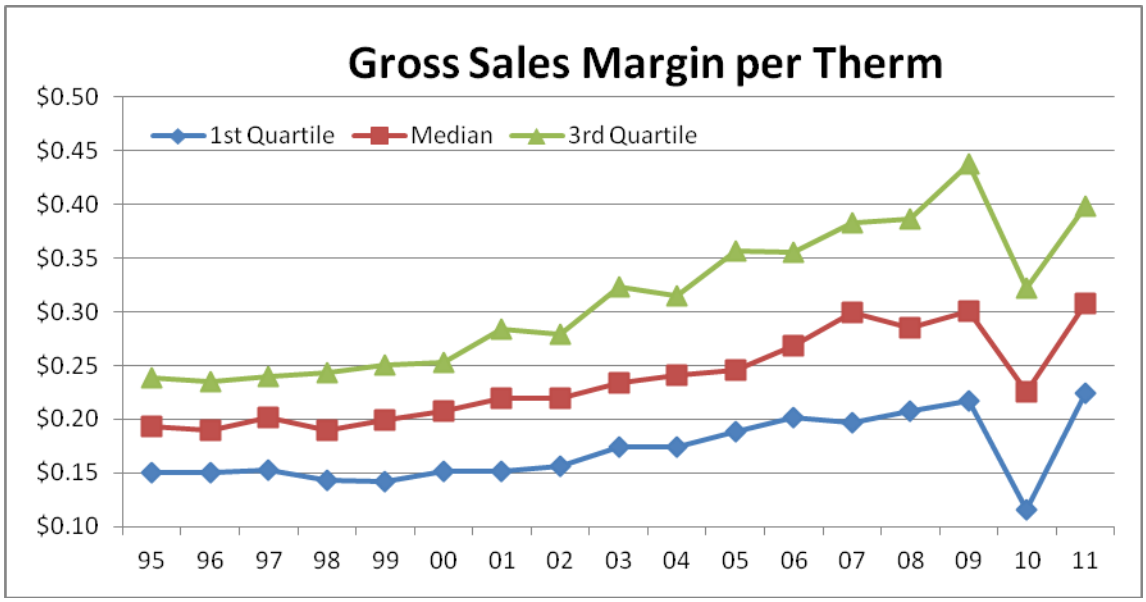


Note: Sample size and individual company participation vary by year, impairing trend analysis

Appendix 2: Multi-year Charts for All Companies

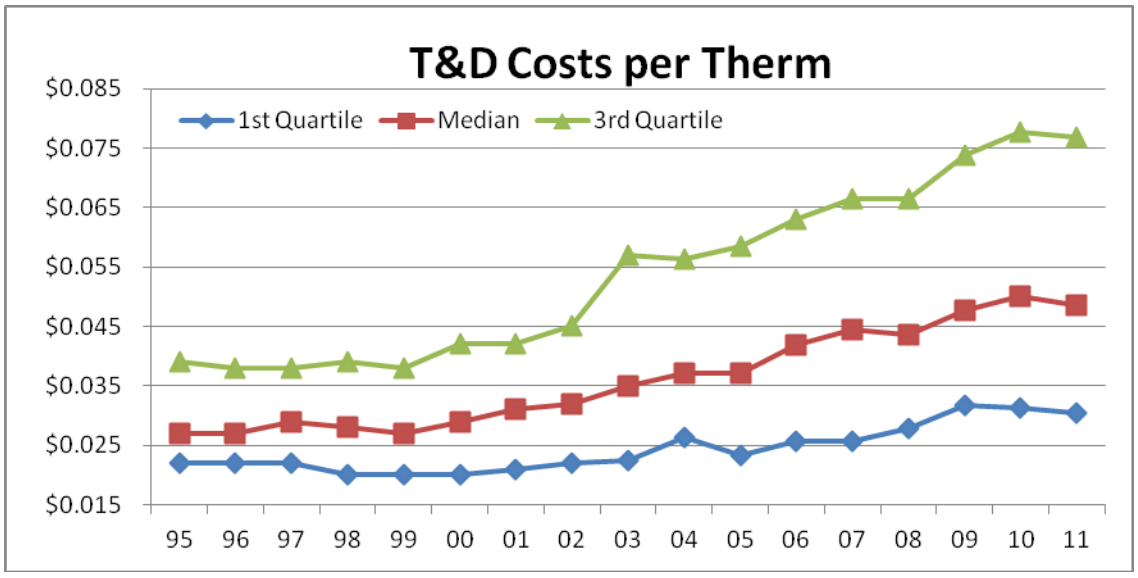


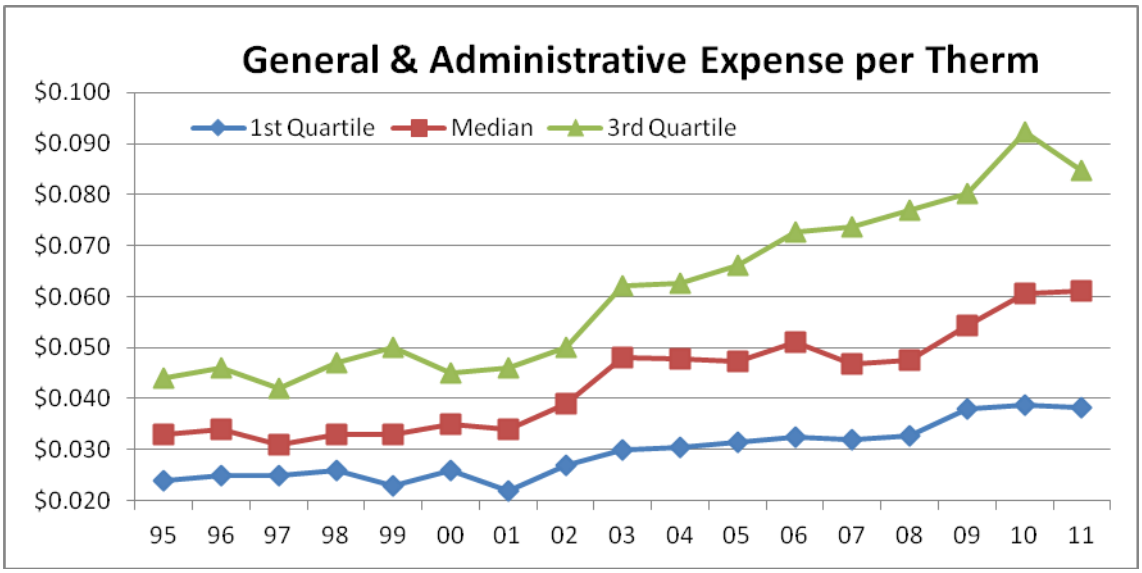


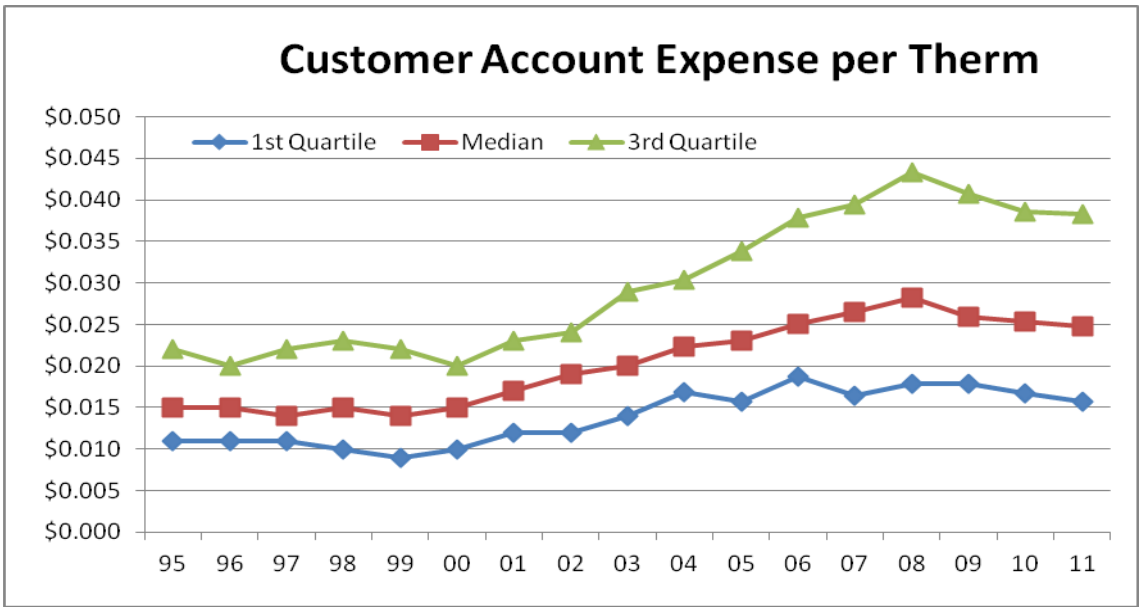


Note: Sample size and individual company participation vary by year, impairing trend analysis

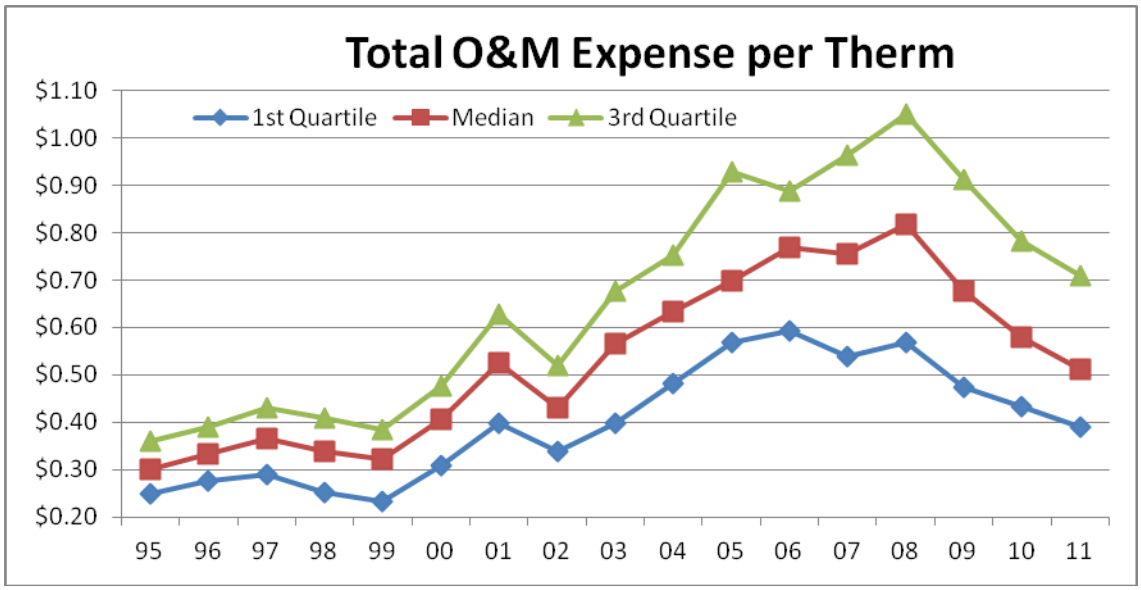
Appendix 2: Multi-year Charts for All Companies

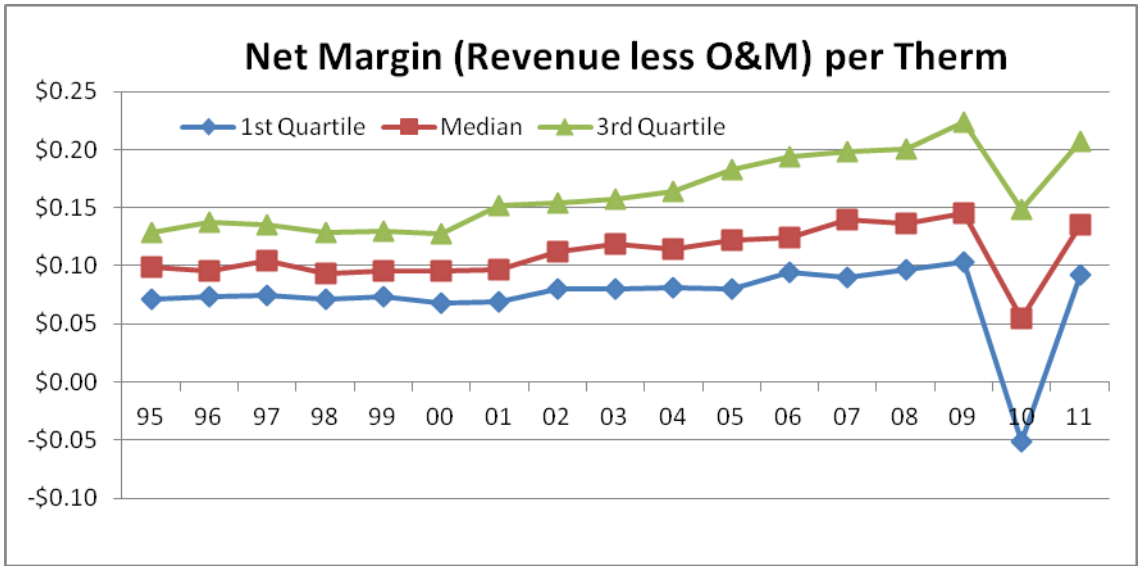


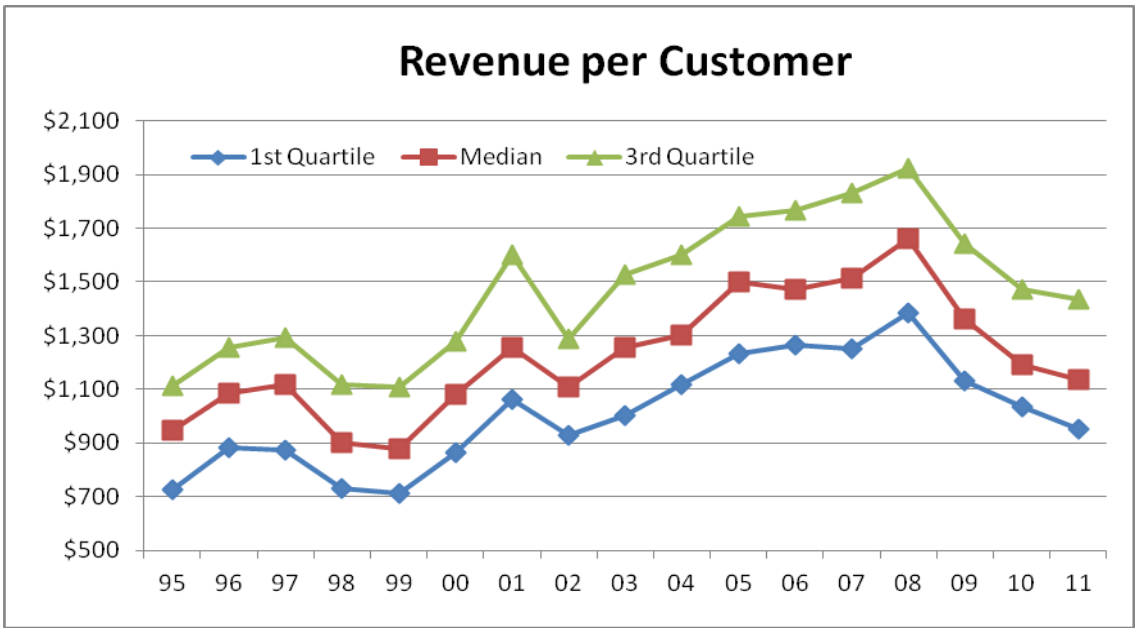




Note: Sample size and individual company participation vary by year, impairing trend analysis

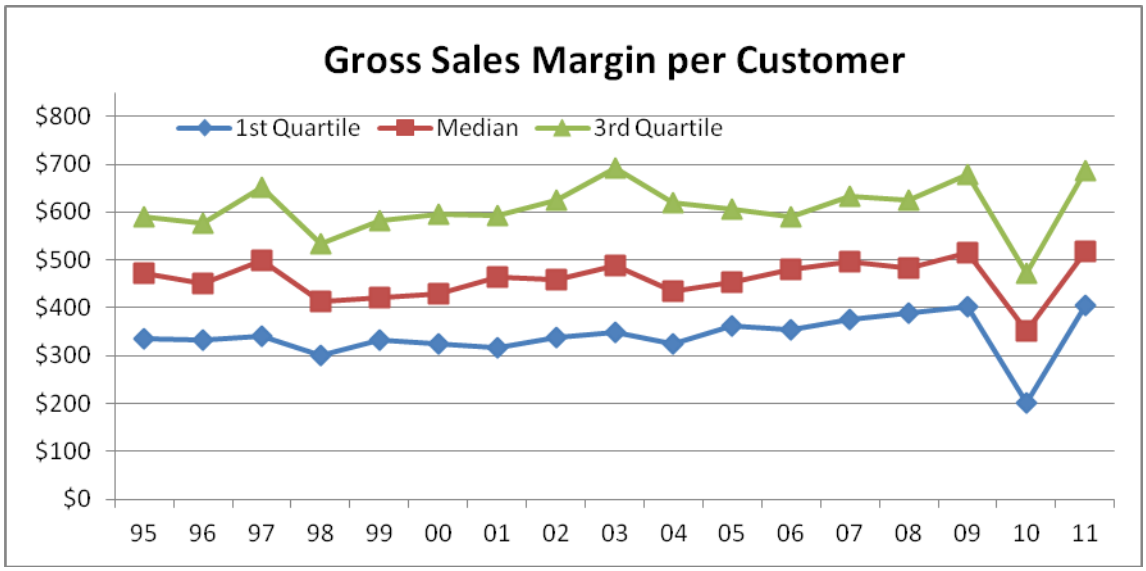


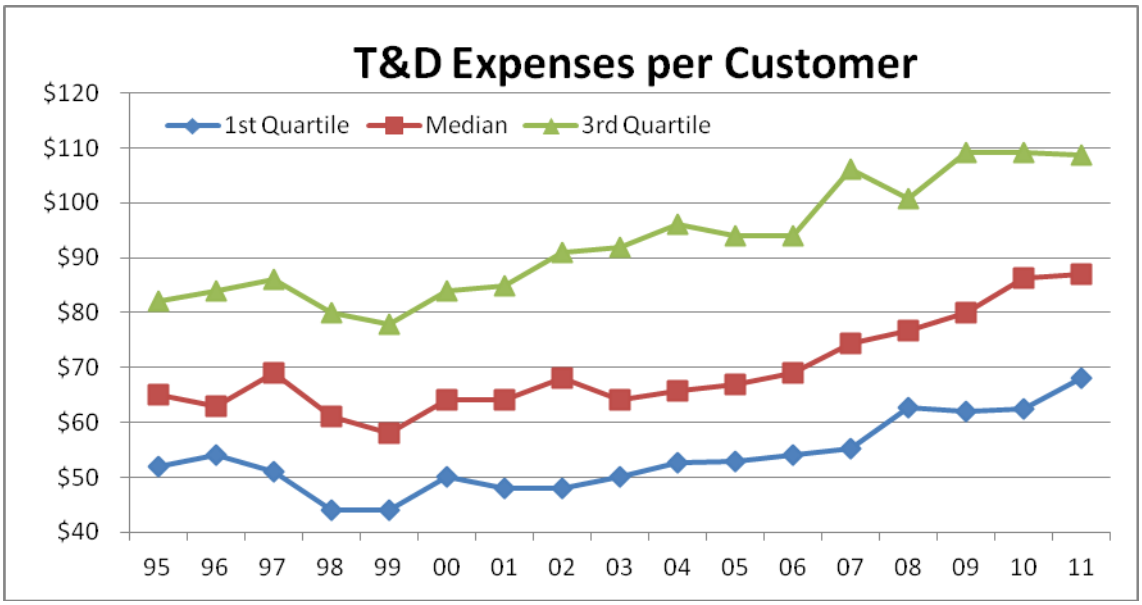


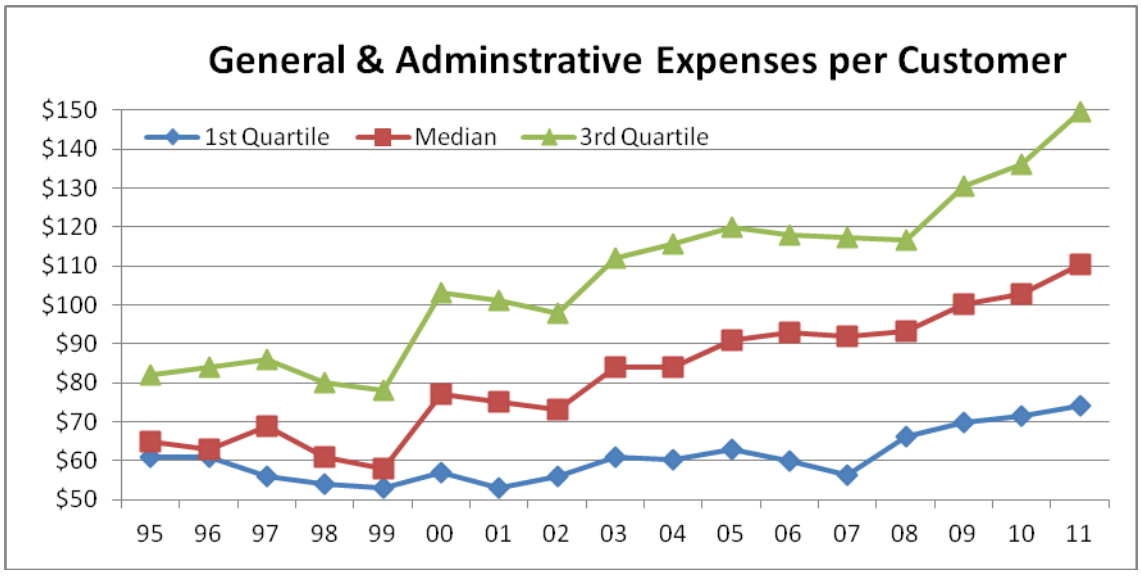


Note: Sample size and individual company participation vary by year, impairing trend analysis

Appendix 2: Multi-year Charts for All Companies

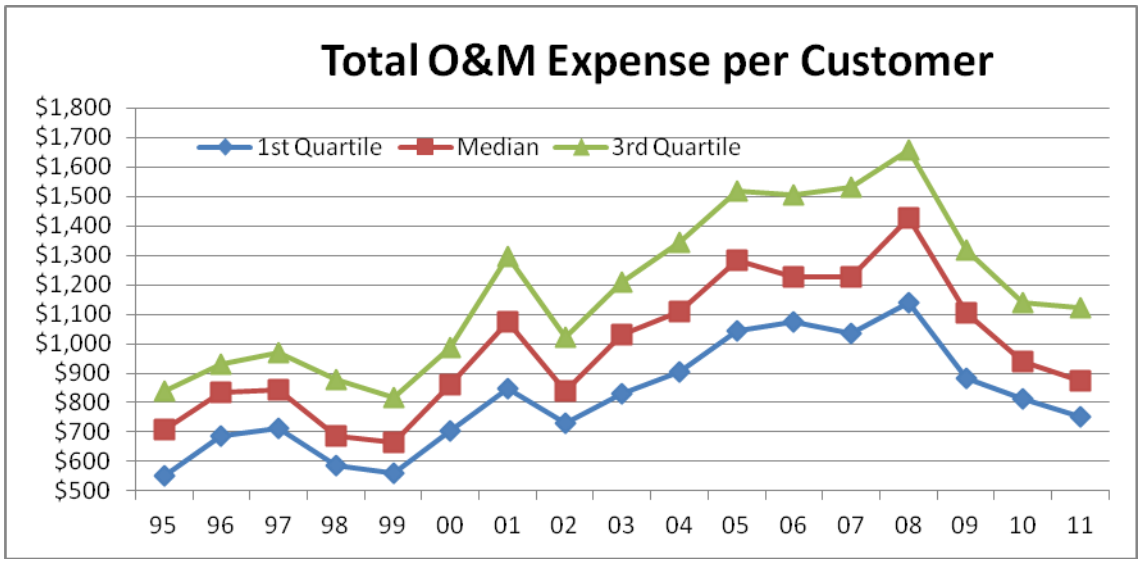


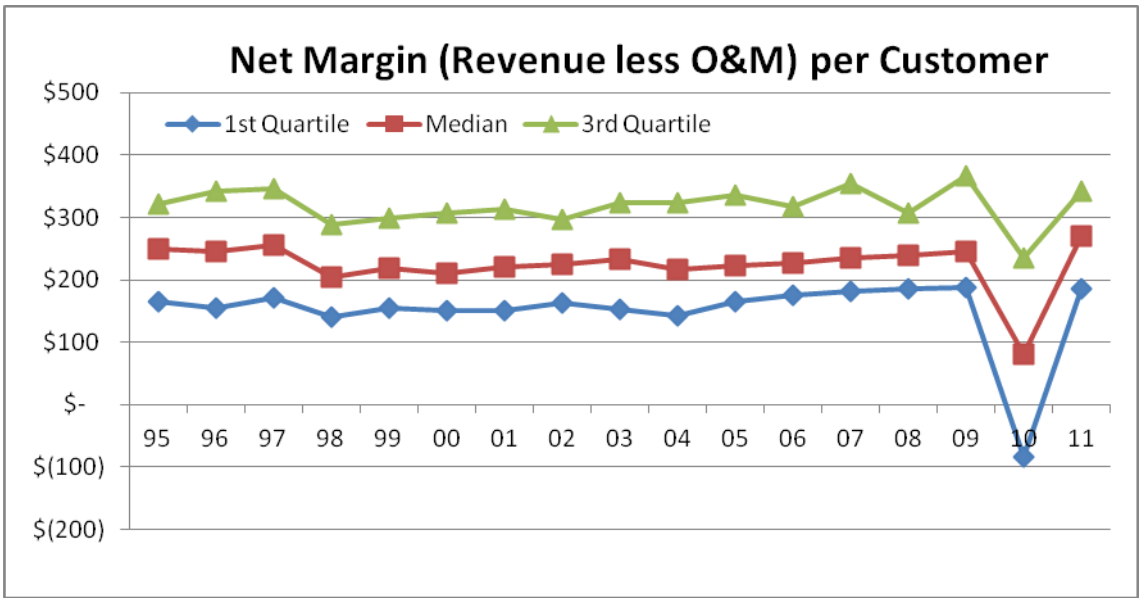


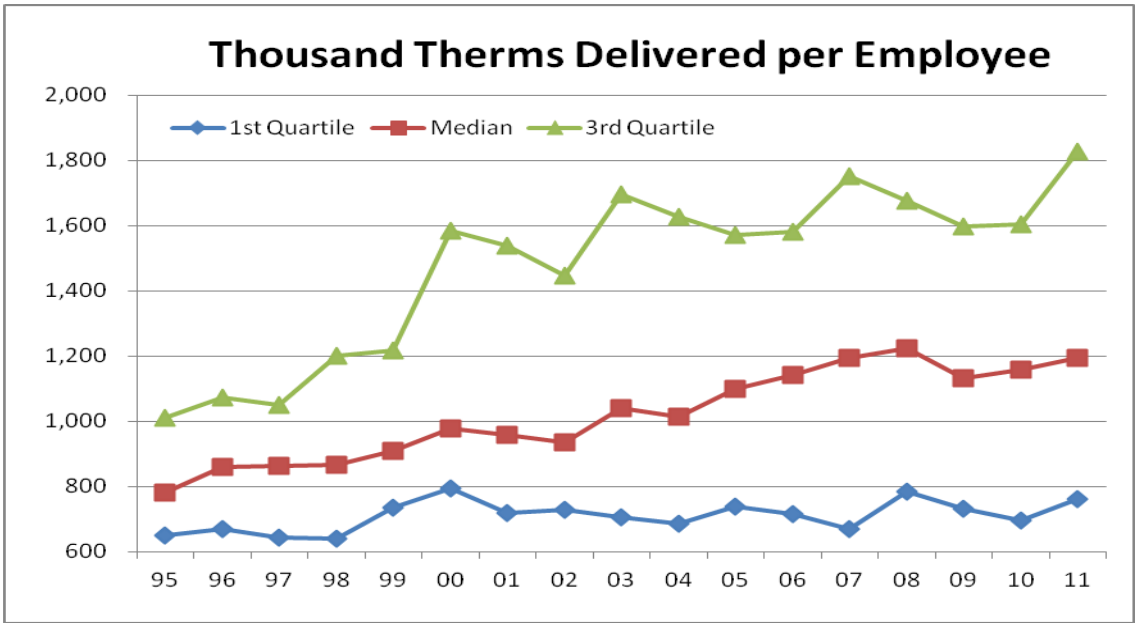


Note: Sample size and individual company participation vary by year, impairing trend analysis

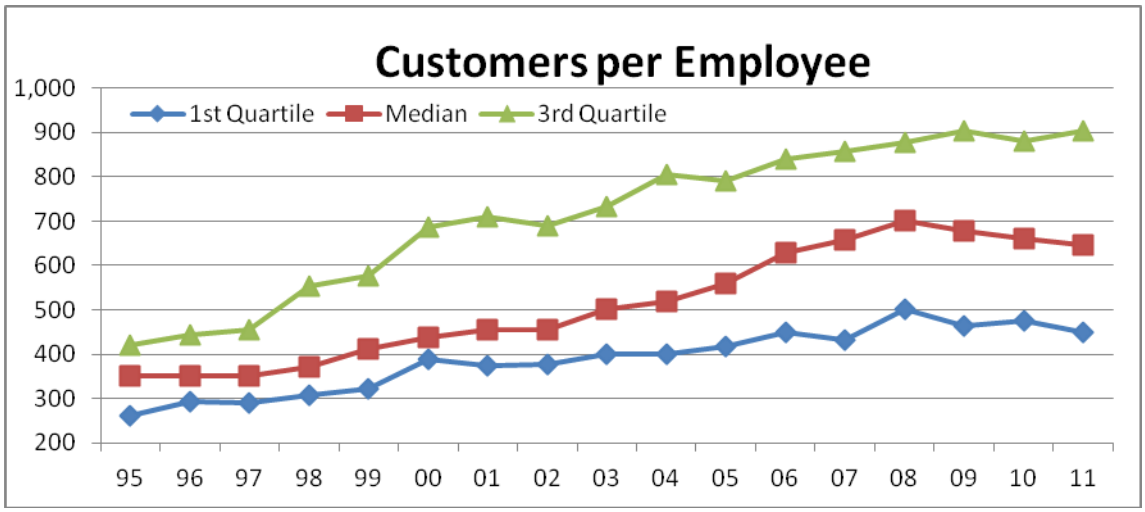
Appendix 2: Multi-year Charts for All Companies

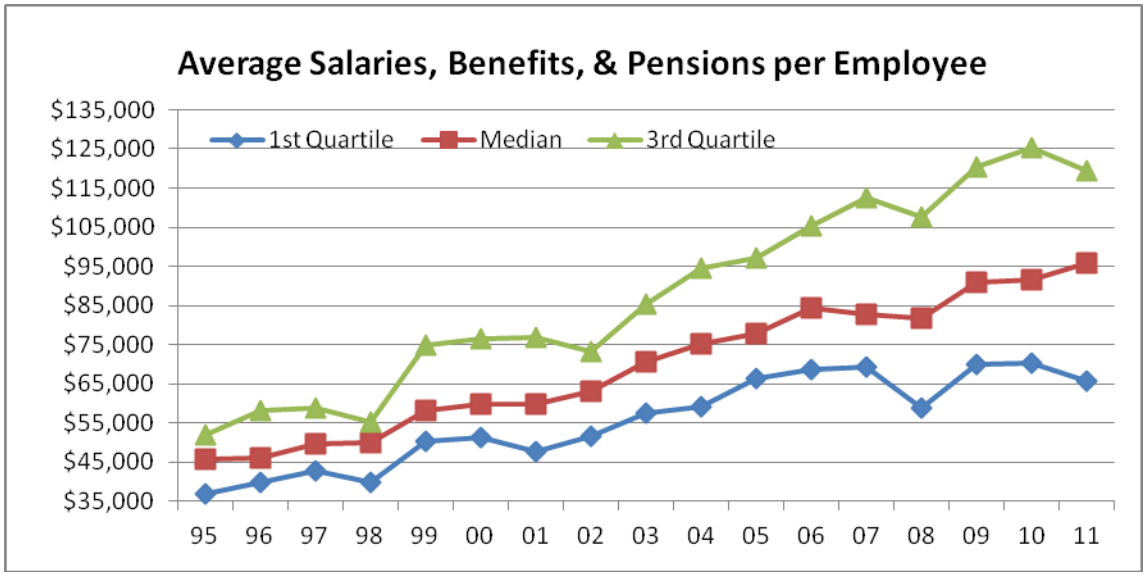


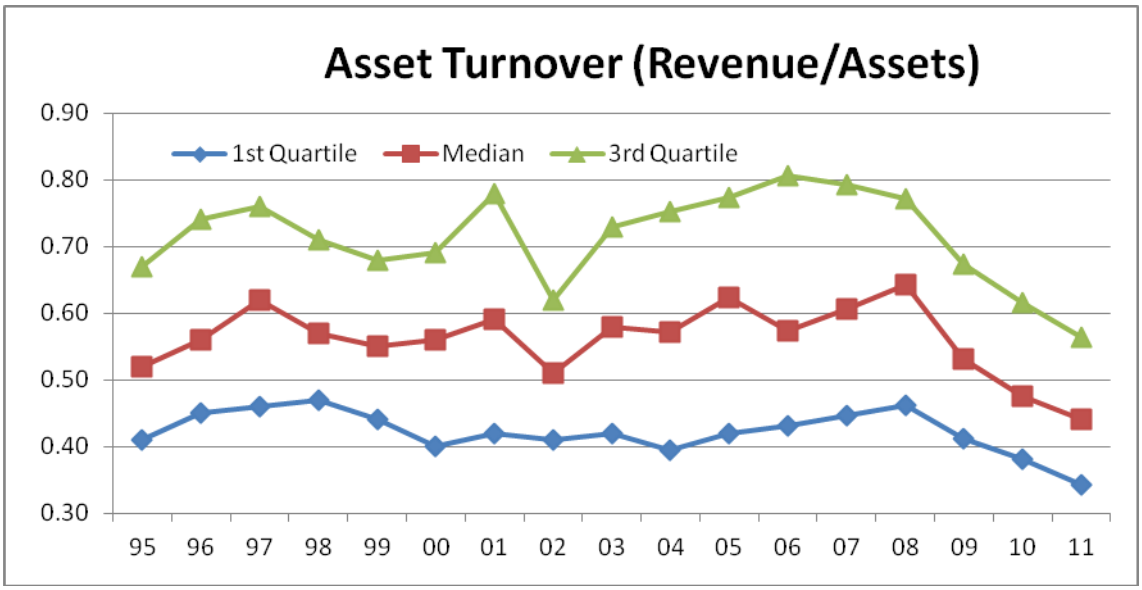




Note: Sample size and individual company participation vary by year, impairing trend analysis

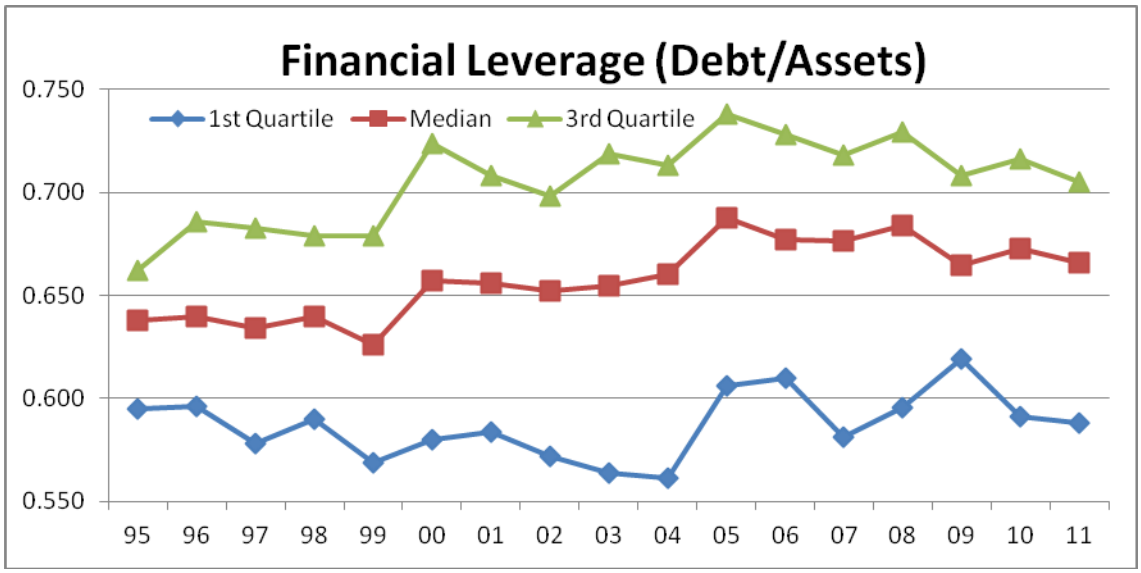


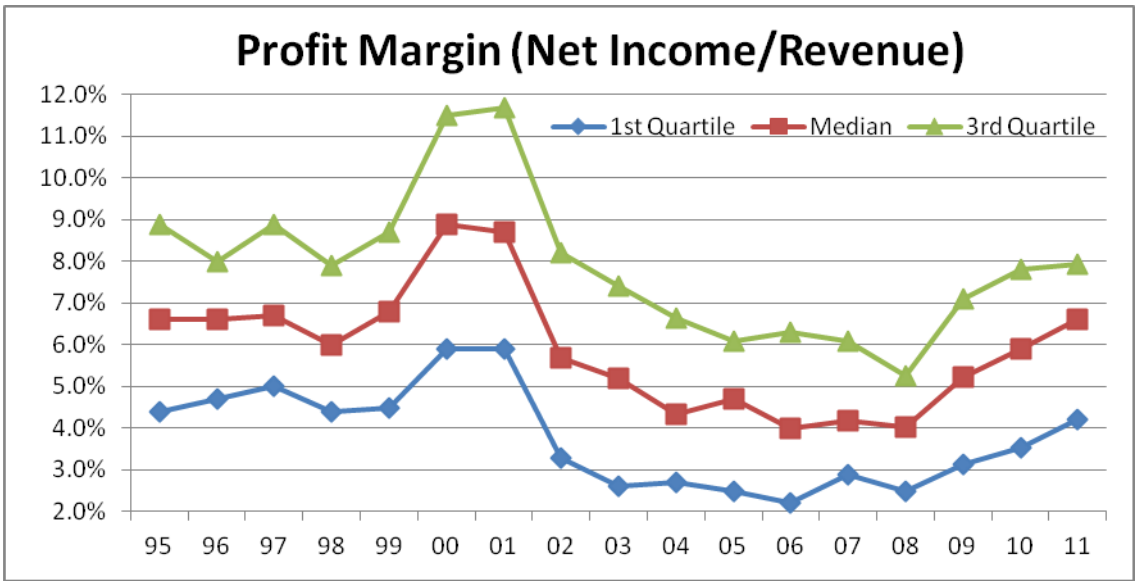


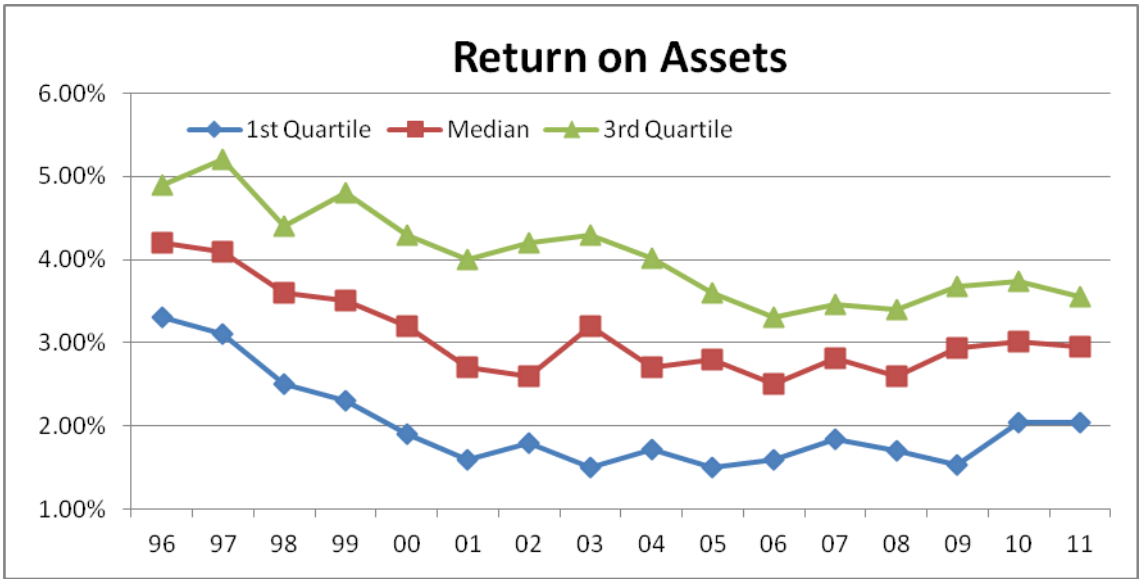


Note: Sample size and individual company participation vary by year, impairing trend analysis

Appendix 2: Multi-year Charts for All Companies

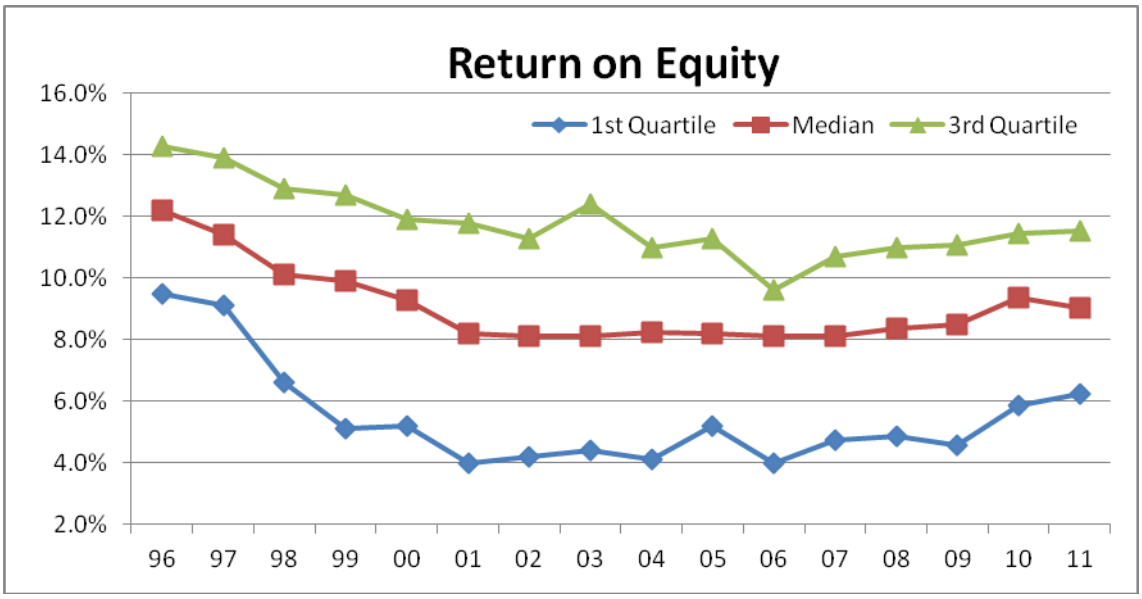






Note: Sample size and individual company participation vary by year, impairing trend analysis

Appendix 2: Multi-year Charts for All Companies



Note: Sample size and individual company participation vary by year, impairing trend analysis

APPENDIX 3a: GAS UTILITY SYSTEM PROFILES AND DELIVERY VOLUMES

2011 Data, 85 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
Stratified by Type of Company	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
SYSTEM PROFILE 1/																
Total Therms delivered (000)	160,495	670,470	1,507,684	1,133,137	231,450	824,690	1,784,640	1,111,297	67,974	165,129	336,310	244,564	67,974	510,843	1,451,540	1,034,685
Total Sales Volume (000)	55,285	323,885	721,985	547,088	94,869	487,520	801,805	619,573	67,389	154,793	318,443	191,180	67,389	323,885	713,620	523,900
Transportation Volume (000)	87,025	249,179	653,286	586,049	34,726	243,350	884,745	491,725	-	585	17,723	53,384	17,723	224,330	623,680	510,784
Gas customers	64,049	338,830	768,671	638,609	109,864	578,453	757,894	545,580	55,552	109,165	216,085	170,476	37,556	272,388	732,040	570,436
Miles of main in use	1,504	5,891	13,364	9,709	2,478	6,995	11,717	8,394	1,866	2,388	3,029	2,484	1,818	4,839	12,041	8,681
Density (meters/mile of main)	37.2	50.6	64.4	71.6	44.8	53.6	64.9	67.7	41.2	58.5	78.3	65.0	39.5	52.9	64.9	70.1
THERM VOLUME BY CUSTOMER CLASS (000) 2/																
Residential heating	31,855	213,963	452,908	354,963	62,910	329,910	405,490	353,383	22,375	55,684	176,230	112,393	32,550	207,201	424,640	328,963
Residential non-heating	-	-	1,108	3,715	-	-	8,740	20,488	-	-	410	2,271	-	-	2,142	6,917
Commercial, firm	17,286	84,562	155,625	139,944	31,950	135,502	184,310	177,147	11,812	55,982	81,290	52,540	22,930	84,562	154,400	138,130
Commercial, interruptible	-	-	-	5,535	-	-	2,081	3,858	-	771	5,296	5,195	-	-	290	5,163
Industrial, firm	-	1,463	9,240	15,372	-	5,394	32,346	25,476	64	4,717	9,147	6,461	-	1,990	11,120	16,449
Industrial, interruptible	-	-	763	6,104	-	-	477	1,164	-	5,775	9,306	7,723	-	-	1,800	5,288
Electric utility generation, firm	-	-	-	454	-	-	-	-	-	-	-	186	-	-	-	335
Electric utility generation, interup.	-	-	-	8,477	-	-	-	-	-	-	-	1,049	-	-	-	5,995
Non-utility generation, firm	-	-	-	1,992	-	-	-	-	-	-	-	-	-	-	-	1,383
Non-utility generation, interup.	-	-	-	45	-	-	-	1,281	-	-	-	846	-	-	-	377
NGV	-	-	-	1,905	-	-	-	206	-	-	10	16	-	-	-	1,365
Municipal & public	-	-	-	3,991	-	-	-	9,218	-	-	2,843	2,417	-	-	-	4,869
Interdepartmental	-	-	-	55	-	59	440	20,380	-	-	-	84	-	-	-	4,123
Other	-	-	-	4,537	-	-	-	6,972	-	-	-	-	-	-	-	4,543

1/ Includes transportation only customers
2/ Quartile figures for each column do not sum. The quartile arrangements do not yield the same sequence of firms for each variable.
Key: LQ = Lower Quartile, MED = Median, UQ = Upper Quartile, AVG = Average

APPENDIX 3a: GAS UTILITY SYSTEM PROFILES AND DELIVERY VOLUMES (Cont'd)

NUMBER OF CUSTOMERS BY CUSTOMER CLASS (000)

2011 Data, 85 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
Stratified by Type of Company	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
Residential heating	49,462	257,906	580,054	506,318	99,654	389,649	608,943	431,917	48,528	87,732	198,216	153,732	52,203	251,893	576,318	454,106
Residential non-heating	-	-	4,107	18,257	-	-	34,601	46,386	-	-	-	3,680	-	-	4,793	22,339
Commercial, firm	5,025	21,538	47,376	35,890	9,964	33,541	46,497	48,210	6,696	10,394	16,242	12,062	5,236	21,538	46,417	35,831
Commercial, interruptible	-	-	-	188	-	-	10	33	-	3	14	11	-	-	3	138
Industrial, firm	-	49	325	774	-	114	2,263	1,783	1	57	288	165	-	51	490	911
Industrial, interruptible	-	-	3	51	-	-	12	7	-	7	12	9	-	-	7	38
Electric utility generation, firm	-	-	-	1	-	-	-	-	-	-	-	1	-	-	-	0
Electric utility generation, interup.	-	-	-	1	-	-	-	-	-	-	-	0	-	-	-	1
Non-utility generation, firm	-	-	-	0	-	-	-	-	-	-	-	-	-	-	-	0
Non-utility generation, interup.	-	-	-	0	-	-	-	0	-	-	-	0	-	-	-	0
NGV	-	-	-	5	-	-	-	4	-	-	1	0	-	-	-	4
Municipal & public	-	-	-	377	-	-	-	198	-	-	5	470	-	-	-	351
Interdepartmental	-	-	-	6	-	-	3	834	-	-	15	11	-	-	-	172
Other	-	-	-	7	-	-	-	23	-	-	-	0	-	-	-	9

APPENDIX 3b: GAS UTILITY FINANCIAL STATEMENTS (000$)

2011 Data, 85 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
Stratified by Type of Company	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
GAS-ONLY INCOME STATEMENT																
Operating revenue	96,950	430,799	937,556	634,895	162,367	612,000	989,174	683,375	53,013	162,579	271,379	207,794	96,384	425,869	913,190	599,368
Operating expense	66,656	300,694	714,285	451,670	115,408	461,306	729,547	525,039	43,640	114,058	237,098	165,298	72,367	287,881	628,684	436,022
Maintenance expense	1,728	10,164	22,678	15,804	3,698	20,160	26,378	18,968	979	6,357	11,162	7,829	2,395	10,383	22,718	15,592
Total O&M	68,500	309,084	739,302	467,474	122,078	476,983	755,925	544,007	44,471	125,220	250,115	173,127	31,050	259,491	650,512	451,614
Depreciation	5,731	24,967	53,061	43,210	5,593	36,000	46,577	38,497	4,830	8,158	12,690	10,848	5,593	20,771	46,577	38,841
Depletion	-	-	-	234	-	-	-	287	-	-	-	-	-	-	-	220
Amortization	-	11	1,574	1,815	-	1,821	6,499	3,964	-	-	-	33	-	-	2,126	2,056
Prop. loss charged to operations	-	-	-	330	-	-	-	4	-	-	-	-	-	-	-	230
Total taxes	1,476	21,189	78,077	56,598	8,869	43,312	68,523	65,008	-	3,662	7,155	4,853	2,393	18,529	62,938	52,801
Other operating income	-	-	-	1,075	-	-	-	0	-	-	-	216	-	-	-	769
Total operating income	9,849	46,902	77,521	65,233	6,593	15,052	87,278	31,607	2,420	4,913	12,182	18,933	2,234	23,094	71,079	53,605
																BALANCE SHEET
Gas plant	222,298	949,048	1,807,493	1,525,974	289,447	1,386,906	2,215,527	1,518,274	174,775	284,072	436,349	451,263	238,161	903,912	1,856,303	1,410,641
Common plant	-	-	-	1,401	27,702	220,350	453,222	358,018	-	-	69,537	56,500	-	-	-	78,559
Other plant	-	-	-	526	-	-	11,547	155,533	-	18,651	841,911	489,681	-	-	-	83,320
Total plant in service 1/2/	222,298	956,803	1,807,493	1,528,397	1,477,483	7,296,646	10,477,614	7,295,634	174,775	1,329,098	1,856,303	1,353,933	275,682	1,329,098	2,657,211	2,663,372
Accumulated depreciation 1/	85,076	391,019	751,733	590,134	601,755	1,333,212	4,060,454	2,379,857	62,878	291,485	800,010	500,400	98,080	457,907	974,631	938,577
Construction work-in-progress 1/	1,838	9,341	35,829	33,831	33,329	83,000	751,487	401,947	1,672	33,330	92,350	55,836	2,631	14,422	66,636	109,784
Net utility plant 1/	141,034	617,633	1,116,865	972,129	1,171,602	3,173,223	8,718,924	5,323,098	112,751	1,068,882	1,113,582	911,127	178,277	835,846	1,761,389	1,835,863
Gas storage (non-current) 1/	-	-	207	4,437	-	-	-	1,148	-	-	-	9,652	-	-	177	4,331
Customer accts. Receivable 1/	3,183	32,759	75,184	71,714	45,832	169,059	327,064	266,367	3,982	23,152	108,636	51,541	7,338	39,686	97,003	108,508
Total current & accrued assets 1/	24,593	128,108	295,517	235,919	161,170	395,296	1,204,000	731,640	43,169	89,339	443,755	258,485	43,169	147,095	366,521	337,452
Total deferred debits 1/	15,714	92,911	366,586	294,859	220,005	741,864	1,914,721	1,435,861	680	23,344	156,002	149,112	20,384	108,791	475,471	507,627
Total assets 1/	191,627	944,804	1,814,021	1,622,255	1,716,881	5,188,258	10,401,248	7,782,356	155,920	1,178,012	1,808,265	1,340,758	303,223	1,204,484	3,144,285	2,824,470
Common stock 1/	1	1,028	45,460	79,241	17,348	291,458	588,720	426,131	-	-	-	-	-	1,028	71,425	140,229
Retained earnings 1/	16,922	82,485	277,457	192,557	203,114	472,690	711,254	938,450	139,742	316,883	832,525	576,470	28,480	156,084	449,307	382,385
Total common stock equity 1/	59,820	344,793	562,802	466,104	472,690	1,563,996	3,729,502	2,422,049	139,742	316,883	832,525	578,278	90,342	412,926	996,923	869,170
Total long-term (LT) debt 1/	15,816	205,405	401,198	337,274	600,000	1,223,393	2,525,563	2,073,806	34,739	192,986	890,613	583,651	32,237	250,246	675,000	710,667
Total capitalization 1/2/	105,772	500,610	959,375	807,304	1,326,944	2,585,430	6,285,515	4,532,059	149,721	1,025,511	1,498,394	1,165,776	149,721	643,895	1,671,923	1,590,210
Total non-current other liabilities 1/	-	516	29,809	58,867	-	12,536	147,685	278,949	-	51	5,543	34,806	-	676	31,750	100,336
Current & accrued liabilities 1/	33,188	145,861	446,191	307,670	86,433	526,301	1,085,000	677,329	6,199	78,163	212,838	125,021	30,132	162,036	508,243	362,262
Total deferred credits 1/	26,240	156,162	438,399	425,326	454,729	1,282,016	3,265,000	1,880,885	-	365	9,629	8,498	13,986	170,244	700,303	672,303
Total capitalization & liabilities 1/2/	191,627	944,804	1,814,021	1,622,255	1,716,881	5,188,258	10,401,248	7,782,356	155,920	1,178,012	1,808,265	1,340,758	303,223	1,204,484	3,144,285	2,824,470

1/ Figures for combination utilities are necessarily based on combined gas and electric operations. Some municipal utilities are also combined utilities.

2/ Reflects gas and non-gas assets, also includes regulatory assets. 3/ Total capitalization figure in this display includes preferred stock.

Key: LQ = Lower Quartile, MED = Median, UQ = Upper Quartile, AVG = Average

APPENDIX 3c: GAS UTILITY SAME-SIZE FINANCIAL STATEMENTS

2011 Data,85 Utilities Reporting								
Stratified by Type of Company		Gas Utilities		Combination Utilities		Municipal Utilities		All Companies
		59 firms		17 firms		9 firms		85 firms
GAS-ONLY INCOME STATEMENT - Based on average values								
Operating revenue		100.0		100.0		100.0		100.0
Operating expense		74.0		72.9		80.6		74.6
Maintenance expense		2.9		3.3		3.8		3.1
Total O&M		76.9		76.2		84.3		77.7
Depreciation		6.5		5.5		5.9		6.2
Depletion		0.2		0.3		-		0.2
Amortization		0.3		0.7		0.1		0.4
Prop. loss charged to operations		0.1		0.0		-		0.0
Total taxes		6.8		9.1		3.0		6.8
Other operating income		0.2		0.0		0.1		0.1
Total operating income		9.2		8.2		6.7		8.7
BALANCE SHEET - Based on average values								
Gas plant		94.1		19.5		33.7		49.9
Common plant		0.1		4.6		4.2		2.8
Other plant		0.0		2.0		36.5		2.9
Total plant in service		94.2		93.7		101.0		94.3
Accumulated depreciation		36.4		30.6		37.3		33.2
Construction work-in-progress		2.1		5.2		4.2		3.9
Net utility plant		59.9		68.4		68.0		65.0
Gas storage (non-current)		0.3		0.0		0.7		0.2
Customer accts. receivable		4.4		3.4		3.8		3.8
Total current & accrued assets		14.5		9.4		19.3		11.9
Total deferred debits		18.2		18.5		11.1		18.0
Total assets		100.0		100.0		100.0		100.0
Common stock		4.9		5.5		-		5.0
Retained earnings		11.9		12.1		43.0		13.5
Total common stock equity		28.7		31.1		43.1		30.8
Total long-term (LT) debt		20.8		26.6		43.5		25.2
Total capitalization		49.8		58.2		86.9		56.3
Total non-current other liabilities		3.6		3.6		2.6		3.6
Current & accrued liabilities		19.0		8.7		9.3		12.8
Total deferred credits		26.2		24.2		0.6		23.8
Total capitalization & liabilities		100.0		100.0		100.0		100.0

1/ Figures for combination utilities are necessarily based on combined gas and electric operations. Some municipal utilities are also combined utilities.
2/ Reflects gas and non-gas assets, also includes regulatory assets. 3/ Total capitalization figure in this display includes preferred stock.

APPENDIX 3d: GAS UTILITY INCOME STATEMENTS – Per Cost Driver

GAS-ONLY INCOME STATEMENT - Per Annual Therm Delivered

2011 Data, 85 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
Operating revenue	$0.5080	$0.6679	$0.8439	$0.6898	$0.5024	$0.5845	$0.9917	$0.7599	$0.7799	$0.9159	$1.0084	$0.8943	$0.5155	$0.6828	$0.8896	$0.7255
Operating expense	$0.3746	$0.4764	$0.6536	$0.5104	$0.3505	$0.4899	$0.6393	$0.5542	$0.6420	$0.6907	$0.7268	$0.7205	$0.3760	$0.4899	$0.6708	$0.5414
Maintenance expense	$0.0091	$0.0162	$0.0236	$0.0203	$0.0125	$0.0148	$0.0243	$0.0251	$0.0248	$0.0309	$0.0330	$0.0337	$0.0105	$0.0169	$0.0255	$0.0227
Total O&M	$0.3875	$0.4946	$0.6724	$0.5307	$0.3747	$0.5153	$0.6536	$0.5793	$0.6542	$0.7373	$0.7598	$0.7541	$0.3886	$0.5105	$0.7081	$0.5641
Depreciation	$0.0266	$0.0348	$0.0494	$0.0450	$0.0257	$0.0408	$0.0480	$0.0421	$0.0277	$0.0553	$0.0764	$0.0528	$0.0260	$0.0368	$0.0523	$0.0453
Depletion	$0.0000	$0.0000	$0.0000	$0.0012	$0.0000	$0.0000	$0.0000	$0.0025	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0013
Amortization	$0.0000	$0.0000	$0.0026	$0.0022	$0.0000	$0.0010	$0.0101	$0.0051	$0.0000	$0.0000	$0.0000	$0.0011	$0.0000	$0.0000	$0.0030	$0.0026
Prop. loss charged to operations	$0.0000	$0.0000	$0.0000	$0.0004	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0003
Total taxes	$0.0194	$0.0378	$0.0677	$0.0469	$0.0253	$0.0443	$0.1201	$0.0690	$0.0000	$0.0109	$0.0490	$0.0264	$0.0163	$0.0372	$0.0715	$0.0491
Other operating income	$0.0000	$0.0000	$0.0000	$0.0014	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0005	$0.0000	$0.0000	$0.0000	$0.0010
Total operating income	$0.0310	$0.0535	$0.0798	$0.0634	$0.0155	$0.0680	$0.1130	$0.0620	$0.0150	$0.0460	$0.0980	$0.0598	$0.0305	$0.0535	$0.0883	$0.0628

GAS-ONLY INCOME STATEMENT - Per Average Annual Customer Served

2011 Data, 85 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
Operating revenue	$931	$1,124	$1,435	$1,207	$1,038	$1,206	$1,432	$1,278	$954	$1,048	$1,435	$1,198	$954	$1,138	$1,435	$1,220
Operating expense	$693	$848	$1,063	$897	$752	$869	$1,077	$949	$756	$884	$1,045	$962	$713	$854	$1,077	$914
Maintenance expense	$18	$26	$39	$32	$22	$30	$46	$42	$26	$47	$49	$46	$20	$29	$44	$36
Total O&M	$714	$871	$1,096	$929	$767	$917	$1,101	$990	$801	$932	$1,147	$1,008	$754	$875	$1,121	$950
Depreciation	$56	$67	$94	$76	$56	$68	$79	$71	$43	$69	$84	$67	$55	$67	$87	$74
Depletion	$0	$0	$0	$2	$0	$0	$0	$3	$0	$0	$0	$0	$0	$0	$0	$2
Amortization	$0	$0	$4	$4	$0	$4	$9	$8	$0	$0	$0	$1	$0	$0	$5	$4
Prop. loss charged to operations	$0	$0	$0	$4	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$3
Total taxes	$34	$76	$127	$86	$57	$80	$169	$113	$0	$17	$62	$31	$34	$72	$124	$86
Other operating income	$0	$0	$0	$14	$0	$0	$0	$0	$0	$0	$0	$1	$0	$0	$0	$10
Total operating income	$57	$111	$152	$105	$65	$95	$176	$93	$24	$56	$148	$90	$52	$108	$154	$101

APPENDIX 3d: GAS UTILITY INCOME STATEMENTS – Per Cost Driver (cont'd)

GAS-ONLY INCOME STATEMENT - Per Dollar of Gas Plant

2011 Data, 85 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
Operating revenue	$0.3671	$0.4326	$0.5218	$0.4623	$0.3778	$0.4465	$0.5312	$0.4650	$0.3699	$0.3891	$0.5569	$0.5282	$0.3699	$0.4326	$0.5312	$0.4698
Operating expense	$0.2518	$0.3252	$0.4189	$0.3509	$0.2711	$0.3293	$0.4043	$0.3481	$0.2723	$0.2949	$0.4603	$0.4372	$0.2547	$0.3252	$0.4320	$0.3595
Maintenance expense	$0.0072	$0.0101	$0.0151	$0.0142	$0.0106	$0.0119	$0.0145	$0.0155	$0.0127	$0.0237	$0.0253	$0.0187	$0.0079	$0.0119	$0.0160	$0.0149
Total O&M	$0.2619	$0.3321	$0.4387	$0.3651	$0.2976	$0.3412	$0.4142	$0.3635	$0.2939	$0.3058	$0.4856	$0.4559	$0.2645	$0.3361	$0.4461	$0.3744
Depreciation	$0.0226	$0.0267	$0.0302	$0.0268	$0.0207	$0.0261	$0.0309	$0.0257	$0.0242	$0.0252	$0.0291	$0.0261	$0.0222	$0.0264	$0.0303	$0.0265
Depletion	$0.0000	$0.0000	$0.0000	$0.0006	$0.0000	$0.0000	$0.0000	$0.0009	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0006
Amortization	$0.0000	$0.0000	$0.0019	$0.0012	$0.0000	$0.0011	$0.0043	$0.0025	$0.0000	$0.0000	$0.0000	$0.0004	$0.0000	$0.0000	$0.0020	$0.0013
Prop. loss charged to operations	$0.0000	$0.0000	$0.0000	$0.0007	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0005
Total taxes	$0.0194	$0.0319	$0.0447	$0.0309	$0.0236	$0.0352	$0.0494	$0.0370	$0.0000	$0.0084	$0.0224	$0.0125	$0.0193	$0.0290	$0.0448	$0.0301
Other operating income	$0.0000	$0.0000	$0.0000	$0.0026	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0004	$0.0000	$0.0000	$0.0000	$0.0019
Total operating income	$0.0325	$0.0421	$0.0510	$0.0370	$0.0309	$0.0370	$0.0500	$0.0355	$0.0149	$0.0212	$0.0386	$0.0333	$0.0279	$0.0401	$0.0505	$0.0363

GAS-ONLY INCOME STATEMENT - Per Mile of Distribution Pipe

2011 Data, 85 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
Operating revenue	$36,760	$56,830	$78,542	$82,106	$48,343	$66,695	$91,015	$86,801	$41,547	$82,054	$87,133	$82,974	$39,146	$59,562	$89,283	$83,149
Operating expense	$25,480	$41,359	$58,282	$60,121	$38,959	$55,661	$63,034	$66,591	$30,749	$61,129	$69,172	$66,038	$26,446	$46,267	$62,876	$62,064
Maintenance expense	$867	$1,355	$1,898	$2,150	$1,261	$1,674	$3,123	$2,935	$1,526	$2,692	$3,762	$3,111	$941	$1,460	$2,541	$2,412
Total O&M	$26,847	$42,227	$59,180	$62,271	$39,912	$56,966	$64,708	$69,527	$33,448	$67,111	$72,934	$69,149	$27,773	$47,257	$66,660	$64,476
Depreciation	$2,208	$3,380	$4,725	$5,006	$2,390	$3,769	$5,354	$5,150	$2,347	$2,881	$3,464	$4,234	$2,300	$3,422	$4,923	$4,953
Depletion	$0	$0	$0	$174	$0	$0	$0	$107	$0	$0	$0	$0	$0	$0	$0	$142
Amortization	$0	$0	$267	$198	$0	$178	$809	$432	$0	$0	$0	$25	$0	$0	$285	$227
Prop. loss charged to operations	$0	$0	$0	$227	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$157
Total taxes	$1,408	$3,278	$6,363	$6,673	$2,758	$5,223	$9,796	$9,685	$0	$1,832	$2,549	$1,755	$1,719	$3,359	$6,062	$6,755
Other operating income	$0	$0	$0	$861	$0	$0	$0	$0	$0	$0	$0	$51	$0	$0	$0	$600
Total operating income	$2,404	$5,459	$8,691	$7,557	$2,559	$4,192	$10,255	$1,901	$1,026	$2,086	$8,671	$7,810	$2,293	$5,202	$9,881	$6,440

APPENDIX 3e: GAS UTILITY FINANCIAL RATIOS

2011 Data, 85 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
Stratified by Type of Company	60 firms				20 firms				9 firms				89 firms			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
Therms delivered (avg.) per acct.	1,343	1,844	2,198	2,098	1,389	1,685	2,478	2,085	1,224	1,415	1,556	1,376	1,301	1,702	2,182	2,019
Therms per $1,000 of gas plant	0.535	0.689	0.973	0.788	0.460	0.736	0.914	0.817	0.389	0.399	0.827	0.618	0.510	0.689	0.961	0.775
Value of gas plant per customer	$1,919	$2,596	$3,363	$2,957	$2,143	$2,322	$3,644	$2,825	$1,786	$2,385	$3,146	$2,528	$1,948	$2,553	$3,412	$2,885
%Sales firm (not interruptible)	93.1%	99.2%	100.0%	93.7%	90.4%	99.1%	99.9%	93.2%	78.7%	86.7%	95.6%	83.4%	91.9%	98.8%	100.0%	92.5%
Collection period (days) 1/	20.2	27.8	41.3	33.4	23.9	27.4	39.9	31.0	25.2	27.5	47.7	35.1	20.7	27.5	42.1	33.1
Gas O&M expense as pct. of revenue	69.8%	77.9%	81.2%	76.5%	73.1%	78.8%	82.6%	77.6%	80.5%	82.7%	87.2%	84.3%	72.3%	78.8%	82.6%	77.6%
Gas operating income as pct. of revenue	6.1%	10.0%	12.0%	9.0%	5.6%	8.2%	10.4%	7.4%	2.7%	5.4%	10.0%	6.8%	5.5%	9.1%	11.6%	8.4%
Gas operating revenue per customer	$931	$1,124	$1,435	$1,207	$1,038	$1,206	$1,432	$1,278	$954	$1,048	$1,435	$1,198	$954	$1,138	$1,435	$1,220
Gas O&M expense per customer	$714	$871	$1,096	$929	$767	$917	$1,101	$990	$801	$932	$1,147	$1,008	$754	$875	$1,121	$950
Gas operating income per customer	$57	$111	$152	$105	$65	$95	$176	$93	$24	$56	$148	$90	$52	$108	$154	$101
Gas revenue per dollar of gas plant	$0.367	$0.433	$0.522	$0.462	$0.378	$0.446	$0.531	$0.465	$0.370	$0.389	$0.557	$0.528	$0.370	$0.433	$0.531	$0.470
Gas O&M expense per dollar of gas plant	$0.262	$0.332	$0.439	$0.365	$0.298	$0.341	$0.414	$0.364	$0.294	$0.306	$0.486	$0.456	$0.265	$0.336	$0.446	$0.374
Gas operating income per $ of gas plant	$0.033	$0.042	$0.051	$0.037	$0.031	$0.037	$0.050	$0.035	$0.015	$0.021	$0.039	$0.033	$0.028	$0.040	$0.050	$0.036
Gas revenue per mile of pipe 2/	$38,100	$56,854	$78,877	$82,106	$48,343	$66,695	$91,015	$86,801	$41,547	$82,054	$87,133	$82,974	$39,146	$59,562	$89,283	$83,149
Gas O&M expense per mile of pipe 2/	$27,034	$42,517	$59,462	$62,271	$39,912	$56,966	$64,708	$69,527	$33,448	$67,111	$72,934	$69,149	$27,773	$47,257	$66,660	$64,476
Gas operating income per mile of pipe 2/	$2,593	$5,467	$8,747	$7,557	$2,559	$4,192	$10,255	$1,901	$1,026	$2,086	$8,671	$7,810	$2,293	$5,202	$9,881	$6,440
Long-term debt - total assets ratio 1/	15.4%	21.9%	28.1%	20.4%	23.1%	26.5%	32.1%	27.8%	16.4%	32.7%	55.0%	34.9%	16.4%	22.7%	29.7%	23.4%
Long-term debt - total capitalization ratio 1/3/	33.1%	42.1%	47.0%	37.0%	40.2%	45.2%	50.4%	43.9%	18.8%	36.2%	62.3%	39.2%	34.9%	42.1%	47.7%	38.7%
Net interest - long-term debt ratio 1/	5.7%	6.5%	7.7%	6.7%	4.4%	5.5%	6.4%	5.3%	4.1%	4.9%	5.5%	4.8%	5.3%	6.4%	7.5%	6.1%
EBITDA interest coverage 1/	4.6x	6.3x	8.4x	8.2x	6.2x	7.3x	9.3x	8.1x	2.1x	3.9x	5.3x	5.9x	5.5x	6.4x	8.8x	8.0x
Return on assets	2.1%	3.0%	3.5%	2.3%	2.6%	3.0%	3.9%	3.2%	1.1%	1.9%	3.1%	2.1%	2.0%	2.9%	3.5%	2.5%
Gross sales margin per therm 4/	$0.224	$0.316	$0.396	$0.330	$0.208	$0.278	$0.356	$0.350	$0.226	$0.279	$0.528	$0.361	$0.225	$0.308	$0.398	$0.337
Gross sales margin per customer 4/	$404	$537	$693	$565	$430	$481	$641	$569	$350	$395	$501	$476	$405	$517	$687	$556

Key: LQ = Lower Quartile, MED = Median, UQ = Upper Quartile, AVG = Average

1/ Figures for combination utilities are necessarily based on combined gas and electric operations. Four municipal utilities are also combined gas-electric utilities.

2/ Miles of distribution pipes from US Department of Transportation.

3/ Total capitalization figure in this display includes preferred stock.

4/ Gross sales margin = operating revenues less total production costs

NOTE: Some ratios are not always normally distributed. Therefore, average ratio values may be subject to distortion by a few observations that are outliers.

APPENDIX 4: GAS UTILITY O&M Detail

Based on Segment Averages

	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
VALUES PER THERM	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Gas-only revenues	$0.8528	$0.7648	$0.6898	$0.8216	$0.7923	$0.7599	$1.1011	$1.0346	$0.8943	$0.8753	$0.7982	$0.7255
Purchased-gas expense	$0.4420	$0.3855	$0.3233	$0.4522	$0.3884	$0.3706	$0.7299	$0.6223	$0.4750	$0.4786	$0.4101	$0.3488
Gross sales margin	$0.3437	$0.3390	$0.3299	$0.3433	$0.3550	$0.3496	$0.3712	$0.4123	$0.3614	$0.3469	$0.3500	$0.3372
Total production costs[1]	$0.5091	$0.4258	$0.3599	$0.4783	$0.4372	$0.4103	$0.7299	$0.6223	$0.5329	$0.5284	$0.4482	$0.3883
Storage & LNG	0.0056	0.0031	0.0043	0.0015	0.0015	0.0017	0.0248	0.0171	0.0124	0.0069	0.0042	0.0046
Transmission	0.0100	0.0087	0.0098	0.0104	0.0100	0.0035	0.0023	0.0029	0.0028	0.0092	0.0084	0.0078
Distribution	0.0465	0.0486	0.0468	0.0447	0.0446	0.0466	0.0627	0.0743	0.0674	0.0480	0.0503	0.0489
Customer accounts	0.0333	0.0325	0.0299	0.0302	0.0296	0.0287	0.0415	0.0343	0.0290	0.0336	0.0320	0.0295
Customer svc. & info.	0.0033	0.0051	0.0044	0.0113	0.0163	0.0158	0.0109	0.0158	0.0144	0.0060	0.0087	0.0077
Sales	0.0018	0.0016	0.0023	0.0023	0.0022	0.0018	0.0084	0.0063	0.0056	0.0027	0.0022	0.0026
Admin. & general	0.0651	0.0711	0.0734	0.0634	0.0710	0.0710	0.0845	0.0931	0.0896	0.0670	0.0733	0.0746
Total O&M	0.6747	0.5952	0.5307	0.6420	0.6124	0.5793	0.9650	0.8661	0.7541	0.7019	0.6265	0.5641
PERCENT OF REVENUE												
Gas-only revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Purchased-gas expense	51.8%	50.4%	46.9%	55.0%	49.0%	48.8%	39.2%	60.1%	53.1%	44.5%	51.4%	48.1%
Gross sales margin	40.3%	44.3%	47.8%	41.8%	44.8%	46.0%	63.7%	39.9%	40.4%	41.7%	43.9%	46.5%
Total production costs[1]	59.7%	55.7%	52.2%	58.2%	55.2%	54.0%	39.2%	60.1%	59.6%	60.4%	56.1%	53.5%
Storage & LNG	0.7%	0.4%	0.6%	0.2%	0.2%	0.2%	1.9%	1.7%	1.4%	0.6%	0.5%	0.6%
Transmission	1.2%	1.1%	1.4%	1.3%	1.3%	0.5%	0.4%	0.3%	0.3%	0.9%	1.1%	1.1%
Distribution	5.4%	6.4%	6.8%	5.4%	5.6%	6.1%	22.0%	7.2%	7.5%	5.2%	6.3%	6.7%
Customer accounts	3.9%	4.2%	4.3%	3.7%	3.7%	3.8%	10.2%	3.3%	3.2%	3.0%	4.0%	4.1%
Customer svc. & info.	0.4%	0.7%	0.6%	1.4%	2.1%	2.1%	1.5%	1.5%	1.6%	1.5%	1.1%	1.1%
Sales	0.2%	0.2%	0.3%	0.3%	0.3%	0.2%	0.6%	0.6%	0.6%	0.1%	0.3%	0.4%
Admin. & general	7.6%	9.3%	10.6%	7.7%	9.0%	9.3%	29.4%	9.0%	10.0%	6.4%	9.2%	10.3%
Total O&M	79.1%	77.8%	76.9%	78.1%	77.3%	76.2%	87.1%	83.7%	84.3%	80.2%	78.5%	77.7%
VALUES PER CUSTOMER												
Gas-only revenues	$ 1,446	$ 1,176	$ 1,124	$ 1,356	$ 1,305	$ 1,206	$ 1,417	$ 1,209	$ 1,048	$ 1,422	$ 1,192	$ 1,138
Purchased-gas expense	$ 770	$ 651	$ 567	$ 781	$ 665	$ 644	$ 948	$ 787	$ 614	$ 793	$ 670	$ 602
Gross sales margin	$ 563	$ 521	$ 537	$ 543	$ 492	$ 481	$ 469	$ 455	$ 395	$ 547	$ 501	$ 517
Total production costs[1]	$ 883	$ 670	$ 602	$ 813	$ 693	$ 646	$ 948	$ 787	$ 614	$ 875	$ 684	$ 613
Storage & LNG	$ 9	$ -	$ -	$ 2	$ 0	$ 1	$ 38	$ 6	$ -	$ 11	$ 0	$ -
Transmission	$ 15	$ 3	$ 4	$ 10	$ 1	$ 0	$ 2	$ -	$ -	$ 12	$ 1	$ 2
Distribution	$ 74	$ 73	$ 72	$ 70	$ 72	$ 76	$ 79	$ 93	$ 86	$ 74	$ 76	$ 75
Customer accounts	$ 55	$ 44	$ 40	$ 48	$ 45	$ 44	$ 52	$ 32	$ 31	$ 53	$ 43	$ 40
Customer svc. & info.	$ 6	$ 2	$ 2	$ 17	$ 26	$ 28	$ 11	$ 6	$ 7	$ 9	$ 4	$ 5
Sales	$ 4	$ 1	$ 1	$ 3	$ 1	$ 1	$ 9	$ 2	$ 2	$ 4	$ 1	$ 1
Admin. & general	$ 111	$ 106	$ 114	$ 103	$ 97	$ 101	$ 100	$ 95	$ 97	$ 108	$ 103	$ 110
Total O&M	$ 1,156	$ 929	$ 871	$ 1,065	$ 668	$ 576	$ 1,240	$ 1,069	$ 932	$ 1,145	$ 940	$ 875

1/ Purchased cost expense is subsumed within total production costs. **NOTE**: Figures may not add precisely due to independent rounding.

APPENDIX 5: WAGES & BENEFITS
2011 Data, 85 Utilities Reporting

	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
	59 firms				17 firms				9 firms				85 firms			
	LQ	MED	UQ	AVG.	LQ	MED	UQ	AVG.	LQ	MED	UQ	AVG.	LQ	MED	UQ	AVG.
Average number of employees	145	540	1,142	842	54	516	979	659	125	150	484	378	125	484	1,039	756
Number of Employees at year-end	147	543	1,111	826	153	353	987	667	125	150	481	378	145	481	1,050	746
O&M wages ('000)	$7,328	$26,951	$57,944	$46,972	$3,543	$36,571	$50,717	$38,027	$1,811	$5,183	$27,792	$21,095	$3,689	$26,621	$50,717	$42,443
Construction wages ('000)	$166	$4,339	$14,654	$11,712	$974	$10,195	$17,994	$15,507	$0	$723	$3,753	$2,616	$162	$4,096	$15,070	$11,508
Total pensions ('000)	$467	$14,286	$27,683	$22,224	$2,534	$14,000	$26,964	$28,892	$435	$3,988	$21,508	$16,774	$570	$13,997	$26,964	$22,980
PER YEAR END EMPLOYEE:																
Total salary & wages	$55,823	$67,395	$77,446	$70,895	$64,622	$86,019	$100,224	$87,961	$36,496	$41,464	$65,582	$48,878	$55,811	$67,612	$79,387	$71,881
Tot. benefits & pension	$12,319	$24,850	$34,799	$27,064	$25,287	$31,834	$54,097	$62,878	$13,179	$19,329	$39,661	$24,429	$15,161	$25,228	$37,763	$33,436
Total salary, benefits, and pension	$65,460	$92,256	$112,664	$97,959	$89,931	$125,634	$135,387	$150,839	$53,850	$73,665	$108,908	$73,307	$65,593	$95,838	$119,386	$105,317
Ratio: avg. benefits to avg. compensation	16%	26%	33%	24%	25%	29%	37%	33%	26%	39%	46%	36%	19%	27%	36%	27%
Therms delivered per year-end employee	782,519	1,232,708	1,816,349	1,378,522	929,518	1,343,855	2,393,699	2,454,849	431,781	679,543	712,200	662,395	761,638	1,193,772	1,825,654	1,507,113
Customers per year-end employee	461	658	838	697	474	816	1,181	1,009	410	449	541	465	449	647	902	732

NOTE: Some ratios are not always normally distributed. Therefore, average ratio values may be subject to distortion by a few observations that are outliers.

Key: LQ = Lower Quartile, MED = Median, UQ = Upper Quartile, AVG = Average

APPENDIX 6: GAS UTILITY FINANCIAL PERFORMANCE

Based on Segment Medians	**Gas Utilities**			**Combination Utilities**			**Municipal Utilities**			**All Companies**		
	2009	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Asset Turnover	0.70X	0.52X	0.47X	0.44X	0.41X	0.40X	0.51X	0.40X	0.36X	0.63X	0.48X	0.44X
Financial Leverage	68.9%	66.8%	66.5%	70.5%	69.4%	67.9%	45.0%	49.9%	42.4%	68.6%	67.3%	66.6%
Debt/Equity Ratio	84.4%	75.5%	72.4%	95.4%	94.8%	85.6%	53.3%	59.7%	56.7%	85.5%	82.8%	73.1%
Equity Multiplier	3.26	3.12	3.17	3.74	3.26	3.17	1.69	1.71	1.74	3.23	3.12	3.14
Profit Margin	3.7%	5.9%	6.5%	5.6%	6.5%	8.4%	3.7%	3.5%	6.8%	4.1%	5.9%	6.6%
ROA	2.8%	3.1%	3.0%	2.5%	2.9%	3.0%	1.4%	2.4%	1.9%	2.6%	3.0%	2.9%
ROE	9.1%	9.7%	9.1%	8.6%	8.3%	9.7%	2.9%	4.1%	3.4%	8.2%	9.4%	9.0%
Current Ratio	0.89	0.85	0.80	0.94	1.34	1.14	1.94	2.96	2.73	0.94	1.04	0.97
Current Assets/Total Assets	23.1%	16.6%	14.7%	10.4%	11.2%	9.8%	21.6%	22.9%	24.5%	21.2%	16.5%	14.2%

Based on Segment Averages	**Gas Utilities**			**Combination Utilities**			**Municipal Utilities**			**All Companies**		
	2009	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Asset Turnover	0.74X	0.59X	0.57X	0.44X	0.43X	0.39X	0.66X	0.43X	0.39X	0.58X	0.54X	0.51X
Financial Leverage	66.8%	63.8%	64.1%	66.4%	67.8%	65.0%	46.3%	47.0%	44.9%	65.7%	63.0%	62.2%
Debt/Equity Ratio	86.2%	73.1%	73.2%	96.9%	100.9%	89.7%	109.6%	120.1%	108.6%	86.9%	84.2%	80.3%
Equity Multiplier	3.75	3.29	3.68	3.24	5.96	3.13	2.38	2.47	2.36	3.73	3.81	3.43
Profit Margin	4.1%	5.9%	6.0%	6.9%	7.2%	8.9%	3.9%	5.9%	5.9%	5.6%	6.2%	6.6%
ROA	2.5%	3.0%	2.8%	2.8%	2.8%	3.2%	1.5%	2.5%	2.1%	2.7%	2.9%	2.8%
ROE	9.1%	10.0%	9.2%	8.8%	8.3%	10.0%	2.7%	5.8%	4.9%	8.4%	9.2%	8.9%
Current Ratio	0.95	1.05	1.00	1.38	1.62	1.39	2.59	3.01	3.31	1.34	1.38	1.33
Current Assets/Total Assets	24.7%	19.6%	17.1%	12.3%	13.6%	10.0%	23.2%	23.0%	22.8%	19.2%	18.6%	16.3%

APPENDIX 7a: GAS UTILITY INCOME STATEMENTS
Based on Segment Averages

GAS-ONLY INCOME STATEMENT - Per Annual Therm Delivered

	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2009	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Operating revenue	$ 0.9644	$ 0.7648	$ 0.6898	$ 0.9467	$ 0.7923	$ 0.7599	$ 1.2931	$ 1.0346	$ 0.8943	$ 1.0115	$ 0.7982	$ 0.7255
Operating expense	$ 0.7940	$ 0.5749	$ 0.5104	$ 0.7685	$ 0.5913	$ 0.5542	$ 1.0944	$ 0.8350	$ 0.7205	$ 0.8350	$ 0.6049	$ 0.5414
Maintenance expense	$ 0.0192	$ 0.0203	$ 0.0203	$ 0.0207	$ 0.0211	$ 0.0251	$ 0.0318	$ 0.0311	$ 0.0337	$ 0.0215	$ 0.0216	$ 0.0227
Total O&M	$ 0.8132	$ 0.5952	$ 0.5307	$ 0.7892	$ 0.6124	$ 0.5793	$ 1.1263	$ 0.8661	$ 0.7541	$ 0.8565	$ 0.6265	$ 0.5641
Depreciation	$ 0.0400	$ 0.0458	$ 0.0450	$ 0.0388	$ 0.0448	$ 0.0421	$ 0.0535	$ 0.0536	$ 0.0528	$ 0.0419	$ 0.0463	$ 0.0453
Depletion	$ 0.0001	$ 0.0001	$ 0.0012	$ 0.0010	$ 0.0027	$ 0.0025	$ -	$ -	$ -	$ 0.0003	$ 0.0007	$ 0.0013
Amortization	$ 0.0025	$ 0.0020	$ 0.0022	$ 0.0047	$ 0.0033	$ 0.0051	$ 0.0007	$ 0.0012	$ 0.0011	$ 0.0027	$ 0.0022	$ 0.0026
Prop. loss charged to operations	$ 0.0001	$ (0.0000)	$ 0.0004	$ 0.0000	$ 0.0000	$ 0.0000	$ -	$ -	$ -	$ 0.0000	$ (0.0000)	$ 0.0003
Total taxes	$ 0.0544	$ 0.0556	$ 0.0469	$ 0.0507	$ 0.0566	$ 0.0690	$ 0.0290	$ 0.0263	$ 0.0264	$ 0.0497	$ 0.0528	$ 0.0491
Other operating income	$ 0.0008	$ 0.0014	$ 0.0014	$ (0.0001)	$ (0.0003)	$ 0.0000	$ 0.0005	$ (0.0000)	$ 0.0005	$ 0.0006	$ 0.0009	$ 0.0010
Total operating income	$ 0.0542	$ 0.0661	$ 0.0634	$ 0.0623	$ 0.0724	$ 0.0620	$ 0.0837	$ 0.0874	$ 0.0598	$ 0.0605	$ 0.0697	$ 0.0628

NOTE: "$0.0000" indicates a value which, on a per-therm basis, is too small to be expressed within four significant digits.

GAS-ONLY INCOME STATEMENT - Per Average Customer Served

	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2009	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Operating revenue	$ 1,696	$ 1,257	$ 1,207	$ 1,614	$ 1,310	$ 1,278	$ 1,709	$ 1,299	$ 1,198	$ 1,680	$ 1,273	$ 1,220
Operating expense	$ 1,408	$ 944	$ 897	$ 1,314	$ 984	$ 949	$ 1,440	$ 1,058	$ 962	$ 1,393	$ 964	$ 914
Maintenance expense	$ 32	$ 32	$ 32	$ 35	$ 34	$ 42	$ 44	$ 43	$ 46	$ 35	$ 34	$ 36
Total O&M	$ 1,440	$ 976	$ 929	$ 1,349	$ 1,018	$ 990	$ 1,485	$ 1,100	$ 1,008	$ 1,427	$ 998	$ 950
Depreciation	$ 70	$ 74	$ 76	$ 66	$ 73	$ 71	$ 66	$ 65	$ 67	$ 69	$ 73	$ 74
Depletion	$ 0	$ 0	$ 2	$ 1	$ 3	$ 3	$ -	$ -	$ -	$ 0	$ 1	$ 2
Amortization	$ 4	$ 3	$ 4	$ 7	$ 6	$ 8	$ 1	$ 1	$ 1	$ 4	$ 3	$ 4
Prop. loss charged to operations	$ 0	$ (0)	$ 4	$ 0	$ 0	$ 0	$ -	$ -	$ -	$ 0	$ (0)	$ 3
Total taxes	$ 99	$ 94	$ 86	$ 86	$ 94	$ 113	$ 34	$ 31	$ 31	$ 86	$ 88	$ 86
Other operating income	$ 2	$ 1	$ 14	$ (0)	$ (0)	$ 0	$ 1	$ 0	$ 1	$ 1	$ 1	$ 10
Total operating income	$ 82	$ 110	$ 105	$ 106	$ 116	$ 93	$ 123	$ 102	$ 90	$ 93	$ 110	$ 101

APPENDIX 7a: GAS UTILITY INCOME STATEMENTS – Per Cost Driver (cont'd)
Based on Segment Averages

GAS-ONLY INCOME STATEMENT - Per Dollar of Gas Plant

	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2009	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Operating revenue	$ 0.7141	$ 0.5014	$ 0.4623	$ 0.7041	$ 0.4904	$ 0.4650	$ 0.7565	$ 0.5758	$ 0.5282	$ 0.7185	$ 0.5065	$ 0.4698
Operating expense	$ 0.5939	$ 0.3868	$ 0.3509	$ 0.5758	$ 0.3726	$ 0.3481	$ 0.6432	$ 0.4791	$ 0.4372	$ 0.5976	$ 0.3929	$ 0.3595
Maintenance expense	$ 0.0142	$ 0.0148	$ 0.0142	$ 0.0158	$ 0.0118	$ 0.0155	$ 0.0180	$ 0.0174	$ 0.0187	$ 0.0151	$ 0.0144	$ 0.0149
Total O&M	$ 0.6081	$ 0.4015	$ 0.3651	$ 0.5915	$ 0.3844	$ 0.3635	$ 0.6612	$ 0.4965	$ 0.4559	$ 0.6128	$ 0.4073	$ 0.3744
Depreciation	$ 0.0284	$ 0.0270	$ 0.0268	$ 0.0283	$ 0.0280	$ 0.0257	$ 0.0265	$ 0.0259	$ 0.0261	$ 0.0281	$ 0.0271	$ 0.0265
Depletion	$ 0.0001	$ 0.0001	$ 0.0006	$ 0.0004	$ 0.0011	$ 0.0009	$ -	$ -	$ -	$ 0.0001	$ 0.0003	$ 0.0006
Amortization	$ 0.0015	$ 0.0010	$ 0.0012	$ 0.0038	$ 0.0020	$ 0.0025	$ 0.0003	$ 0.0004	$ 0.0004	$ 0.0018	$ 0.0012	$ 0.0013
Prop. loss charged to operations	$ 0.0000	$ (0.0000)	$ 0.0007	$ 0.0000	$ 0.0000	$ 0.0000	$ -	$ -	$ -	$ 0.0000	$ (0.0000)	$ 0.0005
Total taxes	$ 0.0402	$ 0.0338	$ 0.0309	$ 0.0369	$ 0.0333	$ 0.0370	$ 0.0139	$ 0.0128	$ 0.0125	$ 0.0354	$ 0.0316	$ 0.0301
Other operating income	$ 0.0008	$ 0.0007	$ 0.0026	$ (0.0001)	$ (0.0003)	$ 0.0000	$ 0.0005	$ 0.0002	$ 0.0004	$ 0.0005	$ 0.0004	$ 0.0019
Total operating income	$ 0.0357	$ 0.0380	$ 0.0370	$ 0.0433	$ 0.0416	$ 0.0355	$ 0.0546	$ 0.0403	$ 0.0333	$ 0.0403	$ 0.0391	$ 0.0363

NOTE: "$0.0000" indicates a value which, on a per $gas plant basis, is too small to be expressed within four significant digits.

GAS-ONLY INCOME STATEMENT - Per Mile of Distribution Pipe

	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2009	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Operating revenue	$ 101,417	$ 69,335	$ 82,106	$ 114,796	$ 94,929	$ 86,801	$118,555	$ 87,098	$ 82,974	$ 107,003	$ 76,883	$ 83,149
Operating expense	$ 83,311	$ 51,418	$ 60,121	$ 90,247	$ 68,734	$ 66,591	$100,089	$ 70,989	$ 66,038	$ 87,443	$ 57,289	$ 62,064
Maintenance expense	$ 2,006	$ 1,752	$ 2,150	$ 2,681	$ 2,710	$ 2,935	$ 3,274	$ 3,036	$ 3,111	$ 2,351	$ 2,097	$ 2,412
Total O&M	$ 85,316	$ 53,170	$ 62,271	$ 92,928	$ 71,444	$ 69,527	$103,363	$ 74,025	$ 69,149	$ 89,794	$ 59,385	$ 64,476
Depreciation	$ 4,104	$ 3,806	$ 5,006	$ 4,916	$ 5,461	$ 5,150	$ 4,525	$ 4,084	$ 4,234	$ 4,346	$ 4,206	$ 4,953
Depletion	$ 36	$ 28	$ 174	$ 63	$ 140	$ 107	$ -	$ -	$ -	$ 36	$ 50	$ 142
Amortization	$ 292	$ 183	$ 198	$ 378	$ 425	$ 432	$ 18	$ 26	$ 25	$ 268	$ 221	$ 227
Prop. loss charged to operations	$ 7	$ (7)	$ 227	$ 0	$ 1	$ 0	$ -	$ -	$ -	$ 4	$ (5)	$ 157
Total taxes	$ 6,637	$ 5,797	$ 6,673	$ 7,965	$ 8,529	$ 9,685	$ 1,873	$ 1,754	$ 1,755	$ 6,179	$ 6,002	$ 6,755
Other operating income	$ 77	$ 76	$ 861	$ (7)	$ (40)	$ 0	$ 50	$ 36	$ 51	$ 55	$ 46	$ 600
Total operating income	$ 5,025	$ 6,358	$ 7,557	$ 8,546	$ 8,930	$ 1,901	$ 8,776	$ 7,209	$ 7,810	$ 6,376	$ 7,022	$ 6,440

APPENDIX 7b: GAS UTILITY FINANCIAL RATIOS
Based on Segment Averages

Stratified by Type of Company		Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
		2009	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Therms delivered (avg.) per acct.		2,053	2,017	2,098	2,004	1,941	2,085	1,371	1,333	1,376	1,937	1,931	2,019
Therms per $1,000 of gas plant		875	0.801	0.788	936	0.790	0.817	637	0.617	0.618	851	0.780	0.775
Value of gas plant per customer		$ 2,522	$ 2,869	$ 2,957	$ 2,359	$ 2,703	$ 2,825	$ 2,469	$ 2,473	$ 2,528	$ 2,479	$ 2,792	$ 2,885
%Sales firm (not interruptible)		92%	93%	94%	95%	92%	93%	81%	83%	83%	91%	92%	92%
Collection period (days)	1/	43.3	36.9	33.4	30.9	34.3	31.0	37.1	35.1	35.1	39.7	36.1	33.1
Gas O&M expense as pct. of revenue		84%	78%	77%	83%	78%	78%	87%	85%	84%	84%	78%	78%
Gas oper. income as pct. of revenue		5%	8%	9%	6%	9%	7%	6%	8%	7%	6%	8%	8%
Gas operating revenue per customer		$ 1,696	$ 1,257	$ 1,207	$ 1,614	$ 1,310	$ 1,278	$ 1,709	$ 1,299	$ 1,198	$ 1,680	$ 1,273	$ 1,220
Gas O&M expense per customer		$ 1,440	$ 976	$ 929	$ 1,349	$ 1,018	$ 990	$ 1,485	$ 1,100	$ 1,008	$ 1,427	$ 998	$ 950
Gas operating income per customer		$ 82	$ 110	$ 105	$ 106	$ 116	$ 93	$ 123	$ 102	$ 90	$ 93	$ 110	$ 101
Gas revenue per dollar of gas plant		$ 0.7141	$ 0.5014	$ 0.4623	$ 0.7041	$ 0.4904	$ 0.4650	$ 0.7565	$ 0.5758	$ 0.5282	$ 0.7185	$ 0.5065	$ 0.4698
Gas O&M expense per $ of gas plant		$ 0.6081	$ 0.4015	$ 0.3651	$ 0.5915	$ 0.3844	$ 0.3635	$ 0.6612	$ 0.4965	$ 0.4559	$ 0.6128	$ 0.4073	$ 0.3744
Gas oper. income per $ of gas plant		$ 0.0357	$ 0.0380	$ 0.0370	$ 0.0433	$ 0.0416	$ 0.0355	$ 0.0546	$ 0.0403	$ 0.0333	$ 0.0403	$ 0.0391	$ 0.0363
Gas revenue per mile of pipe	2/	$ 102,099	$ 69,335	$ 82,106	$ 114,796	$ 94,929	$ 86,801	$113,044	$ 87,098	$ 82,974	$ 106,239	$ 76,883	$ 83,149
Gas O&M expense per mile of pipe	2/	$ 84,272	$ 53,170	$ 62,271	$ 92,928	$ 71,444	$ 69,527	$103,363	$ 74,025	$ 69,149	$ 89,081	$ 59,385	$ 64,476
Gas oper. income per mile of pipe	2/	$ 4,967	$ 6,358	$ 7,557	$ 8,546	$ 8,930	$ 1,901	$ 8,776	$ 7,209	$ 7,810	$ 6,323	$ 7,022	$ 6,440
LT debt - total assets ratio	1/	21.1%	19.9%	20.4%	27.0%	27.7%	27.8%	40.1%	36.7%	34.9%	25.3%	23.3%	23.4%
LT debt - total capitalization ratio	1/3/	40.0%	35.4%	37.0%	45.8%	47.2%	43.9%	46.3%	40.8%	39.2%	42.2%	38.6%	38.7%
Net interest - long-term debt ratio	1/	7.4%	8.0%	6.7%	6.3%	6.4%	5.3%	4.7%	4.2%	4.8%	32.4%	7.2%	6.1%
EBITDA interest coverage	1/	7.5x	7.6x	8.2x	7.0x	7.8x	8.1x	6.4x	7.7x	5.9x	6.9x	7.6x	8.0x
Return on assets		2.5%	2.4%	2.3%	2.8%	2.8%	3.2%	1.4%	2.5%	2.1%	2.4%	2.5%	2.5%

1/ Figures for combination utilities are necessarily based on combined gas and electric operations.
2/ Miles of distribution pipes and services combined. Starting in 2004, services are excluded from the pipe calculation
3/ Total capitalization figure in this display includes preferred stock.

NOTE: Some ratios are not always normally distributed. Therefore, average ratio values may be subject to distortion by a few observations that are outliers.

APPENDIX 8: GAS UTILITY WAGES AND BENEFITS

Based on Segment Averages

Stratified by Type of Company	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2009	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**	**2009**	**2010**	**2011**
Average number of employees	899	745	842	908	987	659	348	382	378	835	763	756
Number of Employees at year-end	870	726	826	888	1,008	667	349	382	378	812	754	746
O&M wages ('000)	$47,941	$45,840	$46,972	$36,997	$42,394	$38,027	$24,791	$20,470	$21,095	$42,709	$42,500	$42,443
Construction wages ('000)	$12,627	$12,325	$11,712	$13,861	$17,884	$15,507	$3,257	$2,629	$2,616	$11,790	$12,594	$11,508
Total pensions ('000)	$18,463	$19,825	$22,224	$31,205	$36,487	$28,892	$11,247	$14,615	$16,774	$20,486	$23,042	$22,980
PER EMPLOYEE(1/):												
Total salary & wages	$71,257	$72,761	$70,895	$85,866	$83,612	$87,961	$56,077	$49,206	$48,878	$72,636	$72,843	$71,881
Tot. benefits & pension	$19,179	$21,604	$27,064	$43,756	$45,645	$62,878	$16,383	$21,532	$24,429	$24,027	$26,688	$33,436
Total salary, benefits, and pension	$90,436	$93,131	$97,959	$129,622	$129,257	$150,839	$72,460	$70,737	$73,307	$96,663	$98,674	$105,317
Ratio: avg. benefits to avg. compensation	20.5%	24.2%	23.6%	37.2%	37.1%	33.1%	34.4%	43.3%	35.9%	25.6%	28.7%	26.5%
Therms sold per year-end employee	1,406,540	1,300,044	1,378,522	1,908,317	1,913,272	2,454,849	627,281	655,949	662,395	1,425,267	1,369,284	1,507,113
Customers per year-end employee	712	696	697	892	882	1,009	451	461	465	721	713	732

1/ year-end employees

APPENDIX 9: Companies Studied

Consolidations are limited to LDC business units.

GAS IOUs	Years Reported 2009	2010	2011
AGL Resources	X	X	X
Arkansas Oklahoma Gas Corp	X	X	X
Atmos Energy Corporation	X	X	X
Columbia Gas of Massachusetts	X	X	X
Centerpointe Energy - Minnesota Gas Co	X	X	X
Centerpointe Energy - Southern Gas - Arkla	X	X	X
Centerpointe Energy - Southern Gas - Entex	X	X	X
Chesapeake Utilities Corp	X	X	X
Citizens Gas & Coke Utility	X	X	X
Colorado Natural Gas	X	X	X
Columbia Gas of Kentucky	X	X	X
Columbia Gas of Maryland	X	X	X
Coumbia Gas of Ohio	X	X	X
Columbia Gas of Pennsylvania	X	X	X
Columbia Gas of Virginia	X	X	X
Corning Natural Gas Corp	X	X	X
Delta Natural Gas Company	X	X	X
Dominion Peoples			X
Dominion East Ohio Gas Company	X	X	X
Enstar Natural Gas Company	X	X	X
Equitable Resources, Inc.	X	X	X
Hope Gas, Inc.	X	X	
Illinois Gas Company	X	X	X
Indiana Gas Company, Inc.	X	X	X
Kansas Gas Service		X	X
KeySpan Energy Delivery - NYC	X	X	X
KeySpan Energy Delivery New England	X	X	
KeySpan Gas East - LILCO	X	X	X
Kokomo Gas and Fuel Company	X	X	
Laclede Gas Company	X	X	X
Michigan Consolidated Gas Co	X	X	X
Missouri Gas Utility Inc.		X	X
Mobile Gas Service Corporation	X	X	X
Mountaineer Gas	X	X	X
Mt. Carmel Public Utility	X	X	X
National Fuel Gas Company	X	X	X
National Grid - Rhode Island	X	X	X
New Jersey Natural Gas Company	X	X	X
Nicor Gas And Sub Companies	X	X	X
Northern Indiana Fuel And Light	X	X	X
Northwest Natural Gas Company	X	X	X
NSTAR Gas	X	X	X
Ohio Gas Company	X	X	X
Oklahoma Natural Gas	X	X	X
Peoples Gas System, Inc.	X	X	X
Peoples Natural Gas	X	X	X
Piedmont Natural Gas Company	X	X	X
Pike Natural Gas Company		X	X
Questar Gas Company	X	X	X
Semco Energy (S.E. Michigan)	X	X	X

GAS IOUs (cont.)	Years Reported 2009	2010	2011
Southeastern Natural Gas Co		X	X
Southern California Gas	X	X	X
Southwest Gas Corporation	X	X	X
Southwestern Virginia Gas Co.	X	X	X
Texas Gas Service	X	X	X
Union Oil & Gas Co.	X	X	X
Vermont Gas	X	X	X
Washington Gas Light Company	X	X	X
Yankee Gas Services Company	X	X	X

COMBINATION IOUs	2009	2010	2011
Avista Corp	X	X	X
Baltimore Gas & Electric Co.	X	X	X
Black Hills Corporation	X	X	X
Central Hudson Gas & Electric Corp.	X	X	X
Cheyenne Light, Fuel, & Power	X	X	X
Consolidated Edison of New York	X	X	X
Consumers Energy	X	X	X
Florida Public Utilities Company	X	X	X
Gainesville Regional Utilities	X	X	X
Madison Gas & Electric Company		X	X
National Grid - Niagara Mohawk	X	X	X
Northern Indiana Public Service Co.	X	X	X
Pacific Gas & Electric	X	X	
PECO Energy Company (consolidated)	X	X	X
Public Service Enterprises		X	
Puget Sound Energy	X	X	X
San Diego Gas & Electric	X	X	X
Southern Indiana Gas & Elec Co	X	X	X
UGI Utilities, Inc.	X	X	X
WE Energies	X	X	X

MUNICIPALS	2009	2010	2011
Clearfield Ohio Holdings	X		
Colorado Springs Utilities	X	X	X
Knoxville Utilities Board	X	X	X
Memphis Light, Gas & Water Div	X	X	X
Metropolitan Util Dist-Omaha	X	X	X
Middle Tenn Nat Gas Util Dist	X	X	X
Okaloosa County Gas District	X	X	X
Owatonna Public Utilities	X	X	X
Philadelphia Gas Works	X	X	X
Richmond Dept. of Pub. Util., City of	X	X	X