

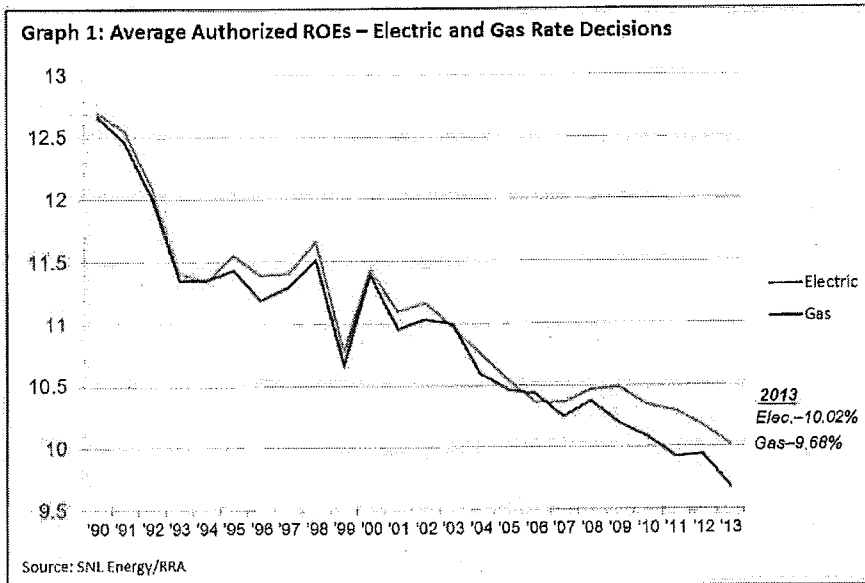
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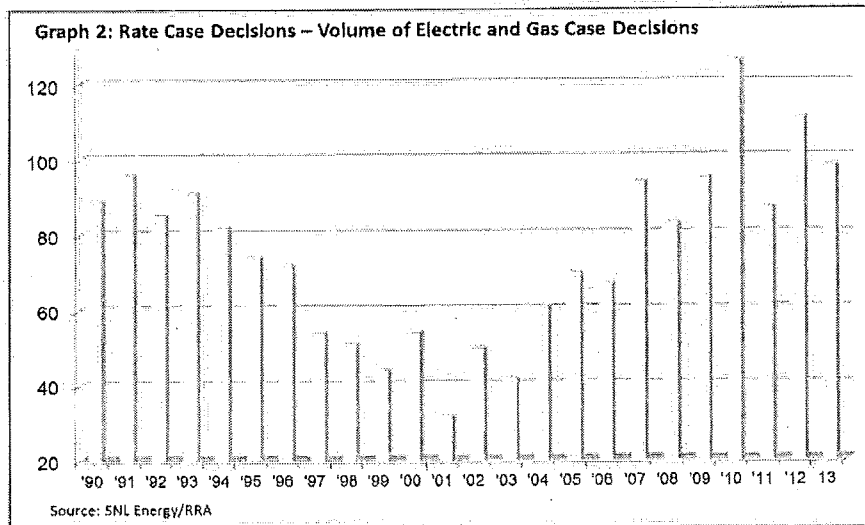
January 15, 2014

MAJOR RATE CASE DECISIONS--CALENDAR 2013

The average return on equity (ROE) authorized electric utilities was 10.02% in 2013, compared to 10.17% in 2012. There were 48 electric ROE determinations in 2013, versus 58 in 2012. We note that the data includes several surcharge/rider generation cases in Virginia that incorporate plant-specific ROE premiums. Virginia statutes authorize the State Corporation Commission to approve ROE premiums of up to 200 basis points for certain generation projects (see the [Virginia Commission Profile](#)). Excluding these Virginia surcharge/rider generation cases from the data, the average authorized electric ROE was 9.8% in 2013 compared to 10.01% in 2012. The average ROE authorized gas utilities was 9.68% in 2013 compared to 9.94% in 2012. There were 21 gas cases that included an ROE determination in 2013, versus 35 in 2012. (We note that this report utilizes the simple mean for the return averages.)



After reaching a low in the early-2000s, the number of rate case decisions for energy companies has generally increased over the last several years, as shown in Graph 2 below. There were 98 electric and gas rate



cases resolved in 2013 versus 111 in 2012, 87 in 2011, and only 32 back in 2001. Increased costs, including environmental compliance expenditures, the need for generation and delivery infrastructure upgrades and expansion, renewable generation mandates, and higher employee benefit expenses argue for the continuation of an active rate case agenda over the next few years.

As a result of electric industry restructuring, certain states unbundled electric rates and implemented retail competition for generation. Commissions in those states now have jurisdiction only over the revenue requirement and return parameters for delivery operations (which we footnote in our chronology beginning on page 5), thus complicating historical data comparability. We also note that while the heightened business risk associated with the sluggish economy may have increased corporate capital costs, average authorized ROEs have declined moderately since 2008. In fact, some state commissions have cited the lethargic economy and customer hardship as factors influencing their equity return authorizations.

The table on page 3 shows the average ROE authorized in major electric and gas rate decisions annually since 1990, and by quarter since 2008, followed by the number of observations in each period. The tables on page 4 show the composite electric and gas industry data for all major cases summarized annually since 1999 and by quarter for the past eight quarters. The individual electric and gas cases decided in 2013 are listed on pages 5-9, with the decision date shown first, followed by the company name, the abbreviation for the state issuing the decision, the authorized rate of return (ROR), ROE, and percentage of common equity in the adopted capital structure. Next we show the month and year in which the adopted test year ended, whether the commission utilized an average or a year-end rate base, and the amount of the permanent rate change authorized. The dollar amounts represent the permanent rate change ordered at the time decisions were rendered. Fuel adjustment clause rate changes are not reflected in this study.

The table below tracks the average equity return authorized for all electric and gas rate cases combined, by year, for the last 24 years. As the table reveals, since 1990 the authorized ROEs have generally trended downward, reflecting the significant decline in interest rates and capital costs that has occurred over this time frame. The combined average equity returns authorized for electric and gas utilities in each of the years 1990 through 2013, and the number of observations for each year are as follows:

1990	12.69%	(75)	2002	11.10%	(43)
1991	12.51	(80)	2003	10.98	(47)
1992	12.06	(77)	2004	10.67	(39)
1993	11.37	(77)	2005	10.50	(55)
1994	11.34	(59)	2006	10.39	(42)
1995	11.51	(49)	2007	10.30	(76)
1996	11.29	(42)	2008	10.42	(67)
1997	11.34	(24)	2009	10.36	(68)
1998	11.59	(20)	2010	10.24	(96)
1999	10.74	(29)	2011	10.21	(59)
2000	11.41	(24)	2012	10.08	(93)
2001	11.05	(25)	2013	9.92	(69)

Please note: Historical data provided in this report may not match data provided on RRA's website due to certain differences in presentation.

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Average Equity Returns Authorized January 1990 - December 2013

Year	Period	Electric Utilities		Gas Utilities	
		ROE %	(# Cases)	ROE %	(# Cases)
1990	Full Year	12.70	(44)	12.67	(31)
1991	Full Year	12.55	(45)	12.46	(35)
1992	Full Year	12.09	(48)	12.01	(29)
1993	Full Year	11.41	(32)	11.35	(45)
1994	Full Year	11.34	(31)	11.35	(28)
1995	Full Year	11.55	(33)	11.43	(16)
1996	Full Year	11.39	(22)	11.19	(20)
1997	Full Year	11.40	(11)	11.29	(13)
1998	Full Year	11.66	(10)	11.51	(10)
1999	Full Year	10.77	(20)	10.66	(9)
2000	Full Year	11.43	(12)	11.39	(12)
2001	Full Year	11.09	(18)	10.95	(7)
2002	Full Year	11.16	(22)	11.03	(21)
2003	Full Year	10.97	(22)	10.99	(25)
2004	Full Year	10.75	(19)	10.59	(20)
2005	Full Year	10.54	(29)	10.46	(26)
2006	Full Year	10.36	(26)	10.43	(16)
2007	Full Year	10.36	(39)	10.24	(37)
	1st Quarter	10.45	(10)	10.38	(7)
	2nd Quarter	10.57	(8)	10.17	(3)
	3rd Quarter	10.47	(11)	10.49	(7)
	4th Quarter	10.33	(8)	10.34	(13)
2008	Full Year	10.46	(37)	10.37	(30)
	1st Quarter	10.29	(9)	10.24	(4)
	2nd Quarter	10.55	(10)	10.11	(8)
	3rd Quarter	10.46	(3)	9.88	(2)
	4th Quarter	10.54	(17)	10.27	(15)
2009	Full Year	10.48	(39)	10.19	(29)
	1st Quarter	10.66	(17)	10.24	(9)
	2nd Quarter	10.08	(14)	9.99	(11)
	3rd Quarter	10.26	(11)	9.93	(4)
	4th Quarter	10.30	(17)	10.09	(12)
2010	Full Year	10.34	(59)	10.08	(37)
	1st Quarter	10.32	(13)	10.10	(5)
	2nd Quarter	10.12	(10)	9.88	(5)
	3rd Quarter	10.36	(8)	9.65	(2)
	4th Quarter	10.34	(11)	9.88	(4)
2011	Full Year	10.29	(42)	9.92	(16)
	1st Quarter	10.84	(12)	9.63	(5)
	2nd Quarter	9.92	(13)	9.83	(8)
	3rd Quarter	9.78	(8)	9.75	(1)
	4th Quarter	10.10	(25)	10.07	(21)
2012	Full Year	10.17	(58)	9.94	(35)
	1st Quarter	10.24	(15)	9.57	(3)
	2nd Quarter	9.84	(7)	9.47	(6)
	3rd Quarter	10.06	(7)	9.60	(1)
	4th Quarter	9.89	(19)	9.83	(11)
2013	Full Year	10.02	(48)	9.68	(21)

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Electric Utilities--Summary Table

Period	ROR % (# Cases)	ROE % (# Cases)	Eq. as %		Amt.	
			Cap. Struc. (# Cases)		\$ Mil. (# Cases)	
1999	Full Year	8.81 (18)	10.77 (20)	45.08 (17)		-1,683.8 (30)
2000	Full Year	9.20 (12)	11.43 (12)	48.85 (12)		-291.4 (34)
2001	Full Year	8.93 (15)	11.09 (18)	47.20 (13)		14.2 (21)
2002	Full Year	8.72 (20)	11.16 (22)	46.27 (19)		-475.4 (24)
2003	Full Year	8.86 (20)	10.97 (22)	49.41 (19)		313.8 (12)
2004	Full Year	8.44 (18)	10.75 (19)	46.84 (17)		1,091.5 (30)
2005	Full Year	8.30 (26)	10.54 (29)	46.73 (27)		1,373.7 (36)
2006	Full Year	8.24 (24)	10.36 (26)	48.67 (23)		1,465.0 (42)
2007	Full Year	8.22 (38)	10.36 (39)	48.01 (37)		1,401.9 (46)
2008	Full Year	8.25 (35)	10.46 (37)	48.41 (33)		2,899.4 (42)
2009	Full Year	8.23 (38)	10.48 (39)	48.61 (37)		4,192.3 (58)
2010	Full Year	7.99 (59)	10.34 (59)	48.45 (54)		5,567.7 (77)
2011	Full Year	8.00 (43)	10.29 (42)	48.26 (42)		2,853.5 (56)
	1st Quarter	8.00 (11)	10.84 (12)	50.20 (10)		970.7 (16)
	2nd Quarter	7.78 (12)	9.92 (13)	51.01 (13)		467.6 (16)
	3rd Quarter	8.10 (8)	9.78 (8)	51.16 (8)		296.4 (10)
	4th Quarter	7.97 (20)	10.10 (25)	50.21 (21)		1,396.8 (28) (R)
2012	Full Year	7.95 (51)	10.17 (58)	50.55 (52)		3,131.5 (70) (R)
	1st Quarter	7.81 (13)	10.24 (15)	49.02 (13)		765.9 (17)
	2nd Quarter	7.64 (7)	9.84 (7)	50.56 (6)		653.6 (10)
	3rd Quarter	7.86 (8)	10.06 (7)	50.77 (8)		734.4 (11)
	4th Quarter	7.44 (16)	9.89 (19)	48.03 (15)		1,310.7 (26)
2013	Full Year	7.66 (44)	10.02 (48)	49.22 (42)		3,464.6 (64)

Gas Utilities--Summary Table

Period	ROR % (# Cases)	ROE % (# Cases)	Eq. as %		Amt.	
			Cap. Struc. (# Cases)		\$ Mil. (# Cases)	
1999	Full Year	8.86 (9)	10.66 (9)	49.06 (9)		51.0 (14)
2000	Full Year	9.33 (13)	11.39 (12)	48.59 (12)		135.9 (20)
2001	Full Year	8.51 (6)	10.95 (7)	43.96 (5)		114.0 (11)
2002	Full Year	8.80 (20)	11.03 (21)	48.29 (18)		303.6 (26)
2003	Full Year	8.75 (22)	10.99 (25)	49.93 (22)		260.1 (30)
2004	Full Year	8.34 (21)	10.59 (20)	45.90 (20)		303.5 (31)
2005	Full Year	8.25 (29)	10.46 (26)	48.66 (24)		458.4 (34)
2006	Full Year	8.51 (16)	10.43 (16)	47.43 (16)		444.0 (25)
2007	Full Year	8.12 (32)	10.24 (37)	48.37 (30)		813.4 (48)
2008	Full Year	8.48 (30)	10.37 (30)	50.47 (30)		884.8 (41)
2009	Full Year	8.15 (28)	10.19 (29)	48.72 (28)		475.0 (37)
2010	Full Year	7.95 (38)	10.08 (37)	48.56 (38)		816.7 (49)
2011	Full Year	8.09 (18)	9.92 (16)	52.49 (14)		436.3 (31)
	1st Quarter	7.63 (5)	9.63 (5)	51.40 (5)		125.4 (5)
	2nd Quarter	7.80 (6)	9.83 (8)	49.15 (7)		39.4 (8)
	3rd Quarter	8.26 (1)	9.75 (1)	59.63 (1)		47.7 (4)
	4th Quarter	8.12 (18)	10.07 (21)	51.34 (19)		51.4 (24)
2012	Full Year	7.98 (30)	9.94 (35)	51.13 (32)		263.9 (41)
	1st Quarter	7.31 (3)	9.57 (3)	48.80 (3)		38.3 (5)
	2nd Quarter	7.21 (5)	9.47 (6)	51.21 (5)		257.6 (11)
	3rd Quarter	7.53 (1)	9.60 (1)	53.84 (1)		3.6 (2)
	4th Quarter	7.47 (11)	9.83 (11)	50.52 (11)		151.9 (16)
2013	Full Year	7.39 (20)	9.68 (21)	50.60 (20)		451.4 (34)

(R) Rate increase amounts have been revised to reflect the removal of the second- and third-year rate increases authorized Southern California Edison by the California Public Utilities Commission on 11/29/12.

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5.

ELECTRIC UTILITY DECISIONS

<u>Date</u>	<u>Company (State)</u>	<u>ROR</u> <u>%</u>	<u>ROE</u> <u>%</u>	<u>Common</u> <u>Eq. as %</u> <u>Cap. Str.</u>	<u>Test Year</u> <u>&</u> <u>Rate Base</u>	<u>Amt.</u> <u>\$ Mil.</u>
1/9/13	Kansas City Power & Light (MO)	8.13 (E)	9.70	52.30 (E)	9/11-YE	67.4
1/9/13	KCP&L Greater Missouri Op. (L&P) (MO)	8.13 (E)	9.70	52.30 (E)	9/11-YE	21.7
1/9/13	KCP&L Greater Missouri Op. (MPS) (MO)	8.13 (E)	9.70	52.30 (E)	9/11-YE	26.2
1/16/13	Cross Texas Transmission (TX)	7.03	9.60	40.00	6/12-YE	39.5 (B,D,1)
1/16/13	Wind Energy Transmission Texas (TX)	7.15	9.60	40.00	6/12-YE	43.5 (B,D,Z,1)
2/13/13	Indiana Michigan Power (IN)	6.97	10.20	42.67 *	3/11-YE	85.0
2/19/13	Virginia Electric and Power (VA)	8.36	11.40	52.81	3/14-A	4.2 (2)
2/19/13	Virginia Electric and Power (VA)	8.36	11.40	52.81	3/14	48.9 (B,3)
2/22/13	Baltimore Gas and Electric (MD)	7.60	9.75	48.40	9/12-A	80.6
2/27/13	Southwestern Electric Power (LA)	---	10.00	---	12/11	107.0 (B,4)
2/27/13	Empire District Electric (MO)	---	---	---	3/12	27.5 (B)
3/5/13	Mississippi Power (MS)	---	9.70	---	---	156.0 (B,Z,5)
3/12/13	Virginia Electric and Power (VA)	8.36	11.40	52.81	3/14-A	1.7 (B,6)
3/14/13	Niagara Mohawk Power (NY)	6.50 (7)	9.30	48.00	3/14-A	43.4 (D,B,7)
3/19/13	Hawaii Electric Light (HI)	---	---	---	---	--- (B,8)
3/22/13	Virginia Electric and Power (VA)	8.89	12.40	52.81	3/14	5.5 (B,9)
3/27/13	Avista Corp. (ID)	7.91	9.80	50.00	6/12-A	7.8 (B,10)
2013	1ST QUARTER: AVERAGES/TOTAL	7.81	10.24	49.02		765.9
	OBSERVATIONS	13	15	13		17
4/18/13	Northern States Power-Minnesota (SD)	7.78	---	---	12/11-A	11.6 (B)
5/1/13	Duke Energy Ohio (OH)	7.73	9.84	53.30	12/12-DCT	49.0 (D,B)
5/9/13	San Diego Gas & Electric (CA)	---	---	---	12/12-A	115.2 (11)
5/15/13	Consumers Energy (MI)	---	10.30	---	12/13	89.0 (B)
5/30/13	Duke Energy Progress (NC)	7.55	10.20	53.00	3/12-YE	178.7 (B,Z)
5/31/13	Maul Electric (HI)	7.34	9.00	56.86	12/12-A	5.3 (B,1,12)
6/6/13	Southwestern Public Service (TX)	---	---	---	6/12	50.8 (B,1,Z)
6/11/13	Tucson Electric Power (AZ)	7.26	10.00	43.50	12/11-YE	76.2 (B)
6/21/13	Atlantic City Electric (NJ)	8.04	9.75	48.70	9/12-YE	25.5 (D,B)
6/25/13	Puget Sound Energy (WA)	7.77	9.80	48.00	6/12-YE	52.3 (B)
2013	2ND QUARTER: AVERAGES/TOTAL	7.64	9.84	50.56		653.6
	OBSERVATIONS	7	7	6		10
7/12/13	Potomac Electric Power (MD)	7.63	9.36	48.89	12/12-A	27.9 (D)
7/26/13	Madison Gas and Electric (WI)	---	---	---	12/14	0.0 (13)
8/2/13	Virginia Electric and Power (VA)	8.36	11.40	52.81	8/14-A	43.5 (14)
8/8/13	Northern States Power-Minnesota (MN)	7.45	9.83	52.56	12/13-A	102.8 (I)
8/14/13	United Illuminating (CT)	7.21	9.15	50.00	6/12-A	46.1 (D,Z,R)
9/3/13	Delmarva Power & Light (MD)	---	---	---	12/12	15.0 (D,B)
9/11/13	Tampa Electric (FL)	---	10.25	42.00 *(E)	12/14	70.0 (B,Z)
9/11/13	Duke Energy Carolinas (SC)	7.89	10.20	53.00	6/12-YE	118.6 (B,Z)
9/17/13	Black Hills Power (SD)	7.93	---	---	---	8.8 (I,B)
9/18/13	South Carolina Electric & Gas (SC)	8.56	---	53.86	6/13-YE	67.2
9/24/13	Duke Energy Carolinas (NC)	7.88	10.20	53.00	6/12-YE	234.5 (B)

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6.

ELECTRIC UTILITY DECISIONS (continued)

<u>Date</u>	<u>Company (State)</u>	<u>ROR</u> <u>%</u>	<u>ROE</u> <u>%</u>	<u>Common</u> <u>Eq. as %</u> <u>Cap. Str.</u>	<u>Test Year</u> <u>&</u> <u>Rate Base</u>	<u>Amt.</u> <u>\$ Mil.</u>
2013	3RD QUARTER: AVERAGES/TOTAL OBSERVATIONS	7.86 8	10.06 7	50.77 8		734.4 11
10/3/13	Southwestern Electric Power (TX)	7.77	9.65	49.10	12/11-YE	39.4 (15)
10/7/13	Monongehela Power (WV)	7.28	10.00	45.00	---	113.4 (B,16)
10/24/13	PacifiCorp (ID)	---	---	---	---	2.0 (B)
11/6/13	Wisconsin Public Service (WI)	8.68	10.20	50.14	12/14-A	9.8
11/21/13	Westar Energy (KS)	8.40	10.00	52.63	3/11	30.7 (B)
11/22/13	Kentucky Power (KY)	---	---	---	---	--- (17)
11/25/13	Appalachian Power (VA)	---	---	---	12/12-A	37.7 (B,18)
11/25/13	Kentucky Utilities (VA)	---	---	---	12/12	4.7 (B)
11/26/13	Virginia Electric and Power (VA)	---	10.00	---	12/12	-7.9 (19)
12/3/13	Gulf Power (FL)	---	10.25	---	12/14	55.0 (B,Z)
12/4/13	PacifiCorp (WA)	7.36	9.50	49.10 (Hy)	6/12-YE	17.0
12/5/13	Northern States Power-Wisconsin (WI)	8.34	10.20	52.54	12/14-A	19.5
12/9/13	Ameren Illinois (IL)	7.96	8.72	51.00	12/12-YE	-44.7 (D)
12/9/13	Portland General Electric (OR)	7.65	9.75	50.00	12/14-A	63.4 (B)
12/13/13	Baltimore Gas & Electric (MD)	7.49	9.75	51.05	7/13-A	33.6 (D)
12/16/13	Entergy Gulf States Louisiana (LA)	---	---	---	---	0.0 (B,20)
12/16/13	Entergy Louisiana (LA)	---	---	---	---	0.0 (B,21)
12/16/13	Sierra Pacific Power (NV)	7.78	10.10	46.94	12/12-YE	-39.1
12/17/13	UNS Electric (AZ)	7.83	9.50	52.60	6/12-YE	3.2 (B)
12/17/13	Georgia Power (GA)	---	10.95	---	12/16	466.6 (B,Z)
12/17/13	Appalachian Power (VA)	7.88	11.40	44.28	12/14-A	11.3 (B,22)
12/18/13	Commonwealth Edison (IL)	6.94	8.72	45.28	12/12-YE	324.6 (D)
12/18/13	PacifiCorp (OR)	7.62	9.80	52.10	12/14-A	23.7 (B)
12/19/13	Upper Peninsula Power (MI)	5.80	10.15	---	12/14	5.8 (B)
12/23/13	Georgia Power (GA)	---	---	---	12/14	59.9 (E,23)
12/30/13	Entergy Arkansas (AR)	4.29	9.30	28.64 *	12/12-YE	81.1
2013	4TH QUARTER: AVERAGES/TOTAL OBSERVATIONS	7.44 16	9.89 19	48.03 15		1,310.7 26
2013	FULL-YEAR: AVERAGES/TOTAL OBSERVATIONS	7.66 44	10.02 48	49.22 42		3,464.6 64

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GAS UTILITY DECISIONS

<u>Date</u>	<u>Company (State)</u>	<u>ROR</u> <u>%</u>	<u>ROE</u> <u>%</u>	<u>Common</u> <u>Eq. as %</u> <u>Cap. Str.</u>	<u>Test Year</u> <u>&</u> <u>Rate Base</u>	<u>Amt.</u> <u>\$ Mil.</u>
2/22/13	Baltimore Gas and Electric (MD)	7.53	9.60	48.40	9/12-A	32.4
3/5/13	SourceGas Distribution (WY)	---	---	---	---	0.0 (B,24)
3/13/13	Laclede Gas (MO)	---	---	---	---	4.8 (25)
3/14/13	Niagara Mohawk Power (NY)	6.50 (26)	9.30	48.00	3/14-A	-3.3 (B,26)
3/27/13	Avista Corp. (ID)	7.91	9.80	50.00	6/12-A	4.4 (B,Z)
2013	1ST QUARTER: AVERAGES/TOTAL OBSERVATIONS	7.31 3	9.57 3	48.80 3		38.3 5
4/23/13	NorthWestern Corp. (MT)	---	9.80	---	---	11.5 (I,B)
5/1/13	Missouri Gas Energy (MO)	---	---	---	---	1.7 (27)
5/9/13	San Diego Gas & Electric (CA)	---	---	---	12/12-A	8.2 (11)
5/9/13	Southern California Gas (CA)	---	---	---	12/12-A	84.8 (11)
5/10/13	Washington Gas Light (DC)	7.93	9.25	59.30	9/11-A	8.4
5/23/13	Columbia Gas of Pennsylvania (PA)	---	---	---	---	55.3 (B)
6/13/13	Brooklyn Union Gas (NY)	6.98	9.40	48.00	12/13-A	0.0 (B)
6/18/13	North Shore Gas (IL)	6.72	9.28	50.32	12/13-A	6.6
6/18/13	Peoples Gas Light and Coke (IL)	6.67	9.28	50.43	12/13-A	57.2
6/25/13	Puget Sound Energy (WA)	7.77	9.80	48.00	6/12-YE	9.1 (B)
6/26/13	Laclede Gas (MO)	---	---	---	---	14.8 (B,28)
2013	2ND QUARTER: AVERAGES/TOTAL OBSERVATIONS	7.21 5	9.47 6	51.21 5		257.6 11
7/26/13	Madison Gas and Electric (WI)	---	---	---	12/14	0.0 (13)
9/23/13	Columbia Gas of Maryland (MD)	7.53	9.60	53.84	3/13-A	3.6
2013	3RD QUARTER: AVERAGES/TOTAL OBSERVATIONS	7.53 1	9.60 1	53.84 1		3.6 2
10/16/13	Liberty Energy (Midstates) (MO)	---	---	---	---	0.6
10/22/13	Delmarva Power & Light (DE)	---	---	---	12/12	6.8 (I,B)
11/6/13	Wisconsin Public Service (WI)	8.13	10.20	50.14	12/14-A	-3.9
11/13/13	Duke Energy Ohio (OH)	7.73	9.84	53.30	12/12-Dct	0.0 (B,29)
11/14/13	Michigan Gas Utilities (MI)	6.15	10.25	40.03 *	12/14	4.5 (B)
11/22/13	Washington Gas Light (MD)	7.70	9.50	53.02	3/13-A	8.9
12/5/13	Northern States Power-Wisconsin (WI)	8.34	10.20	52.54	12/14-A	0.0
12/6/13	Consumers Energy (MI)	---	---	---	6/14	--- (30)
12/13/13	Columbia Gas of Kentucky (KY)	---	---	---	12/14	7.7 (B)
12/13/13	Baltimore Gas & Electric (MD)	7.41	9.60	51.05	7/13-A	12.5
12/16/13	Sierra Pacific Power (NV)	6.04	9.70	46.94	12/12-YE	3.9
12/17/13	Piedmont Natural Gas (NC)	7.51	10.00	50.66	2/13-YE	30.7 (B)
12/18/13	Ameren Illinois (IL)	7.75	9.08	51.68	12/14-A	32.5
12/19/13	Peoples TWP (PA)	---	---	---	1/15	13.8 (B)
12/23/13	Public Service Co. of Colorado (CO)	7.53	9.72	56.06	9/12-YE	29.6 (I)
12/30/13	MDU Resources (ND)	7.88	10.00	50.27	12/14-A	4.3 (B,I)

8.

RRA

GAS UTILITY DECISIONS (continued)

<u>Date</u>	<u>Company (State)</u>	<u>ROR</u> <u>%</u>	<u>ROE</u> <u>%</u>	<u>Common</u> <u>Eq. as %</u> <u>Cap. Str.</u>	<u>Test Year</u> <u>&</u> <u>Rate Base</u>	<u>Amt.</u> <u>\$ Mil.</u>
2013	4TH QUARTER: AVERAGES/TOTAL	7.47	9.83	50.52		151.9
	OBSERVATIONS	11	11	11		16
2013	FULL-YEAR: AVERAGES/TOTAL	7.39	9.68	50.60		451.4
	OBSERVATIONS	20	21	20		34

FOOTNOTES

A- Average

B- Order followed stipulation or settlement by the parties. Decision particulars not necessarily precedent-setting or specifically adopted by the regulatory body.

COC- Case involved only the determination of cost-of-capital parameters.

CWIP- Construction work in progress

D- Applies to electric delivery only

DCT Date certain rate base valuation

E- Estimated

Hy- Hypothetical capital structure utilized

I- Interim rates implemented prior to the issuance of final order, normally under bond and subject to refund.

M- "Make-whole" rate change based on return on equity or overall return authorized in previous case.

R- Revised

Te- Temporary rates implemented prior to the issuance of final order.

U- Double leverage capital structure utilized.

W- Case withdrawn

YE- Year-end

Z- Rate change implemented in multiple steps.

* Capital structure includes cost-free items or tax credit balances at the overall rate of return.

- (1) Case established initial revenue requirement for newly formed transmission-only entity.
- (2) Rate change approved through surcharge, Rider R, which reflects in rates the investment in the Bear Garden Generating Station.
- (3) Increase authorized through a surcharge, Rider W, which reflects in rates the investment in the Warren County Power Station and associated transmission facilities.
- (4) The Commission adopted a settlement authorizing the company to implement its proposed formula rate plan increase, subject to a subsequent review by the Commission staff.
- (5) Case is plant-specific, related to the 582-MW integrated coal gasification, combined-cycle plant being constructed in Kemper County, Mississippi.
- (6) Rate change approved through surcharge, Rider S, which recognizes in rates the company's investment in the Virginia City Hybrid Energy Center and associated transmission facilities.
- (7) The Commission approved electric distribution rate increases of \$43.4 million, \$51.4 million, and \$28.3 million effective 4/1/13, 4/1/14, and 4/1/15, respectively. The rate changes incorporate a 9.3% return on equity (48% of capital) and overall returns of 6.5% (rate year one), 6.65% (rate year two), and 6.85% (rate year three).
- (8) As per the terms of a settlement approved by the Commission on 3/19/13, the company withdrew the rate case.
- (9) Increase authorized through a surcharge, Rider B, which reflects in rates the company's investment in biomass conversion projects at the Altavista, Hopewell, and Southampton power stations.
- (10) Rate increase effective 10/1/13.
- (11) First-year rate increase is retroactive to 1/1/12. The PUC also authorized attrition rate increases for 2013, 2014, and 2015 of 2.65%, 2.75%, and 2.75%, respectively. Rate of return was not an issue in the case as it is determined in a separate automatic adjustment mechanism.
- (12) Commission adopted, with significant modifications, a settlement.
- (13) Commission adopted the company's proposal to freeze rates for 2014.
- (14) Rate increase authorized through a surcharge, Rider BW, which reflects in rates the investment in Brunswick County Power Station.
- (15) The authorized rate increase is retroactive to 1/29/13.
- (16) Surcharge related to the transfer of certain generation assets between the company and an affiliate.

RRA

FOOTNOTES (continued)

- (17) On 11/22/13, the Commission approved the company's 11/18/13 request to withdraw its rate increase application, and closed the proceeding.
- (18) Case involves the recovery of environmental compliance costs through E-RAC Rider.
- (19) Case is company's biennial earnings review covering the years 2011 and 2012. The indicated 10% ROE is to be used to calculate under-/over-earnings for 2013 and 2014 and as the base ROE for the calculation of the revenue requirement for the company's various generation riders.
- (20) The adopted settlement provides for the company to operate under a formula rate plan that utilizes a benchmark 9.95% ROE.
- (21) The adopted settlement provides for the company to operate under a formula rate plan that utilizes a benchmark 9.95% ROE, and for the company to implement a 2013 test year formula rate plan rate increase of \$10 million in 12/2014.
- (22) Increase authorized under the company's G-RAC rider mechanism that addresses investment in the Dresden Generating Plant and establishes the revenue requirement for the rider that is to become effective 3/1/2014.
- (23) The authorized rate increase represents the recovery of a cash return on 2014 Incremental CWIP and preliminary true-up of the cash return on 2013 CWIP for Plant Vogtle Units 3 and 4 under the company's legislatively-enabled nuclear construction cost recovery tariff. The authorized rate increase reflects the 10.95% equity return authorized the company for 2014 in a separate base rate case.
- (24) In accordance with the approved settlement, the company implemented a \$0.3 million one-time rate credit to certain ratepayers in January 2013.
- (25) Case represents the company's infrastructure system replacement surcharge rider and reflects incremental investments made from 6/1/12 through 11/30/12, with a pro forma update through 1/31/13.
- (26) The Commission approved a \$3.3 million gas distribution rate reduction effective 4/1/13, and gas rate increases of \$5.9 million and \$6.3 million, effective 4/1/14 and 4/1/15, respectively. The rate changes incorporate a 9.3% return on equity (48% of capital) and overall returns of 6.5% (rate year one), 6.65% (rate year two), and 6.85% (rate year three).
- (27) Case represents a semi-annual update to the company's infrastructure system replacement surcharge rider and reflects incremental investments made from 6/1/12 through 12/31/12.
- (28) The approved settlement provides for no net ratepayer impact, as the entire base rate increase is comprised of amounts being collected through the company's infrastructure system replacement surcharge rider.
- (29) PUC adopted a stipulation. Base rates were not changed, but adopted stipulation authorized recovery of \$55.5 million of manufactured gas plant remediation costs over five years through a newly established rider. Including roughly \$5 million of new revenue that is to be collected through existing riders, the impact of this decision is an estimated overall rate increase of \$16.1 million.
- (30) Commission approved the company's 11/20/13 filing to withdraw its rate increase request and for the Commission to close the proceeding.

Dennis Spurduto