

VOTE SHEET

August 18, 2009

Docket No. 080318-GU – Petition for rate increase by Peoples Gas System.

Issue 1: Should the Commission grant PGS' Motion for Reconsideration requesting recalculation of the Company's weighted average cost of capital?

Recommendation: PGS' Motion for Reconsideration should be granted in part. In addition, staff recommends the Commission correct a separate error related to rate base discovered during staff's review of the merits of PGS' request. As a result, the appropriate weighted average cost of capital for PGS should be revised from 8.50 percent to 8.51 percent. This revised rate of return reflects the net effect of the recommended adjustment related to the Company's Motion for Reconsideration and the correction of the unrelated error discovered during staff's review of this matter.

DEFERRED

Issue 2: Should the annual base rate revenue increase granted in Order No. PSC-09-0411-FOF-GU be revised to reflect the revised weighted average cost of capital?

Recommendation: Yes. Staff recommends that the approved annual base rate revenue increase should be reduced from \$19,152,365 to \$19,137,019, a \$15,346 decrease, to reflect the revised weighted average cost of capital.

DEFERRED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

REMARKS/DISSENTING COMMENTS: Commissioner Argenziano participated in the conference by telephone. She will sign the vote sheet upon her return to the office.

DOCUMENT NUMBER-DATE

18591 AUG 19 08

FPSC-COMMISSION CLERK

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Issue 3: How should the Commission account for the annual base rate revenue decrease of \$15,346?

Recommendation: Base rates should not be reduced. Instead, the annual base rate revenue decrease of \$15,346 should be added to the annual storm damage accrual effective September 1, 2009.

DEFERRED

Issue 4: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon the expiration of the time for appeal.

DEFERRED