SCHEDULE 1
SUMMARY OF DISCOUNTED CASH FLOW ANALYSIS FOR NATURAL GAS UTILITIES

LINE	COMPANY	MOST RECENT QUARTERLY DIVIDEND (d_0)	STOCK PRICE (P_0)	FORECAST OF FUTURE EARNINGS GROWTH	DCF MODEL RESULT
1	AGL Resources	0.490	48.683	4.00%	8.4%
2	Atmos Energy	0.370	47.102	6.90%	10.5%
3	Laclede Group	0.440	45.826	4.77%	9.1%
4	New Jersey Resources	0.420	47.038	3.50%	7.4%
5	NiSource Inc.	0.250	35.123	10.40%	13.9%
6	Northwest Nat. Gas	0.460	42.902	3.50%	8.3%
7	Piedmont Natural Gas	0.320	34.457	3.67%	7.7%
8	South Jersey Inds.	0.473	55.527	6.00%	9.8%
9	UGI Corp.	0.283	44.607	7.70%	10.7%
10	WGL Holdings Inc.	0.440	38.944	4.95%	9.9%
11	Average				9.6%

Notes:

d_0 = Most recent quarterly dividend.

d_1, d_2, d_3, d_4 = Next four quarterly dividends, calculated by multiplying the last four quarterly dividends by the factor (1 + g).

P_0 = Average of the monthly high and low stock prices during the three months ending April 2014 per Thomson Reuters.

FC = Flotation cost allowance (five percent) as a percent of stock price.

g = I/B/E/S forecast of future earnings growth April 2014 from Thomson Reuters.

k = Cost of equity using the quarterly version of the DCF model.

$$k = \frac{d_1(1+k)^{.75} + d_2(1+k)^{.50} + d_3(1+k)^{.25} + d_4}{P_0(1-FC)} + g$$

In my analysis, I also eliminate outlier results, including results that are less than one hundred basis points above forecasted bond yields for the companies' ratings.

MidAmerican Exhibit JHV 1.1
Schedule 1-1
Page 1 of 1