

Dominion Cove Point LNG, LP

Summary Cost of Capital
at March 31, 2006, as adjusted

<u>Type of Capital</u>	<u>Ratios</u>	<u>Cost Rate</u>		<u>Weighted Cost Rate</u>	
		<u>Low</u>	<u>High</u>	<u>Low</u>	<u>High</u>
Long-Term Debt	43.14%	6.50%	6.50%	2.804%	2.804%
Common Equity	<u>56.86%</u>	13.00%	15.25%	<u>7.392%</u>	<u>8.671%</u>
Total	<u>100.00%</u>			<u>10.196%</u>	<u>11.475%</u>

Indicated levels of fixed charge coverage assuming that
the Company could actually achieve its overall cost of capital:

Pre-tax coverage of interest expense based upon a
35.0000% federal income tax rate

(14.176% ÷ 2.804%)
(16.144% ÷ 2.804%)

5.06 x
5.76 x

Post-tax coverage of interest expense

(10.196% ÷ 2.804%)
(11.475% ÷ 2.804%)

3.64 x
4.09 x

Dominion Cove Point LNG, LP
Capitalization and Financial Statistics
2001-2005, Inclusive

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	
	(Millions of Dollars)					
Amount of Capital Employed						
Permanent Capital	\$ 422.1	\$ 334.5	\$ 278.7	\$ 174.4	\$ 137.1	
Short-Term Debt	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Capital	<u>\$ 422.1</u>	<u>\$ 334.5</u>	<u>\$ 278.7</u>	<u>\$ 174.4</u>	<u>\$ 137.1</u>	
Capital Structure Ratios						
Based on Permanent Capital:						<u>Average</u>
Long-Term Debt	51.6%	47.5%	44.0%	16.0%	17.1%	35.2%
Minority Interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Common Equity	<u>48.4%</u>	<u>52.5%</u>	<u>56.0%</u>	<u>84.0%</u>	<u>82.9%</u>	<u>64.8%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Based on Total Capital:						
Total Debt incl. Short Term	51.6%	47.5%	44.0%	16.0%	17.1%	35.2%
Minority Interest	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Common Equity	<u>48.4%</u>	<u>52.5%</u>	<u>56.0%</u>	<u>84.0%</u>	<u>82.9%</u>	<u>64.8%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Rate of Return on Book Common Equity	12.5%	6.2%	6.5%	3.3%	5.9%	6.9%
Operating Ratio ⁽¹⁾	49.1%	73.2%	45.8%	109.3%	48.2%	65.1%
Coverage incl. AFUDC ⁽²⁾						
Pre-tax: All Interest Charges	7.06 x	10.61 x	15.26 x	5.21 x	NMF x	9.54 x
Post-tax: All Interest Charges	4.80 x	6.79 x	9.52 x	5.55 x	NMF x	6.67 x
Overall Coverage: All Int. & Pfd. Div.	4.80 x	6.79 x	9.52 x	5.55 x	NMF x	6.67 x
Coverage excl. AFUDC ⁽²⁾						
Pre-tax: All Interest Charges	6.42 x	10.14 x	13.93 x	-0.71 x	NMF x	7.45 x
Post-tax: All Interest Charges	4.16 x	6.32 x	8.19 x	-0.37 x	NMF x	4.58 x
Overall Coverage: All Int. & Pfd. Div.	4.16 x	6.32 x	8.19 x	-0.37 x	NMF x	4.58 x
Quality of Earnings & Cash Flow						
AFC/Income Avail. for Common Equity	16.8%	8.1%	15.7%	130.2%	20.7%	38.3%
Effective Income Tax Rate	37.2%	39.8%	40.3%	-8.1%	41.0%	30.0%
Internal Cash Generation/Construction ⁽³⁾	27.7%	32.3%	35.3%	43.9%	25.0%	32.8%
Gross Cash Flow/ Avg. Total Debt ⁽⁴⁾	20.2%	20.4%	56.5%	109.9%	115.0%	64.4%
Gross Cash Flow Interest Coverage ⁽⁵⁾	6.99 x	17.05 x	38.00 x	30.05 x	150.33 x	48.48 x
Common Dividend Coverage ⁽⁶⁾	x	x	x	x	x	x

See Page 2 for Notes.

Dominion Cove Point, LNG, LP
Capitalization and Financial Statistics
2001-2005, Inclusive

Notes:

- (1) Total operating expenses, maintenance, depreciation and taxes other than income as a percentage of operating revenues.
- (2) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account.
- (3) Coverage calculations represent the number of times available earnings excluding AFUDC (allowance for funds used during construction), as reported in its entirety, cover fixed charges.
- (3) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally generated funds from operations after payment of all cash dividends.
- (4) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less AFUDC) as a percentage of average total debt.
- (5) Gross Cash Flow plus interest charges divided by interest charges.
- (6) Common dividend coverage is the relationship of internally generated funds from operations after payment of preferred stock dividends to common dividends paid.

Source of Information: FERC Form No. 2

Corporate Pipeline Group
Capitalization and Financial Statistics ⁽¹⁾
2001-2005, Inclusive

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	
			(Millions of Dollars)			
Amount of Capital Employed						
Permanent Capital	\$ 9,199.7	\$ 8,328.7	\$ 9,388.4	\$ 10,151.8	\$ 9,585.0	
Short-Term Debt	\$ 178.4	\$ 87.9	\$ 101.8	\$ 507.4	\$ 776.4	
Total Capital	<u>\$ 9,378.1</u>	<u>\$ 8,416.6</u>	<u>\$ 9,490.2</u>	<u>\$ 10,659.2</u>	<u>\$ 10,361.4</u>	
Market-Based Financial Ratios						<u>Average</u>
Price-Earnings Multiple	21 x	25 x	14 x	14 x	21 x	19 x
Market/Book Ratio	345.8%	231.3%	175.9%	186.9%	268.5%	241.7%
Cash Yield	2.2%	2.5%	2.5%	2.9%	2.0%	2.4%
Payout Ratio	38.9%	33.9%	38.0%	36.0%	46.4%	38.6%
Capital Structure Ratios						
Based on Permanent Capital:						
Long-Term Debt	52.9%	51.5%	56.4%	54.7%	50.4%	53.2%
Preferred Stock/Minority Interest	2.6%	3.2%	3.1%	5.1%	5.6%	3.9%
Common Equity ⁽²⁾	<u>44.6%</u>	<u>45.3%</u>	<u>40.5%</u>	<u>40.3%</u>	<u>44.1%</u>	<u>42.9%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Based on Total Capital:						
Total Debt incl. Short Term	55.2%	53.9%	58.5%	56.9%	57.0%	56.3%
Preferred Stock/Minority Interest	2.5%	3.2%	3.0%	5.0%	5.2%	3.8%
Common Equity ⁽²⁾	<u>42.3%</u>	<u>42.9%</u>	<u>38.5%</u>	<u>38.2%</u>	<u>37.8%</u>	<u>39.9%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Rate of Return on Book Common Equity ⁽²⁾	9.0%	9.7%	9.4%	5.6%	11.8%	9.1%
Operating Ratio ⁽³⁾	83.0%	79.6%	80.1%	82.3%	82.9%	81.6%
Coverage incl. AFUDC ⁽⁴⁾						
Pre-tax: All Interest Charges	5.04 x	4.54 x	3.67 x	2.93 x	3.42 x	3.92 x
Post-tax: All Interest Charges	3.51 x	3.31 x	2.71 x	2.26 x	2.49 x	2.86 x
Overall Coverage: All Int. & Pfd. Div.	3.51 x	3.31 x	2.71 x	2.25 x	2.49 x	2.85 x
Coverage excl. AFUDC ⁽⁴⁾						
Pre-tax: All Interest Charges	5.03 x	4.54 x	3.66 x	2.92 x	3.40 x	3.91 x
Post-tax: All Interest Charges	3.50 x	3.30 x	2.71 x	2.25 x	2.47 x	2.85 x
Overall Coverage: All Int. & Pfd. Div.	3.50 x	3.30 x	2.70 x	2.24 x	2.47 x	2.84 x
Quality of Earnings & Cash Flow						
AFUDC/Income Avail. for Common Equity	-1.7%	-1.2%	-1.3%	0.5%	0.9%	-0.6%
Effective Income Tax Rate	36.8%	31.8%	44.9%	32.1%	44.3%	38.0%
Internal Cash Generation/Construction ⁽⁵⁾	106.1%	177.6%	161.2%	115.4%	134.5%	139.0%
Gross Cash Flow/ Avg. Total Debt ⁽⁶⁾	26.4%	31.7%	24.1%	19.7%	22.6%	24.9%
Gross Cash Flow Interest Coverage ⁽⁷⁾	5.44 x	6.22 x	4.95 x	4.25 x	4.65 x	5.10 x
Common Dividend Coverage ⁽⁸⁾	5.70 x	11.47 x	8.23 x	6.51 x	8.61 x	8.10 x

See Page 2 for Notes.

Corporate Pipeline Group
Capitalization and Financial Statistics
2001-2005, Inclusive

Notes:

- (1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.
- (2) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account.
- (3) Total operating expenses, maintenance, depreciation and taxes other than income as a percentage of operating revenues.
- (4) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
- (5) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends.
- (6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income tax and investment tax credits, less total AFUDC) as a percentage of average total debt.
- (7) Gross Cash Flow plus interest charges divided by interest charges.
- (8) Common dividend coverage is the relationship of internally-generated funds from operations after payment of preferred stock dividends to common dividends paid.

Basis of Selection

The group consists of the surviving companies used by the Commission in its rate case decision in Docket No. RP00-107-000 (104 FERC ¶ 61,036) that have traded stock and are currently paying a dividend.

<u>Ticker</u>	<u>Company</u>	<u>Corporate Credit Ratings</u>		<u>Stock Traded</u>	<u>S&P Stock Ranking</u>	<u>Value Line Beta</u>
		<u>Moody's</u>	<u>S&P</u>			
EP	El Paso Corp.	B1	B	NYSE	NR	2.10
EQT	Equitable Resources	A2	A-	NYSE	A-	0.85
KMI	Kinder Morgan Inc.	Baa2	BBB	NYSE	B	0.95
NFG	National Fuel Gas	Baa1	BBB+	NYSE	B+	0.85
STR	Questar Corp.	A2	A-	NYSE	A-	0.90
WMB	Williams Companies	Ba2	BB-	NYSE	B	2.70
	Average	<u>Baa2</u>	<u>BBB</u>		<u>B+</u>	<u>1.39</u>

Note: Ratings are those of pipeline subsidiaries

Source of Information: Utility COMPUSTAT

Standard & Poor's Public Utilities
Capitalization and Financial Statistics ⁽¹⁾
2001-2005, Inclusive

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	
	(Millions of Dollars)					
Amount of Capital Employed						
Permanent Capital	\$ 14,644.5	\$ 14,562.2	\$ 14,658.8	\$ 14,236.2	\$ 13,783.4	
Short-Term Debt	\$ 485.3	\$ 278.7	\$ 276.6	\$ 952.3	\$ 1,204.1	
Total Capital	<u>\$ 15,129.8</u>	<u>\$ 14,840.9</u>	<u>\$ 14,935.4</u>	<u>\$ 15,188.5</u>	<u>\$ 14,987.5</u>	
Market-Based Financial Ratios						<u>Average</u>
Price-Earnings Multiple	18 x	15 x	13 x	15 x	17 x	16 x
Market/Book Ratio	195.5%	180.1%	149.0%	151.3%	183.6%	171.9%
Dividend Yield	3.7%	3.8%	4.2%	5.0%	4.1%	4.2%
Dividend Payout Ratio	58.9%	73.3%	59.9%	75.3%	64.1%	66.3%
Capital Structure Ratios						
Based on Permanent Capital:						
Long-Term Debt	56.6%	58.3%	59.8%	60.4%	58.9%	58.8%
Preferred Stock	1.2%	1.5%	1.6%	1.8%	2.3%	1.7%
Common Equity ⁽²⁾	<u>42.2%</u>	<u>40.2%</u>	<u>38.6%</u>	<u>37.8%</u>	<u>38.9%</u>	<u>39.5%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Based on Total Capital:						
Total Debt incl. Short Term	58.5%	59.7%	61.3%	63.5%	62.9%	61.2%
Preferred Stock	1.2%	1.5%	1.6%	1.6%	2.1%	1.6%
Common Equity ⁽²⁾	<u>40.3%</u>	<u>38.8%</u>	<u>37.2%</u>	<u>34.9%</u>	<u>35.0%</u>	<u>37.2%</u>
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Rate of Return on Book Common Equity ⁽²⁾	10.9%	11.1%	9.8%	7.7%	14.5%	10.8%
Operating Ratio ⁽³⁾	83.0%	84.5%	84.9%	84.5%	85.9%	84.6%
Coverage incl. AFUDC ⁽⁴⁾						
Pre-tax: All Interest Charges	3.01 x	2.88 x	2.51 x	2.36 x	2.84 x	2.72 x
Post-tax: All Interest Charges	2.41 x	2.32 x	2.07 x	1.95 x	2.22 x	2.19 x
Overall Coverage: All Int. & Pfd. Div.	2.37 x	2.28 x	2.03 x	1.90 x	2.17 x	2.15 x
Coverage excl. AFUDC ⁽⁴⁾						
Pre-tax: All Interest Charges	2.97 x	2.85 x	2.47 x	2.31 x	2.80 x	2.68 x
Post-tax: All Interest Charges	2.37 x	2.29 x	2.03 x	1.90 x	2.18 x	2.15 x
Overall Coverage: All Int. & Pfd. Div.	2.34 x	2.25 x	1.99 x	1.86 x	2.13 x	2.11 x
Quality of Earnings & Cash Flow						
AFC/Income Avail. for Common Equity	0.9%	3.1%	1.7%	2.6%	2.0%	2.1%
Effective Income Tax Rate	31.6%	26.3%	40.9%	29.4%	28.1%	31.3%
Internal Cash Generation/Construction ⁽⁵⁾	110.4%	127.2%	128.0%	90.6%	88.6%	109.0%
Gross Cash Flow/ Avg. Total Debt ⁽⁶⁾	19.7%	19.7%	20.3%	18.2%	17.7%	19.1%
Gross Cash Flow Interest Coverage ⁽⁷⁾	4.20 x	4.21 x	4.34 x	3.98 x	3.57 x	4.06 x
Common Dividend Coverage ⁽⁸⁾	4.12 x	4.83 x	5.20 x	4.07 x	3.83 x	4.41 x

See Page 2 for Notes.

Standard & Poor's Public Utilities
Capitalization and Financial Statistics
2001-2005, Inclusive

Notes:

- (1) All capitalization and financial statistics for the group are the arithmetic average of the achieved results for each individual company in the group.
- (2) Excluding Accumulated Other Comprehensive Income ("OCI") from the equity account.
- (3) Total operating expenses, maintenance, depreciation and taxes other than income taxes as a percent of operating revenues.
- (4) Coverage calculations represent the number of times available earnings, both including and excluding AFUDC (allowance for funds used during construction) as reported in its entirety, cover fixed charges.
- (5) Internal cash generation/gross construction is the percentage of gross construction expenditures provided by internally-generated funds from operations after payment of all cash dividends divided by gross construction expenditures.
- (6) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) as a percentage of average total debt.
- (7) Gross Cash Flow (sum of net income, depreciation, amortization, net deferred income taxes and investment tax credits, less total AFUDC) plus interest charges, divided by interest charges.
- (8) Common dividend coverage is the relationship of internally-generated funds from operations after payment of preferred stock dividends to common dividends paid.

Source of Information: Annual Reports to Shareholders
Utility COMPUSTAT

Standard & Poor's Public Utilities

Company Identities ⁽¹⁾

	Ticker	Credit Rating ⁽²⁾		Common Stock Traded	S&P Stock Ranking	Value Line Beta
		Moody's	S&P			
Allegheny Energy	AYE	Baa3	BB+	NYSE	B-	1.85
Ameren Corporation	AEE	A2	BBB+	NYSE	A-	0.75
American Electric Power	AEP	Baa2	BBB	NYSE	B	1.20
CMS Energy	CMS	Ba1	BB	NYSE	C	1.45
CenterPoint Energy	CNP	Baa3	BBB	NYSE	B	0.65
Consolidated Edison	ED	A1	A	NYSE	B+	0.65
Constellation Energy Group	CEG	A3	BBB+	NYSE	B	0.95
DTE Energy Co.	DTE	Baa1	BBB	NYSE	B+	0.70
Dominion Resources	D	Baa1	BBB	NYSE	B+	0.95
Duke Energy	DUK	Baa2	BBB	NYSE	B+	1.20
Edison Int'l	EIX	Baa1	BBB+	NYSE	B	1.05
Entergy Corp.	ETR	Baa2	BBB	NYSE	B+	0.85
Exelon Corp.	EXC	A3	BBB+	NYSE	B+	0.80
FPL Group	FPL	A1	A	NYSE	A-	0.80
FirstEnergy Corp.	FE	Baa2	BBB	NYSE	B+	0.75
Keyspan Energy	KSE	A3	A	NYSE	B	0.85
NICOR Inc.	GAS	A1	AA	NYSE	B	1.15
NiSource Inc.	NI	Baa2	BBB	NYSE	B	0.80
PG&E Corp.	PCG	Baa1	BBB	NYSE	B	1.10
PPL Corp.	PPL	Baa1	A-	NYSE	B	1.00
Peoples Energy	PGL	A1	A-	NYSE	B	0.85
Pinnacle West Capital	PNW	Baa2	BBB-	NYSE	A-	0.90
Progress Energy, Inc.	PGN	Baa1	BBB	NYSE	B+	0.80
Public Serv. Enterprise Inc.	PEG	Baa1	BBB	NYSE	B+	0.90
Sempra Energy	SRE	A2	A	NYSE	B	1.00
Southern Co.	SO	A2	A	NYSE	A-	0.65
TECO Energy	TE	Baa2	BBB-	NYSE	B-	1.00
TXU CORP	TXU	Baa3	BBB-	NYSE	B	1.05
Xcel Energy Inc	XEL	A3	BBB+	NYSE	B	0.80
Average for S&P Utilities		<u>Baa1</u>	<u>BBB+</u>		<u>B</u>	<u>0.95</u>

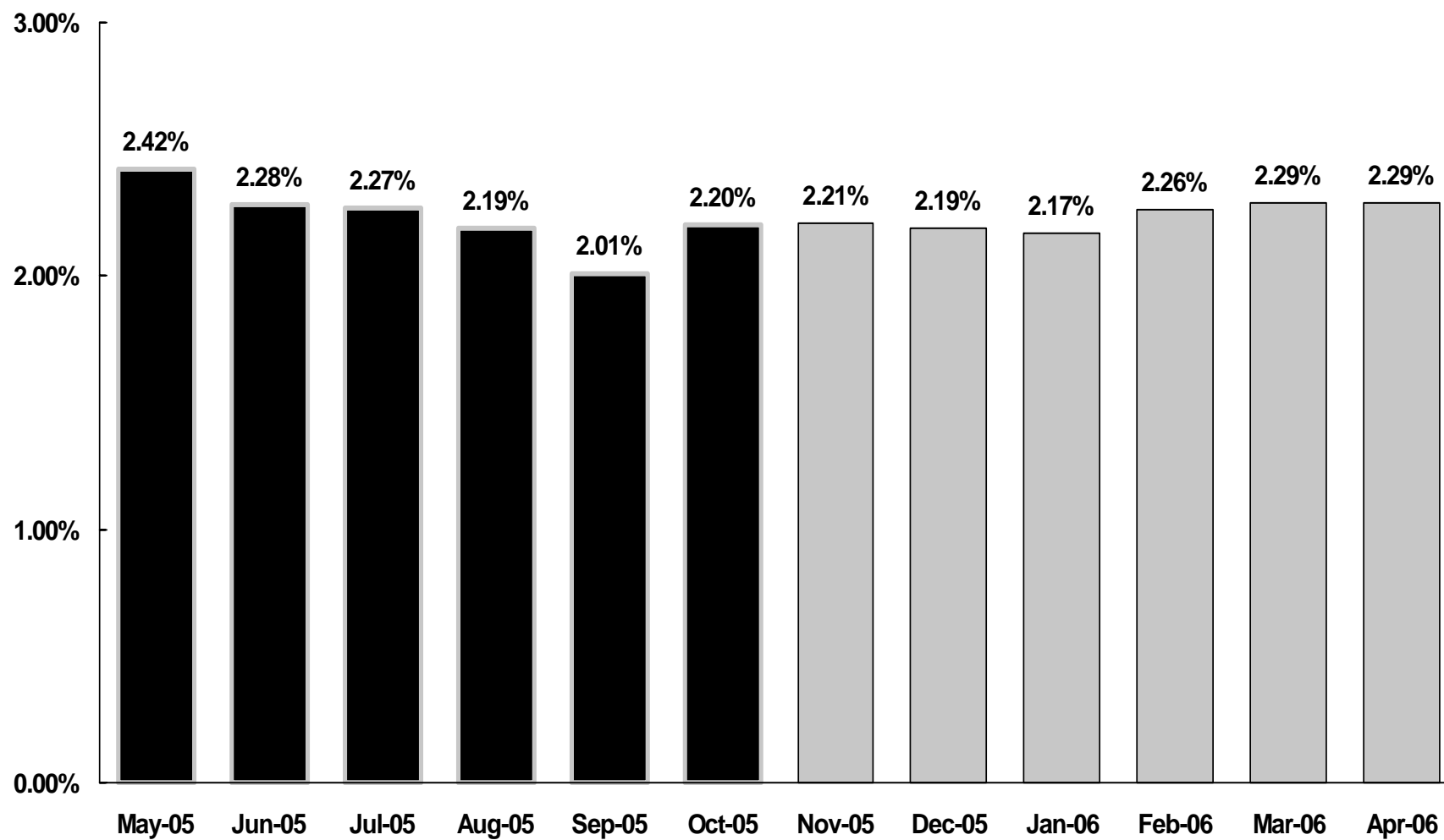
Note: ⁽¹⁾ Includes companies contained in S&P Utility Compustat. AES Corp. and Dynegy, Inc. are not included.

⁽²⁾ Ratings are those of utility subsidiaries

Source of Information: Moody's Investors Service
Standard & Poor's Corporation
Standard & Poor's Stock Guide
Value Line Investment Survey for Windows

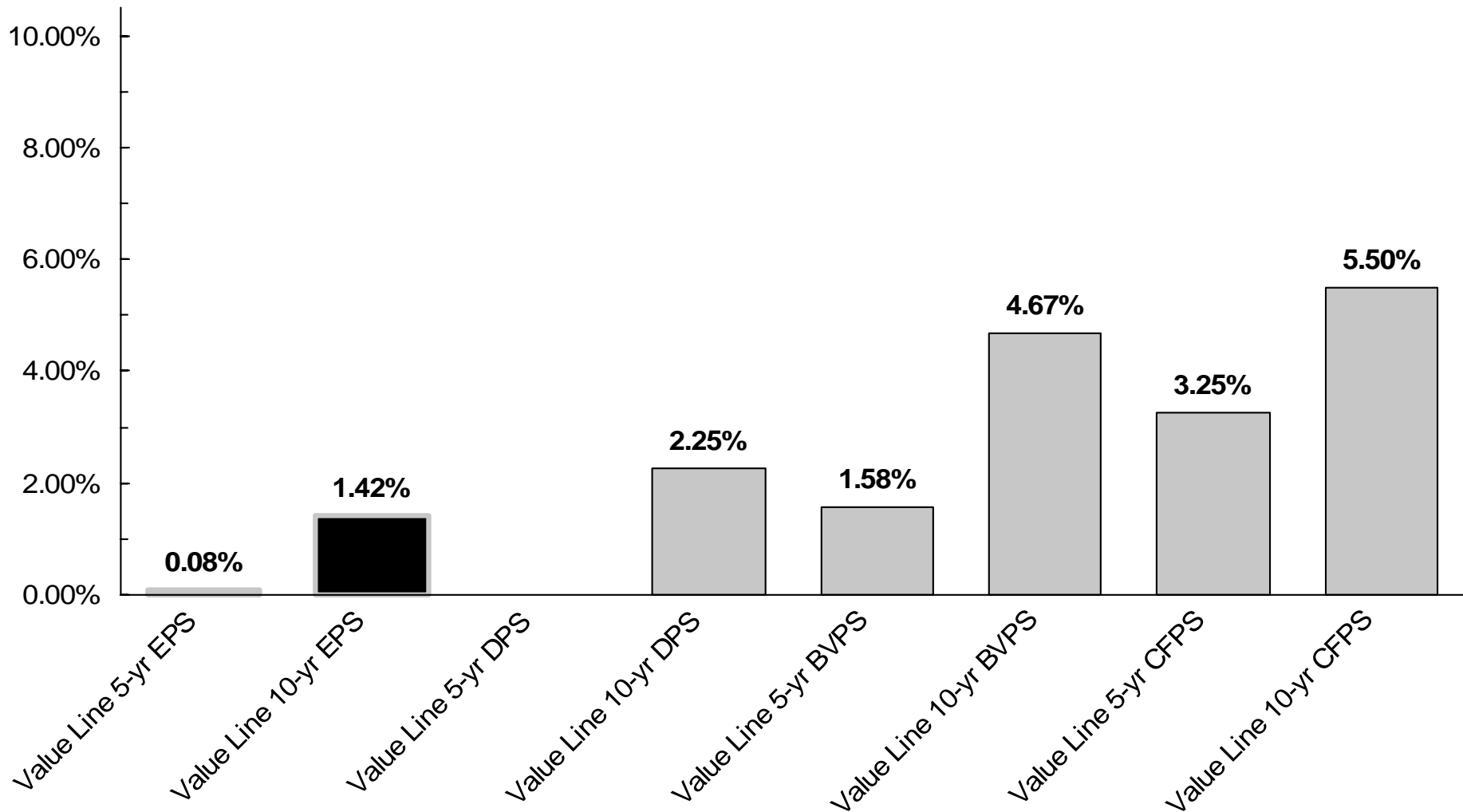
Corporate Pipeline Group

Monthly Cash Yields



Corporate Pipeline Group

Historical Growth Rates

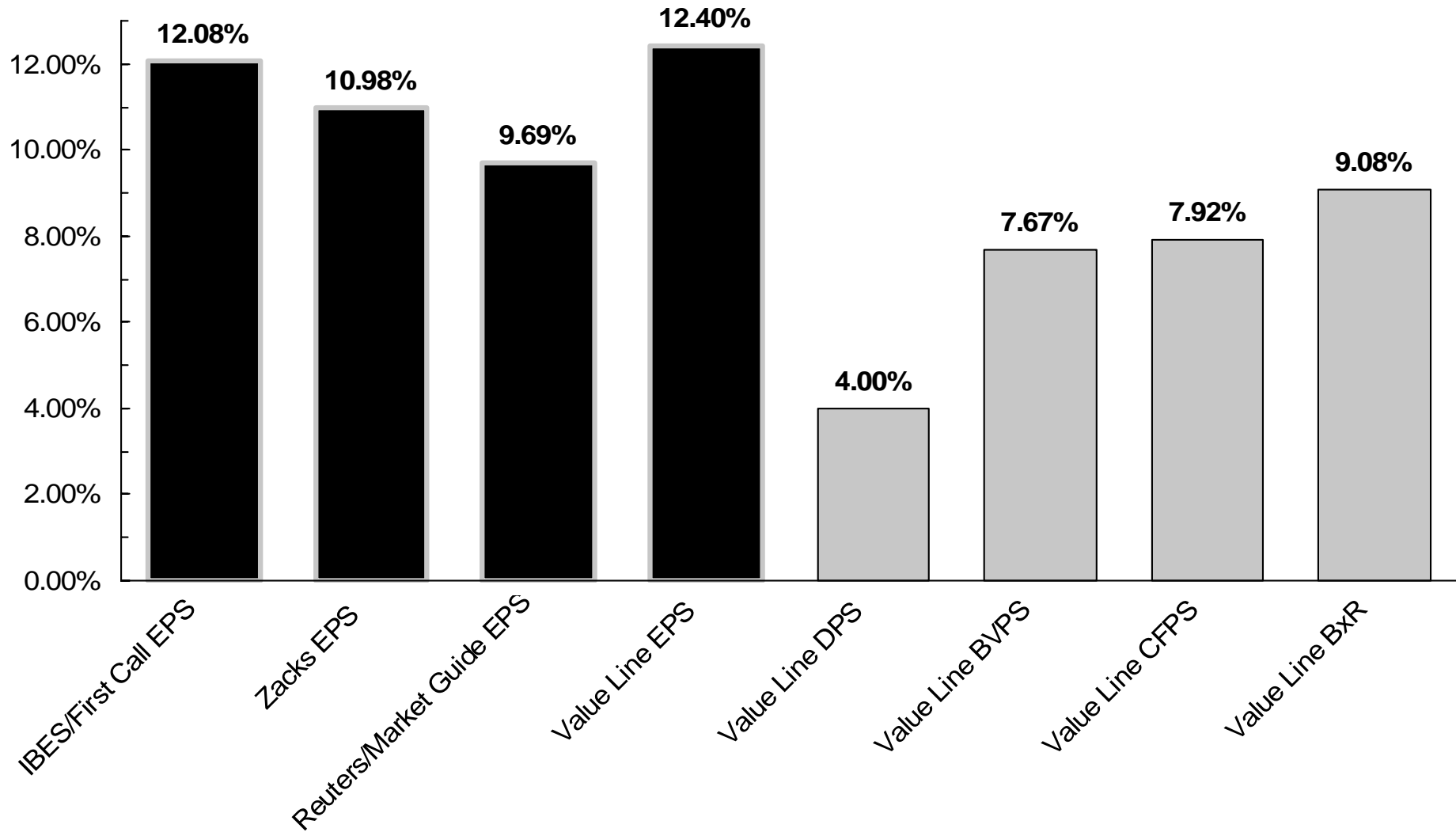


Earnings per Share=EPS
Dividends per Share=DPS

Book Values per Share=BVPS
Cash Flow per Share=CFPS

Corporate Pipeline Group

Five-Year Projected Growth Rates



Earnings per Share=EPS Book Values per Share=BVPS
 Dividends per Share=DPS Cash Flow per Share=CFPS
 Percent Retained to Common Equity=BxR

Natural Gas Industry
Analysis of Public Offerings of Common Stock
Years 2001-2005

	WGL Holdings	UTILICORP	MDU Resources	AGL RESOURCES	SOUTHERN UNION CO.	ATMOS ENERGY	VECTREN CORP.	SEMPRA ENERGY	PIEDMONT NATURAL
Date of Offering	6/26/2001	1/25/2002	11/29/2002	2/11/2003	6/5/2003	6/18/2003	8/7/2003	10/8/2003	1/20/2004
No. of shares offered (000)	1,790	11,000	2,100	5,600	9,500	4,000	6,500	15,000	4,250
Dollar amt. of offering (\$000)	\$ 47,847	\$ 253,000	\$ 50,400	\$ 123,200	\$ 152,000	\$ 101,240	\$ 148,265	\$ 420,000	\$ 180,625
Price to public	\$ 26.730	\$ 23.000	\$ 24.200	\$ 22.000	\$ 16.000	\$ 25.310	\$ 22.810	\$ 28.000	\$ 42.500
Underwriter's discounts and commission	\$ 0.895	\$ 0.748	\$ 0.720	\$ 0.770	\$ 0.560	\$ 1.013	\$ 0.798	\$ 0.840	\$ 1.490
Gross Proceeds	\$ 25.835	\$ 22.252	\$ 23.480	\$ 21.230	\$ 15.440	\$ 24.297	\$ 22.012	\$ 27.160	\$ 41.010
Estimated company issuance expenses	\$ 0.031	NA	\$ 0.092	\$ 0.045	\$ 0.089	\$ 0.095	\$ 0.046	\$ 0.033	NA
Net proceeds to company per share	\$ 25.804	\$ 22.252	\$ 23.388	\$ 21.185	\$ 15.351	\$ 24.202	\$ 21.966	\$ 27.127	\$ 41.010
Underwriter's discount as a percent of offering price	3.3%	3.3%	3.0%	3.5%	3.5%	4.0%	3.5%	3.0%	3.5%
Issuance expense as a percent of offering price	0.1%	NA	0.4%	0.2%	0.6%	0.4%	0.2%	0.1%	NA
Total Issuance and selling expense as as a percent of offering price	3.4%	3.3%	3.4%	3.7%	4.1%	4.4%	3.7%	3.1%	3.5%
	UGI CORP.	NORTHWEST NATURAL	LACLEDE GROUP	SOUTHERN UNION CO.	AQUILA	ATMOS ENERGY	AGL RESOURCES	SOUTHERN UNION CO.	SEMCO Energy
Date of Offering	3/18/2004	3/30/2004	5/6/2004	7/26/2004	8/18/2004	10/21/2004	11/19/2004	2/7/2006	8/9/2006
No. of shares offered (000)	7,500	1,200	1,500	11,000	40,000	14,000	9,600	14,913	4,300
Dollar amt. of offering (\$000)	\$ 240,750	\$ 37,200	\$ 40,200	\$ 206,250	\$ 102,000	\$ 346,500	\$ 297,696	\$ 342,999	\$ 27,176
Price to public	\$ 32.100	\$ 31.000	\$ 26.800	\$ 18.750	\$ 2.550	\$ 24.750	\$ 31.010	\$ 23.000	\$ 6.320
Underwriter's discounts and commission	\$ 1.404	\$ 1.010	\$ 0.871	\$ 0.656	\$ 0.099	\$ 0.990	\$ 0.930	\$ 0.700	\$ 0.253
Gross Proceeds	\$ 30.696	\$ 29.990	\$ 25.929	\$ 18.094	\$ 2.451	\$ 23.760	\$ 30.080	\$ 22.300	\$ 6.067
Estimated company issuance expenses	\$ 0.020	\$ 0.146	\$ 0.067	\$ 0.091	NA	NA	\$ 0.042	\$ 0.067	\$ 0.070
Net proceeds to company per share	\$ 30.676	\$ 29.844	\$ 25.862	\$ 18.003	\$ 2.451	\$ 23.760	\$ 30.038	\$ 22.233	\$ 5.997
Underwriter's discount as a percent of offering price	4.4%	3.3%	3.3%	3.5%	3.9%	4.0%	3.0%	3.0%	4.0%
Issuance expense as a percent of offering price	0.1%	0.5%	0.3%	0.5%	NA	NA	0.1%	0.3%	1.1%
Total Issuance and selling expense as as a percent of offering price	4.5%	3.8%	3.6%	4.0%	3.9%	4.0%	3.1%	3.3%	5.1%
									Average
									3.5%
									0.4%
									3.9%

Source of Information: Public Utility Financial Tracker

Return on Equity Calculation
per Commission's Two-Stage DCF
Six-months ended April 2006

<u>Corporate Pipeline Group</u>	<u>Six Month Div. Yield</u>	<u>IBES First Call</u>	<u>GDP Growth Rate</u>	<u>IBES 2/3 Weighted</u>	<u>GDP 1/3 Weighted</u>	<u>Combined Growth Rate</u>	<u>Adjusted Dividend Yield</u>	<u>DCF Return</u>
El Paso Energy Corporation	1.30%	12.67%	5.46%	8.45%	1.82%	10.27%	1.37%	11.64%
Equitable Resources, Inc.	2.28%	9.80%	5.46%	6.53%	1.82%	8.35%	2.38%	10.73%
Kinder Morgan, Inc.	3.60%	12.50%	5.46%	8.33%	1.82%	10.15%	3.78%	13.93%
National Fuel Gas Company	3.61%	5.00%	5.46%	3.33%	1.82%	5.15%	3.70%	8.85%
Questar Corporation	1.17%	11.16%	5.46%	7.44%	1.82%	9.26%	1.22%	10.48%
Williams (The) Companies	1.35%	21.33%	5.46%	14.22%	1.82%	16.04%	1.46%	17.50%
				<u>Percent Pipeline Assets</u>	<u>Weights for Average</u>	<u>Weighted Average</u>	<u>Weights for Median</u>	<u>Weighted Median</u>
El Paso Energy Corporation				51.72%	27.04%	3.15%	6	11.64%
Equitable Resources, Inc.				7.99%	4.18%	0.45%	1	10.73%
Kinder Morgan, Inc.				45.31%	23.69%	3.30%	6	13.93%
National Fuel Gas Company				21.21%	11.09%	0.98%	3	8.85%
Questar Corporation				17.39%	9.09%	0.95%	2	10.48%
Williams (The) Companies				47.64%	24.91%	4.36%	6	17.50%
Weighted Average					<u>100.00%</u>	<u>13.19%</u>		
Weighted Median							<u>24</u>	<u>12.79%</u>

Energy Information Administration ("EIA") Table A19

Real Gross Domestic Product

<u>Year</u>	<u>EIA</u>	
2011	\$13,417	
2030	\$23,112	2.90%

GDP Chain-Type Price Index

<u>Year</u>	<u>EIA</u>	
2011	1.264	
2030	2.048	2.57%
		<u>5.54%</u>

GDP Growth

Global Insight

<u>Year</u>	<u>GI</u>	
2011	\$16,844.2	
2036	\$55,626.3	4.89%

GDP Growth

Social Security Administration ("SSA") Table VI.F.4

<u>Year</u>	<u>SSA</u>	
2011	\$16,937	
2056	\$120,841	4.46%

GDP Growth

Average

4.96%

Growth attributed to Corporate Profits

0.50%

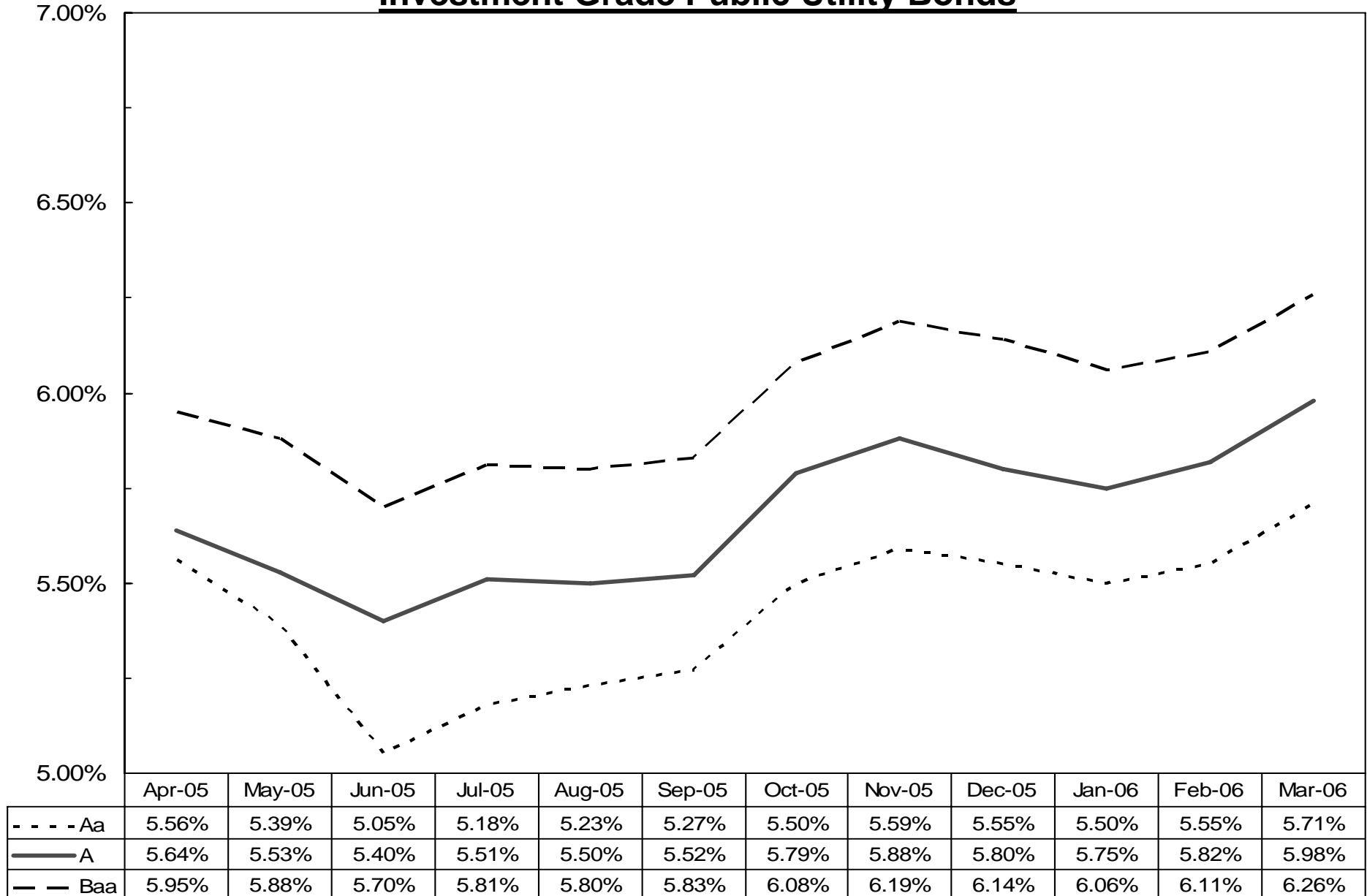
Long-Term Growth Rate

5.46%

Dividend Yield Calculations

Ticker	Company	Mo/Yr	Price			Indicated Dividend Rate	Dividend Yield	Average Dividend Yield
			High	Low	Average			
EP	El Paso Energy Corporation	Nov-05	\$ 12.06	\$ 10.76	\$ 11.410	\$0.16	1.40%	1.30%
		Dec-05	\$ 12.54	\$ 11.01	\$ 11.775	\$0.16	1.36%	
		Jan-06	\$ 13.95	\$ 12.08	\$ 13.015	\$0.16	1.23%	
		Feb-06	\$ 13.60	\$ 12.21	\$ 12.905	\$0.16	1.24%	
		Mar-06	\$ 13.15	\$ 11.80	\$ 12.475	\$0.16	1.28%	
		Apr-06	\$ 13.03	\$ 11.85	\$ 12.440	\$0.16	1.29%	
EQT	Equitable Resources, Inc.	Nov-05	\$ 38.98	\$ 36.08	\$ 37.530	\$0.84	2.24%	2.28%
		Dec-05	\$ 39.51	\$ 36.01	\$ 37.760	\$0.84	2.22%	
		Jan-06	\$ 39.02	\$ 35.82	\$ 37.420	\$0.84	2.24%	
		Feb-06	\$ 37.19	\$ 34.05	\$ 35.620	\$0.84	2.36%	
		Mar-06	\$ 37.87	\$ 35.22	\$ 36.545	\$0.84	2.30%	
		Apr-06	\$ 37.00	\$ 34.92	\$ 35.960	\$0.84	2.34%	
KMI	Kinder Morgan, Inc.	Nov-05	\$ 92.39	\$ 87.42	\$ 89.905	\$3.00	3.34%	3.60%
		Dec-05	\$ 94.98	\$ 90.60	\$ 92.790	\$3.00	3.23%	
		Jan-06	\$ 103.75	\$ 91.47	\$ 97.610	\$3.50	3.59%	
		Feb-06	\$ 96.82	\$ 89.30	\$ 93.058	\$3.50	3.76%	
		Mar-06	\$ 94.90	\$ 89.13	\$ 92.015	\$3.50	3.80%	
		Apr-06	\$ 93.05	\$ 86.27	\$ 89.660	\$3.50	3.90%	
NFG	National Fuel Gas Company	Nov-05	\$ 32.68	\$ 29.25	\$ 30.965	\$1.16	3.75%	3.61%
		Dec-05	\$ 34.10	\$ 30.58	\$ 32.340	\$1.16	3.59%	
		Jan-06	\$ 35.43	\$ 31.09	\$ 33.260	\$1.16	3.49%	
		Feb-06	\$ 33.42	\$ 30.60	\$ 32.010	\$1.16	3.62%	
		Mar-06	\$ 33.27	\$ 31.13	\$ 32.200	\$1.16	3.60%	
		Apr-06	\$ 33.51	\$ 31.33	\$ 32.420	\$1.16	3.58%	
STR	Questar Corporation	Nov-05	\$ 81.35	\$ 73.73	\$ 77.541	\$0.90	1.16%	1.17%
		Dec-05	\$ 84.77	\$ 74.43	\$ 79.600	\$0.90	1.13%	
		Jan-06	\$ 85.70	\$ 75.77	\$ 80.735	\$0.90	1.11%	
		Feb-06	\$ 82.35	\$ 71.26	\$ 76.805	\$0.90	1.17%	
		Mar-06	\$ 75.45	\$ 67.37	\$ 71.410	\$0.90	1.26%	
		Apr-06	\$ 81.90	\$ 68.43	\$ 75.165	\$0.90	1.20%	
WMB	Williams (The) Companies	Nov-05	\$ 22.63	\$ 19.54	\$ 21.086	\$0.30	1.42%	1.35%
		Dec-05	\$ 24.78	\$ 21.71	\$ 23.245	\$0.30	1.29%	
		Jan-06	\$ 25.58	\$ 22.65	\$ 24.115	\$0.30	1.24%	
		Feb-06	\$ 24.24	\$ 20.80	\$ 22.520	\$0.30	1.33%	
		Mar-06	\$ 22.33	\$ 19.35	\$ 20.840	\$0.30	1.44%	
		Apr-06	\$ 23.34	\$ 21.20	\$ 22.270	\$0.30	1.35%	

Interest Rates for Investment Grade Public Utility Bonds

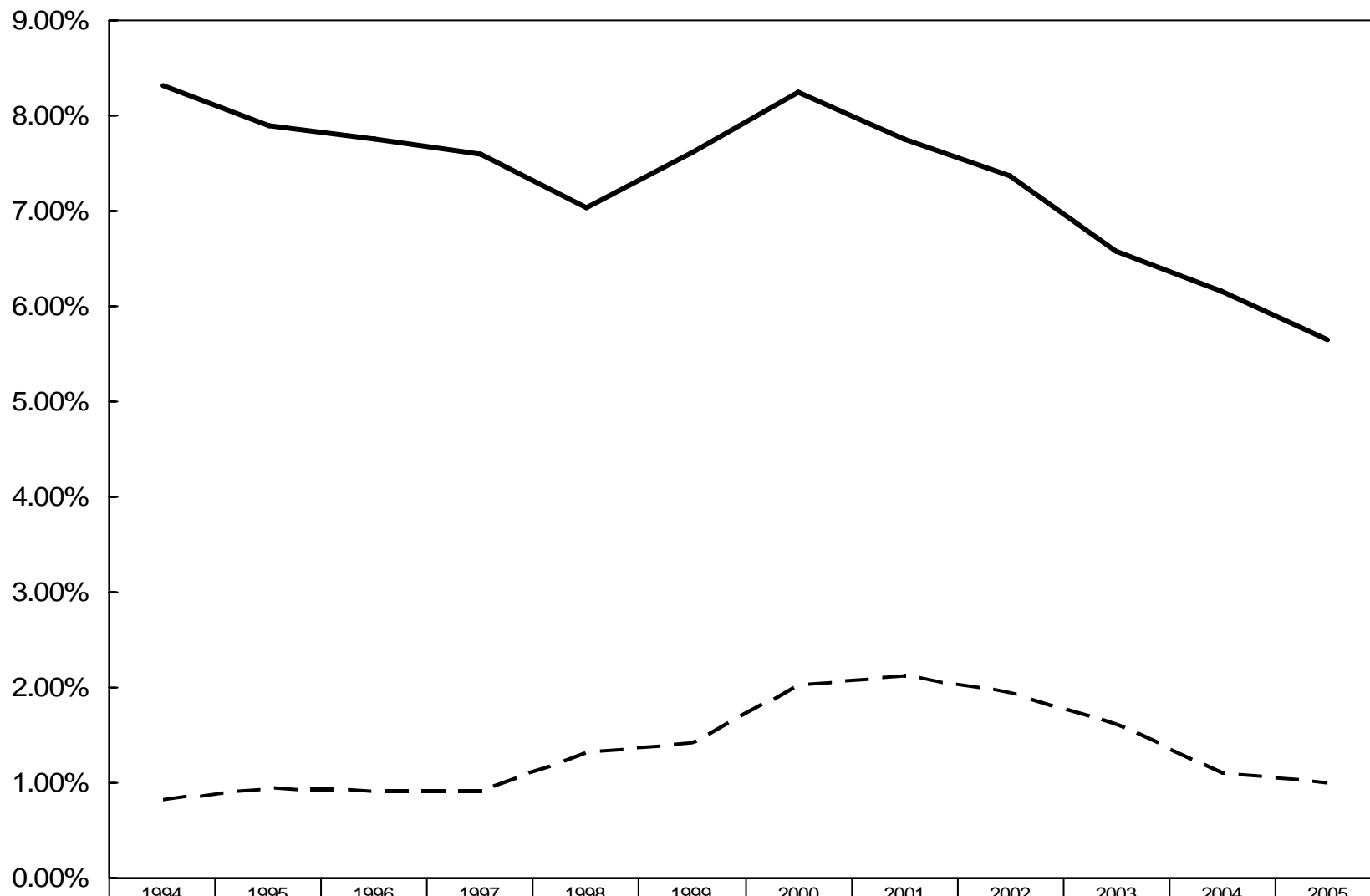


**Interest Rates for Investment Grade Public Utility Bonds
Yearly for 2001-2005
and the Twelve Months Ended March 2006**

<u>Years</u>	<u>Aa Rated</u>	<u>A Rated</u>	<u>Baa Rated</u>	<u>Average</u>
2001	7.58%	7.76%	8.03%	7.72%
2002	7.19%	7.37%	8.02%	7.53%
2003	6.40%	6.58%	6.84%	6.61%
2004	6.04%	6.16%	6.40%	6.20%
2005	5.44%	5.65%	5.93%	5.67%
Five-Year Average	<u>6.53%</u>	<u>6.70%</u>	<u>7.04%</u>	<u>6.75%</u>
 <u>Months</u>				
Apr-05	5.56%	5.64%	5.95%	5.72%
May-05	5.39%	5.53%	5.88%	5.60%
Jun-05	5.05%	5.40%	5.70%	5.39%
Jul-05	5.18%	5.51%	5.81%	5.50%
Aug-05	5.23%	5.50%	5.80%	5.51%
Sep-05	5.27%	5.52%	5.83%	5.54%
Oct-05	5.50%	5.79%	6.08%	5.79%
Nov-05	5.59%	5.88%	6.19%	5.88%
Dec-05	5.55%	5.80%	6.14%	5.83%
Jan-06	5.50%	5.75%	6.06%	5.77%
Feb-06	5.55%	5.82%	6.11%	5.83%
Mar-06	5.71%	5.98%	6.26%	5.98%
Twelve-Month Average	<u>5.42%</u>	<u>5.68%</u>	<u>5.98%</u>	<u>5.70%</u>
Six-Month Average	<u>5.57%</u>	<u>5.84%</u>	<u>6.14%</u>	<u>5.85%</u>
Three-Month Average	<u>5.59%</u>	<u>5.85%</u>	<u>6.14%</u>	<u>5.86%</u>

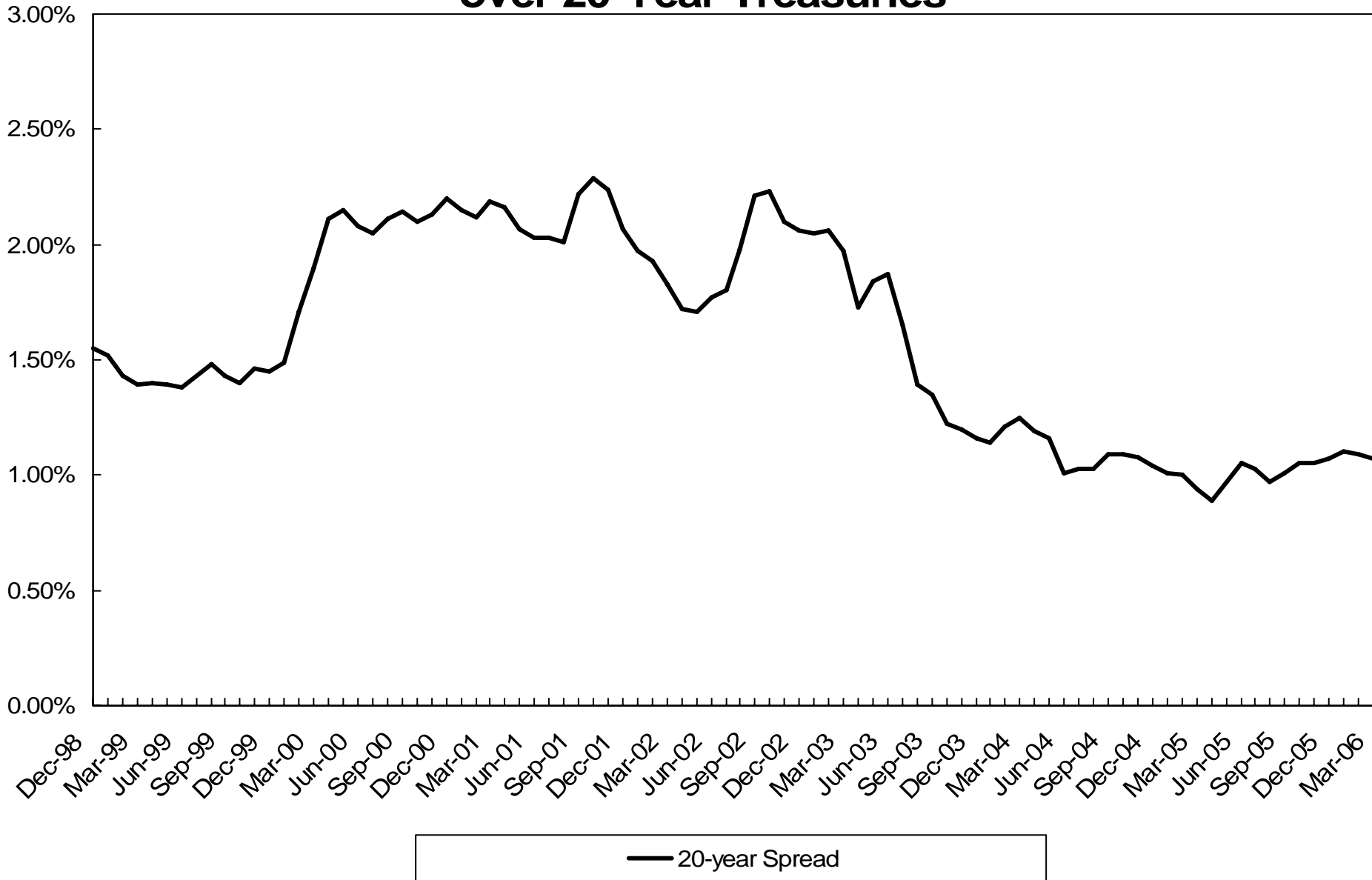
Source: Mergent Bond Record

Yields on A-rated Public Utility Bonds and Spreads over 20-Year Treasuries



	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
— A-rated Public Utility	8.31%	7.89%	7.75%	7.60%	7.04%	7.62%	8.24%	7.76%	7.37%	6.58%	6.16%	5.65%
- - Spread vs. 20-year	0.82%	0.94%	0.92%	0.91%	1.32%	1.42%	2.01%	2.13%	1.94%	1.62%	1.11%	1.00%

Interest Rate Spreads A-rated Public Utility Bonds over 20-Year Treasuries



A rated Public Utility Bonds
over 20-Year Treasuries

Year	A-rated Public Utility	20-Year Treasuries	
		Yield	Spread
Dec-98	6.91%	5.36%	1.55%
Jan-99	6.97%	5.45%	1.52%
Feb-99	7.09%	5.66%	1.43%
Mar-99	7.26%	5.87%	1.39%
Apr-99	7.22%	5.82%	1.40%
May-99	7.47%	6.08%	1.39%
Jun-99	7.74%	6.36%	1.38%
Jul-99	7.71%	6.28%	1.43%
Aug-99	7.91%	6.43%	1.48%
Sep-99	7.93%	6.50%	1.43%
Oct-99	8.06%	6.66%	1.40%
Nov-99	7.94%	6.48%	1.46%
Dec-99	8.14%	6.69%	1.45%
Jan-00	8.35%	6.86%	1.49%
Feb-00	8.25%	6.54%	1.71%
Mar-00	8.28%	6.38%	1.90%
Apr-00	8.29%	6.18%	2.11%
May-00	8.70%	6.55%	2.15%
Jun-00	8.36%	6.28%	2.08%
Jul-00	8.25%	6.20%	2.05%
Aug-00	8.13%	6.02%	2.11%
Sep-00	8.23%	6.09%	2.14%
Oct-00	8.14%	6.04%	2.10%
Nov-00	8.11%	5.98%	2.13%
Dec-00	7.84%	5.64%	2.20%
Jan-01	7.80%	5.65%	2.15%
Feb-01	7.74%	5.62%	2.12%
Mar-01	7.68%	5.49%	2.19%
Apr-01	7.94%	5.78%	2.16%
May-01	7.99%	5.92%	2.07%
Jun-01	7.85%	5.82%	2.03%
Jul-01	7.78%	5.75%	2.03%
Aug-01	7.59%	5.58%	2.01%
Sep-01	7.75%	5.53%	2.22%
Oct-01	7.63%	5.34%	2.29%
Nov-01	7.57%	5.33%	2.24%
Dec-01	7.83%	5.76%	2.07%
Jan-02	7.66%	5.69%	1.97%
Feb-02	7.54%	5.61%	1.93%
Mar-02	7.76%	5.93%	1.83%
Apr-02	7.57%	5.85%	1.72%
May-02	7.52%	5.81%	1.71%
Jun-02	7.42%	5.65%	1.77%
Jul-02	7.31%	5.51%	1.80%
Aug-02	7.17%	5.19%	1.98%
Sep-02	7.08%	4.87%	2.21%
Oct-02	7.23%	5.00%	2.23%
Nov-02	7.14%	5.04%	2.10%
Dec-02	7.07%	5.01%	2.06%
Jan-03	7.07%	5.02%	2.05%
Feb-03	6.93%	4.87%	2.06%
Mar-03	6.79%	4.82%	1.97%
Apr-03	6.64%	4.91%	1.73%
May-03	6.36%	4.52%	1.84%
Jun-03	6.21%	4.34%	1.87%
Jul-03	6.57%	4.92%	1.65%
Aug-03	6.78%	5.39%	1.39%
Sep-03	6.56%	5.21%	1.35%
Oct-03	6.43%	5.21%	1.22%
Nov-03	6.37%	5.17%	1.20%
Dec-03	6.27%	5.11%	1.16%
Jan-04	6.15%	5.01%	1.14%
Feb-04	6.15%	4.94%	1.21%
Mar-04	5.97%	4.72%	1.25%
Apr-04	6.35%	5.16%	1.19%
May-04	6.62%	5.46%	1.16%
Jun-04	6.46%	5.45%	1.01%
Jul-04	6.27%	5.24%	1.03%
Aug-04	6.14%	5.07%	1.07%
Sep-04	5.98%	4.89%	1.09%
Oct-04	5.94%	4.85%	1.09%
Nov-04	5.97%	4.89%	1.08%
Dec-04	5.92%	4.88%	1.04%
Jan-05	5.78%	4.77%	1.01%
Feb-05	5.61%	4.61%	1.00%
Mar-05	5.83%	4.89%	0.94%
Apr-05	5.64%	4.75%	0.89%
May-05	5.53%	4.56%	0.97%
Jun-05	5.40%	4.35%	1.05%
Jul-05	5.51%	4.48%	1.03%
Aug-05	5.50%	4.53%	0.97%
Sep-05	5.52%	4.51%	1.01%
Oct-05	5.79%	4.74%	1.05%
Nov-05	5.88%	4.83%	1.05%
Dec-05	5.80%	4.73%	1.07%
Jan-06	5.75%	4.65%	1.10%
Feb-06	5.82%	4.73%	1.09%
Mar-06	5.98%	4.91%	1.07%

S&P Composite Index and S&P Public Utility Index
Long-Term Corporate and Public Utility Bonds
Yearly Total Returns
1928-2005

Year	S & P Composite Index	S & P Public Utility Index	Long Term Corporate Bonds	Public Utility Bonds
1928	43.61%	57.47%	2.84%	3.08%
1929	-8.42%	11.02%	3.27%	2.34%
1930	-24.90%	-21.96%	7.98%	4.74%
1931	-43.34%	-35.90%	-1.85%	-11.11%
1932	-8.19%	-0.54%	10.82%	7.25%
1933	53.99%	-21.87%	10.38%	-3.82%
1934	-1.44%	-20.41%	13.84%	22.61%
1935	47.67%	76.63%	9.61%	16.03%
1936	33.92%	20.69%	6.74%	8.30%
1937	-35.03%	-37.04%	2.75%	-4.05%
1938	31.12%	22.45%	6.13%	8.11%
1939	-0.41%	11.26%	3.97%	6.76%
1940	-9.78%	-17.15%	3.39%	4.45%
1941	-11.59%	-31.57%	2.73%	2.15%
1942	20.34%	15.39%	2.60%	3.81%
1943	25.90%	46.07%	2.83%	7.04%
1944	19.75%	18.03%	4.73%	3.29%
1945	36.44%	53.33%	4.08%	5.92%
1946	-8.07%	1.26%	1.72%	2.98%
1947	5.71%	-13.16%	-2.34%	-2.19%
1948	5.50%	4.01%	4.14%	2.65%
1949	18.79%	31.39%	3.31%	7.16%
1950	31.71%	3.25%	2.12%	2.01%
1951	24.02%	18.63%	-2.69%	-2.77%
1952	18.37%	19.25%	3.52%	2.99%
1953	-0.99%	7.85%	3.41%	2.08%
1954	52.62%	24.72%	5.39%	7.57%
1955	31.56%	11.26%	0.48%	0.12%
1956	6.56%	5.06%	-6.81%	-6.25%
1957	-10.78%	6.36%	8.71%	3.58%
1958	43.36%	40.70%	-2.22%	0.18%
1959	11.96%	7.49%	-0.97%	-2.29%
1960	0.47%	20.26%	9.07%	9.01%
1961	26.89%	29.33%	4.82%	4.65%
1962	-8.73%	-2.44%	7.95%	6.55%
1963	22.80%	12.36%	2.19%	3.44%
1964	16.48%	15.91%	4.77%	4.94%
1965	12.45%	4.67%	-0.46%	0.50%
1966	-10.06%	-4.48%	0.20%	-3.45%
1967	23.98%	-0.63%	-4.95%	-3.63%
1968	11.06%	10.32%	2.57%	1.87%
1969	-8.50%	-15.42%	-8.09%	-6.66%
1970	4.01%	16.56%	18.37%	15.90%
1971	14.31%	2.41%	11.01%	11.59%
1972	18.98%	8.15%	7.26%	7.19%
1973	-14.66%	-18.07%	1.14%	2.42%
1974	-26.47%	-21.55%	-3.06%	-5.28%
1975	37.20%	44.49%	14.64%	15.50%
1976	23.84%	31.81%	18.65%	19.04%
1977	-7.18%	8.64%	1.71%	5.22%
1978	6.56%	-3.71%	-0.07%	-0.98%
1979	18.44%	13.58%	-4.18%	-2.75%
1980	32.42%	15.08%	-2.76%	-0.23%
1981	-4.91%	11.74%	-1.24%	4.27%
1982	21.41%	26.52%	42.56%	33.52%
1983	22.51%	20.01%	6.26%	10.33%
1984	6.27%	26.04%	16.86%	14.82%
1985	32.16%	33.05%	30.09%	26.48%
1986	18.47%	28.53%	19.85%	18.16%
1987	5.23%	-2.92%	-0.27%	3.02%
1988	16.81%	18.27%	10.70%	10.19%
1989	31.49%	47.80%	16.23%	15.61%
1990	-3.17%	-2.57%	6.78%	8.13%
1991	30.55%	14.61%	19.89%	19.25%
1992	7.67%	8.10%	9.39%	8.65%
1993	9.99%	14.41%	13.19%	10.59%
1994	1.31%	-7.94%	-5.76%	-4.72%
1995	37.43%	42.15%	27.20%	22.81%
1996	23.07%	3.14%	1.40%	3.04%
1997	33.36%	24.69%	12.95%	11.39%
1998	28.58%	14.82%	10.76%	9.44%
1999	21.04%	-8.85%	-7.45%	-1.69%
2000	-9.11%	59.70%	12.87%	9.45%
2001	-11.88%	-30.41%	10.65%	5.85%
2002	-22.10%	-30.04%	16.33%	1.63%
2003	28.70%	26.11%	5.27%	10.01%
2004	10.87%	24.22%	8.72%	6.03%
2005	4.91%	16.79%	5.87%	3.02%
Geometric Mean	10.03%	8.65%	5.89%	5.47%
Arithmetic Mean	11.99%	11.02%	6.21%	5.75%
Standard Deviation	20.26%	22.67%	8.61%	7.93%
Median	13.38%	11.50%	4.44%	4.55%

**Tabulation of Risk Rate Differentials for
S&P Public Utility Index and Public Utility Bonds
For the Years 1928-2005, 1952-2005, 1974-2005, and 1979-2005**

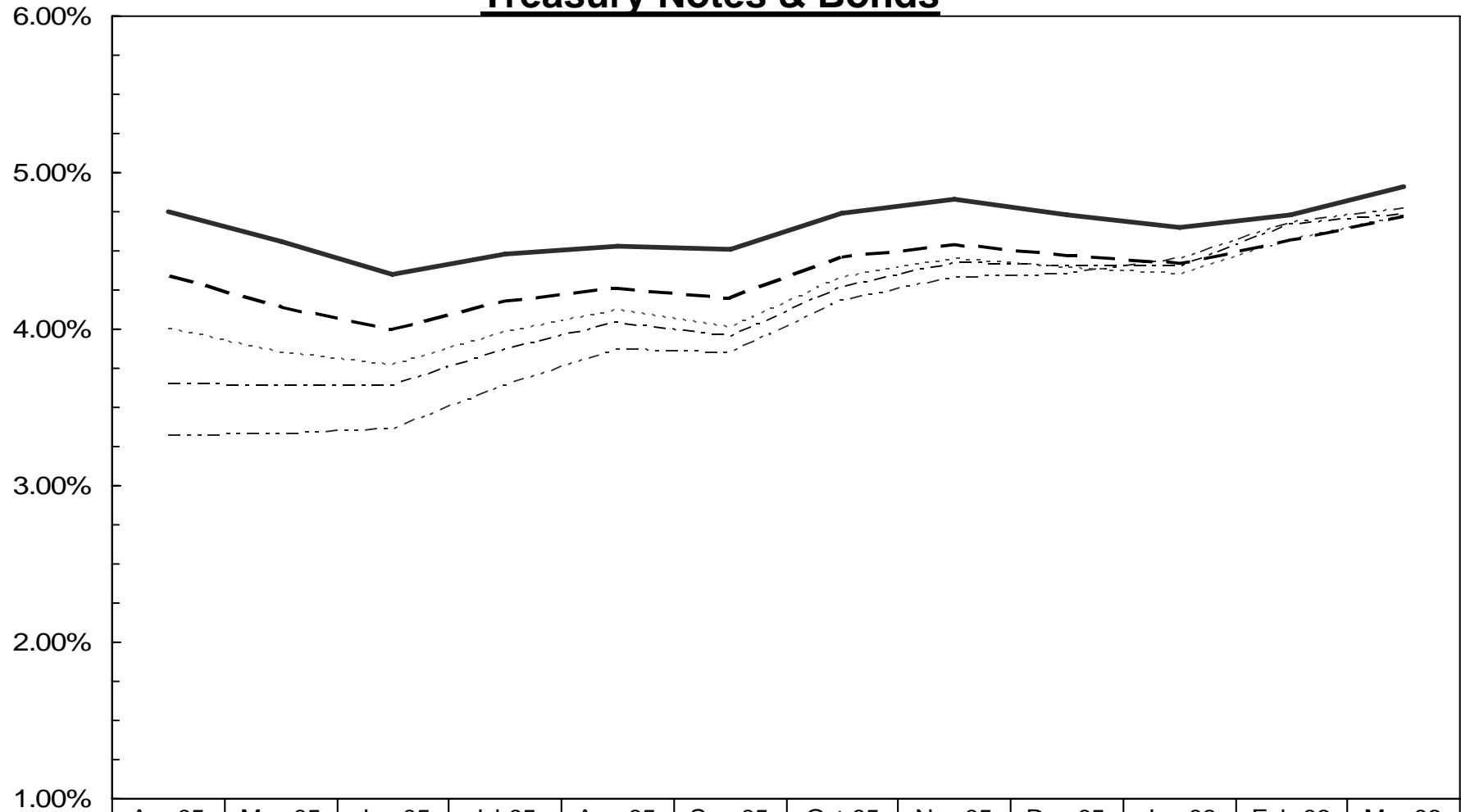
<u>Total Returns</u>	<u>Range</u>		<u>Midpoint</u>	<u>Point Estimate</u>	<u>Average of the Midpoint of Range and Point Estimate</u>
	<u>Geometric Mean</u>	<u>Median</u>		<u>Arithmetic Mean</u>	
<u>1928-2005</u>					
S&P Public Utility Index	8.65%	11.50%		11.02%	
Public Utility Bonds	<u>5.47%</u>	<u>4.55%</u>		<u>5.75%</u>	
Risk Differential	<u>3.18%</u>	<u>6.95%</u>	<u>5.07%</u>	<u>5.27%</u>	<u>5.17%</u>
<u>1952-2005</u>					
S&P Public Utility Index	10.82%	12.97%		12.37%	
Public Utility Bonds	<u>6.21%</u>	<u>5.08%</u>		<u>6.52%</u>	
Risk Differential	<u>4.61%</u>	<u>7.89%</u>	<u>6.25%</u>	<u>5.85%</u>	<u>6.05%</u>
<u>1974-2005</u>					
S&P Public Utility Index	12.54%	14.95%		14.57%	
Public Utility Bonds	<u>8.70%</u>	<u>9.05%</u>		<u>9.06%</u>	
Risk Differential	<u>3.84%</u>	<u>5.90%</u>	<u>4.87%</u>	<u>5.51%</u>	<u>5.19%</u>
<u>1979-2005</u>					
S&P Public Utility Index	13.15%	15.08%		15.06%	
Public Utility Bonds	<u>9.15%</u>	<u>9.44%</u>		<u>9.49%</u>	
Risk Differential	<u>4.00%</u>	<u>5.64%</u>	<u>4.82%</u>	<u>5.57%</u>	<u>5.20%</u>

**Value Line Betas for
Corporate Pipeline Group**

Company	Beta
El Paso Corp.	2.10
Equitable Resources	0.85
Kinder Morgan Inc.	0.95
National Fuel Gas	0.85
Questar Corp.	0.90
Williams Companies	2.70
Average	1.39

Source of Information:
Value Line Investment Survey
March 17, 2005

Yields on Treasury Notes & Bonds



	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06
1-Year	3.32%	3.33%	3.36%	3.64%	3.87%	3.85%	4.18%	4.33%	4.35%	4.45%	4.68%	4.77%
2-Year	3.65%	3.64%	3.64%	3.87%	4.04%	3.95%	4.27%	4.42%	4.40%	4.40%	4.67%	4.73%
5-Year	4.00%	3.85%	3.77%	3.98%	4.12%	4.01%	4.33%	4.45%	4.39%	4.35%	4.57%	4.72%
10-Year	4.34%	4.14%	4.00%	4.18%	4.26%	4.20%	4.46%	4.54%	4.47%	4.42%	4.57%	4.72%
20-Year	4.75%	4.56%	4.35%	4.48%	4.53%	4.51%	4.74%	4.83%	4.73%	4.65%	4.73%	4.91%

**Yields for Treasury Constant Maturities
Yearly for 2001-2005
and the Twelve Months Ended March 2006**

<u>Years</u>	<u>1-Year</u>	<u>2-Year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>7-Year</u>	<u>10-Year</u>	<u>20-Year</u>
2001	3.49%	3.83%	4.09%	4.56%	4.88%	5.02%	5.63%
2002	2.00%	2.64%	3.10%	3.82%	4.30%	4.61%	5.43%
2003	1.24%	1.65%	2.11%	2.97%	3.52%	4.02%	4.96%
2004	1.89%	2.38%	2.78%	3.43%	3.87%	4.27%	5.05%
2005	3.62%	3.85%	3.93%	4.05%	4.15%	4.29%	4.65%
Five-Year Average	<u>2.45%</u>	<u>2.87%</u>	<u>3.20%</u>	<u>3.77%</u>	<u>4.14%</u>	<u>4.44%</u>	<u>5.14%</u>
<u>Months</u>							
Apr-05	3.32%	3.65%	3.79%	4.00%	4.16%	4.34%	4.75%
May-05	3.33%	3.64%	3.72%	3.85%	3.94%	4.14%	4.56%
Jun-05	3.36%	3.64%	3.69%	3.77%	3.86%	4.00%	4.35%
Jul-05	3.64%	3.87%	3.91%	3.98%	4.06%	4.18%	4.48%
Aug-05	3.87%	4.04%	4.08%	4.12%	4.18%	4.26%	4.53%
Sep-05	3.85%	3.95%	3.96%	4.01%	4.08%	4.20%	4.51%
Oct-05	4.18%	4.27%	4.29%	4.33%	4.38%	4.46%	4.74%
Nov-05	4.33%	4.42%	4.43%	4.45%	4.48%	4.54%	4.83%
Dec-05	4.35%	4.40%	4.39%	4.39%	4.41%	4.47%	4.73%
Jan-06	4.45%	4.40%	4.35%	4.35%	4.37%	4.42%	4.65%
Feb-06	4.68%	4.67%	4.64%	4.57%	4.56%	4.57%	4.73%
Mar-06	4.77%	4.73%	4.74%	4.72%	4.71%	4.72%	4.91%
Twelve-Month Average	<u>4.01%</u>	<u>4.14%</u>	<u>4.17%</u>	<u>4.21%</u>	<u>4.27%</u>	<u>4.36%</u>	<u>4.65%</u>
Six-Month Average	<u>4.46%</u>	<u>4.48%</u>	<u>4.47%</u>	<u>4.47%</u>	<u>4.49%</u>	<u>4.53%</u>	<u>4.77%</u>
Three-Month Average	<u>4.63%</u>	<u>4.60%</u>	<u>4.58%</u>	<u>4.55%</u>	<u>4.55%</u>	<u>4.57%</u>	<u>4.76%</u>

Source: Federal Reserve statistical release H.15

Measures of the Risk-Free Rate

The forecast of Treasury yields
per the consensus of nearly 50 economists
reported in the Blue Chip Financial Forecasts dated May 1, 2006

<u>Year</u>	<u>Quarter</u>	<u>1-Year Treasury Bill</u>	<u>2-Year Treasury Note</u>	<u>5-Year Treasury Note</u>	<u>10-Year Treasury Note</u>	<u>30-Year Treasury Bond</u>
2006	First	5.0%	5.0%	5.0%	5.0%	5.1%
2006	Second	5.1%	5.1%	5.1%	5.1%	5.2%
2006	Third	5.1%	5.1%	5.1%	5.2%	5.3%
2006	Fourth	5.1%	5.0%	5.1%	5.1%	5.3%
2007	First	5.0%	5.0%	5.0%	5.1%	5.2%
2007	Second	4.9%	4.9%	5.0%	5.1%	5.2%

THE VALUE LINE

Investment Survey®

Part 1 Summary & Index

File at the front of the
Ratings & Reports
binder. Last week's
Summary & Index
should be removed.

April 7, 2006

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SCREENS

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The Median of Estimated
PRICE-EARNINGS RATIOS
of all stocks with earnings

19.2

26 Weeks	Market Low	Market High
Ago	10-9-02	3-7-05
18.1	14.1	18.9

The Median of Estimated
DIVIDEND YIELDS
(next 12 months) of all dividend
paying stocks under review

1.6%

26 Weeks	Market Low	Market High
Ago	10-9-02	3-7-05
1.6%	2.4%	1.6%

The Estimated Median Price
APPRECIATION POTENTIAL
of all 1700 stocks in the hypothesized
economic environment 3 to 5 years hence

40%

26 Weeks	Market Low	Market High
Ago	10-9-02	3-7-05
45%	115%	40%

ANALYSES OF INDUSTRIES IN ALPHABETICAL ORDER WITH PAGE NUMBER

Numerical in parenthesis after the industry is rank for probable performance (next 12 months).

PAGE	PAGE	PAGE	PAGE
Advertising (30) 1919	Educational Services (41) 1577	Insurance (Prop/Cas.) (69) 585	Railroad (13) 282
Aerospace/Defense (28) 543	Electrical Equipment (12) 1001	Internet (17) 2220	R.E.I.T. (95) 1173
Air Transport (10) 253	Electric Util. (Central) (89) 695	*Investment Co. (53) 960	Recreation (81) 1841
Apparel (48) 1651	Electric Utility (East) (90) 155	Investment Co. (Foreign) (33) 358	Restaurant (74) 290
Auto & Truck (49) 101	Electric Utility (West) (78) 1779	Machinery (20) 1331	Retail Automotive (39) 1667
Auto Parts (83) 782	Electronics (14) 1022	Manuf. Housing/RV (35) 1547	*Retail Building Supply (1) 880
Bank (61) 2101	Entertainment (68) 1860	Maritime (82) 274	Retail (Special Lines) (70) 1707
Bank (Canadian) (55) 1563	Entertainment Tech (79) 1591	Medical Services (75) 630	Retail Store (56) 1676
Bank (Midwest) (87) 613	Environmental (38) 349	Medical Supplies (60) 179	Securities Brokerage (2) 1421
Beverage (Alcoholic) (80) 1532	Financial Svcs. (Div.) (47) 2130	Metal Fabricating (29) 563	Semiconductor (9) 1048
Beverage (Soft Drink) (77) 1538	Food Processing (93) 1481	Metals & Mining (Div.) (16) 1223	Semiconductor Equip (19) 1088
Biotechnology (46) 665	Food Wholesalers (98) 1527	Natural Gas (Distrib.) (94) 458	Shoe (73) 1695
*Building Materials (62) 851	Foreign Electronics (27) 1554	Natural Gas (Div.) (40) 438	Steel (General) (24) 574
Cable TV (7) 812	Foreign Telecom. (42) 758	Newspaper (88) 1905	Steel (Integrated) (52) 1410
Canadian Energy (4) 427	*Furn/Home Furnishings (45) 895	Office Equip/Supplies (76) 1131	Telecom. Equipment (6) 737
*Cement & Aggregates (8) 888	Grocery (65) 1514	Oilfield Svcs/Equip. (5) 1939	Telecom. Services (57) 719
Chemical (Basic) (71) 1236	Healthcare Information (34) 656	*Packaging & Container (63) 926	Thrift (85) 1161
Chemical (Diversified) (44) 1961	Home Appliance (50) 118	*Paper/Forest Products (72) 911	Tire & Rubber (91) 113
Chemical (Specialty) (59) 475	*Homebuilding (54) 866	Petroleum (Integrated) (21) 405	Tobacco (97) 1570
Coal (3) 524	Hotel/Gaming (67) 1876	Petroleum (Producing) (31) 1928	Toiletries/Cosmetics (96) 800
Computers/Peripherals (26) 1103	*Household Products (84) 944	Pharmacy Services (15) 772	Trucking (32) 264
Computer Software/Svcs (22) 2166	Human Resources (23) 1290	*Power (64) 975	Water Utility (92) 1416
Diversified Co. (66) 1372	Industrial Services (51) 321	Precious Metals (36) 1215	Wireless Networking (18) 508
Drug (43) 1245	Information Services (25) 373	Precision Instrument (37) 125	
E-Commerce (11) 1436	Insurance (Life) (58) 1200	Publishing (86) 1891	

*Reviewed in this week's issue.

In three parts: This is Part 1, the Summary & Index. Part 2 is Selection & Opinion. Part 3 is Ratings & Reports. Volume LXI, No. 32.

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Table 7
Basic Series and Portfolios

Summary Statistics of
Annual Returns
From 1926 to 2005

Asset Class	1/1/26 to 12/31/05		
	Geometric Mean	Arithmetic Mean	Standard Deviation
Large Company Stocks	10.4%	12.3%	20.2%
Small Company Stocks	12.6%	17.4%	32.9%
Long-Term Corporate Bonds	5.9%	6.2%	8.5%
Long-Term Government Bonds	5.5%	5.8%	9.2%
Intermediate-Term Government Bonds	5.3%	5.5%	5.7%
U.S. Treasury Bills	3.7%	3.8%	3.1%
Inflation	3.0% E	3.1% E	4.3% E
90% Stocks/10% Bonds	10.1%	11.6%	18.3%
70% Stocks/30% Bonds	9.3%	10.3%	14.6%
50% Stocks/50% Bonds	8.4%	9.0%	11.5%
30% Stocks/70% Bonds	7.3%	7.7%	9.4%
10% Stocks/90% Bonds	6.1%	6.5%	8.8%

Comparable Earnings Approach

Using All Value Line Non-Utility Companies with
Timeliness of 2, & 3; Safety Rank of 2, 3, 4 & 5; Financial Strength of C+, C++, B, B+ & B++;
Price Stability of 80 to 95; Betas of .85 to 2.70; and Technical Rank of 2 & 3

Company	Industry	Timeliness Rank	Safety Rank	Financial Strength	Price Stability	Beta	Technical Rank
Air Products & Chem.	CHEMDIV	3	2	B++	90	0.95	3
Albemarle Corp.	CHEMDIV	3	3	B+	85	0.95	3
Alexander & Baldwin	MARITIME	3	3	B+	85	0.95	3
Amer. Financial Group	INSRPRTY	2	3	B+	85	1.00	3
Baldor Electric	ELECEQ	3	2	B++	85	0.95	3
Berkley (W.R.)	INSRPRTY	1	3	B+	85	0.85	3
Burlington Northern	RAILROAD	3	3	B+	90	0.90	2
CLARCOR Inc.	PACKAGE	2	2	B++	85	0.95	3
Cullen/Frost Bankers	BANK	3	2	B++	85	0.90	3
Danaher Corp.	DIVERSIF	2	2	B++	90	1.00	3
Delphi Fin'l 'A'	INSLIFE	3	3	B+	90	0.95	3
Ecolab Inc.	CHEMSPEC	3	2	B++	95	0.85	3
FirstMerit Corp.	BANKMID	3	3	B+	90	0.95	3
Graco Inc.	MACHINE	3	2	B++	85	0.90	3
HCC Insurance Hldgs.	INSRPRTY	3	3	B+	85	0.95	3
Hudson City Bancorp	THRIFT	2	3	B+	90	0.85	3
Old Republic	INSRPRTY	3	2	B++	85	1.00	3
PNC Financial Serv.	BANK	3	2	B++	90	1.05	3
Praxair Inc.	CHEMSPEC	3	2	B++	90	1.00	3
Principal Fin'l Group	FINANCL	3	2	B++	90	1.00	3
SunTrust Banks	BANK	3	2	B++	95	0.95	3
Union Pacific	RAILROAD	3	3	B++	95	0.85	2
Valspar Corp.	CHEMSPEC	3	3	B+	90	0.85	3
Zions Bancorp.	BANK	3	2	B++	85	1.00	3
Average		<u>3</u>	<u>2</u>	<u>B++</u>	<u>88</u>	<u>0.94</u>	<u>3</u>
Pipeline Group	Range	<u>2 to 3</u>	<u>2 to 5</u>	<u>C+ to B++</u>	<u>5 to 95</u>	<u>.85 to 2.70</u>	<u>2 to 3</u>
	Average	<u>3</u>	<u>3</u>	<u>B+</u>	<u>62</u>	<u>1.39</u>	<u>3</u>

Source of Information: Value Line Investment Survey for Windows, March 10, 2006

Comparable Earnings Approach
Five -Year Average Historical Earned Returns
for Years 2001-2005 and
Projected 3-5 Year Returns

Company	2001	2002	2003	2004	2005	Average	Projected 2009-11
Air Products & Chem.	16.7%	15.0%	13.1%	13.6%	15.6%	14.8%	19.5%
Albemarle Corp.	11.7%	12.6%	10.3%	10.8%	12.0%	11.5%	13.5%
Alexander & Baldwin	9.5%	8.0%	10.0%	11.2%	11.7%	10.1%	12.5%
Amer. Financial Group	5.9%	7.9%	7.9%	8.9%	7.5%	7.6%	12.0%
Baldor Electric	8.5%	8.7%	9.5%	12.4%	13.0%	10.4%	16.0%
Berkley (W.R.)	NMF	10.4%	17.0%	19.5%	20.0%	16.7%	14.5%
Burlington Northern	10.4%	9.6%	9.1%	11.6%	16.1%	11.4%	14.5%
CLARCOR Inc.	15.3%	14.8%	14.7%	14.9%	15.0%	14.9%	13.0%
Cullen/Frost Bankers	13.1%	17.4%	16.9%	17.2%	16.0%	16.1%	16.5%
Danaher Corp.	13.4%	14.4%	14.7%	16.1%	15.5%	14.8%	14.5%
Delphi Fin'l `A'	NMF	11.1%	10.6%	11.6%	10.5%	11.0%	11.5%
Ecolab Inc.	21.4%	21.9%	21.2%	20.0%	20.0%	20.9%	21.0%
FirstMerit Corp.	18.0%	16.0%	12.3%	10.5%	14.0%	14.2%	15.0%
Graco Inc.	37.6%	30.8%	NMF	47.1%	42.0%	39.4%	41.0%
HCC Insurance Hldgs.	7.7%	12.6%	13.7%	11.8%	12.0%	11.6%	13.5%
Hudson City Bancorp	10.4%	14.6%	15.6%	17.1%	5.5%	12.6%	8.5%
Old Republic	12.5%	12.2%	12.6%	10.5%	11.0%	11.8%	10.5%
PNC Financial Serv.	6.5%	17.5%	15.5%	16.0%	16.0%	14.3%	14.0%
Praxair Inc.	19.6%	23.4%	18.8%	19.3%	20.0%	20.2%	18.5%
Principal Fin'l Group	5.6%	9.3%	10.2%	9.8%	10.5%	9.1%	9.0%
SunTrust Banks	16.4%	15.2%	13.7%	9.8%	11.5%	13.3%	13.5%
Union Pacific	8.7%	9.3%	8.5%	6.0%	6.6%	7.8%	9.0%
Valspar Corp.	7.9%	16.3%	12.9%	14.3%	13.9%	13.1%	14.0%
Zions Bancorp.	12.7%	13.4%	13.4%	14.6%	11.3%	13.1%	11.5%
Average						14.2%	14.9%
Median						13.1%	13.8%