

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report Dec. 31, 2005
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GAS PLANT IN SERVICE (Accounts 101,102,103, and 106)

- Report below the original cost of gas plant in service according to the prescribed accounts.
- In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified - Gas.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts.

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. Intangible Plant		
2	301 Organization		
3	302 Franchise and Consents		
4	303 Miscellaneous Intangible Plant	104,392,454	300,817
5	TOTAL Intangible Plant	104,392,454	300,817
6	2. Production Plant		
7	Natural Gas Production and Gathering Plant		
8	321 Asset Retirement Costs for Manufactured Gas Production Plants		
9	325.1 Producing Lands		
10	325.2 Producing Leaseholds		
11	325.3 Gas Rights		
12	325.4 Rights-of-Way		
13	325.5 Other Land and Land Rights		
14	326 Gas Well Structures		
15	327 Field Compressor Station Structures		
16	328 Field Meas. and Reg. Sta. Structures		
17	329 Other Structures		
18	330 Producing Gas Wells- Well Construction		
19	331 Producing Gas Wells - Well Equipment		
20	332 Field Lines		
21	333 Field Compressor Station Equipment		
22	334 Field Meas. and Reg. Sta. Equipment		
23	335 Drilling and Cleaning Equipment		
24	336 Purification Equipment		
25	337 Other Equipment		
26	338 Unsuccessful Exploration & Devel. Costs		
27	339 Asset Retirement Costs for Natural Gas Production and Gathering Plant		
28	TOTAL Production and Gathering Plant		
29			
30	Products Extraction Plant		
31	340 Land and Land Rights		
32	341 Structures and Improvements		
33	342 Extraction and Refining Equipment		
34	343 Pipe Lines		
35	344 Extracted Products Storage Equipment		
36	345 Compressor Equipment		
37	346 Gas Meas. and Reg. Equipment		
38	347 Other Equipment		
39	348 Asset Retirement Costs for Products Extraction Plant		
40	TOTAL Products Extraction Plant		
41	TOTAL Nat. Gas Production Plant		
42	M/d. Gas Prod. Plant (Submit Suppl. Statement)	961,188	
43	TOTAL Nat. Gas Production Plant	961,188	

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GAS PLANT IN SERVICE (Accounts 101,102,103, and 106)

Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (a) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.
8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Reirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
				3
			104,693,271	4
			104,693,271	5
				6
				7
				8
			321	8
			325.1	9
			325.2	10
			325.3	11
			325.4	12
			325.5	13
			326	14
			327	15
			328	16
			329	17
			330	18
			331	19
			332	20
			333	21
			334	22
			335	23
			336	24
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			339	27
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			961,188	42
			961,188	43

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GAS PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
44	3. Natural Gas Storage and Processing Plant		
45	Underground Storage Plant		
46	350.1 Land	385,529	
47	350.2 Rights-of-Way	583,021	
48	351 Structures and Improvements	4,169,761	12,528
49	352 Wells	53,300,925	461,363
50	352.1 Storage Leaseholds and Rights	3,473,837	
51	352.2 Reservoirs	4,150,004	
52	352.3 Non-recoverable Natural Gas	118,182,961	4,759,452
53	353 Lines	23,352,588	1,125,814
54	354 Compressor Station Equipment	14,693,118	712,903
55	355 Measuring and Reg. Equipment	2,515,414	983,260
56	356 Purification Equipment	8,847,744	17,529
57	357 Other Equipment	759,760	
58	358 Asset Retirement Costs for Underground Storage Plant		
59	TOTAL Underground Storage Plant	234,414,662	8,072,849
60	Other Storage Plant		
61	360 Land and Land Rights		
62	361 Structures and Improvements	4,118,075	66,535
63	362 Gas Holders	5,120,502	
64	363 Purification Equipment		
65	363.1 Liquefaction Equipment	4,883,565	57,543
66	363.2 Vaporizing Equipment	8,769,827	9,124
67	363.3 Compressor Equipment		
68	363.4 Meas. and Reg. Equipment		
69	363.5 Other Equipment		
70	363.6 Asset Retirement Costs for Other Storage Plant		
71	TOTAL Other Storage Plant	22,891,969	133,202
72	Base Load Liquefied Natural Gas Terminating and Processing Plant		
73	364.1 Land and Land Rights		
74	364.2 Structures and Improvements		
75	364.3 LNG processing Terminal Equipment		
76	364.4 LNG Transportation Equipment		
77	364.5 Measuring and Regulating Equipment		
78	364.6 Compressor Station Equipment		
79	364.7 Communications Equipment		
80	364.8 Other Equipment		
81	364.8 Asset Retirement Costs for Baseload Liquefied Natural Gas Terminating and Processing Plant		
82	TOTAL Base Load Liquefied Natural Gas		
83			
84	TOTAL Nat. Gas Storage and Proc. Plant	257,306,631	8,206,051
85	4. Transmission Plant		
86	365.1 Land and Land Rights	359,360	
87	365.2 Rights-of-Way	5,579,873	
88	366 Structures and Improvements	434,577	
89	367 Mains	98,384,144	2,234,620
90	368 Compressor Station Equipment		
91	369 Measuring and Reg. Station Equipment	1,552,099	
92	370 Communication Equipment		
93	371 Other Equipment	118,841	
94	372 Asset Retirement Costs for Transmission Plant		
95	TOTAL Transmission Plant	106,428,894	2,234,620

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GAS PLANT IN SERVICE (Accounts 101,102,103, and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					44
					45
			385,529	350.1	46
			583,021	350.2	47
(30,479)			4,151,810	351	48
(3,297)			53,758,991	352	49
			3,473,837	352.1	50
			4,150,004	352.2	51
			122,942,413	352.3	52
(215,773)			24,262,629	353	53
(79,842)			15,326,179	354	54
			3,498,674	355	55
			8,865,273	356	56
		(26,689)	733,071	357	57
				358	58
(329,391)		(26,689)	242,131,431		59
					60
				360	61
			4,184,610	361	62
			5,120,502	362	63
				363	64
			4,941,108	363.1	65
			8,778,951	363.2	66
				363.3	67
				363.4	68
				363.5	69
					70
			23,025,171		71
					72
				364.1	73
				364.2	74
				364.3	75
				364.4	76
				364.5	77
				364.6	78
				364.7	79
				364.8	80
				364.9	81
					82
(329,391)		(26,689)	265,156,602		83
					84
			359,360	365.1	85
(12,848)			5,567,025	365.2	86
(898)		8,326	442,005	366	87
		(1,284)	100,617,480	367	88
				368	89
			1,552,099	369	90
				370	91
			118,841	371	92
				372	93
(13,746)		7,042	108,656,810		94
					95

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GAS PLANT IN SERVICE (Accounts 101,102,103, and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
96	5. Distribution Plant		
97	374 Land and Land Rights	2,235,184	
98	375 Structures and Improvements	33,573,829	1,099,792
99	376 Mains	695,405,786	23,457,994
100	377 Compressor Station Equipment		
101	378 Meas. and Reg. Sta. Equip. - General	25,005,113	
102	379 Meas. and Reg. Sta. Equip. - City Gate		
103	380 Services	580,473,423	16,639,333
104	381 Meters	130,426,734	5,502,394
105	382 Meter Installations	90,944,317	4,375,888
106	383 House Regulators	75,101,599	3,719,879
107	384 House Reg. Installations		
108	385 Industrial Meas. and Reg. Sta. Equipment	422,528	
109	386 Other Prop. on Customers' Premises	14,400	
110	387 Other Equipment		
111	388 Asset Retirement Costs for Distribution Plant		
112	TOTAL Distribution Plant	1,633,602,913	54,795,280
113	6. General Plant		
114	389 Land and Land Rights	114,262	
115	390 Structures and Improvements	6,271,614	1,204,616
116	391 Office Furniture and Equipment	54,433,648	2,881,067
117	392 Transportation	22,128,281	2,274,995
118	393 Stores Equipment	57,666	
119	394 Tools, Shop and Garage Equipment	13,867,748	931,034
120	395 Laboratory Equipment	166,279	2,052
121	396 Power Operated Equipment	21,966,071	1,782,553
122	397 Communication Equipment	7,617,972	26,943
123	398 Miscellaneous Equipment	603,755	157,596
124	Subtotal	127,227,296	9,260,856
125	399 Other Tangible Property		
126	399.1 Asset Retirement Costs for General Plant		
127	TOTAL General Plant	127,227,296	9,260,856
128	TOTAL (Accounts 101 and 106)	2,229,919,376	74,797,624
129	Gas Plant Purchased (See Instr. 8)		
130	(Less) Gas Plant Sold (See Instr. 8)		
131	Experimental Gas Plant Unclassified		
132	Total Gas Plant in Service	2,229,919,376	74,797,624

Note: Total Gas Plant in Service detail balance for Calendar Year 2004, did not equal to Plant in Service on Page 200, Line 3 by \$4,785 in Calendar Year 2004. An adjustment was made in Calendar Year 2005 for reconciliation.

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GAS PLANT IN SERVICE (Accounts 101,102,103, and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					96
			2,235,184	374	97
(221,091)		17,080	34,469,610	375	98
(2,874,160)		148,575	716,138,195	376	99
				377	100
(2,530)		(25,406)	24,977,177	378	101
				379	102
(6,537,341)		(116,750)	590,458,665	380	103
(1,172,285)			134,756,843	381	104
			95,320,205	382	105
(210,768)			78,610,710	383	106
				384	107
(49,121)			373,407	385	108
			14,400	386	109
				387	110
					111
(11,067,296)		23,499	1,677,354,396		112
					113
(114,262)				389	114
(2,227,725)			5,248,505	390	115
(22,945,267)		(118,202)	34,251,246	391	116
(4,104,882)		(33,261)	20,265,133	392	117
(27,726)			29,940	393	118
(4,275,319)		137,648	10,661,111	394	119
(59,345)			108,986	395	120
(3,840,835)		(1,975)	19,905,814	396	121
(6,493,844)			1,151,071	397	122
(507,342)		(6,006)	248,003	398	123
(44,596,547)		(21,796)	91,869,809		124
				399	125
				399.1	126
(44,596,547)		(21,796)	91,869,809		127
(56,006,980)		(17,944)	2,248,692,076		128
					129
					130
					131
(56,006,980)		(17,944)	2,248,692,076		132

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THE PEOPLES GAS LIGHT AND COKE COMPANY		(1) X An Original (2) A Resubmission	(Mo, Da, Yr)	Dec. 31, 2005		
MANUFACTURED GAS PRODUCTION PLANT - SUPPLEMENTAL SCHEDULE						
SEE PAGE 204 LINE 42						
Line	Description	Balance at Beginning of Year	Additions (c)	Retirements/Adjustments (d)	Transfers (f)	Balance at End of Year (g)
1	PRODUCTION PLANT					
2	Manufactured Gas Production Plant					
3	304 Land and Land Rights					
4	305 Structures and Improvements					
5	306 Boiler Plant Equipment					
6	307 Other Power Equipment					
7	308 Coke Ovens					
8	309 Producer Gas Equipment					
9	310 Water Gas Generating Equipment					
10	311 Liquefied Petroleum Gas Equipment					
11	312 Oil Gas Generating Equipment	961,188				961,188
12	313 Generating Equipment - Other Expenses					
13	314 Coal, Coke and Ash Handling Equipment					
14	315 Catalytic Cracking Equipment					
15	316 Other Reforming Equipment					
16	317 Purification Equipment					
17	318 Residual Refining Equipment					
18	319 Gas Mixing Equipment					
19	320 Other Equipment					
20	TOTAL Manufactured Gas Production Plant	961,188				961,188

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GAS PLANT LEASED TO OTHERS (Account 104)

1. Report the information called for concerning gas plant leased to others.
2. In column (c) give the date of Commission authorization of the lease of gas plant to others.

Line No.	Name of Lessee (Designate associated companies with an asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1	Natural Gas Pipeline	Transmission Plant	Dkt. 55835	Present	6,567,651
2	Company of America, Inc.	consisting of certain land	Suppl. Order	lease is	
3		and land rights, gas mains,	dated	on a month-to-	
4		gas regulating facilities,	4-13-77	month basis	
5		gas metering facilities and			
6		all appurtenances thereto.			
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47					
48	TOTAL				6,567,651

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GAS PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	NATURAL GAS LANDS, LEASEHOLDS, AND GAS RIGHTS HELD FOR FUTURE UTILITY USE			
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44	TOTAL			None

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CONSTRUCTION WORK IN PROGRESS - GAS (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor Projects (less than \$500,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress - Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1			
2	Main Addition - Nagle: Cornelia-Wellington	609,589	70,663
3			
4	Main Addition - 63rd St.: Lacrosse-Linder	1,733,844	866,156
5			
6	Main Addition - Greenbay Ave.: 103rd.-106th.	742,027	457,973
7			
8	Main Addition - Diversey: Hamlin-Central Park	544,599	406,671
9			
10	Main Addition - N. Jefferson: Madison-Lake	617,356	882,644
11			
12	Main Addition - 99th.: 105th.-Racine	683,029	1,144,671
13			
14	Main Addition - Lavergne-Cornila	1,127,871	1,139,629
15			
16			
17			
18			
19			
20			
21			
22			
23			
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34			
35	Minor Projects	16,964,250	Not Available
36			
37			
38			
39			
40	TOTAL	23,022,565	Not Available

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THE PEOPLES GAS LIGHT AND COKE COMPANY

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ACCUMULATED PROVISION FOR DEPRECIATION OF GAS UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
 2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 204-209 column (d), excluding retirements of nondepreciable property.
 3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

		Section A. Balances and Changes During Year			
		(a)	(c)	(d)	(e)
		Gas Plant In Service	Gas Plant Held for Future Use	Gas Plant Retired to Others	Gas Plant Retired to Others
1	Balance Beginning of Year	877,266,680			6,381,352
2	Depreciation Provisions for Year, Charged to				
3	403 Depreciation Expense	46,299,378			
4	413 Expenses of Gas Plant Leased to Others	288			
5	Transportation Expenses - Clearing	4,701,427			288
6	Other Clearing Accounts				
7	Other Accounts: Capitalized Depreciation Transferred	84,747			
8	Other Accounts:				
9	TOTAL Depreciation Provisions for Year (Enter Total of lines 3 thru 8)	51,085,840			
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired (1)	(54,201,823)			
12	Cost of Removal	(5,349,748)			
13	Salvage (Credit)	830,811			
14	TOTAL Net Charges for Plant Retired (Enter Total of lines 11 thru 13)	(58,720,760)			
15	Other Debit or Credit Items:				
16	Sundry Items - Other	(11,043)			
17	Adjustments				
18	TOTAL Other Debit or Credit Items (Enter Total of lines 16 thru 17)	(11,043)			
19	Balance End of Year (Enter Total of lines 1, 9, 14 and 18)	869,620,927	863,239,575		6,381,352
		Section B. Balances at End of Year According to Functional Classifications			
20	Production - Manufactured Gas				
21	Production and Gathering - Natural Gas	(30,310)			
22	Products Extraction - Natural Gas				
23	Underground Gas Storage	119,696,076			
24	Other Storage Plant	15,505,984			
25	Base Load LNG Terminaling and Processing Plant				
26	Transmission	45,700,695			
27	Distribution	635,733,354			6,381,352
28	General	46,633,776			
29	TOTAL (Enter Total of lines 20 thru 28)	869,620,927	863,239,575		6,381,352

(1) Book Cost of Plant Retired is less than retirements on page 209 due to the fact there was: (A) sales activity in which the property retired was different from the accumulated depreciation of \$1,051,517 difference, (B) Other Limited-Term Gas Plant (Account 111.03) of \$603,505 being included on page 209 but not on page 219, (C) retirement of Land amounting to \$114,262, and (D) other differences totaling \$35,873.

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GAS STORED (Accounts 117, 164.1, 164.2 and 164.3)

1. If during the year an adjustment was made to the stored gas inventory (such as to correct cumulative inaccuracies of gas measurements), furnish in a footnote an explanation of the reason for the adjustment, the Mcf and dollar amount of adjustment, and account charged or credited.
2. Give in a footnote a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.
3. If the company uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals upon "base stock" or restoration of previous encroachment, including brief particulars of any such accounting during the year.
4. If the company has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project, furnish a statement showing: (a) date of Commission authorization of such accumulated provision, (b) explanation of circumstances requiring such provision, (c) basis of provision and factors of calculation, (d) estimated ultimate accumulated provision accumulation, and (e) a summary showing balance of accumulated provision and entries during year.
5. Report pressure base of gas volumes as 14.73 psia at 60°F.

Line No.	Description (a)	Noncurrent (Acct. 117) (b)	Current (Acct. 164.1) (c)(f)	LNG (Acct. 164.2) (d)	LNG (Acct. 164.3) (e)	Total (f)
1	Balance at Beginning of Year	\$ 4,291,144	\$ 43,610,174	\$ 3,858,888	None	\$ 51,760,206
2	Gas Delivered to Storage (Contra Account 804)	198,311	167,408,908 (1)	22,267,544		189,874,763
3	Gas Withdrawn from Storage (Contra Account 804)		163,872,336 (1)	23,102,439		186,974,775
4	Other debits or Credits (Net)					
5	Balance at End of Year	\$ 4,489,455	\$ 47,146,746	\$ 3,023,993	None	\$ 54,660,194
6	Mcf @ 1,000 BTU	4,024,295	24,275,718	1,557,045		29,857,058
7	Amount Per Mcf	\$1.116	\$1.942	\$1.942		\$1.831

8

State basis of segregation of inventory between current and noncurrent portions:

Injections to maintain deliverability are classified as non-current. Other activity is classified as current.

Note: (1) Represents the costs of gas delivered and withdrawn from storage originally charged to Account 117 and then transferred to Account 164.1 to separate current gas costs from the non-current gas costs.

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report Dec. 31, 2005
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INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).
 - (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.
 - (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Account 123.10 - Investment in			
2	Subsidiary Companies -			
3	Exploration Company			
4	Peoples Gas Light			
5	Exploration Company (Ill. C. C.			
6	Dkt. 58216, Order dated 6-6-73;			632,368
7	Dkt. 58769, Order dated 4-24-74(1))			416,624
8				1,048,992
9	Account 123.12 - Investment in			
10	Subsidiary Companies -			
11	Neighborhood Development			
12	Corporation			
13	Peoples Gas Neighborhood			
14	Development Corporation (Ill. C. C.			
15	Dkt. 85-0279, Order dated 9-4-85;			
16	Dkt. 86-0351, Order dated 12-17-86;			
17	Dkt. 86-0540, Order dated 4-15-87;			
18	Dkt. 87-0408, Order dated 9-30-87;			
19	Dkt. 88-0202, Order dated 8-17-88;			
20	Dkt. 88-0315, Order dated 11-10-88;			
21	Dkt. 89-0273, Order dated 8-23-89;			
22	Dkt. 90-0439, Order dated 3-20-91;			
23	Dkt. 91-0288, Order dated 8-28-91;			
24	Dkt. 92-0262, Order dated 8-19-92;			
25	Dkt. 93-0315, Order dated 10-14-93;			
26	Dkt. 94-0242, Order dated 10-5-94;			
27	Dkt. 95-0351, Order dated 09-13-95;			
28	Dkt. 96-0375, Order dated 2-5-97;			
29	Dkt. 97-0413, Order dated 11-5-97;			
30	Dkt. 98-0872, Order dated 12-18-99;			
31	Dkt. 99-0556, Order dated 11-17-99)			
32				
33				
34				
35	Total Cost of Account 123.1 \$2,981,000		TOTAL	7,094,570
Note: (1) See Supplemental Sheets.				

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report Dec. 31, 2005
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INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes or accounts that were pledged, designate such securities, notes or accounts in a footnote, and state the name of pledge and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on line 45, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
				3
				4
				5
				6
			None	7
				8
				9
				10
				11
				12
				13
(844,119)		5,201,459	None	14
				15
				16
				17
				18
				19
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				24
				25
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				29
				30
				31
				32
				33
				44
(844,119)		5,201,459	None	45

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The Peoples Gas Light and Coke Company

ANNUAL REPORT TO THE ILLINOIS COMMERCE COMMISSION
REPORT FOR DOCKET NO. 58769
(Five-Year Program)

As of December 31, 2005, Respondent had invested a total of \$15,529,000 in Peoples Gas Light Exploration Company ("Exploration Company") under the terms of the Five-Year Program. All of this amount was invested prior to calendar year 2005.

Of the total, \$13,845,310 was invested by Exploration Company in joint efforts to augment gas supply pursuant to an agreement entered into by and between Exploration Company, certain subsidiaries of other participating customers of Natural Gas Pipeline Company of America, and NGPL Exploration Company (the "Group"), and Chevron U.S.A., Inc. ("Chevron"), formerly The California Company, a division of Chevron Oil Company.

An additional \$1,677,066 was invested by Exploration Company in similar efforts pursuant to agreements entered into by and between the Group and Burmah Oil Development, Inc., later succeeded by Aminoil Development, Inc. and by Phillips Oil Company ("Phillips").

Through December 31, 2005, Exploration Company has received a total of \$26,289,556 as its share of the net profits (i.e. recoveries) and limited partnership distributions applicable to the investments approved by the Commission in Docket 58769.

The following entries summarize the transactions recorded on Respondent's books during calendar year 2005:

	<u>Debit</u>	<u>Credit</u>
Accounts Receivable from Associated Companies – Peoples Gas Light Exploration (146)	416,624	
Investment in Subsidiary Companies- Peoples Gas Light Exploration (123.1) To offset investment account balance against Intercompany account balances.		416,624

Respondent's results of operations for the twelve months ended December 31, 2005 and its cumulative results through that date are shown in the following table:

Results of Operations

<u>Description</u>	<u>Twelve Months Ended 12/31/05</u>	<u>Cumulative Through 12/31/05</u>
Account 813 - Other Gas Supply Expenses		
Recoveries	\$ --- ---	\$ (26,289,556)
Amortization of Investment	--- ---	15,522,375
Net Recoveries	--- ---	(10,767,181)
Miscellaneous Interest Revenues and Other Expenses - net	--- ---	(347,162)
Total	--- ---	(11,114,343)
Account 409.10 - Federal Income Taxes	--- ---	3,296,340
Account 410.10 - Amortization of Deferred Income Taxes	--- ---	108,547
Account 411.40 - Amortization of Job Development Credit	--- ---	(34,965)
Impact on Operating Expenses	\$ --- ---	\$ (7,744,421)
Impact on Operating Income	\$ --- ---	\$ 7,744,421

() Denotes red figure.

During the twelve months ended December 31, 2005, Exploration Company repurchased no shares of its common stock, no par value, at \$100 per share (the original issuance price of the stock). A summary of Respondent's investment in Exploration Company is as follows:

Investment in Peoples Gas Light Exploration Company

Original Investment in Exploration Company Common Stock		\$15,529,000
Less: Common Stock Repurchased by Exploration Company		
Prior to 1-1-05	\$15,483,700	
Twelve Months ended 12-31-05	<u> -- </u>	
Total Common Stock Repurchased		<u>15,483,700</u>
Remaining Investment in Exploration Company Common Stock		45,300
Undistributed Gains and Losses of Exploration Company		<u>371,324</u>
Subtotal		416,624
Less: Offset investment balance against intercompany balances		<u>416,624</u>
Total Investment in Exploration Company at 12-31-05		<u>\$ -0-</u>

As of December 31, 2005, the reported status of the remaining projects under the Five-Year Program was as follows:

Block	No. of Wells Drilled		Status
	During 2005	Cumulative to Date Total Successful	
West Cameron 115	0	4 2	Last Productive 10/94
West Cameron 116	0	2 2	Last Productive 8/94
East Cameron 38	0	5 2	Not Producing
East Cameron 347	0	8 4	Last Productive 9/92
Vermilion 40	0	3 3	Not Producing
South Marsh Island 265	0	7 2	Last Productive 4/02
West Delta 137	0	6 1	Last Productive 6/92

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2005
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PREPAYMENTS (Account 165)

1. Report below the particulars (details) on each prepayment.
2. Report all payments for undelivered gas on line 5.

Line No.	Nature of Prepayment (a)	Balance at End of Year (b)
1	Prepaid Insurance	789,208
2	Prepaid Rents	
3	Prepaid Taxes (pages 262-263)	488,571
4	Prepaid Interest	
5	Gas Prepayments	46,266,211
6	Miscellaneous Prepayments:	
7	TOTAL	47,543,990

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss (include in the description the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr to mo, yr.)) (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	Written Off During Year		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
7						
8						
9	TOTAL					None

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs (include in the description the costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr to mo, yr.)) (a)	Beginning Balance (b)	Losses Recognized During Year (c)	Written Off During Year		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
7						
8						
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12						
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21	TOTAL					None

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2005
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OTHER REGULATORY ASSETS (Account 182.3)

1. Report below particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
2. For regulatory assets being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2	Investigation and Removal of Manufactured					
3	Gas Residues	25,388,475	36,470,688	Various	36,218,435	25,640,728
4						
5	Estimated Liability for Costs Incurred Re:					
6	Manufactured Gas Residues - net	146,243,000	96,780,000	253	25,195,000	217,828,000
7						
8	SFAS 109 Deferred Taxes	23,957,036	3,100,766	Various	3,977,696	23,080,106
9						
10	Price Protection Program	18,829,061	36,239,364	804	55,068,425	-
11						
12	Regulatory Asset - Rent	315,936	99,458			415,394
13						
14						
15						
16						
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21						
22						
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24						
25						
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34						
35	TOTAL	214,733,508	172,690,276		120,459,556	266,964,228

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2005
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a).
3. Minor items (less than \$100,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debit (a)	Balance at Beginning of Year (b)	Debits (c)	Credits		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Deferred Pension Costs	16,974,591		Various	1,034,720	15,939,871
2						
3	Prepaid Pension Cost	167,184,754	18,689,809	926	8,306,718	177,567,845
4						
5	Unamortized Line Of Credit	70,000	303,268	431	95,272	277,996
6	- July 2005 to July 2010					
7						
8	Rate Case Charges		859,085			859,085
9						
10	IBM Leasing		183,533	Various	10,720	172,813
11	- November 2005 to November 2010					
12						
13	Miscellaneous (3 items)	124,787	275,076	Various	225,871	173,992
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31	Misc. Work in Progress					
32	Deferred Regulatory Commission Expenses (See pages 350-351)					
33	TOTAL	184,354,132	20,310,771		9,673,301	194,991,602

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2005
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2				
3				
4				
5				
6				
7	Other			
8	TOTAL Electric (Total of Lines 2 thru 7)			
9	Gas			
10				
11				
12	Bad debts, inventory costs, IRT ITC,			
13	early/supplemental retirement benefits & pension			
14	- Federal Income Tax	(18,227,755)	50,496	9,689,110
15	- State Income Tax	(3,205,736)	7,233	2,159,142
16	TOTAL Gas (Total of lines 10 thru 15)	(21,433,491)	57,729	11,848,252
17	Other (Specify)			
18	TOTAL Account 190 (Total lines 8, 16, and 17)	(21,433,491)	57,729	11,848,252

Notes

Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) X An Original (2) A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2005
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ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

3. If more space is needed, use separate pages as required.
4. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed under Other.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
			* 1,210,830	*	1,327,224	(8,705,535)	14
			** 272,432	**	377,157	(1,158,552)	15
			1,483,262		1,704,381	(9,864,087)	16
							17
			1,483,262		1,704,381	(9,864,087)	18

Notes (Continued)

	Acct No.	Credit	Debit
* Federal	182.3		842,495
	236		484,729
	219	1,210,830	
		<u>1,210,830</u>	<u>1,327,224</u>
** State	182.3		137,202
	236		239,955
	219	272,432	
		<u>272,432</u>	<u>377,157</u>

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Name of Respondent THE PEOPLES GAS LIGHT AND COKE COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Day, Yr)	Year of Report Dec. 31, 2005
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CAPITAL STOCK (Accounts 201 and 204)

For Utilities with gas and electric operations who file this page in FERC Form 1, this page is optional. Please note on page, 'See FERC Form 1.'

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per share (c)	Call Price at End of Year (d)
1	Account 201			
2	Common Stock	40,000,000	\$ 6.66 (1)	
3				
4	Account 204			
5	Cumulative Preferred Stock	430,000	\$ 100.00	
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16	Note: (1) Average stated value per share			
17				
18				
19				
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