

**SECTION 285.3025**  
**SCHEDULE C-4**  
**COMPARATIVE OPERATING INCOME STATEMENTS FOR PRIOR YEARS AND THE TEST YEAR**  
**(\$000)**

Page 1 of 4

Utility: Northern Illinois Gas Company  
d/ba Nicor Gas Company

Test Year: 12 Months Ended 12/31/09

Line No.	Acct # (A)	Account Description (B)	2006 (C)	2007 (D)	2008 (E)	2009 (F)
1	400	OPERATING REVENUES				
2		Residential Sales	\$ 1,671,069	\$ 1,791,440	\$ 2,004,248	\$ 2,101,855
3		Commercial and Industrial Sales	416,681	473,789	537,215	567,732
4		Other	364,572	362,266	355,509	366,542
5		Total Operating Revenues	<u>2,452,322</u>	<u>2,627,495</u>	<u>2,896,972</u>	<u>3,036,129</u>
6		OPERATING EXPENSES				
7	401	Cost of Gas	1,743,739	1,906,488	2,163,254	2,294,806
8	401 & 402	Other Operation and Maintenance (1)	267,236	268,318	287,931	316,389
9	401	Mercury Program	(3,602)	(7,950)	-	-
10	403 & 404	Depreciation	160,100	165,561	171,300	178,400
11		Taxes Other Than Income				
12	408.1	Revenue Taxes	144,337	148,752	157,054	164,757
13	408.1	Other Taxes	18,674	18,163	18,806	20,152
14		Income Taxes				
15	409.1	Federal - Current	58,770	28,929	26,700	13,440
16	409.1	State - Current	15,887	5,227	3,357	499
17	410.1 & 411.1	Deferred	(48,950)	(277)	(10,226)	(8,014)
18	411.4	ITC	(2,103)	(2,123)	(2,109)	(2,041)
19		Total Operating Expenses	<u>2,354,088</u>	<u>2,531,088</u>	<u>2,816,067</u>	<u>2,978,388</u>
20		OPERATING INCOME	<u>\$ 98,234</u>	<u>\$ 96,407</u>	<u>\$ 80,905</u>	<u>\$ 57,741</u>

21 (1) Detail of Other Operation and Maintenance is shown by individual operation and maintenance expense accounts on pages 2 through 4.

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Line No.		Actual 2006	Actual 2007	Budget 2008	Budget 2009
22	<b><u>Underground Storage Expense</u></b>				
23	<b><u>Operation</u></b>				
24	prime81400 Operation Supervision and Engineering	240	249	307	314
25	prime81500 Maps and Records	-	-	-	-
26	prime81600 Wells Expense	575	529	523	561
27	prime81700 Lines Expense	122	75	131	159
28	prime81800 Compressor Station Expenses	1,059	1,034	1,504	1,583
29	prime81900 Compressor Station Fuel and Power	14,187	10,247	9,014	9,914
30	prime82000 Measuring and Regulating Station Expense	184	179	221	239
31	prime82100 Purification Expenses	521	447	567	546
32	prime82200 Exploration and Development	(18)	-	-	-
33	prime82300 Gas Losses	21,425	14,820	13,844	15,230
34	prime82400 Other Expenses	-	-	-	-
35	prime82600 Rents	2	2	4	4
36	<b>Total Operation</b>	<u>38,297</u>	<u>27,582</u>	<u>26,115</u>	<u>28,550</u>
37	<b><u>Maintenance</u></b>				
38	prime83000 Maintenance Supervision and Engineering	102	89	104	107
39	prime83100 Maintenance of Structures and Improvements	543	708	524	563
40	prime83200 Maintenance of Reservoirs and Wells	819	707	851	1,058
41	prime83300 Maintenance of Lines	764	503	550	887
42	prime83400 Maintenance of Compressor Station Equip	834	671	983	1,042
43	prime83500 Maintenance of Measuring and Regulating Station Equip	-	-	-	-
44	prime83600 Maintenance of Purification Equipment	403	452	391	421
45	prime83700 Maintenance of Other Equipment	160	86	114	161
46	<b>Total Maintenance</b>	<u>3,625</u>	<u>3,216</u>	<u>3,517</u>	<u>4,239</u>
47	<b>Total Storage</b>	<u>41,922</u>	<u>30,798</u>	<u>29,632</u>	<u>32,789</u>
48	<b><u>Transmission Expenses</u></b>				
49	<b><u>Operation</u></b>				
50	prime85000 Operation Supervision and Engineering	83	52	78	82
51	prime85100 System Control and Load Dispatching	905	917	947	959
52	prime85600 Mains Expense	646	633	667	699
53	prime85700 Measuring and Regulating Station Expenses	555	486	781	1,268
54	prime85900 Other Expenses	-	-	-	-
55	<b>Total Operation</b>	<u>2,189</u>	<u>2,088</u>	<u>2,473</u>	<u>3,008</u>
56	<b><u>Maintenance</u></b>				
57	prime86100 Maintenance Supervision and Engineering	165	191	163	164
58	prime86200 Maintenance of Structures and Improvements	281	351	230	251
59	prime86300 Maintenance of Mains	1,388	1,249	1,289	1,201
60	prime86500 Maintenance of Measuring and Reg Station Equip	427	435	440	448
61	prime86700 Maintenance of Other Equipment	5	1	36	38
62	<b>Total Maintenance</b>	<u>2,266</u>	<u>2,227</u>	<u>2,158</u>	<u>2,102</u>
63	<b>Total Transmission</b>	<u>4,455</u>	<u>4,315</u>	<u>4,631</u>	<u>5,110</u>

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Line No.		Actual 2006	Actual 2007	Budget 2008	Budget 2009
64	<b><u>Distribution Expenses</u></b>				
65	<b><u>Operation</u></b>				
66	prime87000      Operation Supervision and Engineering	5,089	5,521	8,412	9,715
67	prime87100      Distribution Load Dispatching	21	63	49	49
68	prime87400      Mains and Services Expenses	18,111	18,612	21,795	23,768
69	prime87500      Measuring and Regulating Station Exp-General	39	60	52	53
70	prime87600      Measuring and Regulating Station Exp-Industrial	460	672	455	453
71	prime87700      Measuring and Regulating Station Exp-City Gate Check Station	966	1,037	967	998
72	prime87800      Meter and House Regulator Expenses	4,490	3,721	3,785	3,911
73	prime87900      Customer Installations Expense	4,928	5,297	3,304	3,411
74	prime88000      Other Expenses	453	787	569	563
75	prime88100      Rents	(8)	1,238	996	492
76	<b>Total Operation</b>	<u>34,549</u>	<u>37,008</u>	<u>40,384</u>	<u>43,413</u>
77	<b><u>Maintenance</u></b>				
78	prime88500      Maintenance Supervision and Engineering	840	1,049	1,298	1,352
79	prime88600      Maintenance of Structures and Improvements	-	-	-	-
80	prime88700      Maintenance of Mains	4,176	4,845	4,968	5,116
81	prime88900      Maintenance of Measuring & Reg Station Equip-General	872	973	875	987
82	prime89000      Maintenance of Measuring & Reg Station Equip-Industrial	1,143	1,312	1,015	1,031
83	prime89200      Maintenance of Services	2,300	4,112	2,917	3,156
84	prime89300      Maintenance of Meters and House Regulators	2,262	1,378	884	878
85	<b>Total Maintenance</b>	<u>11,593</u>	<u>13,669</u>	<u>11,957</u>	<u>12,520</u>
86	<b>Total Distribution</b>	<u>46,142</u>	<u>50,677</u>	<u>52,341</u>	<u>55,933</u>
87	<b><u>Customer Accounts Expense</u></b>				
88	<b><u>Operation</u></b>				
89	prime90100      Supervision	607	290	285	311
90	prime90200      Meter Reading Expenses	5,610	5,795	5,939	6,157
91	prime90300      Customer Records and Collection Expense	30,127	30,061	34,016	37,647
92	prime90400      Uncollectible Accounts	38,058	52,974	57,940	68,311
93	<b>Total Customer Accounts Expense</b>	<u>74,402</u>	<u>89,120</u>	<u>98,180</u>	<u>112,426</u>
94	<b><u>Customer Service and Informational Expenses</u></b>				
95	<b><u>Operation</u></b>				
96	prime90900      Informational and Instructional Expenses	404	494	653	631
97	<b>Total Customer Service and Informational Expenses</b>	<u>404</u>	<u>494</u>	<u>653</u>	<u>631</u>

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Test Year: 12 Months Ended 12/31/09

Line No.		Actual 2006	Actual 2007	Budget 2008	Budget 2009
98	<b><u>Sales Expenses</u></b>				
99	<b><u>Operation</u></b>				
100	prime91100 Supervision	1	1	-	-
101	prime91200 Demonstrating and Selling Expenses	1,227	1,144	1,268	1,297
102	prime91300 Advertising Expenses	176	25	8	8
103	prime91400 Revenues from Merchandising, Jobbing, & Contract Work	(1,014)	(861)	(871)	(889)
104	prime91500 Costs and Expenses of Merchandising, Jobbing, & Contract Work	-	-	-	-
105	prime91600 Miscellaneous Sales Expenses	(13)	41	-	-
106	<b>Total Sales Expenses</b>	<u>377</u>	<u>350</u>	<u>405</u>	<u>416</u>
107	<b><u>Administrative and General Expenses</u></b>				
108	<b><u>Operation</u></b>				
109	prime92000 Administrative and General Salaries	42,491	36,962	41,105	45,103
110	prime92100 Office Supplies and Expenses	24,569	21,210	25,202	26,315
111	prime92200 Administrative Expenses Transferred - Credit	(19,875)	(15,226)	(16,191)	(16,551)
112	prime92300 Outside Services Employed	5,370	6,721	7,079	7,286
113	prime92400 Property Insurance	597	497	475	474
114	prime92500 Injuries and Damages (1)	4,894	1,439	10,416	10,563
115	prime92600 Employee Pension and Benefits	18,007	16,993	17,445	18,018
116	prime92700 Franchise Requirements	10,847	9,314	8,930	9,673
117	prime92800 Regulatory Commission Expenses	1,173	447	447	447
118	prime92900 Duplicate Charges - Credit	(9,015)	(7,404)	(6,830)	(7,514)
119	prime93010 General Advertising Expenses	71	65	54	54
120	prime93020 Miscellaneous General Expenses	12,343	9,616	9,970	10,887
121	prime93100 Rents	-	-	-	-
122	<b>Total Operation</b>	<u>91,472</u>	<u>80,634</u>	<u>98,102</u>	<u>104,755</u>
123	<b><u>Maintenance</u></b>				
124	prime93200 Maintenance of General Plant	4,460	3,980	3,987	4,329
125	<b>Total Maintenance</b>	<u>4,460</u>	<u>3,980</u>	<u>3,987</u>	<u>4,329</u>
126	<b>Total Administrative and General Expenses</b>	<u>95,932</u>	<u>84,614</u>	<u>102,089</u>	<u>109,084</u>
127	<b>Total Operating and Maintenance Expense</b>	<u>263,634</u>	<u>260,368</u>	<u>287,931</u>	<u>316,389</u>
128	Mercury Program (recoveries)/cost in Account 925 above (1)	(3,602)	(7,950)	-	-
129	<b>Total Operating and Maintenance Exp adjusted for Mercury Program</b>	<u>267,236</u>	<u>268,318</u>	<u>287,931</u>	<u>316,389</u>

130 (1) On page 1 of Schedule C-4, Mercury Program (recoveries)/cost are reported as a separate line item (line no. 9) which is consistent with the company's SEC filings.