

NICOR GAS COMPANY
O&M Budget
2009 through 2006
(in thousands)

Officer	Description	2009 Budget	2008 Budget	2007 Budget	2006 Budget
<u>Departmental O&M (without Selected Items)</u>					
	Procurement	4,113.3	3,911.4	3,524.3	3,410.6
	Business Systems Support	2,382.1	2,041.2	1,447.1	1,188.6
	Workload Administration	1,775.3	1,695.8	1,734.4	1,426.0
	Dispatch - Central	3,124.4	2,942.1	2,586.0	2,323.0
	Leak Survey	1,353.0	1,021.0	1,160.2	1,440.5
	Locating	9,346.4	8,903.5	9,892.5	10,118.0
	Watch & Protect	1,531.6	1,489.3	1,477.3	1,410.0
	Meter Reading	6,666.8	6,401.8	5,889.9	5,431.0
	Corrosion	3,850.9	3,664.3	3,700.5	3,655.0
	Fleet Management	6,495.5	6,211.9	6,321.2	6,685.4
	Office of AVP Operations Administration	(7,312.9)	(6,898.7)	(7,195.6)	(6,797.0)
<i>Griffin</i>	Operations Administration Subtotal	<u>33,326.5</u>	<u>31,383.4</u>	<u>30,537.7</u>	<u>30,291.1</u>
	EVP Operations	849.0	847.0	687.3	860.9
D'Alessandro	Total EVP Operations	<u>34,175.5</u>	<u>32,230.4</u>	<u>31,225.0</u>	<u>31,152.0</u>
	Technical Support	3,053.4	2,835.0	3,014.6	2,959.0
	General Engineering	869.8	803.3	580.0	711.7
	Environmental Health & Safety	3,299.0	2,917.1	2,843.2	3,284.4
Nichols	Total VP Engineering	<u>7,222.1</u>	<u>6,555.5</u>	<u>6,437.8</u>	<u>6,955.1</u>
	System Operations	11,265.7	10,399.2	9,909.1	9,908.9
	Storage & Transmission	7,845.0	6,968.0	7,129.1	6,478.6
	Other Supply Departments	(681.0)	(977.8)	(1,719.4)	(847.4)
Bartlett	Total VP Supply Operations	<u>18,429.7</u>	<u>16,389.4</u>	<u>15,318.8</u>	<u>15,540.1</u>
	Field Operations - Field	31,201.9	29,643.6	28,989.5	28,370.6
	Field Operations - Construction	8,102.0	7,445.9	3,707.6	3,416.4
	Field Operations - Support	1,369.5	1,335.9	1,192.7	986.9
	Office of VP Field Operations	(15,462.9)	(14,732.0)	(10,714.4)	(9,865.5)
McCain	Total VP Field Operations	<u>25,210.5</u>	<u>23,693.3</u>	<u>23,175.4</u>	<u>22,908.4</u>
	Customer Contact Area	13,533.7	12,251.0	11,137.6	10,449.0
	Credit Areas	8,933.4	7,908.7	7,687.0	7,729.2
	Gas Transportation	4,560.3	4,261.6	3,693.7	3,652.6
	Other Customer Care Departments	88.8	74.1	(1,233.8)	273.2
Kirby	Total VP Customer Care	<u>27,116.1</u>	<u>24,495.5</u>	<u>21,284.5</u>	<u>22,103.8</u>

NICOR GAS COMPANY
O&M Budget
2009 through 2006
(in thousands)

Officer	Description	2009 Budget	2008 Budget	2007 Budget	2006 Budget
	Facility Services	5,918.1	5,615.5	5,772.4	5,803.7
	Real Estate	508.0	474.1	603.6	595.2
	Labor Relations	598.3	567.0	570.1	551.0
<i>Bacidore</i>	Human Resources Administration	6,882.2	6,128.6	4,895.6	4,896.9
	Corporate Communications	1,723.5	1,752.3	1,538.8	1,528.7
	Corporate Memberships & Contributions	723.6	702.9	695.7	729.8
	SVP Human Resources Administration	245.2	237.2	(66.1)	168.3
Colalillo	Total SVP HR & Corporate Communications	16,598.8	15,477.6	14,010.2	14,273.6
	IS Dept. Administration	11,672.8	10,357.6	9,358.6	9,247.8
	Voice & Data Operations	3,668.1	3,545.3	3,459.3	3,385.4
	IS Asset Management	6,809.4	6,431.0	6,170.7	5,783.8
Zeller	Total VP Information Services	22,150.2	20,333.9	18,988.6	18,416.9
Pepping	Total VP & Controller	3,641.2	3,441.9	3,256.5	3,449.5
	Claims Department	1,342.7	1,324.1	1,286.1	1,328.0
	Legal Department	2,568.3	2,544.4	2,576.7	2,615.2
	Office SVP, Gen Counsel & Secretary Administration	512.1	460.5	368.6	439.0
Gracey	Total SVP, General Counsel & Secretary	4,423.2	4,329.0	4,231.3	4,382.2
	Rates	877.9	849.3	723.0	701.0
	Financial & Risk Analysis	343.3	329.3	438.9	422.6
	Internal Controls' & Corporate Insurance Admin	217.5	205.2	207.9	209.2
	Corporate Planning & Research	311.7	297.5	297.4	325.0
	Office of VP Finance & Treasurer	62.4	60.3	155.5	297.7
O'Connor	Total SVP Finance & Strategic Planning	1,812.7	1,741.6	1,822.6	1,955.4
Ruschau	Total VP & Treasurer	695.4	665.8	651.6	621.3
	Government & Community Affairs	1,923.3	1,885.7	1,590.8	1,567.4
	Executive Summary	2,930.3	2,990.0	2,043.7	2,295.7
	Internal Auditing	1,145.4	1,104.2	1,075.6	1,044.1
Strobel	Total CEO & President	5,999.0	5,979.9	4,710.1	4,907.2
Dodge	Total EVP Diversified Ventures	1,237.0	1,124.3	1,084.7	1,372.6
	Total O&M without Selected Items	168,711.6	156,458.1	146,197.1	148,038.0

NICOR GAS COMPANY
O&M Budget
2009 through 2006
(in thousands)

Officer	Description	2009 Budget	2008 Budget	2007 Budget	2006 Budget
<u>Selected Items - (not impacted by gas costs)</u>					
Colalillo/Gracey	Benefit Plans (includes directors' fees & accrued vacation)	14,678.1	11,988.1	10,892.1	10,516.1
Zeller/Kirby	Software Expensed	1,944.0	1,485.1	380.3	3,967.4
Pepping	Billed by Nicor	11,089.9	10,655.3	9,756.9	9,282.6
Pepping	Payroll Additives	(6,838.1)	(6,671.6)	(7,861.1)	(6,404.4)
Colalillo	Employee Benefit Insurance	14,312.5	12,967.5	12,092.2	12,294.4
Colalillo	Worker's Compensation Claims Reserves/Settlements	1,193.9	1,293.9	525.0	578.2
Pepping	Future Health Care	18,621.0	18,652.0	17,782.0	17,438.0
Pepping	Pension Provision (including directors' pension & stock plan)	(16,115.3)	(14,488.1)	(10,659.5)	(8,950.1)
Kirby	Franchise Gas (cash payments)	2,160.0	2,100.0	1,988.4	1,837.0
O'Connor	Property & Casualty Insurance	4,361.9	4,167.8	4,843.2	4,844.0
Pepping	A&G Capitalized	(12,913.9)	(12,103.9)	(11,911.6)	(12,295.8)
Gracey	Other Legal Matters (includes PBR, Wilmette matter, etc.)	90.0	90.0	137.2	137.2
Kirby/Colalillo	Corporate Postage (includes direct mail marketing)	9,006.4	8,269.6	6,574.1	6,609.5
Gracey	Recoverable Rate Case Expense Amortization	446.9	446.9	446.9	446.9
McCain	Cust Reimb VP Distrib Pre04	0.0	0.0	0.0	0.0
Pepping	External Audit Fees	1,796.1	1,738.1	1,563.7	1,241.7
Gracey	Injuries & Damages' Claims Reserve	1,000.0	1,000.0	1,000.0	1,000.0
Colalillo	Rider 7 Adjustment	210.4	746.5	1,153.9	0.0
ERC	Corporate Contingency	0.0	0.0	253.3	550.0
Total Selected Items - (not impacted by gas costs)		45,043.6	42,337.3	38,956.8	43,092.6
Total O&M - (not impacted by gas costs)		213,755.2	198,795.5	185,153.9	191,130.7
<u>Selected Items - (impacted by gas costs)</u>					
Kirby	Provision for Uncollectibles	68,311.0	57,940.0	41,885.0	53,570.0
Bartlett	Company Use & Fuel Gas and Storage Adjustments	34,320.6	31,196.8	32,811.2	45,597.8
Total Selected Items - (impacted by gas costs)		102,631.6	89,136.8	74,696.2	99,167.8
Total O&M		\$316,386.8	\$287,932.3	\$259,850.1	\$290,298.4

NICOR GAS COMPANY
Capital Budget
2009 through 2006
(in thousands)

Officer	Cap Type	Description	2009 Budget	2008 Budget	2007 Budget	2006 Budget
	095	Meters - Rate 74	\$305.0	\$296.0	\$240.0	\$213.7
	094	Meters	5,532.0	6,147.0	4,501.0	5,305.7
	097	Strategic Projects	2,260.0	1,959.0	0.0	0.0
	580	New Technologies	300.0	300.0	300.0	343.4
	920	Engineering Overheads - G.O.	5,577.3	6,503.3	5,274.9	5,169.1
	960	Meter Shop & Air Tool Shop (IDE)	244.0	233.5	237.2	233.8
Nichols		Total VP Engineering	14,218.4	15,438.9	10,553.2	11,265.7
	175	Replacement Regulators	4,710.0	4,492.0	2,500.0	1,517.1
	200	Corrosion Activity	607.0	671.0	573.0	543.1
	960	Customer Response (IDE)	2,920.4	2,801.4	2,778.8	2,527.5
	570	Fleet	5,267.9	5,751.8	3,968.0	5,942.5
	575	Fleet Auction Proceeds	(300.0)	(300.0)	(300.0)	(291.1)
	577	Capitalized Fleet Administration	3,356.4	3,201.4	3,314.5	3,461.6
	577	Customer Response (Capitalized Fleet)	41.8	41.7	2.4	46.7
	578	Capitalized Fleet Depreciation	4,100.0	4,100.0	4,104.0	3,897.8
	900	Stores Handling	1,590.3	1,518.3	1,489.9	1,443.6
	960	Call Center Builder Bank (IDE)	259.1	256.3	309.5	226.8
Griffin		Total AVP Operations Administration	22,552.9	22,534.0	18,740.1	19,315.6
	466 thru 479	Supply Operations Storage & Trans	26,350.0	29,889.0	12,237.0	8,830.7
	960	Storage & Transmission (IDE)	895.7	821.6	867.6	815.9
	577	Supply Operations (Capitalized Fleet)	61.6	45.3	62.1	47.0
	088	Miscellaneous Revisions	7,390.0	7,390.0	2,203.9	2,581.6
	092 & 170	Replacement Pressure Sets	1,422.0	1,422.0	1,122.0	1,089.8
	472 thru 479	System Operations Transmission - Central	1,922.0	2,523.0	1,111.3	1,675.9
	910	Engineering Overheads - Carthage	18.1	16.7	16.1	22.1
	577	System Operations (Capitalized Fleet)	189.5	184.7	193.8	150.4
	960	System Operations (IDE)	1,824.0	1,762.6	1,704.9	1,747.5
Bartlett		Total VP Supply Operations	40,072.9	44,054.7	19,518.7	16,960.8
	050 & 051	New Business Services	8,862.4	7,822.4	11,500.3	11,267.3
	077 thru 081	New Business Main	14,725.6	15,499.9	16,500.2	15,256.1
	150	Other New Business	507.0	500.0	355.0	343.6
	577	NCAT (Capitalized Fleet)	634.7	616.0	561.4	456.5
	960	NCAT (IDE)	6,342.5	5,891.8	6,209.6	6,029.9
	060 & 061	Replacement Services	17,553.0	15,213.7	9,015.0	9,025.8
	082 & 083	Replacement Main	11,938.0	8,558.0	5,293.0	4,719.8
	062 & 063	Cross Ties	4,809.0	3,261.0	1,275.0	1,248.9
	084 & 085	System Improvement - Main	6,465.0	5,625.0	5,500.0	5,166.0
	086 & 087	Public Improvement - Main	14,700.0	14,500.0	13,005.0	14,757.1
	089	Reimbursables	(3,600.0)	(3,200.0)	(2,700.0)	(2,613.7)
	100, 101, 102, 465 & 480	Revenue Generating	2,085.0	5,762.7	2,000.0	2,300.0
	160	Other Capital	1,500.0	1,450.0	1,600.0	1,594.3
	180	Estimated Services Removal Cost	1,000.0	1,800.0	937.0	937.0
	577	Distribution (Capitalized Fleet)	1,292.0	1,205.8	866.3	701.6
	960	Distribution (IDE)	7,568.3	7,390.4	7,508.0	7,125.3
	093	New Industrial Meters	875.0	850.0	800.0	639.0
	140 & 145	Contributions Collected	(548.3)	(537.5)	(595.0)	(593.4)
	910	Engineering Overheads - Regions	2,758.2	2,586.7	2,832.4	2,740.4
McCain		Total VP Field Operations	99,467.5	94,795.9	82,463.3	81,101.5

NICOR GAS COMPANY
Capital Budget
2009 through 2006
(in thousands)

Officer	Cap Type	Description	2009 Budget	2008 Budget	2007 Budget	2006 Budget
	500	Miscellaneous General Plant	983.7	1,069.0	952.7	1,452.9
	540	Land and Buildings	17,514.0	18,361.0	6,531.2	1,094.6
	577	Facility Services (Capitalized Fleet)	0.0	0.0	0.0	0.0
	980	Capitalized Facilities (Buildings & Grounds)	3,604.6	3,401.1	3,662.7	3,736.4
Colalillo		Total SVP HR & Corp Communications	22,102.3	22,831.1	11,146.6	6,283.9
	942	Employee Insurance	4,614.1	4,259.8	3,738.5	3,799.0
	945	Other Benefits	3,496.6	2,810.9	2,495.7	2,459.2
Bacidore		Total AVP Human Resources	8,110.7	7,070.7	6,234.2	6,258.2
Zeller	Various	Information Technologies	10,365.7	10,548.4	7,418.0	15,761.3
	930	AFUDC	1,100.0	550.0	200.0	450.0
	940	A & G	3,106.4	2,923.9	2,510.7	2,388.9
	941	Pension	(4,776.2)	(4,300.7)	(3,188.8)	(2,689.6)
	943	Future Health Care	5,400.1	5,409.1	5,156.8	5,057.0
	950	Payroll Taxes	3,279.3	3,144.1	3,451.3	3,502.9
Pepping		Total VP & Controller	8,109.7	7,726.3	8,129.9	8,709.2
		Total Capital Expenditures*	225,000.0	225,000.0	164,204.1	165,656.3

*excludes contingency and unallocated