

Allocation of Proposed Revenue Adjustments to Base Rates
(In Thousands of Dollars)

Line No.	Description (A)	Current Revenue (B)	ECOSS Results (C)	ECOSS Increase 1/ (D)	Adjusted ECOSS Revenue 2/ (E)	Increase (F)	Proposed Increase (G)	Rate Design Revenue (H)
1	Residential Rates:							
2	Rate 1 - Residential	354,002	481,097	127,095	469,070	115,068	115,078	469,080
3	Nonresidential Rates:					EPEC Increase		
4	Rate 4 - General Gas Service	121,463	124,285	2,822	131,820	10,357	17,928	139,391
5	Rate 5 - Seasonal Use Service	189	187	(2)	198	9	61	250
6	Rate 6 - Large General Service	49	42	(7)	45	(4)	17	66
7	Rate 7 - Large-Volume Service	-	-	-	-	-	-	-
8	Rate 17/19 - Contract Service	9,234	9,234	-	9,234	-	-	9,234
9	Rate 74 - General Transportation	42,744	50,020	7,276	53,053	10,309	2,989	45,733
10	Rate 75 - Seasonal Use Transportation	147	494	347	524	377	65	212
11	Rate 76 - Large General Transportation	10,498	13,102	2,604	13,896	3,398	3,376	13,874
12	Rate 77 - Large Volume Transportation	7,034	10,235	3,201	10,856	3,822	3,822	10,856
13	Subtotal - Nonresidential	191,358	207,599	16,241	219,429	28,071	28,258	219,616
14	Subtotal - Residential & Nonresidential	545,360	688,696	143,336	688,696	143,336	143,336	688,696
15	Total - All Rates & Riders	1,920	136	(1,784)	136	(1,784)	(1,784)	136
16	Total - All Rates	547,280	688,832	141,552	688,832	141,552	141,552	688,832

1/ At equalized rates of return and with \$141,552,000 revenue increase

2/ Rate 1 fixed at \$469,267,000 and remaining revenue allocated at equalized percent of cost of service (excluding Rates 17 and 19 and Riders 13 and 16).

**Jurisdictional Operating Revenues at proposed Rates
 (Therms and Dollars in Thousands)**

Line No. (A)	Current Rate (B)	Test Year Billing Units (C)	Proposed Charge (D)	Proposed Revenue (E)
1	Rate 1			
2	Customer Charge	24,065,833	\$ 13.55	\$ 326,092
3	Distribution			
4	First 20	419,114	\$ 0.1392	\$ 58,341
5	Next 30	425,950	\$ 0.0519	\$ 22,107
6	Over 50	1,304,454	\$ 0.0519	\$ 67,701
7	Rate 1 Therms and Base Revenue	<u>2,149,518</u>		<u>\$ 148,149</u>
8				
9				
10	Customer Select	220,572	\$ (0.0234)	\$ (5,161)
11	Rate 1 Therms and Base Revenue	<u>2,149,518</u>		<u>\$ 469,080</u>
12				
13	Other Revenue			
14	Gas Supply Cost	1,928,946	\$ 0.920745	\$ 1,776,067
15	Customer Select Therms	220,572	\$ 0.0200	\$ 4,411
16	Rider 12 Therms	2,149,518	\$ 0.0046	\$ 9,888
17	Total Other Revenue			<u>\$ 1,790,367</u>
18				
19	Total Rate 1 Revenue			<u>\$ 2,259,447</u>
20				
21	Rate 4			
22	Customer Charge			
	Meter Class A	1,687,041	\$ 22.80	\$ 38,465
23	Meter Class B	539,030	\$ 79.45	\$ 42,826
24	Meter Class C	16,792	\$ 145.10	\$ 2,437
25		<u>2,242,863</u>		<u>\$ 83,727</u>
26	Distribution			
	First 150	178,169	\$ 0.1275 1/	\$ 22,717
27	Next 4,850	533,448	\$ 0.0630	\$ 33,607
28	Over 5,000	108,062	\$ 0.0482	\$ 5,209
29	Rate 4 Therms and Base Revenue	<u>819,679</u>		<u>\$ 145,259</u>
30				
31	Rider 25			
32	Transportation Administration Charge			
33	Individual	20,340	\$ 23.00	\$ 468
34	Group	45,211	\$ 10.00	\$ 452
35	Minimum	2,231	\$ 33.00	\$ 74
36	Customer Select	190,927	\$ (0.0234)	\$ (4,468)
37	Rider 25 Transportation Service Credit	102,296	\$ (0.0234)	\$ (2,394)
38	Total Rate 4 Base and Rider 25 Revenue			<u>\$ 139,391</u>
39				
40	Other Revenue			
41	Gas Supply Cost	526,456	\$ 0.921957	\$ 485,370
42	Customer Select Therms	190,927	\$ 0.0200	\$ 3,819
43	Rider 25 Backup Service	-	\$ -	\$ -
44	Transportation Therms	102,296	\$ -	\$ -
45	Rider 12 Therms	819,679	\$ 0.0033	\$ 2,702
46	Total Other Revenue			<u>\$ 491,890</u>
47				
48	Total Rate 4 Revenue			<u>\$ 631,281</u>
49				

**Jurisdictional Operating Revenues at proposed Rates
(Therms and Dollars in Thousands)**

Line No.	Current Rate (B)	Test Year Billing Units (C)	Proposed Charge (D)	Proposed Revenue (E)
50	Rate 5			
51	Customer Charge	Meter Class A	\$ 25.85	\$ -
52		Meter Class B	\$ 82.60	\$ -
53		Meter Class C	\$ 187.45	\$ 142
54			<u>759</u>	<u>\$ 142</u>
55	Summer Distribution	All therms	\$ 0.0455	\$ 195
56				
57	Winter Distribution	All Therms	\$ 0.0509	\$ 2
58	Rate 5 Therms and Base Revenue	<u>4,333</u>		<u>\$ 340</u>
59				
60	Rider 25			
61	Transportation Administration Charge			
62		Individual	\$ 23.00	\$ 7
63		Group	\$ 10.00	\$ 4
64		Minimum	\$ 33.00	\$ -
65	Rider 25 Transportation Service Credit	4333	\$ (0.0234)	\$ (101)
66	Total Rate 5 Base and Rider 25 Revenue			<u>\$ 250</u>
67				
68	Other Revenue			
69	Gas Supply Cost	-	\$ 0.9220	\$ -
70	Customer Select Therms	-	\$ 0.0200	\$ -
71	Rider 25 Backup Service	-	\$ -	\$ -
72	Transportation Therms	4,333	\$ -	\$ -
73	Rider 12 Therms	4,333	\$ 0.0033	\$ 14
74	Total Other Revenue			<u>\$ 14</u>
75				
76	Total Rate 5 Revenue			<u>\$ 264</u>
77				
78	Rate 6			
79	Customer Charge	12	\$ 1,868.00	\$ 22
80	Distribution Charge	1,004	\$ 0.0266	\$ 27
81	Minimum Bill Adjustment	5	\$ 3,500.00	\$ 17
82	Rate 6 Base Revenue			<u>\$ 66</u>
83				
84	Rider 25			
85	Transportation Administration Charge			
86		Individual	\$ 23.00	\$ -
87		Group	\$ 10.00	\$ -
88		Minimum	\$ 33.00	\$ -
89	Rider 25 Transportation Service Credit	109	\$ (0.0033)	\$ (0)
90	Total Rate 6 Base and Rider 25 Revenue			<u>\$ 66</u>
91				
92	Other Revenues			
93	Gas Supply Cost	895	\$ 0.9220	\$ 825
94	Rider 25 Backup Service	-	\$ -	\$ -
95	Transportation Therms	109	\$ -	\$ -
96	Rider 12 Therms	1,004	\$ 0.0008	\$ 1
97	Total Other Revenue			<u>\$ 826</u>
98				
99	Total Rate 6 Revenue			<u>\$ 892</u>
100				
101	Rate 7			
102	Customer Charge	-	\$ 3,482.00	\$ -
103	Demand Charge			
104		0-10,000	\$ 1.6783	\$ -
105		Over 10,000	\$ 0.1278	\$ -
106	Total Demand Charge Therms and Revenue	<u>-</u>		<u>\$ -</u>
107	Commodity Charge	-	\$ 0.0052	\$ -
108				
109	Total Rate 7 Base Revenue			<u>\$ -</u>
110				

**Jurisdictional Operating Revenues at proposed Rates
(Therms and Dollars in Thousands)**

Line No.	Current Rate (B)	Test Year Billing Units (C)	Proposed Charge (D)	Proposed Revenue (E)	
111					
112	Contract Services (Rates 17, 19 and Contract) 1/				
113	Customer Charge	192		\$ 2,395	
114	Therms Used	304,516		\$ 6,839	
115	Rate 17, 19 and Contract Base Revenue			<u>\$ 9,234</u>	
116					
117	Other Revenue				
118	Gas Supply Cost	400	\$ 0.9220	\$ 369	
119	Transportation	304,116	\$ -	\$ -	
120	Rider 12 Therms		\$ 0.0008	\$ -	
121	Total Other Revenue			<u>\$ 369</u>	
122					
123	Total Rate 17, 19 and Contract Revenue			<u>\$ 9,603</u>	
124					
125	Rate 21				
126	Revenues from Rate 21 are included in Chicago Hub revenues shown below.				
127					
128					
129	1/ These are individually negotiated contracts with different customer and distribution charges applicable to each contract.				
130					
131					
132	Rate 74				
133	Customer Charge	Meter Class A	4,402	\$ 22.80	\$ 100
134		Meter Class B	76,968	\$ 79.45	\$ 6,115
135		Meter Class C	28,514	\$ 145.10	\$ 4,137
136			<u>109,884</u>		<u>\$ 10,352</u>
137	Distribution	First 150	17,867	\$ 0.1133 2/	\$ 2,024
138		Next 4,850	222,151	\$ 0.0484	\$ 10,752
139		Over 5,000	335,412	\$ 0.0349	\$ 11,706
140			<u>575,430</u>		<u>\$ 24,482</u>
141	Storage Banking Service		1,893,444	\$ 0.0042	\$ 7,952
142	Rate 74 Base Revenue			<u>\$ 42,787</u>	
143					
144	Transportation Administration Charge				
145		Individual	2,496	\$ 23.00	\$ 57
146		Group	97,689	\$ 10.00	\$ 977
147		Minimum	5,196	\$ 33.00	\$ 171
148					
149	Recording Device Charge				
150		Diaphragm Meter	23,336	\$ 10.00	\$ 233
151		Other Meters	83,892	\$ 17.00	\$ 1,426
152	Administrative Fees				
153		Storage Transfer Fee	816	\$ 24.00	\$ 20
154		Group Change Fee	2,424	\$ 25.00	\$ 61
155	Total Rate 74 Base Revenue			<u>\$ 45,733</u>	
156					
157	Other Revenue				
158	Gas Costs Related Units				
159		Gas Supply Cost	2,324	\$ 0.9220	\$ 2,143
160		Firm Backup Service	-	-	\$ -
161		Excess Storage	-	\$ 0.1000	\$ -
162		Requested Authorized Use	-	-	\$ -
163		Authorized Use	-	\$ 0.6350	\$ -
164		Unauthorized Use	-	-	\$ -
165		Operational Flow Order	-	-	\$ -
166	Transportation Therms		573,106	-	\$ -
167	Rider 12 Therms		575,430	\$ 0.0033	\$ 1,899
168	Total Other Revenue			<u>\$ 4,042</u>	
169					
170	Total Rate 74 Revenue			<u>\$ 49,774</u>	
171					

**Jurisdictional Operating Revenues at proposed Rates
(Therms and Dollars in Thousands)**

Line No.	Current Rate (B)	Test Year Billing Units (C)	Proposed Charge (D)	Proposed Revenue (E)
172	Rate 75			
173	Customer Charge	Meter Class A	\$ 25.85	\$ -
174		Meter Class B	\$ 82.60	\$ 5
175		Meter Class C	\$ 187.45	\$ 38
176				\$ 43
177	Summer Distribution	All Therms	\$ 0.0221	\$ 79
178				
179	Winter Distribution	All Therms	\$ 0.0275	\$ 2
180				\$ 81
181	Storage Banking Service		\$ 0.0042	\$ 81
182	Rate 75 Base Revenue			\$ 205
183				
184	Transportation Administration Charge			
185		Individual	\$ 23.00	\$ -
186		Group	\$ 10.00	\$ 3
187		Minimum	\$ 33.00	\$ -
188				
189	Recording Device Charge			
190		Diaphragm Meter	\$ 10.00	\$ -
191		Other Meters	\$ 17.00	\$ 4
192		Administrative Fees		
193		Storage Transfer Fee	\$ 24.00	\$ -
194		Group Change Fee	\$ 25.00	\$ -
195	Total Rate 75 Base Revenue			\$ 212
196				
197	Other Revenue			
198	Gas Costs Related Units			
199		Gas Supply Cost	\$ 0.9220	\$ -
200		Firm Backup Service	-	\$ -
201		Excess Storage	\$ 0.1000	\$ -
202		Requested Authorized Use	-	\$ -
203		Authorized Use	\$ 0.6350	\$ -
204		Unauthorized Use	-	\$ -
205		Operational Flow Order	-	\$ -
206	Transportation Therms	3,650	-	\$ -
207	Rider 12 Therms	3,650	\$ 0.0033	\$ 12
208	Total Other Revenue			\$ 12
209				
210	Total Rate 74 Revenue			\$ 224
211				
212	Rate 76			
213	Customer Charge	2,460	\$ 1,891.00	\$ 4,652
214	Distribution Charge	326,464	\$ 0.0189	\$ 6,170
215	Storage Banking Service	724,950	\$ 0.0042	\$ 3,045
216	Administrative Fees - Storage Transfer Fee	48	\$ 24.00	\$ 1
217		Group Change Fee	\$ 25.00	\$ 6
218	Minimum Bill Adjustment	-	\$ 3,150.00	\$ -
219	Rate 76 Base Revenue			\$ 13,874
220				
221	Other Revenue			
222	Gas Costs Related Units			
223		Gas Supply Cost	\$ 0.9220	\$ 285
224		Firm Backup Service	-	\$ -
225		Excess Storage	\$ 0.1000	\$ -
226		Requested Authorized Use	-	\$ -
227		Authorized Use	-	\$ -
228		Unauthorized Use	-	\$ -
229		Operational Flow Order	-	\$ -
230	Transportation Therms	326,155	-	\$ -
231	Rider 12 Therms	326,464	\$ 0.0008	\$ 263
232	Total Other Revenue			\$ 548
233				
234	Total Rate 76 Revenue			\$ 14,422

Jurisdictional Operating Revenues at proposed Rates
(Therms and Dollars in Thousands)

Line No.	Current Rate (B)	Test Year Billing Units (C)	Proposed Charge (D)	Proposed Revenue (E)
235				
236	Rate 77			
237	Customer Charge	372	\$ 3,505.00	\$ 1,304
238	Demand Charge			
239	0-10,000	3,548	\$ 1,2948	\$ 4,594
240	Over 10,000	14,515	\$ 0.0432	\$ 627
241		<u>18,063</u>		<u>\$ 5,221</u>
242	Commodity Charge	336,679	\$ 0.0052	\$ 1,751
243	Storage Banking Service	614,312	\$ 0.0042	\$ 2,580
244	Administrative Fees - Storage Transfer Fee	-	\$ 24.00	\$ -
245	Group Change Fee	-	\$ 25.00	\$ -
246	Rate 77 Base Revenue			<u>\$ 10,856</u>
247				
248	Other Revenue			
249	Gas Costs Related Units			
250	Gas Supply Cost	-	\$ 0.9220	\$ -
251	Firm Backup Service	-	-	\$ -
252	Excess Storage	-	\$ 0.1000	\$ -
253	Requested Authorized Use	-	-	\$ -
254	Authorized Use	-	-	\$ -
255	Unauthorized Use	-	-	\$ -
256	Operational Flow Order	-	-	\$ -
257	Transportation Therms	336,679	-	\$ -
258	Rider 12 Therms	336,679	\$ 0.0008	\$ 271
259	Total Other Revenue			<u>\$ 271</u>
260				
261	Total Rate 77 Revenue			<u>\$ 11,127</u>
262				
263				
264	Rider 13			
265	Group Charge	1,029	\$ 95.00	\$ 98
266				
267	Total Rider 13 Revenue			<u>\$ 98</u>
268				
269	Rider 16			
270	Group Charge	190	\$ 200.00	\$ 38
271	Account Charge	-	\$ -	\$ -
272	Group Additions	-	\$ -	\$ -
273	Total Rider 16 Revenue			<u>\$ 38</u>
274				
275	Revenue Summary			
276	Base Revenue			\$ 688,831
277 (a)	Rider 6, Gas Supply Cost			\$ 2,273,289
278	Rider 12, Environmental Cost Recovery			\$ 15,049
279	Total			<u>\$ 2,977,169</u>

1/ First block rate decreased by \$0.0001 to obtain proposed revenue.
2/ First block rate increased by \$0.0002 to obtain proposed revenue.

Jurisdictional Operating Revenues at proposed Rates
(Terms and Dollars in Thousands)

Line No.	Current Rate	Test Year Billing Units	Proposed Charge	Proposed Revenue
(A)	(B)	(C)	(D)	(E)
280				
281	Other Revenues			
282	Rider 2, Franchise Gas Cost Adjustment			\$ 7,905
283	Rider 7, Governmental Agency Compensation Adj.			\$ -
284	Storage Services (GSC)			\$ -
285	Management Services			\$ 900
286	Chicago Hub (GSC)			\$ 5,095
287	Rent			\$ 307
288	Late Payments			\$ 22,932
289	Revenue Debit			\$ (5,510)
290	Transportation for Other Utilities			\$ 462
291	Third Party Billing Services			\$ 439
292	Other			\$ 776
293	Total			\$ 33,306
294				
295	Revenue Taxes			
296		Municipal Taxes		\$ 68,527
297		State Taxes		\$ 98,678
298	Total Revenue Taxes			\$ 167,205
299				
300	Grand Total of Revenue			\$ 3,177,680

(a) Includes Backup Service Charge + Excess Storage Charge

Annual Bill Comparison Rate 1, Residential Service

Base Rate Comparison

Line No.	Month	Therm Use	Base Rates		Difference	Percent Difference
			Current	Proposed		
1	January	215	\$21.65	\$26.45	\$4.81	22.21 %
2	February	171	\$19.36	\$24.17	\$4.81	24.83
3	March	135	\$17.49	\$22.30	\$4.81	27.48
4	April	73	\$14.28	\$19.08	\$4.81	33.68
5	May	36	\$12.27	\$17.16	\$4.89	39.86
6	June	26	\$11.69	\$16.65	\$4.95	42.35
7	July	24	\$11.58	\$16.54	\$4.96	42.88
8	August	23	\$11.52	\$16.49	\$4.97	43.14
9	September	26	\$11.69	\$16.65	\$4.95	42.35
10	October	58	\$13.50	\$18.31	\$4.81	35.62
11	November	108	\$16.09	\$20.90	\$4.81	29.88
12	December	193	\$20.50	\$25.31	\$4.81	23.45
13	Total	1,088	\$181.63	\$240.02	\$58.39	32.15 %

Base Rates, Gas Supply Cost and Environmental Cost Recovery Charges

Line No.	Month	Therm Use	Gas Supply Cost		ECR	Total Costs before Taxes		Difference	Percent Difference
			Current	Proposed		Current	Proposed		
16	January	215	\$ 198.23	\$ 198.23	\$ 0.99	\$220.87	\$225.67	\$ 4.81	2.18 %
17	February	171	157.66	157.66	0.79	\$177.81	\$182.62	4.81	2.70
18	March	135	124.47	124.47	0.62	\$142.59	\$147.39	4.81	3.37
19	April	73	67.31	67.31	0.34	\$81.92	\$86.73	4.81	5.87
20	May	36	33.19	33.19	0.17	\$45.63	\$50.52	4.89	10.72
21	June	26	23.97	23.97	0.12	\$35.79	\$40.74	4.95	13.84
22	July	24	22.13	22.13	0.11	\$33.82	\$38.78	4.96	14.68
23	August	23	21.21	21.21	0.11	\$32.83	\$37.80	4.97	15.14
24	September	26	23.97	23.97	0.12	\$35.79	\$40.74	4.95	13.84
25	October	58	53.48	53.48	0.27	\$67.24	\$72.05	4.81	7.15
26	November	108	99.58	99.58	0.50	\$116.17	\$120.97	4.81	4.14
27	December	193	177.95	177.95	0.89	\$199.34	\$204.15	4.81	2.41
28	Total	1,088	\$ 1,003.14	\$1,003.14	\$ 5.00	\$ 1,189.77	\$ 1,248.16	\$ 58.39	4.91 %

Total Charges Including State Taxes

Line No.	Month	Therm Use	State Taxes 1/		Total Costs with Taxes		Difference	Percent Difference
			Current	Proposed	Current	Proposed		
31	January	215	\$ 5.83	\$ 5.84	\$ 226.70	\$ 231.51	\$ 4.81	2.12 %
32	February	171	4.73	4.74	182.54	187.36	4.81	2.64
33	March	135	3.83	3.84	146.42	151.23	4.81	3.29
34	April	73	2.28	2.29	84.20	89.02	4.81	5.72
35	May	36	1.36	1.36	46.99	51.89	4.90	10.42
36	June	26	1.11	1.11	36.89	41.85	4.96	13.44
37	July	24	1.06	1.06	34.88	39.84	4.97	14.25
38	August	23	1.03	1.04	33.87	38.84	4.97	14.69
39	September	26	1.11	1.11	36.89	41.85	4.96	13.44
40	October	58	1.91	1.91	69.15	73.96	4.81	6.96
41	November	108	3.16	3.16	119.32	124.14	4.81	4.03
42	December	193	5.28	5.29	204.62	209.43	4.81	2.35
43	Total	1,088	\$ 32.70	\$ 32.76	\$ 1,222.48	\$ 1,280.92	\$ 58.44	4.78 %

1/ Includes Gross Receipt Tax of the lower of 5 percent of revenue or 2.4 cents per therm, Utility Tax of 0.01 percent and Rider 1 of \$0.45.

	Present Rates	Proposed Rates	
46			
47	Customer Charge	\$ 8.40	\$ 13.55
48	Rider 1 Charges	\$ 0.45	\$ 0.45
49	0-20 therms	\$ 0.1473	\$ 0.1392
50	20-50 therms	\$ 0.0579	\$ 0.0519
51	over 50 therms	\$ 0.0519	\$ 0.0519
52	PGA	\$ 0.9220	\$ 0.9220
53	ECR	\$ 0.0046	\$ 0.0046

Storage Banking Service and Related Calculations

	Column A Nicor Gas' Storage Capacity 134.6 Bcf	Column B Intervenors' Storage Capacity 149.7 Bcf
SBS Entitlement		
1 Storage Capacity (Therms)	1,346,333,000	1,497,000,000
2 Peak Day Deliveries (Therms)	49,000,000	49,000,000
3 Number of Peak Days of Storage Capacity (Line 1/Line2)	27.5	30.6
4 SBS Entitlement (Line 3 - Rounded Peak Days of Capacity)	28	31
SBS Charge		
5 Storage Revenue Requirement (\$)	\$ 67,933,000	\$ 67,933,000
6 Storage Capacity (Therms)	1,346,333,000	1,497,000,000
7 SBS Charge per unit of capacity (Line 5 / Line 6)	\$ 0.0505	\$ 0.0454
8 SBS Charge per unit of capacity per month (Line 7 / 12 months)	\$ 0.0042	\$ 0.0038
Storage Withdrawal Factor - "Deliverability Component"		
9 Peak Day Storage Deliverability (Therms)	25,000,000	25,000,000
10 Total Peak Day Deliveries (Therms)	49,000,000	49,000,000
11 Storage Deliveries on Peak Day (Line 9 / Line 10)	51.0%	51.0%
12 SBS Entitlement (Rounded Peak Days of Capacity) (Line 4)	28	31
13 <i>Proposed "Deliverability Component" (Line 11/ Line 12)</i>	0.0182	0.0165
Rate 6 and Rate 7 - Gas Supply Cost Component (1)		
14 Storage Deliveries (Line 11)	0.51	51%
15 Pipeline Deliveries (1.0 - Line 11)	0.49	0.49
16 Rates 6 and 7 Gas Supply Cost Component (1)	0.49	0.49

Rate 6 Sheet No. 12 item (c), Rate 7 Sheet No. 13 item (d)
Gas Supply Cost Component (1) = .49 X MDCQ X DGC

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

- CB 4.01 Q. Referring to Company witness Mudra's response to Staff Data Request 2.07 in reference to Rider 8, **Adjustments for Municipal, Local Governmental Unit and State Utility Taxes**, please provide information or documentation that explains whether each local governing authority has the same statute of limitations.
- CB 4.01 A. Illinois law requires local government units to establish statutes of limitation periods for the determination and assessment their municipal utility taxes. Except in cases in which the taxpayer fails to file a tax return, remits less than 75% of the tax due or submits a fraudulent return, Illinois law sets the maximum allowed statute of limitations at 4 years. If a municipality does not provide a statute of limitations in its ordinances then the maximum period allowed under the Illinois statute will apply. These rules are set forth in Section 30 of the Local Government Taxpayers' Bill of Rights Act, 50 ILCS 45/30, which is attached as Exhibit 1.

In the Company's experience, most municipalities that have adopted municipal utility tax ordinances will specify a statute of limitations in their ordinances. Even though Illinois law permits limitation periods of up to 4 years, many municipalities select a shorter period such as 3 years. Some examples of municipal ordinances that provide for a 3 year statute of limitation are attached as Exhibits 2, 3 and 4.

Witness: Robert R. Mudra

50 ILCS 45/30)

Sec. 30. Statute of limitations. Units of local government have an obligation to review tax returns in a timely manner and issue any determination of tax due as promptly as possible so that taxpayers may make timely corrections of future returns and minimize any interest charges applied to tax underpayments. Each unit of local government must provide appropriate statutes of limitation for the determination and assessment of taxes covered by this Act, provided, however, that a statute of limitations may not exceed the following:

(1) No notice of determination of tax due or assessment may be issued more than 4 years after the end of the calendar year for which the return for the period was filed or the end of the calendar year in which the return for the period was due, whichever occurs later.

(2) If any tax return was not filed or if during any 4-year period for which a notice of tax determination or assessment may be issued by the unit of local government the tax paid or remitted was less than 75% of the tax due for that period, the statute of limitations shall be no more than 6 years after the end of the calendar year in which the return for the period was due or the end of the calendar year in which the return for the period was filed, whichever occurs later. In the event that a unit of local government fails to provide a statute of limitations, the maximum statutory period provided in this Section applies.

This Section does not place any limitation on a unit of local government if a fraudulent tax return is filed.
(Source: P.A. 91-920, eff. 1-1-01.)

SECTION 60-6

Municipal Utilities Tax

Sec. 60-6-1

Definitions

For the purpose of this Section the following definitions shall apply:

Gross Receipts means the consideration received for the transmission of messages, or for distributing, supplying, furnishing or selling gas or electricity for use or consumption and not for resale, as the case may be; and for all services rendered in connection therewith valued in money, whether received in money or otherwise, including cash, credit, services and property of every kind and material and for all services rendered therewith; and shall be determined without any deduction on account of the cost of transmitting said messages and without any deduction on account of the cost of the service, product or commodity supplied, the cost of materials used, labor or service cost, or any other expense whatsoever. Gross Receipts shall not include consideration received from the Village of Burr Ridge for distributing, supplying, furnishing or selling any of the aforesaid utility products or services to said Village.

Transmitting Messages in addition to the usual and popular meaning of person communications, shall include the furnishing, for a consideration, of services or facilities (whether owned or leased), or both, to persons in connection with the transmission of messages where such persons do not, in turn, receive any consideration in connection therewith, but shall not include such furnishing of services or facilities to persons for the transmission of messages to the extent that any such service or facilities for the transmission of messages are furnished for a consideration, by such persons to other persons, for the transmission of messages.

Person means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint adventure, corporation, municipal corporation or political subdivision of this State, or a receiver, Trustee, Conservator or other representative appointed by order of any Court.

Taxpayer means a person engaged in the business of transmitting messages by means of electricity; a person engaged in the business of distributing, supplying, furnishing or selling electricity for use or consumption and not for resale; and/or a person engaged in the business of distributing, supplying, furnishing, or selling gas for use or consumption and not for resale.

Treasurer means the Treasurer of the Village of Burr Ridge.

Sec. 60-6-2

Tax Imposed

A tax is imposed on all persons engaged in the following occupations or privileges and at the following rates: (amended by A-383-2-95)

- (1) Persons engaged in the business of distributing, supplying, furnishing, or selling gas for use or consumption within the corporate limits of the Village of Burr Ridge, and not for resale, at the rate of 5% of the gross receipts therefrom.
- (2) Persons engaged in the business of distributing, supplying, furnishing, or selling electricity for use or consumption within the corporate limits of the Village of Burr Ridge, and not for resale, at the rate of 5% of the gross receipts therefrom.

Sec. 60-6-3

Interstate Commerce

No tax is imposed by this Section with respect to any transaction in interstate commerce or otherwise to the extent to which such business may not, under the constitution and statutes of the United States, be made subject to taxation by this State or any political subdivision thereof; nor shall any persons engaged in the business of distributing, supplying, furnishing or selling gas or electricity, or engaged in the business of transmitting messages be subject to taxation under the provisions of this Section for such transactions as are or may become subject to taxation under the provisions of the "Municipal Retailers' Occupation Tax Act" authorized by Section 8-11-1 of the Illinois Municipal Code.

Sec. 60-6-4

Tax in addition to other payments

Such tax shall be in addition to the payment of money, or value of products or services furnished to this municipality by the taxpayer as compensation for the use of its streets, alleys, or other public places, or installation and maintenance therein, thereon or thereunder of poles, wires, pipes or other equipment used in the operation of the taxpayer's business.

Sec. 60-6-5

Reports by Taxpayer

Each taxpayer must make a report to the Village stating:

1. His name
2. His principal place of business
3. His gross receipts during the month upon the basis of which the tax is imposed
4. Amount of tax
5. Such other reasonable and related information the corporate authorities may require.

Such report shall be made to the Village Treasurer by those persons described in Section 60-6-2 above on or before the last day of each month of each year for the corresponding month preceding each of said report dates.

The taxpayer making the return herein provided for shall, at the time of making such return, pay to the Village Treasurer, the amount of tax herein imposed; provided that in connection with any return the taxpayer may, if he so elects, report and pay an amount based upon his total billings of business subject to the tax during the period for which the return is made (exclusive of any amounts previously billed) with prompt adjustments of later payments based upon any differences between such billings and the taxable gross receipts.

Sec. 60-6-6

Erroneous Payment

If it shall appear that an amount of tax has been paid which was not due under the provisions of this Section, whether as the result of a mistake of fact or an error of law, then such amount shall be credited against any tax due, or to become due, under this Section from the taxpayer who made the erroneous payment; provided that no amounts erroneously paid more than three (3) years prior to the filing of a claim therefor shall be so credited.

Sec. 60-6-7

Recovery Limited

No action to recover any amount of tax due under the provisions of this Section shall be commenced more than three (3) years after the due date of such amount.

Sec. 60-6-8

Penalty

Any taxpayer who fails to make a return, or who makes a fraudulent return, or who willfully violates any other provision of this Section 60-6 is guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than one hundred dollars (\$100) nor more than seven hundred fifty dollars (\$750) and in

addition shall be liable in a civil action for the amount of the tax due. (Amended by A-383-1-95)

Sec. 60-6-0

Replacement of Tax.

Notwithstanding any provision to the contrary herein, the Municipal Utilities Tax imposed by Chapter 60, Section 60-6-2(2) of this Code on the gross receipts of persons engaged in the business of distributing, supplying, furnishing or selling electricity for use or consumption within the corporate limits of the Village and not for resale shall be imposed only until such time as it shall be replaced by a kilowatt hour tax on the privilege of using or consuming electricity within the corporate limits of the Village of Burr Ridge. Upon imposition of a kilowatt-hour tax on both residential and nonresidential uses of electricity, all references to the application of a tax on the gross receipts of persons engaged in the business of distributing, supplying, furnishing or selling electricity that are contained herein shall be deemed deleted from this Chapter.
(A-383-1-98)

DIVISION 2. TAX ON CERTAIN OCCUPATIONS AND PRIVILEGES

DIVISION 2. TAX ON CERTAIN OCCUPATIONS AND PRIVILEGES

Sec. 74-151. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Exempt purchaser, for the purposes of division 2 and division 2A of this article, means a school district, park district, or other unit of local government which the corporate authorities ordain shall not be required to pay the taxes set forth in division 2 and division 2A of this article.

Gross receipts means the consideration received for the transmission of messages, the consideration received for distributing, supplying, furnishing or selling gas for use or consumption and not for resale, and the consideration received for distributing, supplying, furnishing or selling electricity for use or consumption and not for resale, and the consideration received for distributing, supplying, furnishing or selling water for use or consumption and not for resale, and for all services rendered in connection therewith valued in money, whether received in money or otherwise, including cash, credit, services and property of every kind and material and for all services rendered therewith, and shall be determined without any deduction on account of the cost of transmitting such messages, without any deduction on account of the cost of the service, product or commodity supplied, the cost of materials used, labor or service cost, or any other expenses whatsoever.

Such term shall not include that portion of the consideration received for distributing, supplying, furnishing, or selling gas, electricity, or water to, or for the transmission of messages for, business enterprises described in 65 ILCS 5/8-11-2(e) to the extent and during the period in which the exemption authorized by 65 ILCS 5/8-11-2(e) of that statute is in effect or for school districts or units of local government described in 65 ILCS 5/8-11-2(f) of that statute during the period in which the exemption authorized in 65 ILCS 5/8-11-2(f) of that statute is in effect.

Person, for the purposes of division 2 and division 2A of this article, means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint adventure, corporation, limited liability company, or municipal corporation, the state or any of its political subdivisions, any state university created by statute, or a receiver, trustee, conservator or other representative appointed by order of any court.

Person maintaining a place of business in this state, for the purposes of division 2 and division 2A of this article, means any person having or maintaining within this state, directly or by a subsidiary or other affiliate, an office, generation facility, distribution facility, transmission facility, sales office or other place of business, or any employee, agent, or other representative operating within this state under the authority of the person or its subsidiary or other affiliates, irrespective of whether such place of business or agent or other representative is located in this state permanently or temporarily, or whether such person, subsidiary or other affiliate is licensed or qualified to do business in this state.

Village, for the purposes of division 2 and division 2A of this article, means the Village of Westmont, DuPage County, Illinois.

(Code 1972, § 25-44; Ord. No. 94-20, § 2, 4-4-1994; Ord. No. 98-73, § 1, 7-20-1998)

Cross references: Definitions generally, § 1-2.

State law references: Similar provisions, 65 ILCS 5/8-11-2(d).

Sec. 74-152. Imposed; rates.

DIVISION 2. TAX ON CERTAIN OCCUPATIONS AND PRIVILEGES

A tax is hereby imposed upon all persons engaged in the following occupations or privileges:

- (1) Persons engaged in the business of distributing, supplying, furnishing or selling gas for use or consumption within the corporate limits of the village, and not for resale, at the rate of five percent of the gross receipts therefrom.
- (2) Persons engaged in the business of distributing, supplying, furnishing or selling electricity for use or consumption within the corporate limits of the village and not for resale, at the rate of five percent of the gross receipts therefrom.
- (3) Persons engaged in the business of distributing, supplying, furnishing or selling water for use or consumption within the corporate limits of the village and not for resale, at the rate of five percent of the gross receipts therefrom.

(Code 1972, § 25-45; Ord. No. 94-20, § 3, 4-4-1994)

Sec. 74-153. Exemptions when in interstate commerce and when subject to municipal retailer's occupation tax.

No tax shall be imposed by this division with respect to any transaction in interstate commerce or otherwise to the extent of which such business may not, under the Constitution and statutes of the United States, be subject to taxation by this state or any political subdivision thereof; nor shall any persons engaged in the business of distributing, supplying, furnishing or selling gas, electricity or water be subject to taxation under the provisions of this division for such transactions as can or may become subject to taxation under the provisions of the municipal retailers' occupation tax imposed by this chapter.

(Code 1972, § 25-46; Ord. No. 94-20, § 4, 4-4-1994)

State law references: Similar provisions, 65 ILCS 5/8-11-2.

Sec. 74-154. Tax to be in addition to value of products and services furnished the village.

The tax established by this division shall be in addition to the payment of money or value of products or services furnished to the village by the taxpayer, as compensation for the use of its streets, alleys, or other public places, or installation and maintenance therein, thereon or thereunder of poles, wires, pipes or other equipment used in the occupation of the taxpayer's business.

(Code 1972, § 25-47)

State law references: Similar provisions, 65 ILCS 5/8-11-2.

Sec. 74-155. Payment of tax.

On or before the last day of every month of the calendar year, each taxpayer shall make a return to the village treasurer for a corresponding one-month period, stating:

- (1) His name;
- (2) His principal place of business;
- (3) His gross receipts during that month upon the basis of which tax is imposed;
- (4) Amount of tax;
- (5) Such other reasonable and related information as the corporate authorities may

DIVISION 2. TAX ON CERTAIN OCCUPATIONS AND PRIVILEGES

require.

(Code 1972, § 25-49)

Sec. 74-156. Manner of payment.

The taxpayer making the return provided for in this division shall, at the time of making such return, pay to the village treasurer the amount of tax imposed in this division; provided, that in connection with any return the taxpayer may, if he so elects, report and pay an amount based upon his total billings of business subject to the tax during the period for which the return is made, exclusive of any amounts previously billed, with prompt adjustments of late payments based upon any differences between such billings and the taxable gross receipts.

(Code 1972, § 25-49)

Sec. 74-157. Tax paid in error, recovery.

If it shall appear that an amount of tax has been paid which was not due under the provisions of this division, whether as the result of a mistake of fact or an error of law, then such amount shall be credited against any tax due, or to become due, under this division from the taxpayer who made the erroneous payment; provided, that no amounts erroneously paid more than six months prior to the filing of a claim therefor shall be so credited.

(Code 1972, § 25-50)

Sec. 74-158. Limitation on action to recover unpaid tax.

No action to recover any amount of tax due under the provisions of this division shall be commenced after the expiration of three years after the due date of such tax.

(Code 1972, § 25-51)

Sec. 74-159. Violations; penalty.

Any taxpayer who fails to make a return, or who makes a fraudulent return, or who wilfully violates any of the provisions of this division, is guilty of an offense, and in addition, shall be liable in a civil action for the amount of tax due.

(Code 1972, § 25-52)

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VILLAGE OF GLEN ELLYN

JEK ER 1/7 10/9/70

ORDINANCE NO. 1691

AN ORDINANCE IMPOSING A TAX ON CERTAIN UTILITIES DOING BUSINESS IN THE
VILLAGE OF GLEN ELLYN

BE IT ORDAINED by the President and Board of Trustees
of the Village of Glen Ellyn, DuPage County, Illinois:

Section 1. For the purpose of this ordinance, the
following definitions shall apply:

PERSON means any natural individual, firm, trust, estate,
partnership, association, joint stock company, joint adventure,
corporation, municipal corporation, or political subdivision of
the state, or a receiver, trustee, conservator, or other
representative appointed by order of any court.

GROSS RECEIPTS means the consideration received for the
transmission of messages, or for distributing, supplying, furnish-
ing or selling gas or electricity for use or consumption and not
for resale, as the case may be, and for all services rendered in
connection therewith valued in money, whether received in money or
otherwise, including cash, credit, services and property of every
kind and nature, and for all services rendered therewith; and it
shall be determined without any deductions on account of the cost
of transmitting said messages, the cost of the service, product
or commodity supplied, the cost of materials used, labor or service
cost, or any other expenses whatsoever.

TRANSMITTING MESSAGES, in addition to the usual and popular
meaning of person-to-person communications, shall include the
furnishing, for a consideration, of services or facilities,
whether owned or leased or both, to persons in connection with the
transmission of messages where such persons do not, in turn, receive
any consideration in connection therewith, but shall not include
such furnishing of services and facilities to persons for the
transmission of messages to the extent that any such service or
facilities are furnished for a consideration by such persons to
other persons for the transmission of messages.

Section 2. A tax is imposed on all persons engaged
in the following occupations or privileges:

a. Those engaged in the business of transmitting messages by
means of electricity, at the rate of five per cent of the gross receipts
from such business originating within the corporate limits of Glen Ellyn.

b. Those engaged in the business of distributing, supplying,
furnishing or selling gas for use or consumption within the corporate
limits of Glen Ellyn and not for resale, at the rate of five per cent
of the gross receipts therefrom.

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VILLAGE OF GLEN ELLYN

2.

c. Those engaged in the business of distributing, supplying, furnishing or selling electricity for use or consumption within the corporate limits of Glen Ellyn and not for resale, at the rate of five per cent of the gross receipts therefrom.

Section 3. No tax is imposed by this ordinance with respect to any transaction in interstate commerce or otherwise to the extent to which such business may not, under the constitution and statutes of the United States of America, be made subject to taxation by this state or any political subdivision thereof; nor shall any person engaged in the business of distributing, supplying, furnishing or selling gas or electricity or engaged in the business of transmitting messages be subject to taxation under the provisions of this ordinance for such transactions as are or may become subject to taxation under the provisions of the MUNICIPAL RETAILER'S OCCUPATION TAX ACT, authorized by Section 8-11-1 of the Illinois Municipal Code.

Section 4. Such tax shall be in addition to the payment of money or value of products or services furnished to this municipality by the taxpayer as compensation for the use of its streets, alleys, or other public places, or installation and maintenance therein, thereon, or thereunder of poles, wires, pipes or other equipment used in the operation of the taxpayer's business.

Section 5. This ordinance shall take effect after publication; and the tax provided for herein shall be based upon the gross receipts as herein defined actually paid to the taxpayer for services billed on and after the 1st day of January, 1971, and shall remain in effect until the 31st day of December, 1973.

Section 6. On or before the last day of April, 1971, each taxpayer shall make a return to the Village Treasurer for the months of January, February and March, 1971, stating his name, his principal place of business, his gross receipts during those months upon the basis of which the tax is imposed, the amount of tax, and such other reasonable and related information as the corporate authorities may require.

On or before the last day of every third month thereafter, each taxpayer shall make a like return to the Village Treasurer for a corresponding three-month period.

The taxpayer making the return herein provided for shall, at the time of making such return, pay to the Village Treasurer the amount of tax herein imposed, provided, that in connection with any return, the taxpayer may, if he so elects, report and pay an amount based upon his total billings of business subject to the tax during the period for which the return is made, exclusive of any amounts previously billed, with prompt adjustments of later payments based upon any differences between such billings and the taxable gross receipts.

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VILLAGE OF GLEN ELLIN

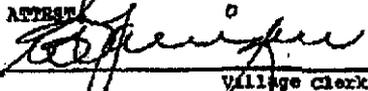
3.

Section 7. If it shall appear that an amount of tax has been paid which was not due under the provisions of this ordinance, whether as a result of a mistake of fact or an error of law, then such amount shall be credited against any tax due, or to become due, under this ordinance from the taxpayer who made the erroneous payment; provided, that no amounts erroneously paid more than three years prior to the filing of a claim therefor shall be so credited.

Section 8. No action to recover any amount of tax due under the provisions of this ordinance shall be commenced more than three years after the due date of such amount.

Section 9. Any taxpayer who fails to make a return, or who makes a fraudulent return, or who wilfully violates any other provision of this ordinance, is guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than One Hundred (\$100.00) Dollars nor more than Five Hundred (\$500.00) Dollars and, in addition, shall be liable in a civil action for the amount of tax due.


Village President

ATTEST

Village Clerk

PASSED: 10-12-70
APPROVED: 10-12-70
PUBLISHED: 10-15-70 10/22/70

ROLL CALL VOTE

5 Yeaes
2 Noes
1 Absent
1 ABSTAIN

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

- CB 4.02 Q. Referring to Company witness Mudra's response to Staff Data Request 2.07 in reference to Rider 8, **Adjustments for Municipal, Local Governmental Unit and State Utility Taxes**, please provide information or documentation that explains how the Company will know what the statute of limitations is for each local governing authority.
- CB 4.02 A. The Company will know the applicable statute of limitations for a municipality because it either will be stated in the municipality's ordinances or, if it is not, the default statute of limitations set forth in Section 30 of the Local Government Taxpayers' Bill of Rights Act, 50 ILCS 45/30, will apply. See also response to CB 4.01.

Witness: Robert R. Mudra

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

CB 4.03 Q. Referring to Company witness Mudra's response to Staff Data Request 2.07 in reference to Rider 8, **Adjustments for Municipal, Local Governmental Unit and State Utility Taxes**, please provide information or documentation that explains whether the Company has appropriate historical billing information for the customers.

CB 4.03 A. The Company has the appropriate historical billing information.

Witness: Robert R. Mudra

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

CB 4.04 Q. If the response to CB 4.03 is in the affirmative, please provide: an explanation, of how the tax resulting from an audit adjustment would be calculated. Provide an illustrative example including as exhibits the historical billing documents relied upon and copies of work papers.

CB 4.04 A. Nicor Gas has not yet been required to make any past adjustments for taxes as a result of an audit. In the past, municipalities, most likely for the benefit of the customers and with encouragement of the Company, have chosen to make corrections going forward when errors are discovered through an audit and not to demand payment for back taxes. However, this past practice is changing. Some municipalities are now demanding payment for back taxes and have initiated litigation or issued assessments against Nicor Gas. Rider 8 provides the regulatory mechanism for Nicor Gas to pass through the expense it incurs for a specific municipal tax obligation directly to the individual customers receiving the utility service that has been taxed. The proposed changes to Rider 8 are merely intended to clarify that the pass through rate recovery mechanism remains available in those somewhat limited situations in which the determination that a tax is owed is discovered as a result of a municipal audit.

The most accurate method to adjust for taxes is to cancel the billing, make the necessary correction (properly identify the customer's taxing town), and then rebill the customer. This would appropriately reverse any taxes to the incorrect municipality (if applicable) and then rebill the same utility charges with the appropriate taxes applied. The billing documents relied upon are the historical billing information, including the bills, for the past four years.

Witness: Robert R. Mudra

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

- CB 4.05 Q. Referring to Company witness Mudra's response to Staff Data Request 2.07 in reference to Rider 8, **Adjustments for Municipal, Local Governmental Unit and State Utility Taxes**, please provide information or documentation that explains how the Company would determine who to bill. If the Company's tariffs provide guidance in this regard, please identify the relevant language.
- CB 4.05 A. Nicor Gas tracks the customers of record and the dates for which they are responsible for service. If there were multiple customers of record for a particular location during the applicable period covered by the municipal tax audit, Nicor Gas would bill each customer of record for only the amount of the tax adjustment attributable to the period of time that such customer actually was the customer of record at that location. The term "customer" is defined in the general terms and conditions of the Company's tariff and the rate schedules describe the term of service applicable to a customer. See also Sections 9-221 and 9-222 of the Public Utilities Act and the current provisions of Rider 8.

Witness: Robert R. Mudra

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

- CB 4.06 Q. Referring to Company witness Mudra's response to Staff Data Request 2.07 in reference to Rider 8, **Adjustments for Municipal, Local Governmental Unit and State Utility Taxes**, please provide information or documentation that explains what procedure would be followed in a situation where the current occupants have not lived in the premise for the amount of time that taxes have not been collected. Is the current occupant of the premise responsible for the full amount of the back taxes, even if the current occupant did not live at the premise for the period in question? If so, please provide a rationale for this. Identify any relevant tariff language.
- CB 4.06 A. No, the current occupant would only be responsible for the taxes associated with the time and usage when they were the customer of record.

Witness: Robert R. Mudra

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

CB 4.07 Q. If the response to CB 4.05 is no, please explain how a situation where the current occupant did not live at the premise for the entire period in question would be handled. Provide an example including examples of the documentation that would be relied upon and work papers. Identify any relevant tariff language.

CB 4.07 A. See response to CB 4.05.

Witness: Robert R. Mudra

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

- CB 4.08 Q. Referring to Company witness Mudra's response to Staff Data Request 2.07 in reference to Rider 8, **Adjustments for Municipal, Local Governmental Unit and State Utility Taxes**, please provide information or documentation that explains whether the Company would collect the full amount of back taxes in a lump sum or over a period of time. Identify any relevant tariff language.
- CB 4.08 A. The Company would generally collect the full amount of taxes in a lump sum. The adjustment amount involved for an individual residential customer would typically be relatively modest; however, the customer could also make payment arrangements with Nicor Gas. It should be noted that canceling and then rebilling the customer with the correct taxes could result in either a credit or a debit. The corrected bill would reflect the total amount due.

Witness: Robert R. Mudra

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 08-0363
CB Fourth Set of Data Requests

- CB 4.09 Q. Referring to Company witness Mudra's response to Staff Data Request 2.07 in reference to Rider 8, **Adjustments for Municipal, Local Governmental Unit and State Utility Taxes**, please provide information or documentation that explains the Company's process for collecting back taxes for customers who are non-residential customers. Also, please provide information or documentation that explains the Company's process for collecting back taxes for former customers who no longer live at the residence in question that should have been taxed but, in fact, were no taxed.
- CB 4.09 A. The process is the same as for residential customers. The Company has never collected back taxes from former customers, however, if we did, it would be similar to how we would try to collect utility charges from former customers.

Witness: Robert R. Mudra

Table 4

Storage Capacity Allocation - Illustrative Volume

	<u>Nicor</u>	<u>IIEC/CNE/Staff</u>
1 SBS Entitlement (Days) Rounded	28	31
2 MDCQs - Transportation (Therms)*	11,164,000	11,164,000
3 MDCQs - Customer Select (Therms)*	4,340,000	4,340,000
4 Total MDCQ	<u>15,504,000</u>	<u>15,504,000</u>
5 Storage Capacity (Therms) (Line 1 X Line 4)	434,112,000	480,624,000
6 Less 28 day allocation		<u>434,112,000</u>
7 Additional Transportation and Customer Select Storage Capacity (Ln 5 - Ln 6)		46,512,000 Therms
* Based on current data for Rates 74,75,76,77 and Rider 25 and Customer Select		4.65 Bcf

Table 5

Remaining Storage Capacity Available for Sales Customers

Line #		<u>Nicor</u>	<u>IIEC/CNE/Staff</u>	<u>Increase (Decrease)</u>
1	Total Storage Capacity (Therms)	1,346,330,000	1,346,330,000	
		<u>Days</u>	<u>Days</u>	
2	Transportation Customers*	312,592,000	31	33,492,000
3	Customer Select *	121,520,000	31	13,020,000
4	Rate 17 / Rate 19 - Contract Rates*	43,736,000		-
5	Subtotal	<u>477,848,000</u>	<u>524,360,000</u>	46,512,000
6	Remaining Capacity Available for Sales Customers	868,482,000	821,970,000	(46,512,000) Bcf (4.65)

* Based on current data for Rates 74, 75,76,77 and Rider 25, Customer Select and Rate 17/19

* Assumes no change in Special Contract Rates 17/19 Capacity

Table 7

Transportation Customer SBS Revenue Illustration (Excluding Customer Select)

Line #		<u>Nicor</u>	<u>IIEC/CNE/Staff</u>
1	SBS Entitlement (Days) Rounded	28	31
2	MDCQs - Transportation (Therms)*	11,164,000	11,164,000
3	Transportation Storage Capacity (Ln 1 X Ln 2)	312,592,000 Therms	346,084,000 Therms
4	SBS Charge Per Month	\$ 0.0042	\$ 0.0038
5	Annual SBS Revenues (Ln 3 X Ln 4 X 12)	<u>\$ 15,758,809</u>	<u>\$ 15,687,030</u>

* Based on current data for Rates 74, 75,76,77 and Rider 25

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Northern Illinois Gas Company)
 d/b/a Nicor Gas Company)
) Docket No. 08-0363
 Proposed general increase in rates, and)
 revisions to other terms and conditions)
 of service)

AFFIDAVIT

I, Robert R. Mudra, under oath, hereby swear to the following:

1. I am the Director of Rates and Financial Analysis for Nicor Gas Company;
2. I prepared prefiled Surrebuttal Testimony on behalf of Northern Illinois Gas Company, d/b/a Nicor Gas Company, submitted as Nicor Gas Ex. 48.0, includings Exhibit 48.1 through 48.10, and filed on November 5, 2008;
3. An Errata to my Surrebuttal Testimony was filed on November 10, 2008 to provide for a correct copy of Exhibit 48.10;
4. A Second Errata to my Surrebuttal Testimony was filed on November 17, 2008 to provide for corrections to my testimony discovered after November 10, 2008;
5. I have personal knowledge of all the facts in my Surrebuttal Testimony, and the answers set forth in my Surrebuttal Testimony are to the best of my knowledge, true and correct; and
6. If asked those same questions today, my answers would be the same.

Robert R. Mudra

Robert R. Mudra

Subscribed and sworn to before me
 this 17th day of November, 2008.

Joan B. Baltusis

 Notary Public

