

STATE OF ILLINOIS

2009 MAY 26 A 10:49

ILLINOIS COMMERCE COMMISSION

NORTH SHORE GAS COMPANY)
)
Informational statement pursuant to Section)
6-102(d) of the Illinois Public Utilities Act in)
connection with the proposed issuance and sale) 08-0543
of up to \$6.5 million aggregate principal amount)
of bonds or notes, or a combination thereof, in)
one or more series.)

SECOND REPORT

North Shore Gas Company ("Company") respectfully submits this second report, for the period ended March 31, 2009, with respect to the bonds authorized by the order of the Commission entered on October 8, 2008, in the above-entitled Docket No. 08-0543. (Reference is made to the initial report to the Commission in this Docket for the period ended December 31, 2008, dated February 29, 2009.)

On November 3, 2008, the Company issued and sold \$6,500,000 in principal amount of its First and Refunding Mortgage Bonds, Series O, to the initial purchaser, Thrivent Financial For Lutherans at 100% of the principal amount (i.e., \$100.00 per one hundred dollars face amount) for an aggregate consideration of \$6,500,000. The Series O Bonds, which will mature on November 1, 2013, bear interest at a rate of 7.00% per annum.

The proceeds realized from the sale of the Series O Bonds have been used for the purpose of refunding short-term indebtedness.

No entity is or became an "affiliated interest" of the Company within the meaning of section 7-101 of the Illinois Public Utilities Act as a result of acquiring the Series O Bonds.

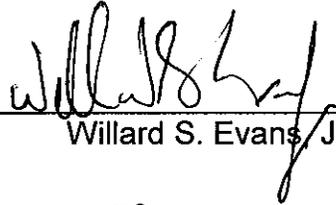
During the period ended March 31, 2009, the Company incurred the following expenses on its books in connection with the issuance of said Series O Bonds:

	Three Months Ended <u>March 31, 2009</u>	Cumulative Total at <u>March 31, 2009</u>
Series O		
-Accounting Fee		\$8,000.00
-Placement Agent Fee		52,887.99
-Legal Fees and Expenses	\$1,550.00	75,734.85
-Trustee Fee	(3,000.00)*	1,500.00
-ICC Issuance Fee	<u> </u>	<u>15,600.00</u>
Total	<u><u>\$(1,450.00)</u></u>	<u><u>\$153,722.84</u></u>

* - Correction on February 28, 2009, for Peoples Gas fee booked to North Shore.

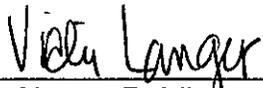
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

Willard S. Evans, Jr., being first duly sworn, on oath states that he is President of North Shore Gas Company, that he has read the foregoing report and knows the contents thereof, and that the facts stated therein are true to the best of his knowledge, information and belief.



Willard S. Evans, Jr.

Subscribed and sworn to before me this 22 day of May, 2009.



Notary Public

My Commission Expires:

4-3-2013

