

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 09-0540

**THIRTY-SECOND ANNUAL RECONCILIATION OF PGA
GAS REVENUE WITH RELATED COST OF GAS**

TWELVE MONTHS ENDED DECEMBER 31, 2009

RESPONDENT'S EXHIBIT 3

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 09-0540

TABLE OF CONTENTS

	REFERENCE	PAGE
Independent Auditor's Report		1
Reconciliation of Revenue Billed Under Uniform PGA Charges, With the Adjusted Cost of Gas Incurred	STATEMENT 1	2
Invoice Cost and Adjustments Versus Recovery of Costs for System Gas, Winter Seasonal Demand	STATEMENT 2	3
Invoice Cost and Adjustments Versus Recovery of Costs for System Gas, Summer Seasonal Demand	STATEMENT 3	4
Invoice Cost and Adjustments Versus Recovery of Costs for System Gas, Commodity	STATEMENT 4	5
Rider A Firm Transportation PGA Revenue	STATEMENT 5	6
Analysis of Schedule II, Costs/Revenues, Winter Seasonal Demand	STATEMENT 6	7
Analysis of Schedule II, Costs/Revenues, Summer Seasonal Demand	STATEMENT 7	8
Analysis of Schedule II, Costs/Revenues, Commodity	STATEMENT 8	9
Analysis of Adjustments Included in Factor A	STATEMENT 9	10
Summary of Purchased Gas Adjustments Applicable To Demand and Commodity	STATEMENT 10	11



INDEPENDENT AUDITOR'S REPORT

Illinois Gas Company
Olney, Illinois 62450

We have audited the accompanying statements 1 through 10 described in the preceding table of contents of Illinois Gas Company for the year ended December 31, 2009. These statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statements were prepared to present the reconciliation of revenue billed under uniform PGA charges with the adjusted cost of gas incurred of Illinois Gas Company pursuant to the Illinois Commerce Commission's Order 09-0540 dated November 12, 2009 and General Order 212, and is not intended to be a complete presentation of the Company's income and expenses.

In our opinion, the statements referred to above present fairly, in all material respects, the reconciliation of revenue billed under uniform PGA charges with the adjusted cost of gas incurred of Illinois Gas Company for the year ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America and the Illinois Commerce Commission's 09-0540 dated November 12, 2009 and General Order 212.

This report is intended solely for the information and use of the Board of Directors and Management of Illinois Gas Company and the Illinois Commerce Commission and is not intended to be and should not be used by anyone other than these specified parties.

Kemper CPA Group LLP

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

Lawrenceville, Illinois
March 10, 2010

**RECONCILIATION OF REVENUE BILLED UNDER UNIFORM PGA CHARGES
WITH THE ADJUSTED COST OF GAS INCURRED
FOR THE RECONCILIATION PERIOD ENDED DECEMBER 31, 2009**

<u>Line No.</u> (1)	<u>Description</u> (2)	<u>Winter Seasonal Demand</u> (3)	<u>Summer Seasonal Demand</u> (4)	<u>Commodity</u> (5)	<u>Total</u> (6)
1	Unamortized Balance as of 12/31/08 per 2008 Reconciliation	\$0	\$0	\$0	\$0
2	Factor A Adjustments Amortized to Schedule I at 12/31/08 per 2008 Reconciliation	(81,085)	(12,688)	(226,010)	(319,783)
3	Factor O Collected (Refunded) During 2009	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
4	Balance to Be Collected(Refunded) During 2009 From Prior Periods, (Sum of lines 1-3)	(81,085)	(12,688)	(226,010)	(319,783)
5	2009 Recoverable Gas Costs	894,700	437,133	6,147,487	7,479,320
6	2009 PGA Revenues	(847,654)	(477,073)	(5,959,452)	(7,284,179)
7	Pipeline Surcharges (Refunds)	0	0	0	0
8	Other Adjustments	0	0	(2,894)	(2,894)
9	Interest	(15)	0	(763)	(778)
10	2009 Under/(Over) Recovery (Sum of lines 5-9)	<u>47,031</u>	<u>(39,940)</u>	<u>184,378</u>	<u>191,469</u>
11	Under/(Over) Recovery Balance at 12/31/2009 (Line 4 + Line 10)	(34,054)	(52,628)	(41,632)	(128,314)
12	Factor A Adjustments Amortized to Schedule I at 12/31/2009	(34,054)	(52,628)	(41,632)	(128,314)
13	Unamortized Balance at 12/31/09 (per Filing truing up actuals for Dec 2009)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
14	Requested Factor O (Line 11 - Line 12 - Line 13)	0	0	0	0

WINTER/D INVOICE COST AND ADJUSTMENTS VERSUS RECOVERY OF COSTS FOR SYSTEM GAS, CALENDAR YEAR 2009

Month	Vendor	Winter Invoice Cost	Commodity Volume MMBtu	Avg Cost Therm	Co Use & Franchise Therm	Co Use & Franchise Cost	Recoverable Cost	Winter Therm	Winter Pga Rate	Prorated Recovery	Rider A FT Revenue	Monthly PGA & Rider A Recovery	Under (Over) Recovery	Adjustments Factor Q	Adjustments Factor A	Adjusted Under (Over) Recovery
(1)	(2)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Jan	(A) Texas Gas	\$182,653	245,760	\$0.0743	(13,370)	(\$993)	\$181,660	743,164	\$0.0987	\$73,350.29		\$217,534	(\$35,874)	\$0	(\$3,732)	(\$39,606)
	(B)							1,460,830	0.0987	144,183.92	\$0					
Feb	(A) Texas Gas	164,977	169,533	0.0973	(9,279)	(903)	164,074	651,193	0.0788	51,314.01		128,788	35,286	0	(40,379)	(5,093)
	(B)							983,177	0.0788	77,474.35	0					
Mar	(A) Texas Gas	182,653	109,917	0.1662	(4,441)	(738)	181,915	429,358	0.1133	48,646.26		119,147	62,766	0	(36,974)	25,794
	(B)							622,251	0.1133	70,501.04	0					
April	(A) Texas Gas	0	74,916	0.0000	(2,846)	0	0	262,349	(0.0073)	(1,915.15)		(4,505)	4,505	0	(39,606)	(35,101)
	(B)							354,820	(0.0073)	(2,590.19)	0					
May	(A) Texas Gas	0	34,857	0.0000	(466)	0	0	117,067	(0.0010)	(117.07)		(297)	297	0	(5,093)	(4,796)
	(B)							179,492	(0.0010)	(179.49)	0					
June	(A) Texas Gas	0	27,597	0.0000	(303)	0	0	61,512	0.1236	7,602.88		24,100	(24,100)	0	25,794	1,694
	(B)							133,473	0.1236	16,497.26	0					
July	(A) Texas Gas	0	28,512	0.0000	(328)	0	0	67,313	(0.0041)	(275.96)		(802)	802	0	(17,581)	(16,779)
	(B)							128,230	(0.0041)	(525.74)	0					
Aug	(A) Texas Gas	0	28,188	0.0000	(280)	0	0	58,746	(0.0055)	(323.10)		(1,061)	1,061	0	(22,331)	(21,270)
	(B)							134,235	(0.0055)	(738.29)	0					
Sep	(A) Texas Gas	0	29,978	0.0000	(355)	0	0	52,110	0.0004	20.84		101	(101)	0	1,694	1,593
	(B)							201,436	0.0004	80.57	0					
Oct	(A) Texas Gas	0	84,092	0.0000	(2,914)	0	0	134,555	(0.0046)	(618.95)		(2,980)	2,980	0	(16,779)	(13,799)
	(B)							513,376	(0.0046)	(2,361.53)	0					
Nov	(A) Texas Gas	181,218	106,787	0.1697	(3,311)	(562)	180,656	232,562	0.1482	34,465.69		158,892	21,764	0	(21,270)	494
	(B)							839,582	0.1482	124,426.05	0					
Dec	(A) Texas Gas	187,259	203,007	0.0922	(9,371)	(864)	186,395	427,813	0.1041	44,535.33		208,737	(22,342)	0	1,593	(20,749)
	(B)							1,577,347	0.1041	164,201.82	0	430				(34,054)
Jan	(B)														Sum of Jan, Feb, Mar->	
Total		\$898,760	1,143,164		(47,264)	(\$4,060)	\$894,700	10,365,991		\$847,654.82	\$0	\$847,654	\$47,046	\$0	(\$174,664)	(\$127,618)

NOTE A: This is the calculated volume of gas delivered on and after the first day of the month to which the current monthly PGA rate is applied.
B: This is the calculated volume of gas in current month's billing, applicable to the prior month's consumption and billed at the prior month's PGA rate.

SUMMER/D INVOICE COST AND ADJUSTMENTS VERSUS RECOVERY OF COSTS FOR SYSTEM GAS, CALENDAR YEAR 2009

Month (1)	Vendor (2)	Summer Invoice Cost (4)	Commodity Volume MMBtu (5)	Avg Cost Therm (6)	Co Use & Franchise Therm (7)	Co Use & Franchise Cost (8)	Recoverable Cost (9)	Summer Therm (10)	Summer Pga Rate (11)	Prorated Recovery (12)	Rider A FT Revenue (13)	Monthly PGA & Rider A Recovery (14)	Under (Over) Recovery (15)	Adjustments Factor O (16)	Adjustments Factor A (17)	Adjusted Under (Over) Recovery (18)
Jan	(A) Texas Gas	\$0	245,780	\$0.0000	(13,370)	\$0	\$0	743,164	(\$0.0010)	(\$743.16)		(\$2,294)	\$2,294	\$0	(\$11,838)	(\$9,544)
	(B)							1,550,902	(0.0010)	(1,550.90)	\$0					
Feb	(A) Texas Gas	0	169,533	0.0000	(9,279)	0	0	651,193	0.0009	586.07		1,530	(1,530)	0	(1,098)	(2,628)
	(B)							1,048,708	0.0009	943.84	0					
Mar	(A) Texas Gas	0	109,917	0.0000	(4,441)	0	0	429,358	0.0012	515.23		1,345	(1,345)	0	248	(1,097)
	(B)							691,718	0.0012	830.06	0					
April	(A) Texas Gas	107,349	74,916	0.1433	(2,846)	(408)	106,941	262,349	0.1570	41,188.79		109,007	(2,066)	0	(9,544)	(11,610)
	(B)							431,960	0.1570	67,817.72	0					
May	(A) Texas Gas	40,162	34,857	0.1152	(466)	(54)	40,108	117,067	0.1232	14,422.65		45,000	(4,892)	0	(2,628)	(7,520)
	(B)							248,195	0.1232	30,577.62	0					
June	(A) Texas Gas	38,866	27,597	0.1408	(303)	(43)	38,823	61,512	0.1653	10,167.93		45,542	(6,719)	0	(1,097)	(7,816)
	(B)							213,999	0.1653	35,374.03	0					
July	(A) Texas Gas	40,162	28,512	0.1409	(328)	(46)	40,116	67,313	0.1434	9,652.68		40,256	(140)	0	(11,610)	(11,750)
	(B)							213,411	0.1434	30,603.14	0					
Aug	(A) Texas Gas	40,162	28,188	0.1425	(280)	(40)	40,122	58,746	0.1564	9,187.87		43,033	(2,911)	0	(7,520)	(10,431)
	(B)							216,402	0.1564	33,845.27	0					
Sep	(A) Texas Gas	38,866	29,978	0.1296	(355)	(46)	38,820	52,110	0.1325	6,904.58		45,031	(6,211)	0	(7,816)	(14,027)
	(B)							287,745	0.1325	38,126.21	0					
Oct	(A) Texas Gas	132,663	84,092	0.1578	(2,914)	(460)	132,203	134,555	0.2072	27,879.80		167,342	(35,139)	0	(11,750)	(46,889)
	(B)							673,081	0.2072	139,462.38	0					
Nov	(A) Texas Gas	0	106,787	0.0000	(3,311)	0	0	232,562	(0.0033)	(767.45)		(3,876)	3,876	0	(10,431)	(6,555)
	(B)							942,118	(0.0033)	(3,108.99)	0					
Dec	(A) Texas Gas	0	203,007	0.0000	(9,371)	0	0	427,813	(0.0072)	(3,080.25)		(14,843)	14,843	0	(14,027)	816
	(B)							1,633,726	(0.0072)	(11,762.83)	0	(29.74)		Sum of Jan, Feb, Mar->		(52,828)
Jan	(B)															
Total		\$438,230	1,143,164		(47,264)	(\$1,097)	\$437,133	11,389,707		\$477,072.29	\$0	\$477,073	(\$39,940)	\$0	(\$89,111)	(\$129,051)

NOTE A: This is the calculated volume of gas delivered on and after the first day of the month to which the current monthly PGA rate is applied.
B: This is the calculated volume of gas in current month's billing, applicable to the prior month's consumption and billed at the prior month's PGA rate.

See Auditor's Report.

COMMODITY INVOICE COST AND ADJUSTMENTS VERSUS RECOVERY OF COSTS FOR SYSTEM GAS, CALENDAR YEAR 2009

Month	Vendor	Commodity Invoice Cost	Commodity Volume MMBtu	Avg Cost Therm	Co Use & Franchise Therm	Co Use & Franchise Cost	Recoverable Cost	Commodity Therm	Commodity Pga Rate	Prorated Recovery	Rider A FT Revenue	Monthly PGA & Rider A Recovery	Under (Over) Recovery	Adjustments Factor O	Adjustments Factor A	Adjusted Under (Over) Recovery
(1)	(2)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Jan	(A) Texas Gas & BP	\$1,589,981	245,780	\$0.6469	(13,370)	(\$8,649)	\$1,581,332	743,164	\$0.7182	\$533,740.38		\$1,647,598	(\$66,266)	\$0	(\$23,974)	(\$90,240)
	(B)							1,550,902	0.7182	1,113,857.82	\$0					
Feb	(A) Texas Gas & BP	1,065,685	169,533	0.6286	(9,279)	(5,833)	1,059,852	651,193	0.6558	427,052.37		1,114,795	(54,943)	0	(133,559)	(188,502)
	(B)							1,048,708	0.6558	687,742.71	0					
Mar	(A) Texas Gas & BP	721,558	109,917	0.6565	(4,441)	(2,916)	718,642	429,358	0.5823	250,015.16		652,803	65,839	0	(68,477)	(2,638)
	(B)							691,718	0.5823	402,787.39	0					
April	(A) Texas Gas & BP	326,091	74,916	0.4353	(2,846)	(1,239)	324,852	262,349	0.4790	125,665.17		332,574	(7,722)	0	(44,454)	(52,176)
	(B)							431,960	0.4790	206,908.84	0					
May	(A) Texas Gas & BP	99,691	34,857	0.2860	(466)	(133)	99,558	117,067	0.4449	52,083.11		162,505	(62,947)	0	(79,157)	(142,104)
	(B)							248,195	0.4449	110,421.96	0					
June	(A) Texas Gas & BP	71,314	27,597	0.2584	(303)	(78)	71,236	61,512	0.2225	13,686.42		61,301	9,935	0	(51,631)	(41,696)
	(B)							213,899	0.2225	47,614.78	0					
July	(A) Texas Gas & BP	131,315	28,512	0.4606	(328)	(151)	131,164	67,313	0.3354	22,576.78		94,155	37,009	0	(40,100)	(3,091)
	(B)							213,411	0.3354	71,578.05	0					
Aug	(A) Texas Gas & BP	104,604	28,188	0.3711	(280)	(104)	104,500	58,746	0.2966	17,424.06		81,609	22,891	0	(53,037)	(30,146)
	(B)							216,402	0.2966	64,184.83	0					
Sep	(A) Texas Gas & BP	79,531	29,978	0.2653	(355)	(94)	79,437	52,110	0.2962	15,434.98		100,665	(21,228)	0	(61,559)	(82,787)
	(B)							287,745	0.2962	85,230.07	0					
Oct	(A) Texas Gas & BP	359,941	84,092	0.4280	(2,914)	(1,247)	358,694	134,555	0.2417	32,521.94		195,206	163,488	0	(97,326)	66,162
	(B)							673,081	0.2417	162,683.68	0					
Nov	(A) Texas Gas & BP	550,423	106,787	0.5154	(3,311)	(1,706)	548,717	232,562	0.4117	95,745.78		483,616	65,101	0	(124,092)	(58,991)
	(B)							942,118	0.4117	387,869.98	0					
Dec	(A) Texas Gas & BP	1,074,463	203,007	0.5293	(9,371)	(4,960)	1,069,503	427,813	0.5009	214,291.53		1,032,625	36,878	0	(82,787)	(45,909)
	(B)							1,633,726	0.5009	818,333.35	0	2,069			Sum of Jan, Feb, Mar-->	(38,738)
Total		\$6,174,597	1,143,164		(47,264)	(\$27,110)	\$6,147,487	11,389,707		\$5,959,451.14	\$0	\$5,959,452	\$188,035	\$0	(\$860,153)	(\$672,118)

NOTE A: This is the calculated volume of gas delivered on and after the first day of the month to which the current monthly PGA rate is applied.
B: This is the calculated volume of gas in current month's billing, applicable to the prior month's consumption and billed at the prior month's PGA rate.

See Auditor's Report.

Rider A Firm Transportation Pga Revenue

Billing Month		Winter Reservation Revenue	Summer Reservation Revenue	Commodity Sales Revenue	Commodity T'port Revenue	Transport Therms	Commodity Sales Therms	Cashout Purchase MMBtu	Cashout Purchase Cost
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Jan	(A)	\$0.00	\$0.00	\$0.00	0.00	0	0	0	\$0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
Feb	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
Mar	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
April	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
May	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
June	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
July	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
Aug	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
Sep	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
Oct	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	0	0	0	0.00
Nov	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	16,372	0	40	126.20
Dec	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
	(B)	0.00	0.00	0.00	0.00	16,634	0	32	144.32
Jan	(A)	0.00	0.00	0.00	0.00	0	0	0	0.00
Total		0.00	0.00	0.00	0.00	33,006	0	72	270.52

NOTE A: This is the calculated volume of gas delivered on and after the first day of the of the month to which the current monthly PGA rate is applied.

B: This is the calculated volume of gas in current month's billing, applicable to the prior month,s consumption and billed at the prior month,s PGA rate.

See Auditor's Report.

ILLINOIS GAS COMPANY
ILL. C.C. DOCKET NO. 09-0540

STATEMENT 6

Winter Seasonal Demand Gas Charge - (Company Version)

ANALYSIS OF SCHEDULE II COSTS/REVENUES FROM JANUARY 2009 - DECEMBER 2009

EFFECTIVE MONTH	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2010	2010	2010	2009
	JANUARY 2008	FEBRUARY 2008	MARCH 2008	APRIL 2009	MAY 2009	JUNE 2009	JULY 2009	AUGUST 2009	SEPTEMBER 2009	OCTOBER 2009	NOVEMBER 2009	DECEMBER 2009	JANUARY 2009	FEBRUARY 2009	MARCH 2009	
Month for Which Actual Costs Are Determined	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	
Schedule II																
Line # Winter Demand																
1 Actual Recoverable Costs	0	181,254	182,265	181,660	164,074	181,915	0	0	0	0	0	0	0	180,656	186,395	894,700
2 Actual Purchased Gas Recoveries	1,402	220,068	215,859	217,534	128,788	119,147	(4,505)	(297)	24,100	(802)	(1,061)	101	(2,980)	158,892	208,727	(847,654)
3 Under/(Over) Recovery	(1,402)	(38,814)	(33,594)	(35,874)	35,286	62,768	4,505	297	(24,100)	802	1,061	(101)	2,980	21,764	(22,342)	47,046
4 Amount of Factor A Included in Gas Charge Calculation Prior Period (Schedule I)	(2,330)	(1,565)	(3,380)	(3,732)	(40,379)	(36,974)	(39,606)	(5,093)	25,794	(17,581)	(22,331)	1,694	(16,779)	(21,270)	1,593	1,593
5 Amount of Factor O Included in Gas Charge Calculation (Schedule I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Adjusted Under/(Over) Recovery	(3,732)	(40,379)	(36,974)	(39,606)	(5,093)	25,794	(35,101)	(4,796)	1,694	(16,779)	(21,270)	1,593	(13,799)	494	(20,749)	(20,749)
7 Supplier Refunds/Surcharges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7.1 Other Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Unamortized Balance of Adjustment Factor Including Interest (Previous Filing Month Schedule II)	0	0	0	0	0	0	0	(17,535)	0	0	0	0	0	0	0	0
9 Total Adjustments Before Amortization	(3,732)	(40,379)	(36,974)	(39,606)	(5,093)	25,794	(35,101)	(22,331)	1,694	(16,779)	(21,270)	1,593	(13,799)	494	(20,749)	(34,054)
10 Factor A Amount to Schedule I	(3,732)	(40,379)	(36,974)	(39,606)	(5,093)	25,794	(17,581)	(22,331)	1,694	(16,779)	(21,270)	1,593	(13,799)	494	(20,749)	(34,054)
11 Unamortized Balance of Factor A	0	0	0	0	0	0	(17,520)	0	0	0	0	0	0	0	0	0
12 Unamortized Balance of Factor O	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Total Unamortized Balances	0	0	0	0	0	0	(17,520)	0	0	0	0	0	0	0	0	0
14 Interest for 1 Month @ 2.5% Annual Rate	0	0	0	0	0	0	(15)	0	0	0	0	0	0	0	0	(15)
15 Total Unamortized Balances including Interest	0	0	0	0	0	0	(17,535)	0	0	0	0	0	0	0	0	0
Winter																
16 Number of Days in Amort Schedule	0	0	0	0	0	0	62	0	0	0	0	0	0	0	0	0
17 Number of Days in Effective Month	31	29	31	30	31	30	31	31	30	31	30	31	31	28	31	31
18 Line 9, Total Adj Before Amortization	(3,732)	(40,379)	(36,974)	(39,606)	(5,093)	25,794	(35,101)	(22,331)	1,694	(16,779)	(21,270)	1,593	(13,799)	494	(20,749)	(20,749)
19 Annual Interest Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%	0.50%	0.50%
20 Effective Month Principal	0	0	0	0	0	0	(17,551)	0	0	0	0	0	0	0	0	0
21 Effective Month Interest	0	0	0	0	0	0	(30)	0	0	0	0	0	0	0	0	0
22 Total to Line 10, Factor A	(3,732)	(40,379)	(36,974)	(39,606)	(5,093)	25,794	(17,581)	(22,331)	1,694	(16,779)	(21,270)	1,593	(13,799)	494	(20,749)	(20,749)

See Auditor's Report

ILLINOIS GAS COMPANY
ILL. C.C. DOCKET NO. 09-0540

Summer Seasonal Demand Gas Charge - (Company Version)

STATEMENT 7

ANALYSIS OF SCHEDULE II COSTS/REVENUES FROM JANUARY 2009 - DECEMBER 2009

EFFECTIVE MONTH	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2010	2010	2010	2009
	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	
Month for Which Actual Costs Are Determined	2008	2008	2008	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	TOTALS
	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	
Schedule II																
Line # Summer Demand																
1 Actual Recoverable Costs	131,702	0	0	0	0	0	106,941	40,108	38,823	40,116	40,122	38,820	132,203	0	0	437,133
2 Actual Purchased Gas Recoveries	141,198	(917)	(1,388)	(2,294)	1,530	1,345	109,007	45,000	45,542	40,256	43,023	45,031	167,342	(3,876)	(14,843)	(477,073)
3 Under/(Over) Recovery	(9,496)	917	1,388	2,294	(1,530)	(1,345)	(2,066)	(4,892)	(6,719)	(140)	(2,911)	(6,211)	(35,139)	3,876	14,843	(39,940)
4 Amount of Factor A Included in Gas Charge Calculation Prior Period (Schedule I)	(2,342)	(2,015)	(1,140)	(11,838)	(1,098)	248	(9,544)	(2,628)	(1,097)	(11,610)	(7,520)	(7,816)	(11,750)	(10,431)	(14,027)	(14,027)
5 Amount of Factor O Included in Gas Charge Calculation (Schedule I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Adjusted Under/(Over) Recovery	(11,838)	(1,098)	248	(9,544)	(2,628)	(1,097)	(11,610)	(7,520)	(7,816)	(11,750)	(10,431)	(14,027)	(46,889)	(6,555)	816	816
7 Supplier Refunds/Surcharges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7.1 Other Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Unamortized Balance of Adjustment Factor Including Interest (Previous Filing Month Schedule II)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Adjustments Before Amortization	(11,838)	(1,098)	248	(9,544)	(2,628)	(1,097)	(11,610)	(7,520)	(7,816)	(11,750)	(10,431)	(14,027)	(46,889)	(6,555)	816	(52,628)
10 Factor A Amount to Schedule I	(11,838)	(1,098)	248	(9,544)	(2,628)	(1,097)	(11,610)	(7,520)	(7,816)	(11,750)	(10,431)	(14,027)	(46,889)	(6,555)	816	(52,628)
11 Unamortized Balance of Factor A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Unamortized Balance of Factor O	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Total Unamortized Balances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Interest for 1 Month @ 2.5% Annual Rate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Total Unamortized Balances including Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Summer																
16 Number of Days in Amort Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Number of Days in Effective Month	31	29	31	30	31	30	31	31	30	31	30	31	31	28	31	
18 Line 9, Total Adj Before Amortization	(11,838)	(1,098)	248	(9,544)	(2,628)	(1,097)	(11,610)	(7,520)	(7,816)	(11,750)	(10,431)	(14,027)	(46,889)	(6,555)	816	
19 Annual Interest Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%	0.50%	0.50%	
20 Effective Month Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
21 Effective Month Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
22 Total to Line 10, Factor A	(11,838)	(1,098)	248	(9,544)	(2,628)	(1,097)	(11,610)	(7,520)	(7,816)	(11,750)	(10,431)	(14,027)	(46,889)	(6,555)	816	

See Auditor's Report.

ILLINOIS GAS COMPANY
ILL. C. C. DOCKET NO. 09-0540

STATEMENT 8

Commodity Gas Charge - (Company Version)

ANALYSIS OF SCHEDULE II COSTS/REVENUES FROM JANUARY 2009 - DECEMBER 2009

EFFECTIVE MONTH	2009 JANUARY 2008	2009 FEBRUARY 2008	2009 MARCH 2008	2009 APRIL 2009	2009 MAY 2009	2009 JUNE 2009	2009 JULY 2009	2009 AUGUST 2009	2009 SEPTEMBER 2009	2009 OCTOBER 2009	2009 NOVEMBER 2009	2009 DECEMBER 2009	2010 JANUARY 2009	2010 FEBRUARY 2009	2010 MARCH 2009	2008 TOTALS
Month for Which Actual Costs Are Determined	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	TOTALS
Schedule II																
Line # Commodity																
1 Actual Recoverable Costs	384,300	884,939	1,500,882	1,581,332	1,059,852	718,642	324,852	99,558	71,236	131,164	104,500	79,437	358,694	548,717	1,069,503	6,147,487
2 Actual Purchased Gas Recoveries	624,080	1,189,245	1,644,692	1,647,598	1,114,795	652,803	332,574	162,505	61,301	94,155	81,609	100,665	195,206	483,616	1,032,625	(5,959,452)
3 Under/(Over) Recovery	(239,780)	(304,306)	(143,810)	(66,266)	(54,943)	65,839	(7,722)	(62,947)	9,935	37,009	22,891	(21,228)	163,488	65,101	36,878	188,035
4 Amount of Factor A Included in Gas Charge Calculation Prior Period (Schedule I)	215,806	170,747	73,692	(23,974)	(133,559)	(68,477)	(44,454)	(79,157)	(51,631)	(40,100)	(53,037)	(61,559)	(97,326)	(124,092)	(82,787)	(82,787)
5 Amount of Factor O Included in Gas Charge Calculation Prior Period (Schedule I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Adjusted Under/(Over) Recovery	(23,974)	(133,559)	(70,118)	(90,240)	(188,502)	(2,638)	(52,176)	(142,104)	(41,696)	(3,091)	(30,146)	(82,787)	66,162	(58,991)	(48,803)	(45,909)
7 Supplier Refunds/Surcharges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7.1 Other Adjustments	0	0	1,641	0	0	0	0	0	0	0	0	0	0	0	(2,894)	2,894
8 Unamortized Balance of Adjustment Factor Including Interest (Previous Filing Month Schedule II)	0	0	0	0	(45,824)	(155,298)	(106,394)	(118,569)	(207,809)	(188,103)	(93,946)	0	0	0	0	0
9 Total Adjustments Before Amortization	(23,974)	(133,559)	(68,477)	(90,240)	(234,326)	(157,936)	(158,570)	(260,673)	(249,505)	(191,194)	(124,092)	(82,787)	66,162	(58,991)	(48,803)	(41,632)
10 Factor A Amount to Schedule I	(23,974)	(133,559)	(68,477)	(44,454)	(79,157)	(51,631)	(40,100)	(53,037)	(61,559)	(97,326)	(124,092)	(82,787)	66,162	(58,991)	(48,803)	(41,632)
11 Unamortized Balance of Factor A	0	0	0	(45,786)	(155,169)	(106,305)	(118,470)	(207,636)	(187,946)	(93,868)	0	0	0	0	0	0
12 Unamortized Balance of Factor O	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Total Unamortized Balances	0	0	0	(45,786)	(155,169)	(106,305)	(118,470)	(207,636)	(187,946)	(93,868)	0	0	0	0	0	0
14 Interest for 1 Month @ 2.5% Annual Rate	0	0	0	(38)	(129)	(89)	(99)	(173)	(157)	(78)	0	0	0	0	0	(763)
15 Total Unamortized Balances including Interest	0	0	0	(45,824)	(155,298)	(106,394)	(118,569)	(207,809)	(188,103)	(93,946)	0	0	0	0	0	0
Commodity																
16 Number of Days in Amort Schedule	0	0	0	61	92	92	123	153	122	61	0	0	0	0	0	Commodity
17 Number of Days in Effective Month	31	29	31	30	31	30	31	31	30	31	30	31	31	28	31	
18 Line 9, Total Adj Before Amortization	(23,974)	(133,559)	(68,477)	(90,240)	(234,326)	(157,936)	(158,570)	(260,673)	(249,505)	(191,194)	(124,092)	(82,787)	66,162	(58,991)	(48,803)	
19 Annual Interest Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%	0.50%	0.50%	
20 Effective Month Principal	0	0	0	(44,380)	(78,958)	(51,501)	(39,965)	(52,816)	(61,354)	(97,164)	0	0	0	0	0	
21 Effective Month Interest	0	0	0	(74)	(199)	(130)	(135)	(221)	(205)	(162)	0	0	0	0	0	
22 Total to Line 10, Factor A	(23,974)	(133,559)	(68,477)	(44,454)	(79,157)	(51,631)	(40,100)	(53,037)	(61,559)	(97,326)	(124,092)	(82,787)	66,162	(58,991)	(48,803)	

See Auditor's Report.

ANALYSIS OF ADJUSTMENTS INCLUDED IN FACTOR A

Effective Month	Description	Prior Year Adjustment	Prior Year Under(Over)	2009 Adjustment	Texas Gas Refunds	2009 Adjusted Under(Over) Recovery	Sub Total	Prior Month Unamort Balance	Total	Factor Q	Interest in Factor Q	Calculated Factor A	Factor A Less Interest	Interest Included Factor A	Unamort Balance	Sch 2 Interest Unamort Balance	Total Unamort Balance	
Winter Demand																		
Jan 09	Oct Under (Over)	\$0	(\$3,732)	\$0	\$0	\$0	(\$3,732)	\$0	(\$3,732)	\$0	\$0	(\$3,732)	(\$3,732)	\$0	\$0	\$0	\$0	
Feb	Nov Under (Over)	0	(40,379)	0	0	0	(40,379)	0	(40,379)	0	0	(40,379)	(40,379)	0	0	0	0	
Mar	Dec Under (Over)	0	(36,974)	0	0	0	(36,974)	0	(36,974)	0	0	(36,974)	(36,974)	0	0	0	0	
Apr	Jan Under (Over)	0	0	0	0	(39,606)	(39,606)	0	(39,606)	0	0	(39,606)	(39,606)	0	0	0	0	
May	Feb Under (Over)	0	0	0	0	(5,093)	(5,093)	0	(5,093)	0	0	(5,093)	(5,093)	0	0	0	0	
June	Mar Under (Over)	0	0	0	0	25,794	25,794	0	25,794	0	0	25,794	25,794	0	0	0	0	
July	Apr Under (Over)	0	0	0	0	(35,101)	(35,101)	0	(35,101)	0	0	(17,581)	(17,581)	(30)	(17,520)	(15)	(17,535)	
Aug	May Under (Over)	0	0	0	0	(4,786)	(4,786)	(17,535)	(22,331)	0	0	(22,331)	(22,331)	0	0	0	0	
Sept	June Under (Over)	0	0	0	0	1,694	1,694	0	1,694	0	0	1,694	1,694	0	0	0	0	
Oct	July Under (Over)	0	0	0	0	(16,779)	(16,779)	0	(16,779)	0	0	(16,779)	(16,779)	0	0	0	0	
Nov	Aug Under (Over)	0	0	0	0	(21,270)	(21,270)	0	(21,270)	0	0	(21,270)	(21,270)	0	0	0	0	
Dec	Sept Under (Over)	0	0	0	0	1,593	1,593	0	1,593	0	0	1,593	1,593	0	0	0	0	
Jan 10	Oct Under (Over)	0	0	0	0	(13,799)	(13,799)	0	(13,799)	0	0	(13,799)	(13,799)	0	0	0	0	
Feb	Nov Under (Over)	0	0	0	0	494	494	0	494	0	0	494	494	0	0	0	0	
Mar	Dec Under (Over)	0	0	0	0	(20,749)	(20,749)	0	(20,749)	0	0	(20,749)	(20,749)	0	0	0	0	
	Totals	0	(81,085)	0	0	(127,618)	(208,703)	(17,535)	(226,238)	0	0	(208,718)	(208,688)	(30)	(17,520)	(15)	(17,535)	
Factor A Adjustments Amortized to Schedule I at 12/31/2008																		
			(81,085)									(34,054)	<-Oct, Nov & Dec					
Summer Demand																		
Jan 09	Oct Under (Over)	\$0	(\$11,838)	\$0	\$0	\$0	(\$11,838)	\$0	(\$11,838)	\$0	\$0	(\$11,838)	(\$11,838)	\$0	\$0	\$0	\$0	
Feb	Nov Under (Over)	0	(1,098)	0	0	0	(1,098)	0	(1,098)	0	0	(1,098)	(1,098)	0	0	0	0	
Mar	Dec Under (Over)	0	248	0	0	0	248	0	248	0	0	248	248	0	0	0	0	
Apr	Jan Under (Over)	0	0	0	0	(9,544)	(9,544)	0	(9,544)	0	0	(9,544)	(9,544)	0	0	0	0	
May	Feb Under (Over)	0	0	0	0	(2,628)	(2,628)	0	(2,628)	0	0	(2,628)	(2,628)	0	0	0	0	
June	Mar Under (Over)	0	0	0	0	(1,097)	(1,097)	0	(1,097)	0	0	(1,097)	(1,097)	0	0	0	0	
July	Apr Under (Over)	0	0	0	0	(11,610)	(11,610)	0	(11,610)	0	0	(11,610)	(11,610)	0	0	0	0	
Aug	May Under (Over)	0	0	0	0	(7,520)	(7,520)	0	(7,520)	0	0	(7,520)	(7,520)	0	0	0	0	
Sept	June Under (Over)	0	0	0	0	(7,816)	(7,816)	0	(7,816)	0	0	(7,816)	(7,816)	0	0	0	0	
Oct	July Under (Over)	0	0	0	0	(11,750)	(11,750)	0	(11,750)	0	0	(11,750)	(11,750)	0	0	0	0	
Nov	Aug Under (Over)	0	0	0	0	(10,431)	(10,431)	0	(10,431)	0	0	(10,431)	(10,431)	0	0	0	0	
Dec	Sept Under (Over)	0	0	0	0	(14,027)	(14,027)	0	(14,027)	0	0	(14,027)	(14,027)	0	0	0	0	
Jan 10	Oct Under (Over)	0	0	0	0	(46,889)	(46,889)	0	(46,889)	0	0	(46,889)	(46,889)	0	0	0	0	
Feb	Nov Under (Over)	0	0	0	0	(6,555)	(6,555)	0	(6,555)	0	0	(6,555)	(6,555)	0	0	0	0	
Mar	Dec Under (Over)	0	0	0	0	816	816	0	816	0	0	816	816	0	0	0	0	
	Totals	0	(12,688)	0	0	(129,051)	(141,739)	0	(141,739)	0	0	(141,739)	(141,739)	0	0	0	0	
Factor A Adjustments Amortized to Schedule I at 12/31/2008																		
			(12,688)									(52,628)	<-Oct, Nov & Dec					
Commodity																		
Jan 09	Oct Under (Over)	\$0	(\$23,974)	\$0	\$0	\$0	(\$23,974)	\$0	(\$23,974)	\$0	\$0	(\$23,974)	(\$23,974)	\$0	\$0	\$0	\$0	
Feb	Nov Under (Over)	0	(133,559)	0	0	0	(133,559)	0	(133,559)	0	0	(133,559)	(133,559)	0	0	0	0	
Mar	Dec Under (Over) & Matching A	1,641	(70,118)	0	0	0	(68,477)	0	(68,477)	0	0	(68,477)	(68,477)	0	0	0	0	
Apr	Jan Under (Over)	0	0	0	0	(90,240)	(90,240)	0	(90,240)	0	0	(44,454)	(44,380)	(74)	(45,788)	(38)	(45,824)	
May	Feb Under (Over)	0	0	0	0	(188,502)	(188,502)	(45,824)	(234,326)	0	0	(79,157)	(78,958)	(199)	(155,169)	(129)	(155,298)	
June	Mar Under (Over)	0	0	0	0	(2,638)	(2,638)	(155,298)	(157,936)	0	0	(51,631)	(51,501)	(130)	(106,305)	(89)	(105,394)	
July	Apr Under (Over)	0	0	0	0	(52,176)	(52,176)	(106,394)	(158,570)	0	0	(40,100)	(39,965)	(135)	(118,470)	(99)	(118,569)	
Aug	May Under (Over)	0	0	0	0	(142,104)	(142,104)	(118,569)	(260,673)	0	0	(53,037)	(52,818)	(221)	(207,636)	(173)	(207,809)	
Sept	June Under (Over)	0	0	0	0	(41,696)	(41,696)	(207,809)	(249,505)	0	0	(61,354)	(61,354)	(205)	(187,946)	(157)	(188,103)	
Oct	July Under (Over)	0	0	0	0	(3,091)	(3,091)	(188,103)	(191,194)	0	0	(97,326)	(97,164)	(162)	(93,868)	(78)	(93,946)	
Nov	Aug Under (Over)	0	0	0	0	(30,146)	(30,146)	(93,946)	(124,092)	0	0	(124,092)	(124,092)	0	0	0	0	
Dec	Sept Under (Over)	0	0	0	0	(82,787)	(82,787)	0	(82,787)	0	0	(82,787)	(82,787)	0	0	0	0	
Jan 10	Oct Under (Over)	0	0	0	0	66,162	66,162	0	66,162	0	0	66,162	66,162	0	0	0	0	
Feb	Nov Under (Over)	0	0	0	0	(58,991)	(58,991)	0	(58,991)	0	0	(58,991)	(58,991)	0	0	0	0	
Mar	Dec Under (Over)	0	0	(2,894)	0	(45,803)	(48,803)	0	(48,803)	0	0	(48,803)	(48,803)	0	0	0	0	
	Totals	1,641	(227,651)	(2,894)	0	(672,118)	(901,022)	(915,943)	(1,816,965)	0	0	(901,785)	(900,659)	(1,126)	(915,180)	(763)	(915,943)	
Factor A Adjustments Amortized to Schedule I at 12/31/2008																		
			(226,010)									(41,632)	<-Oct, Nov & Dec					
													Total Interest	(1,166)	Total Int.	(778)	G. Total	(1,934)

See Auditor's Report.

SUMMARY OF PURCHASED GAS ADJUSTMENT CHARGES

FROM JANUARY 1, 2009 TO DECEMBER 31, 2009

<u>Effective Date</u>	<u>Winter/D PGA Rate</u>	<u>Summer/D PGA Rate</u>	<u>Commodity PGA Rate</u>	<u>Total PGA Rate</u>
January 1st	\$0.0987	(\$0.0010)	\$0.7182	\$0.8159
February 1st	0.0788	0.0009	0.6558	0.7355
March 1st	0.1133	0.0012	0.5823	0.6968
April 1st	(0.0073)	0.1570	0.4790	0.6287
May 1st	(0.0010)	0.1232	0.4449	0.5671
June 1st	0.1236	0.1653	0.2225	0.5114
July 1st	(0.0041)	0.1434	0.3354	0.4747
August 1st	(0.0055)	0.1564	0.2966	0.4475
September 1st	0.0004	0.1325	0.2962	0.4291
October 1st	(0.0046)	0.2072	0.2417	0.4443
November 1st	0.1482	(0.0033)	0.4117	0.5566
December 1st	0.1041	(0.0072)	0.5009	0.5978

See Auditor's Report.

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET 09-0540

**THIRTY-SECOND ANNUAL RECONCILIATION OF PGA
GAS REVENUE WITH RELATED COST OF GAS**

TWELVE MONTHS ENDED DECEMBER 31, 2009

**RESPONDENT'S EXHIBIT AND TESTIMONY
OF
LORI A. UHL**