

ATTACHMENT A

Authorized Services and Products for Solicitation by IBT

See attached Excel spreadsheet for authorized products and services.

CURRENT CONTRACTS

Home Appliance Repair Products

Heating & Air Conditioning Repair Products

Package Code	Product Code	Product Description	Retail Price	Employee Price	Package Code	Product Code	Product Description	Retail Price	Employee Price
U601		Appliance Repair	\$19.95	\$15.96	U602		Furnace / Water Heater Repair	\$12.95	\$10.36
	U001	Water Heater				U001	Water Heater		
	U011	Refrigerator				U015	Furnace		
	U012	Clothes Washer			U657		Furnace / Water Heater / A/C Repair	\$19.95	\$15.96
	U013	Clothes Dryer				U001	Water Heater		
	U014	Range				U009	Central Air Conditioner		
U604		Whole Home Repair	\$24.95	\$19.96		U015	Furnace		
	U001	Water Heater			U662		HVAC Repair and Clean & Check	\$29.95	\$23.96
	U015	Furnace				U001	Water Heater		
	U011	Refrigerator				U009	Central Air Conditioner		
	U012	Clothes Washer				U015	Furnace		
	U013	Clothes Dryer			U663		Furnace, Water Heater Repair and C&C	\$18.95	\$15.16
	U014	Range				U001	Water Heater		
U611		Kitchen Repair	\$18.95	\$15.16		U015	Furnace		
	U003	Disposal			U664		A/C Repair Only	\$12.95	\$10.36
	U005	Dishwasher				U009	Central Air Conditioner		
	U010	Microwave Oven			U665		A/C Repair and C&C	\$18.95	\$15.16
	U011	Refrigerator				U009	Central Air Conditioner		
	U014	Range			U667		Pool Heater Repair/Clean & Check	\$18.95	\$15.16
U612		Whole Home Deluxe	\$49.95	\$39.96		U016	Pool Heater		
	U001	Water Heater			U668		Pool Heater Repair	\$12.95	\$10.36
	U003	Disposal				U016	Pool Heater		
	U005	Dishwasher			U669		Pool Heater Clean & Check	\$8.95	\$7.16
	U006	Cook Top				U016	Pool Heater		
	U007	Wall Oven							
	U009	Central Air Conditioner							
	U010	Microwave Oven							
	U011	Refrigerator							
	U012	Clothes Washer							
	U013	Clothes Dryer							
	U015	Furnace							
	U052	Plumbing System							
	U052	Electric System							
	U058	Garage Door Opener							
U615		Laundry Room Special	\$7.95	\$6.36					
	U001	Water Heater			U677		2 Unit HVAC Repair and Clean & Check	\$52.95	\$42.36
	U012	Clothes Washer				U001	Water Heater		
	U013	Clothes dryer				U001	Water Heater		
U619		Basic Repair Program	\$17.95	\$14.36		U009	Central Air Conditioner		
	U001	Water Heater				U009	Central Air Conditioner		
	U013	Clothes Dryer				U015	Furnace		
	U014	Range				U015	Furnace		
	U015	Furnace			U678		2 Unit Furnace, W Heater Repair and C&C	\$32.95	\$26.36
U670		Appliance Safety Inspection	\$9.99	\$7.99		U001	Water Heater		
	U002	Appliance Safety Inspection				U001	Water Heater		
U682		Appliance Safety Check	\$12.95	\$10.36		U015	Furnace		
	U002	Appliance Safety Inspection w/ CO Detector				U015	Furnace		

Heating & Air Conditioning Repair Products Multiple Unit Homes

Package Code	Product Code	Product Description	Retail Price	Employee Price
U677		2 Unit HVAC Repair and Clean & Check	\$52.95	\$42.36
	U001	Water Heater		
	U001	Water Heater		
	U009	Central Air Conditioner		
	U009	Central Air Conditioner		
	U015	Furnace		
	U015	Furnace		
U678		2 Unit Furnace, W Heater Repair and C&C	\$32.95	\$26.36
	U001	Water Heater		
	U001	Water Heater		
	U015	Furnace		
	U015	Furnace		
U679		2 Unit A/C Repair and C&C	\$32.95	\$26.36
	U009	Central Air Conditioner		
	U009	Central Air Conditioner		

Heating & A/C Maintenance Program

Package Code	Product Code	Product Description	Retail Price	Employee Price
U607		Furnace / Water Heater Clean & Ck	\$8.95	\$7.16
	U001	Water Heater		
	U015	Furnace		
U608		Furnace / Water Heater / AC Clean & Ck	\$15.95	\$12.76
	U001	Water Heater		
	U009	Central Air Conditioner		
	U015	Furnace		
U609		A/C Clean & Check	\$8.95	\$7.16
	U009	Central Air Conditioner		

Connection Services

- Electricity
- Telephone
- Cable
- Internet
- Newspaper

CURRENT CONTRACTS / ALA CARTES

Home Electronics & Computer Repair Products

Package Code	Product Code	Product Description	Retail Price	Employee Price
U605		Home Office Repair	\$9.95	\$7.96
	U035	Computer Monitor		
	U036	Computer Desktop		
	U037	Printer		
U606		Entertainment Repair	\$14.95	\$11.96
	U039	TV Any Size		
	U040	VCR/DVD		
	U041	Audio System (5 Components)		
U613		Television Repair	\$10.95	\$8.76
	U039	TV Any Size		
U614		Multi-Media Computer Repair	\$24.95	\$19.96
	U035	Computer Monitor		
	U036	Computer Desktop		
	U037	Printer		
	U039	TV Any Size		
	U040	VCR/DVD		
U623		Satellite Guard	\$3.95	\$3.16
	U019	Satellite Guard		
U672		Home Electronics Repair	\$21.95	\$17.56
	U035	Computer Monitor		
	U036	Computer Desktop		
	U037	Printer		
	U038	Fax Machine		
	U039	TV Any Size		
	U040	VCR/DVD		
U041	Audio System (5 Components)			

Ala Carte Products
 (Items that can be added to all packages)
Appliance Repair Products

Product Code	Product Description	Retail Price	Employee Price
U042	Ala Carte Refrigerator	\$4.95	\$3.96
U043	Ala Carte Clothes Dryer	\$4.95	\$3.96
U044	Ala Carte Repair Water Heater	\$4.95	\$3.96
U045	Ala Carte Clothes Washer	\$4.95	\$3.96
U046	Ala Carte Range	\$4.95	\$3.96
U047	Ala Carte Dishwasher	\$4.95	\$3.96
U048	Ala Carte Freezer	\$4.95	\$3.96
U049	Ala Carte Garbage Disposal	\$4.95	\$3.96
U050	Ala Carte Microwave	\$4.95	\$3.96
U051	Ala Carte Water Softener	\$4.95	\$3.96
U054	Ala Carte Garage Door Opener	\$4.95	\$3.96
U055	Ala Carte Laundry Room Special	\$7.95	\$6.36
U060	Ala Carte Wire Guard	\$3.95	\$3.16
U061	Ala Carte Satellite Guard	\$3.95	\$3.16
U062	Ala Carte Electric Guard	\$4.95	\$3.96
U063	Ala Carte Plumbing System Repair	\$7.95	\$6.36
U064	Ala Carte Appliance Safety Check W/ CO Detector	\$12.95	\$10.36
U077	Ala Carte Direct TV Dish Repair	\$4.95	\$3.96
U078	Ala Carte TV less than 27" Repair	\$4.95	\$3.96
U079	Ala Carte TV 27" or larger Repair	\$4.95	\$3.96
U080	Ala Carte Camcorder Repair	\$4.95	\$3.96
U081	Ala Carte Fax Machine Repair	\$4.95	\$3.96
U083	Ala Carte VCR/DVD Repair	\$4.95	\$3.96
U084	Ala Carte A/C Repair	\$6.95	\$5.56
U085	Ala Carte Furnace Repair	\$6.95	\$5.56
U086	Ala Carte Computer Monitor	\$4.95	\$3.96
U087	Ala Carte Computer Desktop	\$4.95	\$3.96
U088	Ala Carte Printer	\$4.95	\$3.96
U089	Ala Carte Audio System	\$4.95	\$3.96
U090	Ala Carte Cook Top	\$4.95	\$3.96
U091	Ala Carte Wall Oven	\$4.95	\$3.96
U092	Ala Carte Clean & Check Furn, WH, & A/C	\$15.95	\$12.76
U093	Ala Carte Clean & Check A/C	\$8.95	\$7.16
U094	Ala Carte Clean & Check Furnace	\$8.95	\$7.16
U095	Ala Carte Pool Heater Repair	\$6.95	\$5.56
U096	Ala Carte Pool Heater Clean & Check	\$8.95	\$7.16
U097	Ala Carte Appliance Safety Inspection	\$9.99	\$7.99

Home Comfort Guard

Package Code	Product Code	Product Description	Retail Price	Employee Price
U610		Plumbing & Electric Guard	\$9.95	\$7.96
	U052	Plumbing System		
U673		Electric Line Guard	\$4.95	\$3.96
	U053	Electric System		
U676		Plumbing System Guard	\$7.95	\$6.36
	U052	Plumbing System		
U674		Wire Guard	\$3.95	\$3.16
	U017	Cable Line Connection		
	U018	Phone Line Connection		
	U022	High Speed Internet Connection		
U675		Electric Line and Wire Guard	\$6.95	\$5.59
	U017	Cable Line Connection		
	U018	Phone Line Connection		
	U022	High Speed Internet Connection		
	U053	Electric System		
U616		Home Systems Repair	\$27.95	\$22.36
	U001	Water Heater		
	U009	Central Air Conditioner		
	U015	Furnace		
	U052	Plumbing System		
U053	Electric System			

Gas Line Comfort Guard

GLCG	Gas Line Comfort Guard	\$4.95	\$4.95
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Commercial Products and Ala Cartes

Package Code	Product Code	Product Description	Retail Price	Employee Price
U400		Comm. Gas Line Comfort Guard	\$9.95	\$7.96
	U006	Commercial Gas Line Comfort Guard		
U401		Comm. Preventative Maintenance Agreement	\$29.95	\$23.96
	U007	Rooflop		

Commercial Ala Carte Products
 (Items that can be added to all commercial packages)

Product Code	Product Description	Retail Price	Employee Price
U066	Ala Carte Commercial GLCG	\$9.95	\$7.96
U067	Comm Preventative Maintenance Agreement	\$26.95	\$21.56

Product Code	Product Description	Retail Price	Employee Price
U001	Water Heater	\$4.95	\$3.96
U009	Central Air Conditioner	\$4.95	\$3.96
U015	Furnace	\$4.95	\$3.96
U052	Plumbing System	\$4.95	\$3.96
U053	Electric System	\$4.95	\$3.96
U006	Commercial Gas Line Comfort Guard	\$9.95	\$7.96
U007	Rooflop	\$26.95	\$21.56

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 09-0301
DAS Tenth Set of Data Requests

- DAS 10.13 Q. With regard to the both the Third Party Billing Service (“TPBS”) and the billing service provided to Nicor Services,
- a. Why do the incremental costs estimated for TPBS differ from those allocated to Nicor Services?
 - b. Why did Nicor Gas propose to allocate FDC to TPBS based on a 50% sharing in Docket No. 00-0620 in the same year they changed their cost allocation method for Nicor Services to reflect a 7.2% sharing of these same costs?
 - c. Why does Nicor Gas charge TPBS suppliers on a per-bill basis while charging Nicor Services on a per-item basis?
 - d. What would the charge be per bill for 2008 through 2010 for Nicor Services billing services?
 - e. Please provide a detailed description of the system used to process the Nicor Services bills including all physical components. Note which of these components are used exclusively by this system. Also note which of these components are used by the main billing system.
 - f. Please provide a detailed description of the system used to process the TPBS bills including all physical components. Note which of these components are used exclusively by this system. Also note which of these components are used by the main billing system.
 - g. Do all bills print from the same printers regardless of the inclusion of GLCG or CS charges?
 - h. What electronic data does Nicor Services provide to Nicor Gas to generate GLCG bills?
 - i. What electronic data do TPBS suppliers provide to Nicor Gas to generate CS bills?
 - j. Please provide a copy of an actual customer bill showing a GLCG charge showing the pre-2006 format.
 - k. Please provide a copy of an actual customer bill showing a GLCG charge and another bill message showing the pre-2006 format.
 - l. Please provide a copy of an actual customer bill showing a GLCG charge and CS charges showing the pre-2006 format.
 - m. Please provide a copy of an actual customer bill showing a GLCG charge showing the post-2006 format.
 - n. Please provide a copy of an actual customer bill showing a GLCG charge and another bill message showing the post-2006 format.
 - o. Please provide a copy of an actual customer bill showing a GLCG charge and CS charges showing the post-2006 format.
- Please provide the requested information in an Excel spreadsheet with formulas intact. Please also provide the units for any prices or volumes provided.

DAS 10.13 A. Objection - relevance. DAS 10.13 is not reasonably calculated to lead to the discovery of admissible evidence. Subject to and without waiving this objection, please see responses to DAS 1.11, 3.13, 5.02, 6.01, 7.07, 7.08, 7.09, 10.08, 10.10 and 10.12.

SUPPLEMENTAL RESPONSE

Subject to and without waiving the above objection, Nicor Gas supplements its response as follows:

- a) Objection vague and ambiguous. Subject to and without waiving this objection, Nicor Gas states that TPBS is a non-cost based billing service for Customer Select and as such there are no incremental costs.
- b) The charge for Nicor Services billing service was based on the fully distributed cost and allocated based on the amount of bill space used on the bill. See response to DAS 7.07.

According to the Rebuttal Testimony on Rehearing of Albert Harms in Docket Nos. 00-0620 / 00-0621 (consolidated), the Company had proposed a charge for TPBS based on two components, (1) incremental costs to be incurred to provide the billing service and (2) allocated fully distributed costs. This second component was described as follows:

“The Company has calculated the fully distributed costs for the billing and treasury activities using actual calendar year 2000 expenses, as shown in Rebuttal Exhibit AEH-3 (*same as DAS 7.07, Ex. 5*). The methodology used, which includes payroll additives, is exactly the same method used when determining the costs to be billed to an affiliate for providing a service to them – a method recently approved by the Commission in Docket No. 00-0537 (approving the current Operating Agreement). The billing costs reflect expenses associated with printing and mailing the bill, which includes postage, bill forms, envelopes, printing supplies, inserting, and other miscellaneous mailing expenses. The treasury costs include expenses related to receiving and opening mail, payment processing, electronic funds transfer activities, creating and storing customer records, analyzing and correcting payment records and maintenance equipment. All of these functions are required to process utility and Supplier charges and collections. As with any share function, there needs to be a sharing of the costs. Including 50 percent of the fully distributed cost per bill, about \$0.28 per bill, is appropriate to offset the costs incurred to support these functions. I would also note that in Docket No. 01-0470, concerning the Peoples Gas Light and Coke Company (“Peoples”) Small Volume Transportation Service, Staff agreed with Peoples’ proposed charge of \$0.50 per bill, determined in a similar manner as presented here.” (Docket Nos. 00-0620 / 00-0621 (consolidated), Nicor Gas Ex. 2, page 23:10-24:6) On cross examination, Staff concurred with the Nicor Gas position. (page 366 line 16 through page 367 line 17)

- c) The per item billed charge for the Nicor Services billing service allows more than one non-commodity product to be billed. The TPBS is used for commodity based service, and does not involve charges for multiple products.
- d) The charge for Nicor Services billing service cannot be calculated on a per-bill basis, due to the nature of the service allowing more than one separate non-commodity charges to be billed on each bill.
- e) Nicor Gas' Customer Care and Billing system ("CC&B) is used to bill Nicor Services charges on Nicor Gas bills. CC&B also processes enrollments, effective dates, drops, checks eligibility, and generates bill messages for Nicor Services. Separate modules within CC&B are used for these Nicor Services processes. The attached Exhibit 1 lists these processes and the unique Nicor Services business rules. The primary physical components of CC&B are servers, which are not used exclusively for Nicor Services processes.
- f) Nicor Gas' Customer Care and Billing system ("CC&B) is used to bill TPBS charges on Nicor Gas bills. CC&B also processes enrollments, effective dates, drops and checks eligibility. Separate modules within CC&B are used for these TPBS processes. The attached Exhibit 1 lists these processes and the unique TPBS business rules. The primary physical components of CC&B are servers, which are not used exclusively for TPBS processes.
- g) Yes.
- h) Please see Exhibit 2.
- i) Please see Exhibit 3.
- j) In April 2006 Nicor Gas implemented the CC&B system. Actual customer bills prior to that date are not available.
- k) Actual customer bills prior to April 2006 are not available.
- l) Actual customer bills prior to April 2006 are not available.
- m) Please see attached Exhibit 4.
- n) Please see attached Exhibit 5.
- o) Please see attached Exhibit 6.

Witness: Gerald P. O'Connor

	TPBS	GLCG	Warranty & Other
Service Provider	Various suppliers	Nicor Services	Nicor Services
Enrollment	Batch	Online	Batch
	Enrollment File	NS Web screen (WF)	Enrollment File
	Utility SA s/b active	Utility SA can be pending start	Utility SA s/b active
Effectivity (earliest eff date)	Waits for 14 days from enrollment	Effective right away as long as master SA is active	Effective right away as long as master SA is active
Dropping of contract	Batch	Online	Batch
	Drop File	Expire Rel Usage Flag	Drop File
	S/B in one bill cycle	Cancel anytime	Cancel anytime
	If SA rel is active, cancellation is effective next meter read If SA rel is pending, cancellation is effective immediately	Cancellation is effective immediately	Cancellation is effective immediately
Eligibility	Residential, commercial, industrial, and transportation customers are eligible Franchise gas that have multiple meters are not allowed	Only residential customers Mobile homes are not allowed	Gas Trans accounts are not allowed
Billing	Linked to a Bill	Not linked to a Bill	Not linked to a Bill
	Billable charges	Billable charge	Billable charge
	Pending bill	Automatically completes the bill	Automatically completes the bill
	Wait for charge for x number of days before completing bill	Do not wait for charge.	Do not wait for charge.
	They send the charge once we send the consumption record	They send the charge ahead	They send the charge ahead
Adjustment	Can send anytime	Can send anytime	Can send anytime
Bill Message	Not valid	Valid (Renewal message)	Valid (Renewal message)
Automatic move	Yes	No. Customers are asked if they want it transferred.	No. It can be moved from one to another but done manually.
Group	Per account	Per premise	Per premise

FILE FORMAT

TITLE: SUPPLIER CHARGES FILE
FILE NAME: SUPLBILL
DESCRIPTION: File contents are the Customer charges and descriptions for the Supplier.

LAYOUT:

SUPPLIER ID	NUMBER 5	
POOL ID	NUMBER 6	
* PREMSIE ID	NUMBER 10	
* ACCOUNT NUMBER	NUMBER 10	
SUPPLIER CHARGES		
* CHARGE-1	NUMBER -9,2	(see glossary for adjustments)
CHARGE-1 DESCRIPTION	ALPHA 40	
CHARGE-2	NUMBER -9,2	Optional
CHARGE-2 DESCRIPTION	ALPHA 40	Optional
CHARGE-3	NUMBER -9,2	Optional
CHARGE-3 DESCRIPTION	ALPHA 40	Optional
BILL PERIOD BEGIN DATE	NUMBER 8	
BILL PERIOD END DATE	NUMBER 8	
RECORD TYPE	ALPHA 1	
* UTILITY CONTRACT ID	NUMBER 10	
* SUPPLIER CONTRACT ID	NUMBER 10	
* BILL NUMBER	NUMBER 12	

The "Charge Description" must be the preapproved text by Nicor Gas.

FILE FORMAT

TRAILER:

SUPPLIER ID	NUMBER 5	
POOL ID	NUMBER 6	
* PREMISE ID	"9999999999"	(indicates trailer)
* ACCOUNT NUMBER	"9999999999"	(indicates trailer)
RECORD COUNT	NUMBER 10	
TRANSACTION TOTAL	NUMBER -12,2	(sum of CHARGE-1)

* Denotes change from prior version.

GLCG information

TITLE : Information provided to CCB through the GLCG Supplier Charges File

FILE NAME : SUPLBILL

DESCRIPTION : File contents are the customer charges and descriptions for the supplier

INFORMATION :

SUPPLIER ID (5 chars)	NUMBER 5
PREMISE ID	NUMBER 10
ACCOUNT NUMBER	NUMBER 10
SUPPLIER CHARGE	NUMBER -9,2
SUPPLIER CHARGE DESCRIPTION	ALPHA 40
PROCESS DATE	NUMBER 8
RECORD TYPE (charge, adjustment, message)	ALPHA 1
SEQUENCE NUMBER	NUMBER 10



Nicor Gas
 P.O. Box 2020
 Aurora, IL 60507 2020

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 1 888 Nicor4U 1 888 642-6748

Account Summary for .

Account Number: 93-30-28-8024 5	
Meter Number: 2023413	
Service Address:	
Bill Period: 12/22/09 - 01/22/10 (31 days)	
Bill Issue Date: 01/22/10	
Total Previous Balance (Credit)	-\$206.39
Payment Received 01/15/2010 - Thank you!	-\$79.95
Remaining Balance (Credit)	-\$286.34
New Charges - Utility	\$239.28
Earned Credit 01/22/2010	-\$0.01
New Charges - Additional Products & Services	\$4.95
Budget Plan Amount Due 02/15/10\$79.95	
Your Account Balance is (Credit)	-\$42.12

A Message for You

To avoid a finance charge on your next bill, you may pay your account balance in full. Thank you for participating in our Budget Plan.

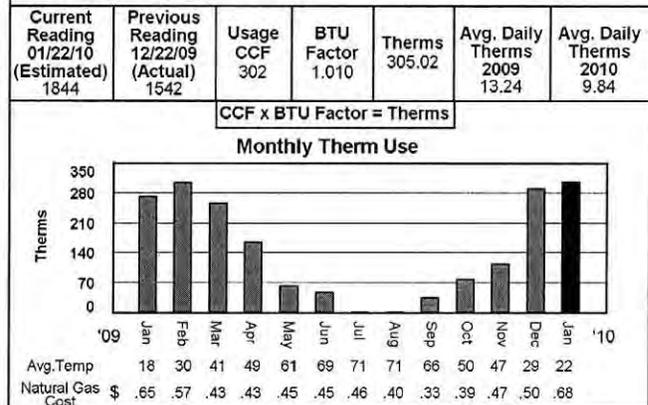
Manage your account online with My Account at nicor.com. It's a safe and secure way to view account information, sign up for our Budget Plan, pay your bill, make a payment arrangement, enter a meter reading, sign up for reminders and more.

Total - Additional Products & Services	\$4.95
Nicor Services previous balance	4.95
Gas Line ComfortGuard 12/30/2009	4.95
Payment from credit 01/13/2010	-4.95
Total Due Nicor Services	4.95
Nicor Services Questions? Please call 1 800 373-1100.	

New Charges - Residential - Heat
Rate 1: Residential Service

Delivery Charges 12/22/2009 - 01/22/2010	\$30.68
Monthly Customer Charge	14.08
All Therms 305.02 @ \$0.0485	14.79
Environmental Cost Recovery 98.39 @ \$0.003 =	0.30
Environmental Cost Recovery 206.63 @ \$0.0046 =	0.95
County Government Agency Compensation Adjustment	0.01
Franchise Cost Adjustment	0.05
Efficiency Program	0.50
Natural Gas Cost	\$189.71
December @ 98.39 Therms x \$0.50	49.20
January @ 206.63 Therms x \$0.68	140.51
Taxes	\$18.89
Municipal Utility Tax for Homewood \$220.39 @ 5.15%	11.35
Utility Fund Tax \$220.39 @ 0.1%	0.22
State Revenue Tax 305.02 @ \$0.024 =	7.32
Total	\$239.28

Monthly Energy Profile



Please see the reverse side of this bill for additional billing explanations.

Please do not include written inquiries as the stub is processed by machine. Return this portion with your check made payable to Nicor Gas.



Please circle an amount to add a one-time charitable donation to Sharing:

\$2 \$5 \$10 \$25

Payment Due By
02/15/2010
\$79.95

Your budget payment is \$75.00 due by 02/15/2010

PO BOX 0632
 AURORA, IL 60507-0632

Account Number:

01A0DF0RDDM8TIF01A0FAAD0FFA0DD0FA0DF

93 30 28 8024 5 0000079954 0000075002 911



Nicor Gas
 P.O. Box 2020
 Aurora, IL 60507 2020

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Account Summary for

Account Number: 06-19-48-7445 6	
Meter Number: 2852240	
Service Address:	
Bill Period: 07/09/10 - 08/10/10 (32 days)	
Bill Issue Date: 08/12/10	
Total Previous Balance	\$38.57
Payment Received 07/23/2010 - Thank you!	-\$38.57
Remaining Balance	\$0.00
New Charges - Utility	\$15.95
New Charges - Additional Products & Services	\$18.15
Total Amount Due by 09/03/2010	\$34.10

A Message for You

Your Customer Select supplier is Dominion Retail Inc.. For questions relating to your natural gas cost, contact your supplier at: 800 260-7297. If you have any questions regarding natural gas safety, call Nicor Gas at 1 888 642-6748.

Save money and energy! Rebates for purchasing energy efficient heating equipment are now available through the Nicor Gas Energy Efficiency Program. For details, visit nicorgasrebates.com.

New Charges - Residential - Heat
Rate 1: Residential Service

Delivery Charges 07/09/2010 - 08/10/2010	\$15.57
Monthly Customer Charge	14.53
All Therms 15.12 @ \$0.0485	0.73
Environmental Cost Recovery 15.12 @ \$0.0034 =	0.05
Franchise Cost Adjustment	0.20
Transportation Service Credit 15.12 Therms @ \$-0.0211 =	-0.32
Customer Select Charge	0.32
Efficiency Program	0.06
Taxes	\$0.38
Utility Fund Tax \$15.57 @ 0.1%	0.02
State Gas Use Tax 15.12 @ \$0.024 =	0.36
Total	\$15.95

Total - Additional Products & Services \$18.15

Customer Select supplier previous balance	16.68
Amount of 07/23/2010 payment applied	-16.68
Gas Commodity Charge (0.67791/Therm) 08/10/2010	10.25
Admin Fee 08/10/2010	2.95
Total Due Dominion Retail Inc.	13.20
Dominion Retail Inc. Questions? Please call 1 800 260-7297.	

Nicor Services previous balance	4.95
Amount of 07/23/2010 payment applied	-4.95
Gas Line ComfortGuard 07/23/2010	4.95
Total Due Nicor Services	4.95
Nicor Services Questions? Please call 1 800 373-1100.	

Please see the reverse side of this bill for additional billing explanations.

Please do not include written inquiries as the stub is processed by machine. Return this portion with your check made payable to Nicor Gas.



Please circle an amount to add a one-time charitable donation to Sharing:

\$2 \$5 \$10 \$25

Payment Due By
09/03/2010
\$34.10

Current bill \$34.10 due by 09/03/2010

PO BOX 0632
AURORA, IL 60507-0632

Account Number:

0619487445600000341080000034108911

06 19 48 7445 6 0000034108 0000034108 911

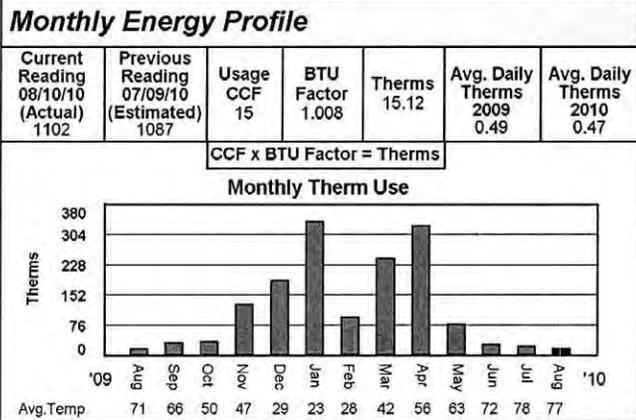


Nicor Gas
 P.O. Box 2020
 Aurora, IL 60507 2020

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Account number

Page 2 of 2



Nicor in the Community

Help a family in need pay their gas bill this winter. Please donate \$2, \$5, \$10, or \$25 to our Sharing Program by circling the appropriate amount on your payment stub. Nicor Gas matches all donations, dollar-for-dollar, up to \$175,000 annually.



\$2 \$5 \$10 \$25

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 09-0301
DAS Fifth Set of Data Requests

- DAS 5.02 Q. With regard to the Third Party Billing Service (“TPBS”) and Nicor Gas’ response to 2.14:
- a. Please provide cost justification for the \$212,000 estimate given to Progressive Energy Group (“PEG”).
 - b. Please provide cost justification for the \$0.25 per bill estimate given to PEG to use a modified billing system that Nicor Services uses at a price of \$0.112 per bill.
 - c. Please provide cost justification for the \$0.112 per bill charge for the billing system that Nicor Services uses.
 - d. Please reconcile Nicor Gas’ response to DAS 1.11 which states that Nicor Gas “has no intention of providing such billing services in the future” with its offer to PEG for the provision of such services as outlined in DAS 2.14.
 - e. Please reconcile Nicor Gas’ responses to DAS 1.13c-d which state that “no such request has been made” with its request from PEG for the provision of such services as outlined in DAS 2.14.
 - f. Given the request for solicitation services shown in DAS 2.14 Exhibit 6, please answer the questions posed in DAS 1.13c and d: Is Nicor Gas willing to offer solicitation to non-affiliates?
 - g. To what does the phrase “additional billing services” as it appears in the TPBS tariff refer?
 - h. Does the billing service provided to Nicor Services fall under this part of the tariff?
- DAS 5.02 A. a. Please see the attached Exhibit 1.
- b. The \$0.25 per bill estimate was not a cost based charge. See (c) below.
 - c. Please see response to DLH 1.05 Exhibit 24, for the cost study for the twelve months ended June 30, 2007. Note that this cost study was updated for the twelve months ended June 30, 2009, and the new charge is \$0.173. Please see the attached Exhibit 2. Also note that this is not a per bill charge, such as the \$0.25 per bill estimate in (b) above. Both the updated \$0.173 and the earlier \$0.112 are charges per item billed.
 - d. The responses to DAS 1.11 and DAS 2.14 are consistent. In DAS 1.11 Nicor Gas stated, subject to and without waiving objection, that it does not provide such billing service to non-affiliates and has no intention of doing so in the future. In DAS 2.14, Exhibit 9, which concluded the correspondence with PEG, the Company stated that it is not obligated and will not provide to third parties the type of non-utility services

- requested in (PEG's) August 21 letter, specifically inbound call sales and Nicor website access.
- e. DAS 1.13 requested information about the provision of personnel and resources for non-affiliates within the context of non-commodity products. Nicor Gas does not interpret the inquiry from PEG to have concerned non-commodity products. In any event, the correspondence between Nicor Gas and PEG has been furnished, subject to objection, in response to DAS 2.14.
 - f. No. DAS 2.14 Exhibit 6 is a letter from PEG to Nicor Gas wherein PEG rejected Nicor Gas' estimated cost to provide the requested service. Please also refer to DAS 2.14 Exhibit 9, which was the conclusion of the correspondence between Nicor Gas and PEG on this issue.
 - g. The "Third Party Billing Service" section of tariff Sheet 52.5 was filed with the Commission on January 18, 2002 to comply with the Commission's Order on Rehearing with regard to the Customer Select Pilot Program (Dockets 00-0620 / 00-0621 Cons.) The "Third Party Billing Service" is a program which is available to Customer Select Suppliers and provides them the opportunity to include up to six (6) standard lines of text with their billing information on Nicor Gas' bill. Sheet 52.5 indicates that "If the third party would like additional services with respect to billing, the Company and the third party will negotiate in good faith the fees for such additional services." The phrase "additional services with respect to billing" refers to special requests or enhancements to the basic billing service that Customer Select Suppliers might propose to the Company.
 - h. No.

Witness: Gerald P. O'Connor

**Nicor Gas Company
 Bill Re-design Statistics
 September 2008**

The objective of this worksheet is to calculate Nicor Services' fully distributed cost per bill message and auto-renewal message. The calculation below computes Nicor Services' use of non-common space as a percentage of total non-common space per Utility bill to determine total cost. Non-common spaces are denoted as non highlighted bill sections below.

Bill Section	Rows	Columns	Total Space
Banner / Header	4	34	136
Account summary	8	14	112
Utility Charges	12	14	168
Bill Message (2 messages)	8	15	120
Services	5	15	75
Energy Profile	11	15	165
Blank Space in body	25	2	50
Blank Space in body	1	34	34
Blank Space in body	25	1	25
Blank Space in body	25	2	50
Blank Space in body	4	14	56
Blank Space in body	1	14	14
Blank Space in body	1	15	15
Logo	3	12	36
Name Address	2	11	22
Sharing	4	8	32
Account #	1	9	9
Payment Info	6	8	48
Remit Address	3	11	33
Scan Line	1	18	18
Stub Message	1	27	27
Blank Space in Stub	1	7	7
Blank Space in Stub	13	1	13
Blank Space in Stub	13	2	26
Blank Space in Stub	3	12	36
Blank Space in Stub	7	2	14
Blank Space in Stub	2	5	10
Blank Space in Stub	1	18	18
Blank Space in Stub	2	6	12
Blank Space in Stub	8	3	24
Blank Space in Stub	2	8	16
Blank Space in Stub	3	2	6
Blank Space in Stub	2	16	32
Blank Space in Stub	1	7	7
Blank Space in Stub	2	8	16
Blank Space in Stub	2	7	14
			<hr/>
			1496

Total Spaces of Unshared Text 587

Percentage of Bill relating to Nicor Services:	<u>Spaces</u>	<u>% of Total Spaces of Unshared Text</u>
Nicor Services Bill Charge	75	12.78%
Auto-renewal Message (per message based on a maximum of 2 per bill)	60	10.22%

Source: Supervisor Billing Services

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 09-0301
DAS Sixth Set of Data Requests

DAS 6.01 Q. With regard to the charge to Nicor Services in DAS 1.12, why did the charge increase (54%) from 11.2 cents per bill to 17.2 cents from 2008 to 2009? Please provide the cost study underlying that increase.

DAS 6.01 A. See the corrected DAS 1.12 response for the 2009 billing service charge of 16.7 cents per item billed to Nicor Services. The 2009 contract billing rate increased 49% from the previous year primarily due to a comprehensive re-design of the bill format by Nicor Gas. This resulted in more space being allocated to Nicor Services, and a higher percentage of related costs being allocated to Nicor Services for its customer bills and bill messages. See Exhibit 1 for the cost study underlying the increase in the billing service charge to Nicor Services for 2009.

Witness: Gerald P. O'Connor

Nicor Gas Company
 Nicor Services' Bill Message Cost Study
 Twelve Months Ended June 30, 2008

	Activity	Payroll	Additive (a)	Other	Total	Average Cost Per Utility Cust.(b)	
IT Hardware and Software Operations & Maintenance:							
	IS Computer Operations (c)	91160	\$ 118,293	\$ 92,959	\$ 6,285	\$ 217,537	0.101
	Internal Software Maintenance (d)	various	978,569	767,723	167,334	1,913,626	0.889
	Purchased maintenance costs (e)	91005/91107			1,016,611	1,016,611	0.472
N'able Software & Hardware Depreciation & ROR Costs: (e)							
	Software depreciation apportioned to billing software		0	0	2,421,668	2,421,668	1.124
	Software return on rate base apportioned to billing software		0	0	3,754,567	3,754,567	1.743
	Hardware depreciation apportioned to billing and contact center				1,038,430	1,038,430	0.482
	Hardware rate of return apportioned to billing and contact center				234,880	234,880	0.109
Call Center - billing inquiries only: (f)							
	Call Center Adm	91055	222,581	174,778	2,030	399,388	0.185
	1-888-Nicor-4U phone line	91108	0	0	282,132	282,132	0.131
	Cust Req & Inquiry Exit Call Center	91180	0	0	720,031	720,031	0.334
	Customer Req & Inquiry	91202	2,057,234	1,616,229	77,887	3,751,350	1.742
	CCS Quality Development	91210	471,307	371,341	0	842,648	0.391
	Call Center Maintenance Costs (g)				100,352	100,352	0.047
	Phone system - depreciation (h)				103,922	103,922	0.048
	Phone system - return on rate base (h)				34,956	34,956	0.016
	Customer Relations Admin/Correspondence (i)	91190/91178	118,009	92,375	5,093	215,477	0.100
	Gas Trans Center / Billing Services	91143	1,114,373	875,425	95,115	2,084,913	0.968
	Computer Printing (Special Services)	91161	97,720	76,718	418,796	593,235	0.275
Customer Records and Collection Expenses:							
	Remittance Processing	91385	770,178	605,229	839,665	2,215,071	1.028
	Postage - Customer Records Special Service	91188	0	0	7,263,854	7,263,854	3.373
	Remittance Processing assets - depreciation (j)				25,906	25,906	0.012
	Remittance Processing assets - return on rate base (j)				34,923	34,923	0.016
	Customer Records Special Services	91191	152,878	120,056	807,587	1,080,520	0.502
	Forms and Microfiche for Customer Records	91169	0	0	16,416	16,416	0.008
			<u>6,101,140</u>	<u>4,792,833</u>	<u>19,468,441</u>	<u>30,362,414</u>	14.098
Total number of utility bills issued (paper & e-bills)					23,284,201		
Fully distributed cost per issued bill					\$ 1.304		
= the fully distributed cost per Nicor Services' bill message 12.78% of utility bill (k)					\$ 0.167		
= the fully distributed cost per Nicor Services' auto-renewal message 10.22% of utility bill (k)					\$ 0.133		

(a) Payroll additive rates of 77% & 80% are applied to direct payroll dollars for the appropriate time periods to recover overhead (indirect) costs.

(b) Used average number of sales customers for the twelve months ended June 30, 2008 (Blue Book Operating Revenue statistics) to calculate the average cost per customer. 2,153,693

(c) IS support staff who run job batches for billing system (See IT Admin worksheet)

(d) Programmers time for maintaining the billing system (See IT Software Maint worksheet for details).

(e) See N'able Assets worksheet for depreciation, rate of return and allocation of purchased maintenance contracts for hardware & software billing system assets.

(f) Includes 43.34% of Call Center costs which relate to billing inquiries.

(g) See Call Center Maintenance worksheet for details.

(h) See Call Center Assets worksheet for details.

(i) See Customer Relations Adm. worksheet for details.

(j) See Remittance Processing Assets worksheet for details.

(k) See Billing Format worksheet for details

**Nicor Gas Company
 Bill Re-design Statistics
 September 2008**

The objective of this worksheet is to calculate Nicor Services' fully distributed cost per bill message and auto-renewal message. The calculation below computes Nicor Services' use of non-common space as a percentage of total non-common space per Utility bill to determine total cost. Non-common spaces are denoted as non highlighted bill sections below.

Bill Section	Rows	Columns	Total Space
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Blank Space in body	25	2	50
Blank Space in body	1	34	34
Blank Space in body	25	1	25
Blank Space in body	25	2	50
Blank Space in body	4	14	56
Blank Space in body	1	14	14
Blank Space in body	1	15	15
Logo	3	12	36
Name Address	2	11	22
Sharing	4	8	32
Account #	1	9	9
Payment Info	6	8	48
Remit Address	3	11	33
Scan Line	1	18	18
Stub Message	1	27	27
Blank Space in Stub	1	7	7
Blank Space in Stub	13	1	13
Blank Space in Stub	13	2	26
Blank Space in Stub	3	12	36
Blank Space in Stub	7	2	14
Blank Space in Stub	2	5	10
Blank Space in Stub	1	18	18
Blank Space in Stub	2	6	12
Blank Space in Stub	8	3	24
Blank Space in Stub	2	8	16
Blank Space in Stub	3	2	6
Blank Space in Stub	2	16	32
Blank Space in Stub	1	7	7
Blank Space in Stub	2	8	16
Blank Space in Stub	2	7	14
			<hr/>
			1496

Total Spaces of Unshared Text 587

Percentage of Bill relating to Nicor Services:	Spaces	% of Total Spaces of Unshared Text
Nicor Services Bill Charge	75	12.78%
Auto-renewal Message (per message based on a maximum of 2 per bill)	60	10.22%

Source: Supervisor Billing Services

Northern Illinois Gas Company d/b/a Nicor Gas Company
Response to: Illinois Commerce Commission
Ill.C.C. Docket No. 09-0301
DAS Seventh Set of Data Requests

DAS 7.07 Q. With regard to DAS 1.12 (corrected), when did the listed prices become effective? Please provide the prices and cost basis (cost study) for each year from 1999 to 2007. Please provide the requested information in an Excel spreadsheet with formulas intact. Please also provide the units for any prices or volumes provided.

DAS 7.07 A. The listed billing service prices became effective on January 1 for the years noted in DAS 1.12 (corrected) with the exception of 2006. Two billing rates were calculated for use in computing the 2006 monthly intercompany billing charges to Nicor Services. The \$0.094 and \$0.040 billing rates per item charged were used to compute the monthly affiliate charges for the period January 1 to March 31, 2006. Then, beginning in April 2006 through the remainder of that year, the higher prices of \$0.098 and \$0.042 were used for the monthly billing service charges to Nicor Services due to the potentially higher cost of the newly implemented billing system. (The bill message (e.g. contract renewal) service began in 2006 and does not apply to the earlier years noted below.)

The billing service prices for each year prior to 2006 were as follows:

<u>Year</u>	<u>Contract Billing</u>
2005	\$0.092
2004	\$0.066
2003	\$0.066
2002	\$0.049
2001	\$0.037
2000	\$0.052
1999	\$0.047

See the following exhibits that provide the billing services cost studies for the time periods:

Exhibit 1	2007
Exhibit 2	2006 – 2 nd – 4 th quarters
Exhibit 3	2006 – 1 st quarter
Exhibit 4	2005
Exhibit 5	years 2004 - 1999

Witness: Gerald P. O'Connor

Nicor Gas Company
 Nicor Services' Line Charge Cost Study
 Twelve Months Ended June 30, 2006

	Activity	Payroll	Additive (a)	Other	Total	Average Cost Per Utility Cust.(c)
IT Hardware and Software:						
Computer Room - Unisys Computer expenses	91160	\$ 788,402	\$ 615,318	\$ 18,611	\$ 1,422,331	\$0.665
Computer Printing	91161	89,950	70,139	454,689	614,778	0.288
Billing software depreciation (g)		0	0	2,497,247	2,497,247	1.168
Billing software return on rate base (g)		0	0	3,828,462	3,828,462	1.790
Software Maintenance (b)		277,788	216,675	28,940	523,403	0.245
Unisys maintenance				52,277	52,277	0.024
Mainframe depreciation apportioned to billing software (g)		0	0	73,651	73,651	0.034
Mainframe return on rate base apportioned to billing software (g)		0	0	31,801	31,801	0.015
N'able hardware allocated to billing/meter reading and contact center:						
Depreciation				223,563	223,563	0.105
Rate of Return				280,682	280,682	0.131
Call Center:						
Customer Req & Inquiry (d)	91202	2,213,079	1,724,703	266,249	4,204,032	1.966
Call Center Adm (d)	91055	282,476	220,344	5,009	507,828	0.237
Call Center Handling (d)	91056	0	0	4,375	4,375	0.002
CCS Quality Development (d)	91210	244,101	191,123	(314)	434,910	0.203
Cust Req & Inquiry Exit Call Center (d)	91180	0	0	463,145	463,145	0.217
Customer Relations Admin (e)	91190	69,317	54,100	473	123,890	0.058
Correspondence (d)	91178	301,772	235,380	9,973	547,125	0.256
1-888-Nicor-4U phone line (d)	91108	0	0	330,146	330,146	0.154
Call Center Maintenance Costs (f)				66,157	66,157	0.031
Phone system - depreciation (g)				82,515	82,515	0.039
Phone system - return on rate base (g)				56,347	56,347	0.026
Customer Records and Collection Expenses:						
Remittance Processing assets - depreciation (g)				553,378	553,378	0.259
Remittance Processing assets - return on rate base (g)				97,769	97,769	0.046
Regional cashiers (h)	91390	0	0	(26,500)	(26,500)	-0.012
Remittance Processing	91385	698,698	544,901	795,961	2,039,561	0.954
Gas Trans Center / Billing Services	91143	829,290	646,737	106,246	1,582,274	0.740
Customer Records Special Services	91191	184,924	144,225	864,504	1,193,653	0.558
Forms and Microfiche for Customer Records	91169	0	0	66,296	66,296	0.031
Postage - Customer Records Special Service	91188	0	0	6,375,418	6,375,418	2.982
		<u>5,979,798</u>	<u>4,663,645</u>	<u>17,607,070</u>	<u>28,250,512</u>	<u>\$13.212</u>
Fully Distributed Cost Per Bill (10bills/year)						\$1.321
divided by the available lines per bill	96					
= fully distributed cost per available line						\$0.014
times the # of lines available to Nicor Services	7					
= the fully distributed cost per Nicor Services' bill						\$0.096

(a) Payroll additive used for general intercompany billing, excluding the mainframe and billing software because they are not generally used by all employees:

77% in 2006 and 79% in 2005 (average 78%)

(b) Programmers time for maintaining programs involved in the billing process (RA, BI, SB and CC&B)

Other expenses assumed to be times percent of payroll, consistent with ratio for all programmers for twelve months ended June 30, 2006

(c) Average number of customers for the twelve months ended June 30, 2006 (Blue Book Operating Revenue statistics)

2,138,242

(d) Includes 46.03% of Call Center costs which relate to billing questions

(e) Includes 25.1% of costs which relate to billing questions

(f) See Call Center Maintenance worksheet

(g) See Depreciation and ROR worksheet

(h) Bank service fees for the twelve month ended period 6/30/06; the fees are now being posted to activity 91385.

Nicor Gas Company
 Nicor Services' Line Charge Cost Study - Projection as of July 31, 2006
 Assumes 10 year Depreciation Life on n'Able Software

	Activity	Payroll (a)	Additive (b)	Other (a)	Total	Average Cost Per Utility Cust.(e)	
IT Hardware and Software:							
	Computer Room - Unisys Computer expenses	91160	\$ 634,917	\$ 492,100	\$ 14,374	\$ 1,141,391	\$0.540
	Computer Printing	91161	88,995	68,825	427,769	585,590	0.277
	Billing software depreciation (c)		0	0	5,147,759	5,147,759	2.436
	Billing software return on rate base (c)		0	0	2,572,351	2,572,351	1.217
	Software Maintenance (d)		175,770	135,343	16,459	327,572	0.155
	Mainframe depreciation apportioned to billing software (e)		0	0	72,198	72,198	0.034
	Mainframe return on rate base apportioned to billing software (e)		0	0	34,070	34,070	0.016
Call Center:							
	Customer Req & Inquiry (g)	91202	2,604,203	2,012,420	215,977	4,832,600	2.287
	Call Center Adm (g)	91055	304,158	235,105	3,127	542,390	0.257
	Call Center Handling (g)	91056	0	0	2,020	2,020	0.001
	CCS Quality Development (g)	91210	100,410	80,354	204	180,967	0.086
	Cust Req & Inquiry Exit Call Center (g)	91180	0	0	437,277	437,277	0.207
	Customer Relations Admin (h)	91190	83,337	64,394	829	148,561	0.070
	Correspondence (g)	91178	340,678	263,001	38,966	642,645	0.304
	1-888-Nicor-4U phone line (g)	91108	0	0	241,088	241,088	0.114
	Call Center Maintenance Costs (i)				53,498	53,498	0.025
	Phone system - depreciation (j)				113,358	113,358	0.054
	Phone system - return on rate base (j)				53,635	53,635	0.025
Customer Records and Collection Expenses:							
	Remittance Processing assets - depreciation (k)				37,310	37,310	0.018
	Remittance Processing assets - return on rate base (k)				46,996	46,996	0.022
	Regional cashiers (Bank service fees)	91390	0	0	138,605	138,605	0.066
	Remittance Processing	91385	731,961	565,973	673,552	1,971,486	0.933
	Gas Trans Center / Billing Services	91143	789,795	610,720	149,370	1,549,884	0.733
	Customer Records Special Services	91191	197,871	153,259	868,474	1,219,604	0.577
	Forms and Microfiche for Customer Records	91169	0	0	64,452	64,452	0.031
	Postage - Customer Records Special Service	91188	0	0	6,321,483	6,321,483	2.992
			<u>6,052,094</u>	<u>4,681,495</u>	<u>17,745,201</u>	<u>28,478,790</u>	<u>\$13.477</u>
	Fully Distributed Cost Per Bill (10bills/year)						\$1.348
	divided by the available lines per bill	96					
	= fully distributed cost per available line						\$0.014
	times the # of lines available to Nicor Services	7					
	= the fully distributed cost per Nicor Services						\$0.098

- (a) Using twelve months ended July 31, 2005 data for payroll and other charges.
- (b) Payroll additive used for general intercompany billing, excluding the mainframe and billing software because they are not generally used by all employees: 79% in 2005 and 75% in 2004 (average 77%); in 2006 the rate decreases to 77%. This change should have little or no impact on the average.
- (c) Return on rate base multiplied by the CCISP and N'able (billing system) book value of \$ 29,066,112 and depreciation of \$ 5,147,759 8.85%
- (d) Programmers time for maintaining programs involved in the billing process (RA, SB and BI) @ per hr. cost of \$42 multiplied by productive hours of 4,185 from IS Business Analyst Other expenses assumed to be times percent of payroll, consistent with ratio for all programmers for twelve months ended July 31, 2005
- (e) Per Systems Software Support, the percentage of Computer Services resources and the mainframe devoted to "billing" process software (RA & SB & BI are insignificant and included in other category). 11.33%
 Return on rate base calculated as Mainframe book value of 3,397,811 times utilization and allowed rate of return
 Depreciation on mainframe is 637,233
- (f) Average number of customers for the twelve months ended July 31, 2005 (Blue Book Operating Revenue statistics) 2,113,140
- (g) Includes 50% of Call Center costs which relate to billing questions
- (h) Includes 26.8% of costs which relate to billing questions
- (i) See Call Center Maintenance worksheet
- (i) See Call Center Assets worksheet.
- (k) The bill inserters return on rate base calculated as bill inserts book value of 531,029 projected as of July 2006 and depreciation of 37,310

Nicor Gas Company
 Nicor Services' Line Charge Cost Study
 Twelve Months Ended July 31, 2005

	Activity	Payroll	Additive (a)	Other	Total	Average Cost Per Utility Cust.(e)	
IT Hardware and Software:							
Computer Room - Unisys Computer expenses	91160	\$ 634,917	\$ 492,100	\$ 14,374	\$ 1,141,391	\$0.540	
Computer Printing	91161	88,995	68,825	427,769	585,590	0.277	
Billing software depreciation (b)				4,889,858	4,889,858	2.314	
Billing software return on rate base (b)				1,249,297	1,249,297	0.591	
Software Maintenance (c)		175,770	135,343	16,459	327,572	0.155	
Mainframe depreciation apportioned to billing software (d)				80,810	80,810	0.038	
Mainframe return on rate base apportioned to billing software (d)				40,718	40,718	0.019	
Call Center:							
Customer Req & Inquiry (f)	91202	2,604,203	2,012,420	0	215,977	4,832,600	2.287
Call Center Adm (f)	91055	304,158	235,105	0	3,127	542,390	0.257
Call Center Handling (f)	91056	0	0	0	2,020	2,020	0.001
CCS Quality Development (f)	91210	100,410	80,354	0	204	180,967	0.086
Cust Req & Inquiry Exit Call Center (f)	91180	0	0	0	437,277	437,277	0.207
Customer Relations Admin (g)	91190	83,337	64,394	0	829	148,561	0.070
Correspondence (f)	91178	340,678	263,001	0	38,966	642,645	0.304
1-888-Nicor-4U phone line (f)	91108	0	0	0	241,088	241,088	0.114
Call Center Maintenance Costs (h)					101,397	101,397	0.048
Phone system - depreciation (i)					113,358	113,358	0.054
Phone system - return on rate base (i)					53,635	53,635	0.025
Customer Records and Collection Expenses:							
Remittance Processing assets - depreciation (j)					394,729	394,729	0.187
Remittance Processing assets - return on rate base (j)					108,325	108,325	0.051
Regional cashiers (Bank service fees)	91390	0	0	0	138,605	138,605	0.066
Remittance Processing	91385	731,961	565,973	0	673,552	1,971,486	0.933
Gas Trans Center / Billing Services	91143	789,795	610,720	0	149,370	1,549,884	0.733
Customer Records Special Services	91191	197,871	153,259	0	868,474	1,219,604	0.577
Forms and Microfiche for Customer Records	91169	0	0	0	64,452	64,452	0.031
Postage - Customer Records Special Service	91188	0	0	0	6,321,483	6,321,483	2.992
		<u>6,052,094</u>	<u>4,681,495</u>	<u>16,646,153</u>	<u>27,379,742</u>	<u>\$12.957</u>	

Fully Distributed Cost Per Bill (10bills/year) \$1.296

divided by the available lines per bill **96**

= fully distributed cost per available line \$0.013

times the # of lines available to Nicor Services **7**

= the fully distributed cost per Nicor Services' bill \$0.094

- (a) Payroll additive used for general intercompany billing, excluding the mainframe and billing software because they are not generally used by all employees: 79% in 2005 and 75% in 2004 (average 77%)
- (b) Return on rate base multiplied by the CCISP and N'able (billing system) book value of \$ 12,919,308 9.67%
 and depreciation of \$ 4,889,858
- (c) Programmers time for maintaining programs involved in the billing process (RA, SB and BI) @ per hr. cost of \$42
 multiplied by productive hours of 4,185 from IS Business Analyst
- Other expenses assumed to be times percent of payroll, consistent with ratio for all programmers for twelve months ended July 31, 2005
- (d) Per Systems Software Support, the percentage of Computer Services resources and the mainframe devoted to "billing" process software (RA & SB & BI are insignificant and included in other category). 11.33%
 Return on rate base calculated as Mainframe book value of 3,716,428 times utilization and allowed rate of return
 Depreciation on mainframe is 713,239
- (e) Average number of customers for the twelve months ended July 31, 2005 (Blue Book Operating Revenue statistics) 2,113,140
- (f) Includes 50% of Call Center costs which relate to billing questions
- (g) Includes 26.8% of costs which relate to billing questions
- (h) See Call Center Maintenance worksheet
- (i) See G.O. Assets worksheet - includes bill inserters, printers and imaging system.
- (j) The bill inserters return on rate base calculated as bill inserts book value of 1,120,221 as of June 2005 and depreciation of 394,729

Nicor Gas Company
 Nicor Services' Line Charge Cost Study
 Twelve Months Ended December 31, 2004

	Activity	Payroll	Additive (a)	Other	Total	Average Cost Per Utility Cust.(e)
IT Hardware and Software:						
Computer Room - Unisys Computer expenses	91160	\$ 504,929	\$ 398,894	\$ 6,441	\$ 910,264	\$0.435
Computer Printing	91161	87,526	69,146	419,383	576,055	0.275
Billing software depreciation (b)		0	0	5,384,253	5,384,253	2.573
Billing software return on rate base (b)		0	0	1,301,974	1,301,974	0.622
Software Maintenance (c)		151,326	119,548	9,365	280,239	0.134
Mainframe depreciation apportioned to billing software (d)		0	0	99,682	99,682	0.048
Mainframe return on rate base apportioned to billing software (d)		0	0	14,447	14,447	0.007
Call Center:						
Customer Req & Inquiry (f)	91202	2,133,873	1,685,760	198,212	4,017,845	1.920
Call Center Adm (f)	91055	277,866	219,514	3,150	500,531	0.239
Call Center Handling (f)	91056	483	382	13,600	14,465	0.007
CCS Quality Development (f)	91210	233,463	184,436	2,175	420,074	0.201
Cust Req & Inquiry Exit Call Center (f)	91180	0	0	394,277	394,277	0.188
Customer Relations Admin (g)	91190	82,987	65,560	1,508	150,054	0.072
Correspondence (f)	91178	368,197	290,876	29,726	688,800	0.329
1-888-Nicor-4U phone line (f)	91108	0	0	188,680	188,680	0.090
Call Center Maintenance Costs (h)				91,071	91,071	0.044
Virtual Hold and PBX - depreciation (i)				63,067	63,067	0.030
Virtual Hold and PBX - return on rate base (i)				248,907	248,907	0.119
Customer Records and Collection Expenses:						
Bill Inserters - depreciation (j)				74,622	74,622	0.036
Bill Inserters - return on rate base (j)				57,211	57,211	0.027
Regional cashiers (Bank service fees)	91390			307,893	307,893	0.147
Remittance Processing	91385	719,090	568,081	575,342	1,862,513	0.890
Gas Trans Center / Billing Services	91143	758,273	599,036	119,981	1,477,289	0.706
Customer Records Special Services	91191	193,072	152,527	771,133	1,116,733	0.534
Forms and Microfiche for Customer Records	91169	0	0	62,089	62,089	0.030
Postage - Customer Records Special Service	91188	0	0	6,141,466	6,141,466	2.935
		<u>5,511,086</u>	<u>4,353,758</u>	<u>16,579,653</u>	<u>26,444,498</u>	<u>\$12.637</u>

Fully Distributed Cost Per Bill (10bills/year) \$1.264

divided by the available lines per bill 96

= fully distributed cost per available line \$0.013

times the # of lines available to Nicor Services 7

= the fully distributed cost per Nicor Services \$0.092

- (a) Payroll additive used for general intercompany billing, excluding the mainframe and billing software because they are not generally used by all employees. 79%
- (b) The programs involved in the billing process include RA, SB, TM and BI. Return on rate base of 9.67%
 multiplied by the CCISP (billing system) book value of \$ 13,464,049 and depreciation of \$ 5,384,253
- (c) Programmers time @ per hr. cost of \$42
 multiplied by productive hours of 3,603 from IS Business Analyst
 Other expenses assumed to be times percent of payroll, consistent with ratio for all programmers for 2001.
- (d) Per Systems Software Support, the percentage of Computer Services resources and the mainframe devoted to "billing" process software (RA & SB, TM & BI are insignificant and included in other category). 12.63%
 Return on rate base calculated as Mainframe book value of 1,182,921 times utilization and allowed rate of return
 Depreciation on mainframe is 789,245
- (e) Average number of customers as of July 31, 2005 (Blue Book Operating Revenue statistics) 2,092,607
- (f) Includes 45.81% of Call Center costs which relate to billing questions.
- (g) Includes 26.8% of costs which relate to billing questions (per Customer Relations manager)
- (h) See Call Center Maintenance worksheet
- (i) See Call Center Asset worksheet.
- (j) The bill inserters return on rate base calculated as bill inserts book value of 591,632 for 2004 and depreciation of 74,622

Billing and Treasury costs (Twelve months ended 12/31/03)*

	Activity	Payroll	Additive (a)	Other	Total	Average Cost Per Utility Cust.(e)
Customer Records and Collection Expenses						
Gas Trans Center / Billing Services	91143	658,406	493,805	51,156	1,203,367	0.59
Computer Room - Unisys Computer expenses	91160	379,158	284,369	54,230	717,757	0.35
Billing software depreciation (b)		0	0	5,404,620	5,404,620	2.63
Billing software return on rate base (b)		0	0	1,830,277	1,830,277	0.89
Software Maintenance (c)		261,870	196,403	10,174	468,447	0.23
Mainframe depreciation apportioned to billing software (d)		0	0	119,499	119,499	0.06
Mainframe return on rate base apportioned to billing software (d)		0	0	27,023	27,023	0.01
Customer Records Special Services	91191	121,421	91,066	662,928	875,415	0.43
Forms and Microfiche for Customer Records	91169	0	0	94,780	94,780	0.05
Postage - Customer Records Special Service	91188	0	0	6,063,810	6,063,810	2.95
Treasury Activities	91385	666,138	499,604	555,570	1,721,312	0.84
		2,086,993	1,565,245	14,874,067	18,526,305	9.01
Fully Distributed Cost Per Bill (10bills/year)						0.90082
divided by the available lines per bill	96					
= fully distributed cost per available line						0.00938
times the # of lines available to Nicor Services	7					
= the fully distributed cost per Nicor Services						0.06568

* Using actual costs incurred for 2003

- (a) Payroll additive used for general intercompany billing, excluding the mainframe and billing software because they are not generally used by all employees. **75%**
- (b) The programs involved in the billing process include RA, SB, TM and BI. Return on rate base of multiplied by the CCISP (billing system) book value of **18,927,371** and depreciation of **5,404,620** **9.67%**
- (c) Programmers time @ per hr. cost of **\$42** A. Spencer multiplied by productive hours of **6,235** from Maribeth
 Other expenses assumed to be times percent of payroll, consistent with ratio for all programmers for 2001.
- (d) Per Systems Software Support, The percentage of Computer Services resources and the mainframe devoted to "billing" process software (RA & SB, TM & BI are insignificant and included in other category). Carl Tyler **12.15%**
 Return on rate base calculated as Mainframe book value of **2,300,000** times utilization and allowed rate of return
 Depreciation on mainframe is **983,530**
- (e) Average number of customers for period of (Blue Book Operating Revenue statistics) **2,056,612**

Billing and Treasury costs (Twelve months ended 12/31/02)*

	Activity	Payroll	Additive (a)	Other	Total	Average Cost Per Utility Cust. (e)
Customer Records and Collection Expenses						
Gas Trans Center / Billing Services	91143	758,707	462,811	7,302	1,228,820	0.61
Computer Room - Unisys Computer expenses	91160	403,730	246,275	45,230	695,235	0.34
Billing software depreciation (b)		0	0	5,445,356	5,445,356	2.69
Billing software return on rate base (b)		0	0	2,108,852	2,108,852	1.04
Software Maintenance (c)		235,200	143,472	19,606	398,278	0.20
Mainframe depreciation apportioned to billing software (d)		0	0	121,500	121,500	0.06
Mainframe return on rate base apportioned to billing software (d)		0	0	36,422	36,422	0.02
Customer Records Special Services	91191	117,252	71,524	721,194	909,970	0.45
Forms and Microfiche for Customer Records	91169	0	0	89,072	89,072	0.04
Postage - Customer Records Special Service	91188	0	0	5,615,308	5,615,308	2.78
Treasury Activities	91385	618,417	377,234	584,015	1,579,666	0.78
		2,133,306	1,301,317	14,793,857	18,228,480	9.01

Fully Distributed Cost Per Bill (10bills/year)

0.90113

divided by the available lines per bill
 = fully distributed cost per available line

96

0.00939

times the # of lines available to Nicor Services
 = the fully distributed cost per Nicor Services

7

0.06571

* Using actual costs incurred for 2002

(a) Payroll additive used for general intercompany billing, excluding the mainframe and billing software because they are not generally used by all employees.

61%

(b) The programs involved in the billing process include RA, SB, TM and BI. Return on rate base of multiplied by the CCISP (billing system) book value of 21,808,187 and depreciation of

9.67%
 5,445,356

(c) Programmers time @ per hr. cost of \$42 multiplied by productive hours of 5,600 from Sandy Garcia
 Other expenses assumed to be times percent of payroll, consistent with ratio for all programmers for 2001.

(d) Per Systems Software Support, The percentage of Computer Services resources and the mainframe devoted to "billing" process software (RA & SB, TM & BI are insignificant and included in other category).

12.15%

Return on rate base calculated as Mainframe book value of 3,100,000 times utilization and allowed rate of return
 Depreciation on mainframe is 1,000,000

(e) Average number of customers for period of (Blue Book Operating Revenue statistics)

2,022,846

Billing and Treasury costs (Twelve months ended 12/31/01)*

	Activity	Payroll	Additive (a)	Other	Total	Average Cost Per Utility Cust.(e)
Customer Records and Collection Expenses						
Gas Trans Center / Billing Services	91143	702,223	316,000	4,014	1,022,237	0.51
Computer Room - Unisys Computer expenses	91160	452,243	203,509	76,271	732,023	0.37
Billing software depreciation (b)		0	0	1,500,000	1,500,000	0.75
Billing software return on rate base (b)		0	0	734,920	734,920	0.37
Software Maintenance (c)		350,000	157,500	19,338	526,838	0.26
Mainframe depreciation apportioned to billing software (d)		0	0	101,400	101,400	0.05
Mainframe return on rate base apportioned to billing software (d)		0	0	40,202	40,202	0.02
Customer Records Special Services	91191	163,567	73,605	674,939	912,111	0.46
Forms and Microfiche for Customer Records	91169	0	0	103,786	103,786	0.05
Postage - Customer Records Special Service	91188	0	0	5,375,414	5,375,414	2.70
Treasury Activities	91385	834,521	375,534	1,111,954	2,322,009	1.17
		2,502,554	1,126,149	9,742,238	13,370,941	6.71
Fully Distributed Cost Per Bill (10bills/year)						0.67133
divided by the available lines per bill (96) = fully distributed cost per available line						0.00699
times the # of lines available to Nicor Services (7) = the fully distributed cost per Nicor Services						0.04895

* Using actual costs incurred for 2001

- (a) Payroll additive used for general intercompany billing is 45%. However, it excludes the mainframe and billing software because they are not generally used by all employees.
- (b) The programs involved in the billing process include RA, SB, TM and BI. Return on rate base calculated as CCISP (billing system) book value of \$7.6 million times 9.67% allowed rate of return.
- (c) 5 FTE programmers for billing per Russ Sniegowskis @ \$42 per hour (per Corporate Accounting) times 1,678 productive hours - \$352,380 rounded down to \$350,000.
Other expenses assumed to be times percent of payroll, consistent with ratio for all programmers for 2001.
- (d) Per Systems Software Support, 10.14% of Computer Services resources and the mainframe are devoted to "billing" process software.
Return on rate base calculated as Mainframe book value of \$4,100,000 times 10.14% utilization times 9.67% allowed rate of return.
- (e) Average number of customers for period of 1,991,695

Billing and Treasury costs (Twelve months ended 12/31/00)*

	Activity	Payroll	Additive	Other	Total	Average Cost Per Utility Cust.(a)
Customer Records and Collection Expenses						
Gas Trans Center / Billing Services	91143	766,696	368,014	32,689	1,167,399	0.59
Computer Services Apportioned to Customer Records	97233	130,324	62,556	178,456	371,336	0.19
Customer Records Special Services	91191	166,692	80,012	584,892	831,596	0.42
Forms and Microfiche for Customer Records	91169	0	0	69,722	69,722	0.04
Postage - Customer Records Special Service	91188	0	0	4,900,324	4,900,324	2.50
Treasury Activities	91385	983,556	472,107	631,364	2,087,027	1.06
Computer Services Apportioned to Customer Information System	97237	88,556	42,507	341,056	472,119	0.24
		<u>2,135,824</u>	<u>1,025,196</u>	<u>6,738,503</u>	<u>9,899,523</u>	5.05
Fully Distributed Cost Per Bill (10bills/year)						0.50450
divided by the available lines per bill (96)						
= fully distributed cost per available line						0.00526
times the # of lines available to Nicor Services						
= the fully distributed cost per Nicor Services (7.2%) <i>(7 lines)</i>						0.03679

* Using actual costs incurred for 2000

** Payroll additive is 48% for 2000

(a) Average number of customers for period of 1,962,235

Billing and Treasury Costs (Twelve months ended 12/31/99)*

	Activity	Payroll	Additive **	Other	Total	Aver. Cost per Utility Cust. (a)
Customer Records and Collection Expenses						
Gas Trans Center/Billing Services	91143	\$721,799	\$353,682	\$49,613	\$1,125,094	\$0.58
Computer Services Apportioned to Customer Records	97233	113,031	55,385	421,909	590,325	\$0.31
Customer Records Special Services	91191 ✓	162,883	79,813	575,804	818,500	\$0.42
Forms and Microfiche for Customer Records	91169 ✓	0	0	150,437	150,437	\$0.08
Postage - Customer Records Special Service	91188 ✓	0	0	4,746,358	4,746,358	\$2.46
Treasury Activities	91385 ✓	921,018	451,299	552,904	1,925,221	\$1.00
Computer Services Apportioned to Customer Information System	97237 ✓	131,810	64,587	563,830	760,227	\$0.39
		<u>\$2,050,541</u>	<u>\$1,004,765</u>	<u>\$7,060,855</u>	<u>\$10,116,161</u>	<u>\$5.24</u>

* Using actual costs incurred for 1999.

** Payroll additive is 49% for 1999.

(a) Average number of customers for period of 1,929,041 per Operating Data book.

Incremental (@ 10%) \$0.052
 -assumes 10 bills per year
 per customer

Billing and Treasury Costs (Twelve months ended 12/31/98)*

	Function	Payroll	Additive **	Other	Total	Aver. Cost per Utility Cust.(a)
Customer Records and Collection Expenses						
Gas Trans Center/Billing Services	91143	\$513,615	\$251,671	\$71,571	\$836,857	\$0.44
Customers' Utility Records Activities	91142	0	0	0	0	0.00
Computer Services Apportioned to Customer Records	97233	93,848	45,986	342,450	482,284	0.25
Customer Records Special Services	91191	171,773	84,169	559,930	815,872	0.43
Forms and Microfiche for Customer Records	91169	0	0	265,462	265,462	0.14
Postage - Customer Records Special Service	91188	0	0	4,553,400	4,553,400	2.40
Treasury Activities	91385	767,697	376,172	197,520	1,341,389	0.71
Computer Services Apportioned to Customer Information System	97237	103,245	50,590	428,140	581,975	0.31
		<u>\$1,650,178</u>	<u>\$808,587</u>	<u>\$6,418,473</u>	<u>\$8,877,238</u>	<u>\$4.68</u>

* Using actual costs incurred for 1998.

** Payroll additive is 49% for 1998.

(a) Average number of customers for period of 1,898,034 per Operating Data book.

Incremental (@ 10%)

\$0.047