NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF OPERATING REVENUE
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

	[A]	[B]	[C]	[D]	[E]	[F]
LINE NO.	DESCRIPTION	NORTH SHORE GAS	SC 1 Residential	SC 2 General Service	SC 3 Large Volume Demand Service	SOURCE or ALLOCATION FACTOR
1	GAS OPERATING MARGIN REVENUES	74,523,221	57,149,302	14,614,201	2,759,718	Direct
2	% of Tariff Revenues	100.00%	76.69%	19.61%	3.70%	**REVENUE**
3						
4	OTHER OPERATING INCOME:					
5	Acct 487 - Forfeited Discounts	646,000	487,280	152,654	6,066	Delayed Pymt
6	Acct 488 - Miscellaneous Revenue	550,000	503,529	46,389	82	Customer
7	Acct 489 - Miscellaneous Revenue	57,180	52,349	4,823	9	Customer
8	Acct 493 - Rent from Gas Property	0	0	0	0	
9	Acct 494 - Interdepartmental Rents	0	0	0	0	
10	Acct 495 - Other Gas Revenue					
11	Miscellaneous	89,250	81,709	7,528	13	Customer
12	VBA Related Revenue	0	0	0	0	Direct
13	Municipal Tax Service Fee	208,049	155,300	45,282	7,466	MUT
14		297,299	237,009	52,810	7,480	
15	Service Class 4 Revenues:					
16	Customer Related	12,259	11,223	1,034	2	Customer
17	Distribution Related	111,368	66,635	34,304	10,429	Ave & Peak
18	Demand Related	72,354	44,355	22,693	5,306	CP
19		195,981	122,213	58,031	15,736	
20						
21	TOTAL OTHER REVENUE	1,746,460	1,402,380	314,707	29,373	
22						
23	TOTAL OPERATING REVENUE	76,269,681	58,551,682	14,928,908	2,789,091	

May not cross-check due to Rounding

NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF OPERATION & MAINTENANCE
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

LINE NO.	[A] DESCRIPTION	[B] NORTH SHORE GAS	[C] SC 1 Residential	[D] SC 2 General Service	[E] SC 3 Large Volume Demand Service	[F] SOURCE or ALLOCATION FACTOR
1	Production:					
2	Demand related	273,000	167,357	85,623	20,019	CP
3						
4	Storage:					
5	Underground Storage related	0	0	0	0	CP
6						
7	Transmission	180,000	107,700	55,445	16,856	Ave & Peak
8						
9	Distribution:					
10	303	0	0	0	0	
11	374	62,066	37,136	19,118	5,812	Ave & Peak
12	375	240,368	143,820	74,040	22,509	Ave & Peak
13	376	4,883,031	2,921,672	1,504,100	457,258	Ave & Peak
14	377	0	0	0	0	
15	378	72,930	43,636	22,464	6,829	Ave & Peak
16	379	38,181	22,845	11,761	3,575	Ave & Peak
17	Sub-Total Distribution - Demand related	5,296,576	3,169,110	1,631,483	495,983	
18		100.00%	59.83%	30.80%	9.36%	**DISTRIBUTION DEMAND O&M**
19						
20	380	4,132,214	3,706,323	420,837	5,054	Services
21	381.0	2,016,744	1,435,590	568,868	12,286	Meters
22	381.2	47,902	43,047	4,854	0	AMR Device
23	381.3	64,164	0	64,164	0	DMD Device
24	382.0	0	0	0	0	Meters
25	382.2	0	0	0	0	AMR Device
26	382.3	0	0	0	0	DMD Device
27	383	309,748	220,489	87,371	1,887	Meters
28	385	18,653	0	9,818	8,836	Acct 385
29	Sub-Total Distribution - Customer related	6,589,424	5,405,449	1,155,911	28,063	**DISTRIBUTION CUSTOMER O&M**
30		100.00%	82.03%	17.54%	0.43%	
31						
32	Total Distribution	11,886,000	8,574,559	2,787,394	524,047	
33						
34	Customer Accounts:					
35	Allocable	5,674,000	5,194,587	478,564	849	Customer
36	Customer - Acct 904 Allocable	1,675,000	1,330,329	344,671	0	Bad Debt
37	Total Customer Accounts:	7,349,000	6,524,916	823,235	849	
38						
39	Customer Services:	549,000	502,613	46,304	82	Customer
40	Customer Sales:	0	0	0	0	
41	Total Customer:	7,898,000	7,027,529	869,539	932	
42						
43	Total Customer Function	14,487,424	12,432,978	2,025,451	28,995	
44		100.00%	85.82%	13.98%	0.20%	**CUSTOMER O&M**
45	Administrative & General:					
46	Commodity related	0	0	0	0	Sales
47	Distribution - Demand related	4,042,548	2,418,785	1,245,210	378,553	Distribution Demand O&M
48	Distribution - Customer related	5,029,298	4,125,644	882,236	21,419	Distribution Customer O&M
49	Customer related	18,575,154	15,941,031	2,596,946	37,176	Customer O&M
50	Total Administrative and General	27,647,000	22,485,460	4,724,391	437,149	
51						
52						
53	Total Operation & Maintenance	47,884,000	38,362,605	8,522,393	999,002	

May not cross-check due to Rounding

NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF DEPRECIATION EXPENSE
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

LINE NO.	[A] DESCRIPTION	[B] NORTH SHORE GAS	[C] SC 1 Residential	[D] SC 2 General Service	[E] SC 3 Large Volume Demand Service	[F] SOURCE or ALLOCATION FACTOR
1	DEPRECIATION EXPENSE:					
2	Production:					
3	Demand related	77,247	47,355	24,228	5,665	CP
4						
5	Storage:					
6	Underground Storage related	116,214	71,243	36,449	8,522	CP
7						
8	Transmission	558,728	334,305	172,103	52,321	Ave & Peak
9						
10	Distribution					
11	303	0	0	0	0	
12	374	35,636	21,322	10,977	3,337	Ave & Peak
13	375	214,002	128,044	65,918	20,040	Ave & Peak
14	376	4,108,108	2,458,012	1,265,404	384,693	Ave & Peak
15	377	0	0	0	0	
16	378	183,795	109,970	56,614	17,211	Ave & Peak
17	379	15,695	9,391	4,834	1,470	Ave & Peak
18	380	3,070,476	2,754,014	312,706	3,756	Services
19	381.0	831,378	591,804	234,509	5,065	Meters
20	381.2	41,246	37,066	4,180	0	AMR Device
21	381.3	44,645	0	44,645	0	DMD Device
22	382.0	0	0	0	0	Meters
23	382.2	0	0	0	0	AMR Device
24	382.3	0	0	0	0	DMD Device
25	383	184,812	131,556	52,130	1,126	Meters
26	385	9,540	0	5,021	4,519	Acct 385
27	Total Distribution	8,739,333	6,241,180	2,056,938	441,215	
28						
29	General					
30	Commodity related	0	0	0	0	Sales
31	Demand related					
32	Production	10,344	6,341	3,244	759	CP
33	Underground Storage	16,050	9,839	5,034	1,177	CP
34	Transmission	45,577	27,270	14,039	4,268	Ave & Peak
35	Distribution	280,120	167,605	86,284	26,231	Ave & Peak
36	Customer/Fixed related	258,387	236,555	21,793	39	Customer
37	Total General	610,478	447,610	130,395	32,473	
38						
39	Total Depreciation Expense	10,102,000	7,141,692	2,420,112	540,196	

May not cross-check due to Rounding

NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF TAXES OTHER THAN INCOME
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

[A]		[B]	[C]	[D]	[E]	[F]
LINE NO.	DESCRIPTION	NORTH SHORE GAS	SC 1 Residential	SC 2 General Service	SC 3 Large Volume Demand Service	SOURCE or ALLOCATION FACTOR
1	Unauthorized Insurance Tax	13,880	9,593	3,470	817	Rate Base
2	Invested Capital - Underground Storage	49,800	30,529	15,619	3,652	CP
3	Invested Capital - Other (Replacement Tax)	1,637,000	1,131,359	409,308	96,333	Rate Base
4						
5	Illinois Public Utility Tax	4,800	3,681	941	178	Revenue
6	Federal Excise Tax	1,580	1,092	395	93	Rate Base
7	State Franchise Tax	24,990	17,271	6,248	1,471	Rate Base
8	Real Estate Tax	236,000	163,104	59,008	13,888	Rate Base
9	Payroll Taxes (Insurance Contributions & Unemploy)	1,381,950	1,020,009	308,090	53,851	Salaries & Wages
10	Other Tax	0	0	0	0	Salaries & Wages
11	TOTAL TAXES OTHER THAN INCOME	3,350,000	2,376,637	803,081	170,282	

May not cross-check due to Rounding

NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF OTHER INCOME & ADJUSTS
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

	[A]	[B]	[C]	[D]	[E]	[F]
LINE NO.	DESCRIPTION	NORTH SHORE GAS	SC 1 Residential	SC 2 General Service	SC 3 Large Volume Demand Service	SOURCE or ALLOCATION FACTOR
1	**BEFORE TAX ADJUSTMENTS:**					
2	--NONE--	0	0	0	0	
3		0	0	0	0	
4		0	0	0	0	
5	TOTAL OTHER ADJUSTS	0	0	0	0	
6						
7						
8	**AFTER TAX ADJUSTMENTS:**					
9	--NONE--	0	0	0	0	
10		0	0	0	0	
11	TOTAL OTHER ADJUSTS	0	0	0	0	

May not cross-check due to Rounding

NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF RATE BASE COMPONENT - PLANT IN SERVICE - YEAR END AVERAGE
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

LINE NO.	[A] DESCRIPTION	[B] NORTH SHORE GAS	[C] SC 1 Residential	[D] SC 2 General Service	[E] SC 3 Large Volume Demand Service	[F] SOURCE or ALLOCATION FACTOR
1	GAS PLANT:					
2	Production:					
3	Demand related	6,856,015	4,202,941	2,150,313	502,762	CP
4						
5	Storage:					
6	Underground Storage related	10,637,434	6,521,063	3,336,313	780,059	CP
7						
8						
9	Transmission	30,207,982	18,074,396	9,304,842	2,828,744	Ave & Peak
10						
11						
12	Distribution					
13	303	0	0	0	0	
14	374	3,403,614	2,036,490	1,048,401	318,722	Ave & Peak
15	375	9,693,252	5,799,781	2,985,773	907,698	Ave & Peak
16	376	167,690,629	100,334,635	51,653,062	15,702,933	Ave & Peak
17	377	0	0	0	0	
18	378	4,274,870	2,557,791	1,316,771	400,309	Ave & Peak
19	379	596,785	357,075	183,825	55,884	Ave & Peak
20	380	128,511,144	115,266,009	13,087,944	157,190	Services
21	381.0	35,081,541	24,972,281	9,895,540	213,720	Meters
22	381.2	833,258	748,816	84,442	0	AMR Device
23	381.3	1,116,134	0	1,116,134	0	DMD Device
24	382.0	0	0	0	0	Meters
25	382.2	0	0	0	0	AMR Device
26	382.3	0	0	0	0	DMD Device
27	383	5,388,107	3,835,445	1,519,837	32,825	Meters
28	385	324,479	0	170,778	153,701	Acct 385
29	Total Distribution	356,913,813	255,908,324	83,062,508	17,942,981	
30						
31	General					
32	Commodity related	0	0	0	0	Sales
33	Demand related					
34	Production	294,298	180,413	92,303	21,581	CP
35	Underground Storage	456,617	279,920	143,213	33,484	CP
36	Transmission	1,296,692	775,852	399,415	121,425	Ave & Peak
37	Distribution	7,969,508	4,768,410	2,454,815	746,283	Ave & Peak
38	Customer/Fixed related	7,351,188	6,730,065	620,023	1,100	Customer
39	Total General	17,368,303	12,734,660	3,709,769	923,874	
40						
41	Total Plant in Service	421,983,547	297,441,383	101,563,745	22,978,420	

May not cross-check due to Rounding

NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF RATE BASE COMPONENT - ACCUMULATED DEPRECIATION RESERVE - YEAR END AVERAGE
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

LINE NO.	[A] DESCRIPTION	[B] NORTH SHORE GAS	[C] SC 1 Residential	[D] SC 2 General Service	[E] SC 3 Large Volume Demand Service	[F] SOURCE or ALLOCATION FACTOR
1	DEPRECIATION RESERVE :					
2	Production:					
3	Demand related	(4,119,403)	(2,525,316)	(1,292,005)	(302,082)	CP
4						
5	Storage:					
6	Underground Storage related	(6,689,209)	(4,100,684)	(2,097,996)	(490,529)	CP
7						
8						
9	Transmission	(10,425,678)	(6,238,015)	(3,211,379)	(976,284)	Ave & Peak
10						
11						
12	Distribution					
13	303	0	0	0	0	
14	374	(1,004,443)	(600,990)	(309,394)	(94,058)	Ave & Peak
15	375	(5,232,749)	(3,130,920)	(1,611,822)	(490,007)	Ave & Peak
16	376	(65,881,845)	(39,419,202)	(20,293,316)	(6,169,326)	Ave & Peak
17	377	0	0	0	0	
18	378	(1,946,611)	(1,164,719)	(599,607)	(182,285)	Ave & Peak
19	379	(299,780)	(179,368)	(92,340)	(28,072)	Ave & Peak
20	380	(52,536,901)	(47,122,131)	(5,350,509)	(64,261)	Services
21	381.0	(17,596,752)	(12,525,990)	(4,963,561)	(107,201)	Meters
22	381.2	(353,953)	(318,084)	(35,869)	0	AMR Device
23	381.3	(782,919)	0	(782,919)	0	DMD Device
24	382.0	0	0	0	0	Meters
25	382.2	0	0	0	0	AMR Device
26	382.3	0	0	0	0	DMD Device
27	383	(3,927,394)	(2,795,658)	(1,107,810)	(23,926)	Meters
28	385	(296,050)	0	(155,816)	(140,234)	Acct 385
29	Total Distribution	(149,859,397)	(107,257,062)	(35,302,964)	(7,299,370)	
30						
31						
32	General					
33	Commodity related	0	0	0	0	Sales
34	Demand related					
35	Production	(234,751)	(143,909)	(73,627)	(17,215)	CP
36	Underground Storage	(381,195)	(233,684)	(119,558)	(27,954)	CP
37	Transmission	(594,123)	(355,483)	(183,005)	(55,635)	Ave & Peak
38	Distribution	(4,237,830)	(2,535,628)	(1,305,361)	(396,840)	Ave & Peak
39	Customer/Fixed related	(3,998,010)	(3,660,207)	(337,205)	(599)	Customer
40	Total General	(9,445,909)	(6,928,911)	(2,018,757)	(498,242)	
41						
42	Total Accumulated Depreciation Reserve	(180,539,596)	(127,049,987)	(43,923,101)	(9,566,508)	

May not cross-check due to Rounding

NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF RATE BASE COMPONENT - CONSTRUCTION WORK IN PROGRESS - YEAR END AVERAGE
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

LINE NO.	[A] DESCRIPTION	[B] NORTH SHORE GAS	[C] SC 1 Residential	[D] SC 2 General Service	[E] SC 3 Large Volume Demand Service	[F] SOURCE or ALLOCATION FACTOR
1	CONSTRUCTION WORK IN PROGRESS					
2	Production:					
3	Demand related	0	0	0	0	CP
4						
5	Storage:					
6	Underground Storage related	0	0	0	0	CP
7						
8	Transmission	0	0	0	0	Ave & Peak
9						
10	Distribution					
11	303	0	0	0	0	
12	374	0	0	0	0	Ave & Peak
13	375	0	0	0	0	Ave & Peak
14	376	401,000	239,931	123,518	37,551	Ave & Peak
15	377	0	0	0	0	
16	378	0	0	0	0	Ave & Peak
17	379	0	0	0	0	Ave & Peak
18	380	0	0	0	0	Services
19	381.0	0	0	0	0	Meters
20	381.2	0	0	0	0	AMR Device
21	381.3	0	0	0	0	DMD Device
22	382.0	0	0	0	0	Meters
23	382.2	0	0	0	0	AMR Device
24	382.3	0	0	0	0	DMD Device
25	383	0	0	0	0	Meters
26	385	0	0	0	0	Acct 385
27	Total Distribution	401,000	239,931	123,518	37,551	
28						
29						
30	General					
31	Commodity related	0	0	0	0	Sales
32	Demand related	0	0	0	0	Ave & Peak
33	Customer/Fixed related	0	0	0	0	Customer
34	Total General	0	0	0	0	
35						
36	Total Construction Work in Progress	401,000	239,931	123,518	37,551	

May not cross-check due to Rounding

NORTH SHORE GAS COMPANY
EMBEDDED GAS COST OF SERVICE STUDY
Detailed Cost of Service Study Allocation Results
ALLOCATION OF OTHER RATE BASE COMPONENTS
FUTURE TEST YEAR ENDED DECEMBER 31, 2012

LINE NO.	[A] DESCRIPTION	[B] NORTH SHORE GAS	[C] SC 1 Residential	[D] SC 2 General Service	[E] SC 3 Large Volume Demand Service	[F] SOURCE or ALLOCATION FACTOR
1						
2	Gas Stored Underground - 13 Mo. Average	6,894,000	4,226,227	2,162,226	505,547	CP
3						
4	Fuel Stock - 13 Mo. Average	840,004	514,947	263,458	61,599	CP
5						
6	Cash Working Capital - Year End Average					
7	Commodity Related	0	0	0	0	Sales
8	Demand Related					
9	Production	41,145	25,223	12,905	3,017	CP
10	Underground Storage	0	0	0	0	CP
11	Transmission	27,129	16,232	8,356	2,540	Ave & Peak
12	Distribution	798,268	477,629	245,887	74,752	Ave & Peak
13	Customer Related	2,183,458	1,998,971	184,160	327	Customer
14	Sub-Total	3,050,000	2,518,056	451,308	80,636	
15						
16	Materials & Supplies - 13 Mo. Average					
17	Commodity Related	0	0	0	0	Sales
18	Demand Related	606,527	362,904	186,826	56,797	Ave & Peak
19	Customer Related	559,469	512,198	47,187	84	Customer
20	Sub-Total	1,165,996	875,102	234,013	56,880	
21						
22	Accumulated Deferred Taxes - Year End Ave					
23	Commodity Related	0	0	0	0	Sales
24	Demand Related					
25	Production	(1,326,372)	(813,105)	(416,002)	(97,265)	CP
26	Underground Storage	(2,153,801)	(1,320,344)	(675,516)	(157,941)	CP
27	Transmission	(3,356,875)	(2,008,525)	(1,034,005)	(314,345)	Ave & Peak
28	Distribution	(23,944,291)	(14,326,631)	(7,375,463)	(2,242,198)	Ave & Peak
29	Customer Related	(24,307,661)	(22,253,834)	(2,050,188)	(3,639)	Customer
30	Sub-Total	(55,089,000)	(40,722,439)	(11,551,173)	(2,815,388)	
31						
32	Retirement Benefits, Net					
33	Commodity Related	0	0	0	0	Sales
34	Demand Related					
35	Production	(113,749)	(69,731)	(35,676)	(8,341)	CP
36	Underground Storage	0	0	0	0	CP
37	Transmission	(74,999)	(44,874)	(23,102)	(7,023)	Ave & Peak
38	Distribution	(2,206,885)	(1,320,449)	(679,778)	(206,658)	Ave & Peak
39	Customer Related	(6,036,367)	(5,526,336)	(509,127)	(904)	Customer
40	Sub-Total	(8,432,000)	(6,961,392)	(1,247,683)	(222,926)	
41						
42	Reserve for Injuries & Damages					
43	Commodity Related	0	0	0	0	Sales
44	Demand Related					
45	Production	(29,422)	(18,037)	(9,228)	(2,158)	CP
46	Underground Storage	0	0	0	0	CP
47	Transmission	(19,399)	(11,607)	(5,975)	(1,817)	Ave & Peak
48	Distribution	(570,827)	(341,544)	(175,830)	(53,454)	Ave & Peak
49	Customer Related	(1,561,352)	(1,429,428)	(131,690)	(234)	Customer
50	Sub-Total	(2,181,000)	(1,800,616)	(322,722)	(57,661)	
51						
52	Customer Advances - Year End Average	(631,000)	(377,547)	(194,364)	(59,088)	Ave & Peak
53						
54	Customer Deposits - 13 Mo. Average	(2,650,000)	(1,719,479)	(929,827)	(694)	Cust Deposits
55						
56	Budget Plan Balance - 13 Mo. Average	2,085,000	1,983,519	101,481	0	Budget Plan
57						
58	TOTAL OTHER RATE BASE COMPONENTS	(54,948,000)	(41,463,622)	(11,033,282)	(2,451,096)	

May not cross-check due to Rounding