

**THE RESPONSE OF
THE MANCHESTER GROUP TO
DATA REQUESTS NG-MAN 1.01 THROUGH NG-MAN 1.34 OF NICOR GAS**

ICC DOCKET NO. 09-0301

NG-MAN 1.07 Is Mr. Thomas aware of the term “actuarial cost”? If so, please provide a definition.

RESPONSE:

Manchester objects to this Data Request to the extent that it is vague, ambiguous, and seeks information that is neither relevant nor material to matters at issue in this proceeding nor designed to discover such information. Without waiving its objections, Manchester answers that Mr. Thomas is aware of the term “actuarial cost.” Mr. Thomas’s understanding is that actuarial cost is a method of calculation used to determine the amount of money an insurance company needs to collect to cover future benefits. Mr. Thomas notes, however, that actuarial cost calculations are used in annuity programs and pension plans that collect money over a period of time for a defined payout over a period of time. Actuarial cost calculations are not used in warranty products or in Manchester’s management of Utility Shield.