

The Peoples Gas Light and Coke Company

Accumulated Deferred Income Taxes

| Line No. | December 31, 2011 | Company | Account | Adjustment Description | EB Original Ratecase | EB Rebuttal | Difference | In Rate Base | Out of Rate Base |
|----------|-------------------|----------------------|--|-----------------------------------|----------------------|------------------|-----------------|--------------|------------------|
| 1 | | Peoples Gas Light ar | 190000 Def Inc Tax Asset - Sec 29 Credit | FAS 133 G/L INT SW OCI | 54,333.21 | 56,288.08 | 1,954.87 | No | 56,288.08 |
| 2 | | Peoples Gas Light ar | 190000 Def Inc Tax Asset - Sec 29 Credit | FAS 133 G/L OCI | 160,801.24 | 166,586.77 | 5,785.53 | No | 166,586.77 |
| 3 | | | 190000 Def Inc Tax Asset - Sec 29 Credit Total | | 215,134.45 | 222,874.85 | 7,740.40 | | |
| 4 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | AMT Tax Credit Carryforward | (1.00) | (1.00) | - | No | (1.00) |
| 5 | | | 190101 Fed Def Tax Asset - Oper | Healthcare Deferral Grossup - Fed | (7,553,646.50) | (7,553,646.50) | - | No | (7,553,646.50) |
| 6 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Rider VBA | 2,566,124.75 | 2,566,124.75 | - | No | 2,566,124.75 |
| 7 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Current Benefits | (27,574.40) | (27,574.40) | - | Yes | (27,574.40) |
| 8 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Group Insurance | 34,503,616.04 | 36,309,463.07 | 1,805,847.03 | Yes | 36,309,463.07 |
| 9 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Post Retire - Cum Medicare | - | - | - | No | - |
| 10 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | SERP | 514,223.58 | 442,414.77 | (71,808.81) | No | 442,414.77 |
| 11 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Incentives - 481 Adj | 146,217.40 | 146,217.40 | - | No | 146,217.40 |
| 12 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Incentives Accrued(LTIC) | 436,176.65 | 288,964.91 | (147,211.74) | No | 288,964.91 |
| 13 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Restricted Stock | 471,144.01 | 471,144.01 | - | No | 471,144.01 |
| 14 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Post Retirement - Med/Dental | (1,122,578.10) | (738,918.95) | 383,659.15 | Yes | (738,918.95) |
| 15 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Pension | (59,170,499.50) | (45,899,340.56) | 13,271,158.94 | Yes | (45,899,340.56) |
| 16 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | State Tax Deduction | 1,583,950.71 | 1,583,950.71 | - | No | 1,583,950.71 |
| 17 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Customer Advances | 192,203.40 | 192,203.40 | - | Yes | 192,203.40 |
| 18 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Def Inc & Deduct NonC | 2,489.90 | 2,489.90 | - | No | 2,489.90 |
| 19 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Gas Charge Settlement | 8,476,566.62 | 558,674.82 | (7,917,891.80) | No | 558,674.82 |
| 20 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | IBS Asset Transfer | (42,219.68) | (42,219.68) | - | No | (42,219.68) |
| 21 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Rider EEP | (2,009,728.49) | - | 2,009,728.49 | No | - |
| 22 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Price Risk Hedging (NonCur-Asse | (0.35) | - | 0.35 | No | - |
| 23 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Reg Liabilities-Bad Debt Rider LT | - | - | - | No | - |
| 24 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Reg Liabilities-Non-Cur | (431,889.85) | (431,889.85) | - | No | (431,889.85) |
| 25 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | Basis Adjust (CWIP) | - | - | - | No | - |
| 26 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | IL IRT Inv Credit Amortization | 1,875,846.95 | 1,875,846.95 | - | No | 1,875,846.95 |
| 27 | | Peoples Gas Light ar | 190101 Fed Def Tax Asset - Oper | IL IRT Inv Credit Provision | 1,029,273.90 | 1,029,273.90 | - | No | 1,029,273.90 |
| 28 | | | 190101 Fed Def Tax Asset - Oper Total | | (18,560,303.96) | (9,226,822.35) | 9,333,481.61 | | |
| 29 | | Peoples Gas Light ar | 190180 Fed Def Tax Asset FAS109 | ITC Amort | 8,105,372.63 | 8,302,409.32 | 197,036.69 | No | 8,302,409.32 |
| 30 | | Peoples Gas Light ar | 190180 Fed Def Tax Asset FAS109 | IL IRT Inv Credit Amortization | 33,659.13 | 80,078.06 | 46,418.93 | No | 80,078.06 |
| 31 | | Peoples Gas Light ar | 190180 Fed Def Tax Asset FAS109 | IL IRT Inv Credit Provision | 81,053.93 | 108,045.33 | 26,991.40 | No | 108,045.33 |
| 32 | | | 190180 Fed Def Tax Asset FAS109 Total | | 8,220,085.69 | 8,490,532.71 | 270,447.02 | | |
| 33 | | | 190201 State Def Tax Asset - Oper | Healthcare Deferral Grossup - Sta | (1,024,058.65) | (1,024,058.65) | - | No | (1,024,058.65) |
| 34 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Current Benefits | (3,738.30) | (3,738.30) | - | Yes | (3,738.30) |
| 35 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Group Insurance | 4,677,704.52 | 4,910,297.27 | 232,592.75 | Yes | 4,910,297.27 |
| 36 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Post Retire - Cum Medicare | - | - | - | No | - |
| 37 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | SERP | 69,714.02 | 59,695.63 | (10,018.39) | No | 59,695.63 |
| 38 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Incentives - 481 Adj | 19,822.90 | 22,809.91 | 2,987.01 | No | 22,809.91 |
| 39 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Incentives Accrued(LTIC) | 59,133.09 | 44,707.78 | (14,425.31) | No | 44,707.78 |
| 40 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Restricted Stock | 63,873.67 | 70,459.65 | 6,585.98 | No | 70,459.65 |
| 41 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Post Retirement - Med/Dental | (152,189.52) | (100,176.30) | 52,013.22 | Yes | (100,176.30) |
| 42 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Pension | (8,021,829.15) | (6,178,007.77) | 1,843,821.38 | Yes | (6,178,007.77) |
| 43 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Customer Advances | 26,057.29 | 26,057.29 | - | Yes | 26,057.29 |
| 44 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Gas Charge Settlement | 1,149,180.25 | 67,677.73 | (1,081,502.52) | No | 67,677.73 |
| 45 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | IBS Asset Transfer IL | (4,267.96) | (4,267.97) | (0.01) | No | (4,267.97) |
| 46 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Price Risk Hedging (NonCur-Asse | (0.05) | - | 0.05 | No | - |
| 47 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Reg Liabilities-Bad Debt Rider LT | - | - | - | No | - |
| 48 | | | 190201 State Def Tax Asset - Oper | Reg Liabilities-IL EEP | - | - | - | No | - |
| 49 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Reg Liabilities-Non-Cur | (58,551.92) | (58,551.92) | - | No | (58,551.92) |
| 50 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | Basis Adjust (CWIP) | - | - | - | No | - |
| 51 | | Peoples Gas Light ar | 190201 State Def Tax Asset - Oper | IL IRT Inv Credit Amortization | 229,009.92 | 229,009.92 | - | No | 229,009.92 |
| 52 | | | 190201 State Def Tax Asset - Oper Total | | (2,970,138.89) | (1,938,085.73) | 1,032,054.16 | | |
| 53 | | Peoples Gas Light ar | 190280 State Def Tax Asset FAS109 | ITC Amort | 1,098,856.94 | 1,464,782.22 | 365,925.28 | No | 1,464,782.22 |
| 54 | | Peoples Gas Light ar | 190280 State Def Tax Asset FAS109 | IL IRT Inv Credit Amortization | 29,864.55 | 116,071.13 | 86,206.58 | No | 116,071.13 |
| 55 | | Peoples Gas Light ar | 190280 State Def Tax Asset FAS109 | IL IRT Inv Credit Provision | 150,528.73 | 200,655.60 | 50,126.87 | No | 200,655.60 |
| 56 | | | 190280 State Def Tax Asset FAS109 Total | | 1,279,250.22 | 1,781,508.95 | 502,258.73 | | |
| 57 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Workers Compensation | 153,387.50 | 153,387.50 | - | Yes | 153,387.50 |
| 58 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Incentives Accrued Current | 17,318.35 | 164,530.10 | 147,211.75 | No | 164,530.10 |
| 59 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Vacation | 3,193,005.42 | 3,193,005.41 | (0.01) | No | 3,193,005.41 |
| 60 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Def Compensation | 319,602.27 | 319,602.28 | 0.01 | No | 319,602.28 |
| 61 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Reduction in Force | (974,951.95) | (974,951.95) | - | No | (974,951.95) |
| 62 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Gas Cost Reconciliation | (3,713,026.38) | 4,112,612.47 | 7,825,638.85 | No | 4,112,612.47 |
| 63 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Inventory Cost Capitalized | 780,181.42 | - | 780,181.42 | Yes | 780,181.42 |
| 64 | | | 190900 Federal Deferred Tax Asset - Current | Rider EEP | - | (2,398,644.61) | (2,398,644.61) | No | (2,398,644.61) |
| 65 | | | 190900 Federal Deferred Tax Asset - Current | Def Inc & Deduct Current | - | (2,000.00) | (2,000.00) | No | (2,000.00) |
| 66 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Price Risk Hedging (Current-Asse | 73,282.43 | 73,282.43 | - | No | 73,282.43 |
| 67 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Reg Assets (Current) | (5,646,727.00) | (5,646,727.00) | - | No | (5,646,727.00) |
| 68 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Take or Pay Reconciliation | (18.55) | (18.55) | - | No | (18.55) |
| 69 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Reg Liabilities-Bad Debt Rider ST | 1,002,896.02 | 1,002,896.03 | 0.01 | No | 1,002,896.03 |
| 70 | | Peoples Gas Light ar | 190900 Federal Deferred Tax Asset - Current | Bad Debts | 11,667,564.93 | 11,667,564.93 | - | No | 11,667,564.93 |
| 71 | | | 190900 Federal Deferred Tax Asset - Current Total | | 6,872,514.46 | 12,444,720.46 | 5,572,206.00 | | |
| 72 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Rider VBA | 347,893.20 | 347,893.20 | - | No | 347,893.20 |
| 73 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Workers Compensation | 20,794.96 | 25,867.23 | 5,072.27 | Yes | 25,867.23 |
| 74 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Incentives Accrued Current | 2,347.87 | 22,305.57 | 19,957.70 | No | 22,305.57 |
| 75 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Vacation | 432,880.31 | 428,255.35 | (4,624.96) | No | 428,255.35 |
| 76 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Def Compensation | 43,328.94 | 43,328.93 | (0.01) | No | 43,328.93 |
| 77 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Reduction in Force | (132,175.63) | (132,175.63) | - | No | (132,175.63) |
| 78 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Def Inc & Deduct NonC | 337.56 | 337.56 | - | No | 337.56 |
| 79 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Gas Cost Reconciliation | (503,380.29) | 594,415.87 | 1,097,796.16 | Yes | 594,415.87 |
| 80 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Inventory Cost Capitalized | 105,770.31 | 105,770.31 | - | Yes | 105,770.31 |
| 81 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Rider EEP | (272,461.95) | (384,618.02) | (112,156.26) | No | (384,618.02) |
| 82 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Price Risk Hedging (Current-Asse | 9,935.00 | 25,152.78 | 15,217.78 | No | 25,152.78 |
| 83 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Reg Assets (Current) | (765,534.85) | (765,534.85) | - | No | (765,534.85) |
| 84 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Take or Pay Reconciliation | (2.51) | (3.27) | (0.76) | No | (3.27) |
| 85 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Reg Liabilities-Bad Debt Rider ST | 135,964.05 | 130,472.19 | (5,491.86) | No | 130,472.19 |
| 86 | | Peoples Gas Light ar | 190910 State Deferred Tax Asset - Current | Bad Debts | 1,581,788.45 | 1,587,541.37 | 5,752.92 | No | 1,587,541.37 |
| 87 | | | 190910 State Deferred Tax Asset - Current Total | | 1,007,485.61 | 2,029,008.59 | 1,021,522.98 | | |
| 88 | | Peoples Gas Light ar | 282100 Fed Def Tax Liab - Plant | Basis Adjustments (P-I-S) | (5,251,355.58) | (31,266,805.20) | (26,015,449.62) | Yes | (31,266,805.20) |
| 89 | | Peoples Gas Light ar | 282100 Fed Def Tax Liab - Plant | Depreciation - Fed Only | (274,370,332.55) | (311,496,534.75) | (37,126,202.20) | Yes | (311,496,534.75) |
| 90 | | Peoples Gas Light ar | 282100 Fed Def Tax Liab - Plant | Depreciation Step2 | (31,044,102.01) | (31,044,102.01) | - | Yes | (31,044,102.01) |
| 91 | | | 282100 Fed Def Tax Liab - Plant Total | | (310,665,790.14) | (373,807,441.96) | (63,141,651.82) | | |
| 92 | | Peoples Gas Light ar | 282180 Fed Def Tax Liab FAS109 | IBS Asset Transfer | (0.03) | (0.03) | - | No | (0.03) |
| 93 | | Peoples Gas Light ar | 282180 Fed Def Tax Liab FAS109 | Basis Adjustments (P-I-S) | (853,632.85) | (1,472,855.31) | (619,222.46) | No | (1,472,855.31) |
| 94 | | Peoples Gas Light ar | 282180 Fed Def Tax Liab FAS109 | Depreciation - Fed Only | 9,753,495.89 | 10,297,665.21 | 544,169.32 | No | 10,297,665.21 |
| 95 | | Peoples Gas Light ar | 282180 Fed Def Tax Liab FAS109 | Depreciation Step2 | (31,023,395.87) | (32,532,219.03) | (1,508,823.16) | No | (32,532,219.03) |
| 96 | | Peoples Gas Light ar | 282180 Fed Def Tax Liab FAS109 | Depreciation - State Only | 135,171.75 | (4,648,571.15) | (4,783,742.90) | No | (4,648,571.15) |
| 97 | | | 282180 Fed Def Tax Liab FAS109 | Nonplant FAS 109 | - | 5,967,488.10 | 5,967,488.10 | No | 5,967,488.10 |
| 98 | | | 282180 Fed Def Tax Liab FAS109 Total | | (21,988,361.11) | (22,388,492.21) | (400,131.10) | | |
| 99 | | Peoples Gas Light ar | 282200 Sta Def Tax Liab - Plant | Basis Adjustments (P-I-S) | (703,787.76) | (4,502,352.67) | (3,798,564.91) | | |

Accumulated Deferred Income Taxes

| | | | | | | | | | |
|----|----------------------|---|---------------------------------|-------------------------|-------------------------|------------------------|------------|-------------------------|-------------------------|
| 1 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Interest - Non FIN 48 | 1,066,434.25 | 1,066,434.25 | - | No | | 1,066,434.25 |
| 2 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | FAS 112 Post Emphy Ben | 655,032.00 | 690,051.97 | 35,019.97 | Yes | 690,051.97 | |
| 3 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Injuries & Damages | 2,797,152.84 | 2,797,152.84 | - | Yes | 2,797,152.84 | |
| 4 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | ALPORA | 2,644,205.55 | 2,644,205.55 | - | No | | 2,644,205.55 |
| 5 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | InterCo GN SNG | (108,787.71) | (108,787.71) | - | No | | (108,787.71) |
| 6 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Environmental Cleanup | 4,933,470.62 | 4,933,470.64 | 0.02 | Yes | 4,933,470.64 | |
| 7 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Environmental Insurance | (145,843.10) | (145,843.10) | - | No | | (145,843.10) |
| 8 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Loss on Recquired Debt | (3,262,310.78) | (3,262,310.78) | - | No | | (3,262,310.78) |
| 9 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Reg Assets - Bad Debt Rider LT | - | - | - | No | | - |
| 10 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Reg Assets - SB1918 | (1,813,247.09) | (1,852,198.09) | (38,951.00) | No | | (1,852,198.09) |
| 11 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Reg Assets (Non-Current) | 3,042,583.75 | 3,042,583.76 | 0.01 | No | | 3,042,583.76 |
| 12 | Peoples Gas Light ar | 283101 Fed Def Tax Liab - Oper | Regulatory Asset-Auto | 145,843.10 | 145,843.10 | - | No | | 145,843.10 |
| 13 | | 283101 Fed Def Tax Liab - Oper Total | | 9,954,533.43 | 9,950,602.43 | (3,931.00) | | | |
| 14 | Peoples Gas Light ar | 283102 Fed Def Tax Liab - Excess | FIN 48 - 283102/409110 | - | - | - | - | | - |
| 15 | Peoples Gas Light ar | 283102 Fed Def Tax Liab - Excess | FIN 48 - 283102/409113 | - | - | - | - | | - |
| 16 | | 283102 Fed Def Tax Liab - Excess Total | | - | - | - | | | |
| 17 | | 283110 Fed Def Tax - M&S/CWIP | Basis Adust (CWIP) | (578,146.11) | (578,146.11) | - | Yes | (578,146.11) | |
| 18 | Peoples Gas Light ar | 283110 Fed Def Tax - M&S/CWIP | Deprec (Adj-Tax Sys) | (3,954,712.51) | (3,954,712.51) | - | Yes | (3,954,712.51) | |
| 19 | Peoples Gas Light ar | 283110 Fed Def Tax - M&S/CWIP | Deprec (Adj-Tax Sys) Fed Only | 2,264,543.99 | 2,264,543.99 | - | Yes | 2,264,543.99 | |
| 20 | Peoples Gas Light ar | 283110 Fed Def Tax - M&S/CWIP | Manlove Cushion Gas Adj | (559,480.60) | (559,480.60) | - | Yes | (559,480.60) | |
| 21 | Peoples Gas Light ar | 283110 Fed Def Tax - M&S/CWIP | Sec 481 (a) Adj | (9,320,306.45) | (9,320,306.45) | - | Yes | (9,320,306.45) | |
| 22 | Peoples Gas Light ar | 283110 Fed Def Tax - M&S/CWIP | SAP Property Adjustment-outside | 617,206.45 | 617,206.45 | - | Yes | 617,206.45 | |
| 23 | Peoples Gas Light ar | 283110 Fed Def Tax - M&S/CWIP | Software-outside powertax | 0.04 | 0.04 | - | Yes | 0.04 | |
| 24 | | 283110 Fed Def Tax - M&S/CWIP Total | | (11,530,895.19) | (11,530,895.19) | - | | | |
| 25 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Interest - Non FIN 48 | 144,578.01 | 144,578.01 | - | No | | 144,578.01 |
| 26 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | FAS 112 Post Emphy Ben | 88,803.62 | 93,123.09 | 4,319.47 | Yes | 93,123.09 | |
| 27 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Injuries & Damages | 379,214.01 | 379,214.02 | 0.01 | Yes | 379,214.02 | |
| 28 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | ALPORA | 358,478.72 | 358,478.72 | - | No | | 358,478.72 |
| 29 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | InterCo GN SNG | (14,748.50) | (14,748.50) | - | No | | (14,748.50) |
| 30 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Environmental Cleanup | 668,837.66 | 654,003.84 | (14,833.82) | Yes | 654,003.84 | |
| 31 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Environmental Insurance | (19,772.16) | (19,772.16) | - | No | | (19,772.16) |
| 32 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Loss on Recquired Debt | (442,276.13) | (440,050.98) | 2,225.15 | No | | (440,050.98) |
| 33 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Reg Assets - Bad Debt Rider LT | - | - | - | No | | - |
| 34 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Reg Assets - SB1918 | (245,824.50) | (323,439.83) | (77,615.33) | No | | (323,439.83) |
| 35 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Reg Assets (Non-Current) | 412,487.43 | 430,721.53 | 18,234.10 | No | | 430,721.53 |
| 36 | Peoples Gas Light ar | 283201 State Def Tax Liab - Oper | Regulatory Asset-Auto | 19,772.16 | 19,772.16 | - | No | | 19,772.16 |
| 37 | | 283201 State Def Tax Liab - Oper Total | | 1,349,550.32 | 1,281,879.90 | (67,670.42) | | | |
| 38 | Peoples Gas Light ar | 283202 State Def Tax Liab - Excess | FIN 48 - 283202/409110 | - | - | - | - | | - |
| 39 | Peoples Gas Light ar | 283202 State Def Tax Liab - Excess | FIN 48 - 283202/409110 | - | - | - | - | | - |
| 40 | | 283202 State Def Tax Liab - Excess Total | | - | - | - | | | |
| 41 | | 283210 State Def Tax - M&S/CWIP | Basis Adjust (CWIP) | (78,380.09) | (78,380.09) | - | Yes | (78,380.09) | |
| 42 | Peoples Gas Light ar | 283210 State Def Tax - M&S/CWIP | Deprec (Adj-Tax Sys) | (536,146.03) | (536,146.03) | - | Yes | (536,146.03) | |
| 43 | Peoples Gas Light ar | 283210 State Def Tax - M&S/CWIP | Manlove Cushion Gas Adj | (75,849.58) | (75,849.58) | - | Yes | (75,849.58) | |
| 44 | Peoples Gas Light ar | 283210 State Def Tax - M&S/CWIP | Sec 481 (a) Adj | (1,263,567.26) | (1,260,338.12) | 3,229.14 | Yes | (1,260,338.12) | |
| 45 | Peoples Gas Light ar | 283210 State Def Tax - M&S/CWIP | SAP Property Adjustment-outside | 83,675.56 | 83,675.56 | - | Yes | 83,675.56 | |
| 46 | Peoples Gas Light ar | 283210 State Def Tax - M&S/CWIP | Software-outside powertax | 0.01 | 0.01 | - | Yes | 0.01 | |
| 47 | Peoples Gas Light ar | 283210 State Def Tax - M&S/CWIP | Deprec (Adj-Tax Sys) (State) | 238,274.91 | 238,274.91 | - | Yes | 238,274.91 | |
| 48 | | 283210 State Def Tax - M&S/CWIP Total | | (1,631,992.48) | (1,628,763.34) | 3,229.14 | | | |
| 49 | Peoples Gas Light ar | 283300 Federal Deferred Tax Liability - Cu | Prepaid Insurance | (2,029,793.64) | (2,029,793.64) | - | No | | (2,029,793.64) |
| 50 | Peoples Gas Light ar | 283300 Federal Deferred Tax Liability - Cu | Interest | 403,551.47 | 413,782.32 | 10,230.85 | No | | 413,782.32 |
| 51 | Peoples Gas Light ar | 283300 Federal Deferred Tax Liability - Cu | Reg Assets - Bad Debt Rider ST | (0.14) | (0.14) | - | No | | (0.14) |
| 52 | | 283300 Federal Deferred Tax Liability - Cu Total | | (1,626,242.31) | (1,616,011.46) | 10,230.85 | | | |
| 53 | Peoples Gas Light ar | 283310 State Def Tax Liab-Non Oper Current | Prepaid Insurance | (275,182.02) | (291,330.02) | (16,148.00) | No | | (291,330.02) |
| 54 | Peoples Gas Light ar | 283310 State Def Tax Liab-Non Oper Current | Interest | 54,710.05 | 73,002.10 | 18,292.05 | No | | 73,002.10 |
| 55 | Peoples Gas Light ar | 283310 State Def Tax Liab-Non Oper Current | Reg Assets - Bad Debt Rider ST | (0.02) | (0.01) | 0.01 | No | | (0.01) |
| 56 | | 283310 State Def Tax Liab-Non Oper Current Total | | (220,471.99) | (218,327.93) | 2,144.06 | | | |
| 57 | | | | (380,124,203.63) | (439,665,099.88) | (59,540,896.25) | | (435,500,557.08) | (4,164,542.80) |
| 58 | | | | | | | | | (439,665,099.88) |
| 59 | | | | | | | | | 0.00 |
| 60 | | | | | | | | | |
| 61 | | | | | | | | | |
| 62 | | | | | | | | | |
| 63 | | | | | | | | | |
| 64 | | | | | | | | | |
| 65 | | | | | | | | | |
| 66 | | | | | | | | | |
| 67 | | | | | | | | | |

Debasing Impact 0.00
(435,500,557.08)
Original B-1 amount (378,118,104.00)
Adjustment (57,382,453.08)

The Peoples Gas Light and Coke Company
Accumulated Deferred Income Taxes

| Line No. | December 31, 2012 | Company | Account | Adjustment Description | EB Original Ratecase | EB Rebuttal | Difference | In Rate Base | Out of Rate Base |
|----------|-------------------|---------------|--|---------------------------------------|----------------------|------------------|-----------------|--------------|------------------|
| 1 | | Peoples Gas L | 190000 Def Inc Tax Asset - Sec 29 Credit | FAS 133 G/L INT SW OCI | 37,365.97 | 38,710.37 | 1,344.40 | No | 38,710.37 |
| 2 | | Peoples Gas L | 190000 Def Inc Tax Asset - Sec 29 Credit | FAS 133 G/L OCI | 153,833.83 | 159,368.67 | 5,534.84 | No | 159,368.67 |
| 3 | | | 190000 Def Inc Tax Asset - Sec 29 Credit Total | | 191,199.80 | 198,079.04 | 6,879.24 | | |
| 4 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | AMT Tax Credit Carryforward | (1.00) | (1.00) | - | No | (1.00) |
| 5 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Healthcare Deferral Grossup - Federal | (7,553,646.50) | (7,553,646.50) | - | No | (7,553,646.50) |
| 6 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Rider VBA | 2,566,124.75 | 2,566,124.75 | - | No | 2,566,124.75 |
| 7 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Current Benefits | (27,574.40) | (27,574.40) | - | Yes | (27,574.40) |
| 8 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Group Insurance | 32,049,440.54 | 10,104,782.49 | (21,944,658.05) | Yes | 10,104,782.49 |
| 9 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Post Retire - Cum Medicare | - | - | - | No | - |
| 10 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | SERP | 498,153.33 | 402,146.95 | (96,006.38) | No | 402,146.95 |
| 11 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Incentives - 481 Adj | 219,326.10 | 219,326.10 | - | No | 219,326.10 |
| 12 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Incentives Accrued(LTIC) | 571,879.35 | 424,667.61 | (147,211.74) | No | 424,667.61 |
| 13 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Restricted Stock | 624,156.66 | 624,156.66 | - | No | 624,156.66 |
| 14 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Post Retirement - Med/Dental | (1,122,578.10) | (738,918.95) | 383,659.15 | Yes | (738,918.95) |
| 15 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Pension | (53,516,124.90) | (38,573,100.33) | 14,943,024.57 | Yes | (38,573,100.33) |
| 16 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | State Tax Deduction | 1,583,950.71 | 1,583,950.71 | - | No | 1,583,950.71 |
| 17 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Customer Advances | 192,203.40 | 192,203.40 | - | Yes | 192,203.40 |
| 18 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Def Inc & Deduct NonC | 2,489.90 | 2,489.90 | - | No | 2,489.90 |
| 19 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Gas Charge Settlement | 8,139,866.62 | 221,974.82 | (7,917,891.80) | No | 221,974.82 |
| 20 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | IBS Asset Transfer | 41,752.18 | 41,752.18 | - | No | 41,752.18 |
| 21 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Rider EEP | (2,009,728.49) | - | 2,009,728.49 | No | - |
| 22 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Price Risk Hedging (NonCur-Asset) | (0.35) | - | 0.35 | No | - |
| 23 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Reg Liabilities-Bad Debt Rider LT | - | - | - | No | - |
| 24 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Reg Liabilities-Non-Cur | (431,889.85) | (431,889.85) | - | No | (431,889.85) |
| 25 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | Basis Adjust (CWIP) | - | - | - | No | - |
| 26 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | IL IRT Inv Credit Amortization | 1,795,327.56 | 1,795,327.56 | - | No | 1,795,327.56 |
| 27 | | Peoples Gas L | 190101 Fed Def Tax Asset - Oper | IL IRT Inv Credit Provision | 1,345,895.25 | 1,345,895.25 | - | No | 1,345,895.25 |
| 28 | | | 190118 Fed Def Tax Asset - Oper Total | | (15,031,777.24) | (27,800,532.65) | (12,769,355.41) | | |
| 29 | | Peoples Gas L | 190180 Fed Def Tax Asset FAS109 | ITC Amort | 7,800,818.95 | 7,990,452.12 | 189,633.17 | No | 7,990,452.12 |
| 30 | | Peoples Gas L | 190180 Fed Def Tax Asset FAS109 | IL IRT Inv Credit Amortization | 32,214.30 | 76,640.73 | 44,426.43 | No | 76,640.73 |
| 31 | | Peoples Gas L | 190180 Fed Def Tax Asset FAS109 | IL IRT Inv Credit Provision | 105,971.69 | 141,260.83 | 35,289.14 | No | 141,260.83 |
| 32 | | | 190180 Fed Def Tax Asset FAS109 Total | | 7,939,004.94 | 8,208,353.68 | 269,348.74 | | |
| 33 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Healthcare Deferral Grossup - State | (1,024,058.65) | (1,024,058.65) | - | No | (1,024,058.65) |
| 34 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Current Benefits | (3,738.30) | (3,738.30) | - | Yes | (3,738.30) |
| 35 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Group Insurance | 4,344,988.44 | 1,366,516.67 | (2,978,471.77) | Yes | 1,366,516.67 |
| 36 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Post Retire - Cum Medicare | - | - | - | No | - |
| 37 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | SERP | 67,535.36 | 54,262.27 | (13,273.09) | No | 54,262.27 |
| 38 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Incentives - 481 Adj | 29,734.36 | 35,708.37 | 5,974.02 | No | 35,708.37 |
| 39 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Incentives Accrued(LTIC) | 77,530.50 | 88,649.61 | (8,880.89) | No | 88,649.61 |
| 40 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Restricted Stock | 84,617.81 | 97,455.45 | 12,837.64 | No | 97,455.45 |
| 41 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Post Retirement - Med/Dental | (152,189.52) | (100,176.30) | 52,013.22 | Yes | (100,176.30) |
| 42 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Pension | (7,255,257.50) | (5,191,902.74) | 2,063,354.76 | Yes | (5,191,902.74) |
| 43 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Customer Advances | 26,057.29 | 26,057.29 | - | Yes | 26,057.29 |
| 44 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Gas Charge Settlement | 1,103,533.35 | 26,889.97 | (1,076,643.38) | No | 26,889.97 |
| 45 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | IBS Asset Transfer IL | 6,523.53 | 8,420.67 | 1,897.14 | No | 8,420.67 |
| 46 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Price Risk Hedging (NonCur-Asset) | (0.05) | - | 0.05 | No | - |
| 47 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Reg Liabilities-Bad Debt Rider LT | - | - | - | No | - |
| 48 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Reg Liabilities-Non-Cur | (58,551.92) | (58,551.92) | - | No | (58,551.92) |
| 49 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | Basis Adjust (CWIP) | - | - | - | No | - |
| 50 | | Peoples Gas L | 190201 State Def Tax Asset - Oper | IL IRT Inv Credit Amortization | 219,179.88 | 219,179.88 | - | No | 219,179.88 |
| 51 | | | 190201 State Def Tax Asset - Oper Total | | (2,534,095.43) | (4,475,287.73) | (1,941,192.30) | | |
| 52 | | Peoples Gas L | 190280 State Def Tax Asset FAS109 | ITC Amort | 1,057,568.17 | 1,409,744.05 | 352,175.88 | No | 1,409,744.05 |
| 53 | | Peoples Gas L | 190280 State Def Tax Asset FAS109 | IL IRT Inv Credit Amortization | 28,582.58 | 111,088.81 | 82,506.23 | No | 111,088.81 |
| 54 | | Peoples Gas L | 190280 State Def Tax Asset FAS109 | IL IRT Inv Credit Provision | 196,804.56 | 262,341.54 | 65,536.98 | No | 262,341.54 |
| 55 | | | 190280 State Def Tax Asset FAS109 Total | | 1,282,955.31 | 1,783,174.40 | 500,219.09 | | |
| 56 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Workers Compensation | 221,719.05 | 221,719.05 | - | Yes | 221,719.05 |
| 57 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Incentives Accrued Current | 17,318.35 | 164,530.10 | 147,211.75 | No | 164,530.10 |
| 58 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Vacation | 2,815,530.72 | 2,815,530.72 | - | No | 2,815,530.72 |
| 59 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Def Compensation | 319,602.27 | 319,602.28 | 0.01 | No | 319,602.28 |
| 60 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Rider EEP | (2,398,644.61) | (2,398,644.61) | - | No | (2,398,644.61) |
| 61 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Def Inc & Deduct Current | - | (2,000.00) | (2,000.00) | No | (2,000.00) |
| 62 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Reduction in Force | (974,951.95) | (974,951.95) | - | No | (974,951.95) |
| 63 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Gas Cost Reconciliation | (2,728,759.88) | 5,096,878.97 | 7,825,638.85 | No | 5,096,878.97 |
| 64 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Inventory Cost Capitalized | 780,181.42 | 780,181.42 | - | Yes | 780,181.42 |
| 65 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Price Risk Hedging (Current-Asset) | 81,564.30 | 81,564.30 | - | No | 81,564.30 |
| 66 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Reg Assets (Current) | (5,646,727.00) | (5,646,727.00) | - | No | (5,646,727.00) |
| 67 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Take or Pay Reconciliation | (118.55) | (118.55) | - | No | (118.55) |
| 68 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Reg Liabilities-Bad Debt Rider ST | 402,716.73 | 402,716.73 | 0.01 | No | 402,716.73 |
| 69 | | Peoples Gas L | 190900 Federal Deferred Tax Asset - Current | Bad Debts | 12,198,517.03 | 12,198,517.03 | - | No | 12,198,517.03 |
| 70 | | | 190900 Federal Deferred Tax Asset - Current Total | | 7,487,692.48 | 13,059,898.49 | 5,572,206.01 | | |
| 71 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Rider VBA | 347,893.20 | 347,893.20 | - | No | 347,893.20 |
| 72 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Workers Compensation | 30,058.77 | 37,922.87 | 7,864.10 | Yes | 37,922.87 |
| 73 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Incentives Accrued Current | 2,347.87 | 22,305.57 | 19,957.70 | No | 22,305.57 |
| 74 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Vacation | 381,841.09 | 377,761.44 | (4,079.65) | No | 377,761.44 |
| 75 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Def Compensation | 43,328.94 | 43,328.93 | (0.01) | No | 43,328.93 |
| 76 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Reduction in Force | (132,175.63) | (132,175.63) | - | No | (132,175.63) |
| 77 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Def Inc & Deduct NonC | 337.56 | 337.56 | - | No | 337.56 |
| 78 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Gas Cost Reconciliation | (369,941.87) | 768,068.60 | 1,138,010.47 | No | 768,068.60 |
| 79 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Inventory Cost Capitalized | 105,770.31 | 105,770.31 | - | Yes | 105,770.31 |
| 80 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Rider EEP | (272,461.76) | (384,618.02) | (112,156.26) | No | (384,618.02) |
| 81 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Price Risk Hedging (Current-Asset) | 11,057.79 | 26,613.94 | 15,556.15 | No | 26,613.94 |
| 82 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Reg Assets (Current) | (765,534.85) | (765,534.85) | - | No | (765,534.85) |
| 83 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Take or Pay Reconciliation | (2.51) | (3.27) | (0.76) | No | (3.27) |
| 84 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Reg Liabilities-Bad Debt Rider ST | 54,596.88 | 52,391.60 | (2,205.28) | No | 52,391.60 |
| 85 | | Peoples Gas L | 190910 State Deferred Tax Asset - Current | Bad Debts | 1,653,770.38 | 1,681,216.49 | 27,446.11 | No | 1,681,216.49 |
| 86 | | | 190910 State Deferred Tax Asset - Current Total | | 1,090,886.17 | 2,181,278.74 | 1,090,392.57 | Yes | (37,855,840.09) |
| 87 | | Peoples Gas L | 282100 Fed Def Tax Liab - Plant | Basis Adjustments (P-I-S) | (9,612,578.91) | (37,855,840.09) | (28,243,261.18) | Yes | (345,505,789.53) |
| 88 | | Peoples Gas L | 282100 Fed Def Tax Liab - Plant | Depreciation - Fed Only | (275,112,652.66) | (345,505,789.53) | (78,393,136.87) | Yes | (31,044,102.01) |
| 89 | | | 282100 Fed Def Tax Liab - Plant Total | | (31,044,102.01) | (31,044,102.01) | - | Yes | (31,044,102.01) |
| 90 | | Peoples Gas L | 282180 Fed Def Tax Liab FAS109 | IBS Asset Transfer | (0.14) | (0.14) | - | No | (0.14) |
| 91 | | Peoples Gas L | 282180 Fed Def Tax Liab FAS109 | Basis Adjustments (P-I-S) | (776,797.01) | (1,344,122.56) | (567,325.55) | No | (1,344,122.56) |
| 92 | | Peoples Gas L | 282180 Fed Def Tax Liab FAS109 | Depreciation - Fed Only | 10,809,145.30 | 11,361,821.05 | 552,675.75 | No | 11,361,821.05 |
| 93 | | Peoples Gas L | 282180 Fed Def Tax Liab FAS109 | Depreciation Step2 | (31,023,395.87) | (32,532,219.03) | (1,508,823.16) | No | (32,532,219.03) |
| 94 | | Peoples Gas L | 282180 Fed Def Tax Liab FAS109 | Depreciation - State Only | 231,015.90 | (4,334,210.55) | (4,565,226.45) | No | (4,334,210.55) |
| 95 | | | 282180 Fed Def Tax Liab FAS109 Total | | - | 5,400,773.09 | 5,400,773.09 | | 5,400,773.09 |
| 96 | | | 282180 Fed Def Tax Liab FAS109 Total | | (20,760,031.82) | (21,447,958.14) | (687,926.32) | | |
| 97 | | Peoples Gas L | 282200 Sta Def Tax Liab - Plant | Basis Adjustments (P-I-S) | (1,294,220.06) | (5,748,106.40) | (4,453,886.34) | Yes | (5,748,106.40) |
| 98 | | Peoples Gas L | 282200 Sta Def Tax Liab - Plant | Depreciation Step2 | (3,746,245.62) | (3,746,245.62) | - | Yes | (3,746,245.62) |
| 99 | | Peoples Gas L | 282200 Sta Def Tax Liab - Plant | Depreciation - State Only | (32,021,710.73) | (39,607,128.59) | (7,585,417.86) | Yes | (39,607,128.59) |
| 1 | | | | | | | | | |

Accumulated Deferred Income Taxes

| | | | | | | | | |
|----|---------------|---|---------------------------------------|-------------------------|-------------------------|-------------------------|-----|-------------------------|
| 1 | Peoples Gas L | 282280 State Def Tax Liab FAS109 | Basis Adjustments (P-I-S) | (114,282.47) | (1,167,887.01) | (1,053,604.54) | No | (1,167,887.01) |
| 2 | Peoples Gas L | 282280 State Def Tax Liab FAS109 | Depreciation - Fed Only | 538,443.07 | 747,767.07 | 209,324.00 | No | 747,767.07 |
| 3 | Peoples Gas L | 282280 State Def Tax Liab FAS109 | Depreciation Step2 | (4,668,333.74) | (7,470,433.88) | (2,802,100.14) | No | (7,470,433.88) |
| 4 | Peoples Gas L | 282280 State Def Tax Liab FAS109 | Depreciation - State Only | 429,029.53 | (8,049,248.17) | (8,478,277.70) | No | (8,049,248.17) |
| 5 | | 282280 State Def Tax Liab FAS109 | Nonplant FAS 109 | - | 9,776,349.29 | 9,776,349.29 | No | 9,776,349.29 |
| 6 | | 282280 State Def Tax Liab FAS109 Total | | (3,815,143.61) | (6,163,452.70) | (2,348,309.09) | | |
| 7 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Interest - Non FIN 48 | 1,066,434.25 | 1,066,434.25 | - | No | 1,066,434.25 |
| 8 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | FAS 112 Post Empl Ben | 625,475.55 | 660,495.49 | 35,019.94 | Yes | 660,495.49 |
| 9 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Injuries & Damages | 2,797,152.84 | 2,797,152.84 | - | Yes | 2,797,152.84 |
| 10 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | ALP/ORT | 2,644,205.55 | 2,644,205.55 | - | No | 2,644,205.55 |
| 11 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | InterCo GN SNG | (108,787.71) | (108,787.71) | - | No | (108,787.71) |
| 12 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Environmental Cleanup | 2,014,653.87 | 2,014,653.88 | 0.01 | Yes | 2,014,653.88 |
| 13 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Environmental Insurance | (145,843.10) | (145,843.10) | - | No | (145,843.10) |
| 14 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Loss on Reacquired Debt | (3,093,277.58) | (3,093,277.58) | - | No | (3,093,277.58) |
| 15 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Reg Assets - Bad Debt Rider LT | - | - | - | No | - |
| 16 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Reg Assets - SB1918 | (1,737,631.69) | (1,774,958.42) | (37,326.73) | No | (1,774,958.42) |
| 17 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Reg Assets (Non-Current) | 3,970,849.74 | 3,970,849.75 | 0.01 | No | 3,970,849.75 |
| 18 | Peoples Gas L | 283101 Fed Def Tax Liab - Oper | Regulatory Asset-Auto | 145,843.10 | 145,843.10 | - | No | 145,843.10 |
| 19 | | 283101 Fed Def Tax Liab - Oper Total | | 8,179,074.82 | 8,176,768.05 | (2,306.77) | | |
| 20 | Peoples Gas L | 283102 Fed Def Tax Liab - Excess | FIN 48 - 283102/409110 | - | - | - | - | - |
| 21 | Peoples Gas L | 283102 Fed Def Tax Liab - Excess | FIN 48 - 283102/409113 | - | - | - | - | - |
| 22 | | 283102 Fed Def Tax Liab - Excess Total | | - | - | - | | |
| 23 | Peoples Gas L | 283110 Fed Def Tax - M&S/CWIP | Basis Adjust (CWIP) | (578,146.11) | (578,146.11) | - | Yes | (578,146.11) |
| 24 | Peoples Gas L | 283110 Fed Def Tax - M&S/CWIP | Deprec (Adj-Tax Sys) | (3,954,712.51) | (3,954,712.51) | - | Yes | (3,954,712.51) |
| 25 | Peoples Gas L | 283110 Fed Def Tax - M&S/CWIP | Deprec (Adj-Tax Sys) Fed Only | 2,264,543.99 | 2,264,543.99 | - | Yes | 2,264,543.99 |
| 26 | Peoples Gas L | 283110 Fed Def Tax - M&S/CWIP | Manlove Cushion Gas Adj | (559,480.60) | (559,480.60) | - | Yes | (559,480.60) |
| 27 | Peoples Gas L | 283110 Fed Def Tax - M&S/CWIP | Sec 481 (a) Adj | (9,079,113.05) | (9,079,113.05) | - | Yes | (9,079,113.05) |
| 28 | Peoples Gas L | 283110 Fed Def Tax - M&S/CWIP | SAP Property Adjustment-outside power | 617,206.45 | 617,206.45 | - | Yes | 617,206.45 |
| 29 | Peoples Gas L | 283110 Fed Def Tax - M&S/CWIP | Software-outside powertax | 0.04 | 0.04 | - | Yes | 0.04 |
| 30 | | 283110 Fed Def Tax - M&S/CWIP Total | | (11,289,701.79) | (11,289,701.79) | - | | |
| 31 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Interest - Non FIN 48 | 144,578.01 | 144,578.01 | - | No | 144,578.01 |
| 32 | Peoples Gas L | 283201 State Def Tax Liab - Oper | FAS 112 Post Empl Ben | 84,796.61 | 89,134.41 | 4,337.80 | Yes | 89,134.41 |
| 33 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Injuries & Damages | 379,214.01 | 379,214.02 | 0.01 | Yes | 379,214.02 |
| 34 | Peoples Gas L | 283201 State Def Tax Liab - Oper | ALP/ORT | 358,478.72 | 358,478.72 | - | No | 358,478.72 |
| 35 | Peoples Gas L | 283201 State Def Tax Liab - Oper | InterCo GN SNG | (14,748.50) | (14,748.50) | - | No | (14,748.50) |
| 36 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Environmental Cleanup | 273,129.51 | 267,071.88 | (6,057.63) | Yes | 267,071.88 |
| 37 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Environmental Insurance | (19,772.16) | (19,772.16) | - | No | (19,772.16) |
| 38 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Loss on Reacquired Debt | (419,360.06) | (417,250.23) | 2,109.83 | No | (417,250.23) |
| 39 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Reg Assets - Bad Debt Rider LT | - | - | - | No | - |
| 40 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Reg Assets - SB1918 | (235,573.21) | (309,951.83) | (74,378.62) | No | (309,951.83) |
| 41 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Reg Assets (Non-Current) | 538,333.77 | 594,494.17 | 56,160.40 | No | 594,494.17 |
| 42 | Peoples Gas L | 283201 State Def Tax Liab - Oper | Regulatory Asset-Auto | 19,772.16 | 19,772.16 | - | No | 19,772.16 |
| 43 | | 283201 State Def Tax Liab - Oper Total | | 1,108,848.86 | 1,091,020.65 | (17,828.21) | | |
| 44 | Peoples Gas L | 283202 State Def Tax Liab - Excess | FIN 48 - 283202/409110 | - | - | - | - | - |
| 45 | Peoples Gas L | 283202 State Def Tax Liab - Excess | FIN 48 - 283202/409210 | - | - | - | - | - |
| 46 | | 283202 State Def Tax Liab - Excess Total | | - | - | - | | |
| 47 | Peoples Gas L | 283210 State Def Tax - M&S/CWIP | Basis Adjust (CWIP) | (78,380.09) | (78,380.09) | - | Yes | (78,380.09) |
| 48 | Peoples Gas L | 283210 State Def Tax - M&S/CWIP | Deprec (Adj-Tax Sys) | (536,146.03) | (536,146.03) | - | Yes | (536,146.03) |
| 49 | Peoples Gas L | 283210 State Def Tax - M&S/CWIP | Manlove Cushion Gas Adj | (75,849.58) | (75,849.58) | - | Yes | (75,849.58) |
| 50 | Peoples Gas L | 283210 State Def Tax - M&S/CWIP | Sec 481 (a) Adj | (1,230,868.33) | (1,227,722.72) | 3,145.61 | Yes | (1,227,722.72) |
| 51 | Peoples Gas L | 283210 State Def Tax - M&S/CWIP | SAP Property Adjustment-outside power | 83,675.56 | 83,675.56 | - | Yes | 83,675.56 |
| 52 | Peoples Gas L | 283210 State Def Tax - M&S/CWIP | Software-outside powertax | 0.01 | 0.01 | - | Yes | 0.01 |
| 53 | Peoples Gas L | 283210 State Def Tax - M&S/CWIP | Deprec (Adj-Tax Sys) (State) | 238,274.91 | 238,274.91 | - | Yes | 238,274.91 |
| 54 | | 283210 State Def Tax - M&S/CWIP Total | | (1,599,293.55) | (1,596,147.94) | 3,145.61 | | |
| 55 | Peoples Gas L | 283900 Federal Deferred Tax Liability - Cu | Prepaid Insurance | (2,404,293.29) | (2,404,293.29) | - | No | (2,404,293.29) |
| 56 | Peoples Gas L | 283900 Federal Deferred Tax Liability - Cu | Interest | 403,551.47 | 413,782.32 | 10,230.85 | No | 413,782.32 |
| 57 | Peoples Gas L | 283900 Federal Deferred Tax Liability - Cu | Reg Assets - Bad Debt Rider ST | (0.09) | (0.13) | (0.04) | No | (0.13) |
| 58 | | 283900 Federal Deferred Tax Liability - Cu Total | | (2,000,741.91) | (1,990,511.10) | 10,230.81 | | |
| 59 | Peoples Gas L | 283910 State Def Tax Liab-Non Oper Current | Prepaid Insurance | (325,953.48) | (357,402.46) | (31,448.98) | No | (357,402.46) |
| 60 | Peoples Gas L | 283910 State Def Tax Liab-Non Oper Current | Interest | 54,710.05 | 73,002.10 | 18,292.05 | No | 73,002.10 |
| 61 | Peoples Gas L | 283910 State Def Tax Liab-Non Oper Current | Reg Assets - Bad Debt Rider ST | (0.01) | (0.01) | - | No | (0.01) |
| 62 | | 283910 State Def Tax Liab-Non Oper Current Total | | (271,243.44) | (284,400.37) | (13,156.93) | | |
| 63 | | | | (382,853,276.39) | (503,856,631.61) | (121,003,355.22) | | |
| 64 | | | | | | | | (503,856,631.61) |
| 65 | | | | | | | | |
| 66 | | | | | | | | |
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| | |
|-------------------------------|------------------|
| Debasement Impact | 17,519,000.00 |
| | (484,466,596.97) |
| Original B-1 amount | (383,491,126.00) |
| Adjustment | (100,975,470.97) |
| | - |
| 2011 Adjustment amount | (57,382,453.08) |
| | - |
| Average Adjustment amount | (79,178,962.03) |
| | - |
| Rounded | (79,179,000.00) |
| | - |
| Adj Retirement Benefits - Net | (855,000) |
| Total Deferred Income Taxes | (80,034,000.00) |

The Peoples Gas Light and Coke Company

Proration of Accumulated Deferred Income Taxes

Test Year Ending December 31, 2012

| Line No. | Description [A] | Days(1) [B] | Ratio [C] | Liberalized Depreciation Statutory Rate | | Line No. |
|----------|--------------------|----------------|--------------|--|-------------------------|----------|
| | | | | Per Books [D] | Prorated [E] | |
| 1 | Balance 12/31/2011 | | | \$ (342,541,000) | \$ (342,541,000) | 1 |
| 2 | January 1-17 | | 100.0% | (1,280,000) | (1,280,000) | 2 |
| 3 | January 18-31 | 336 | 96.0% | (1,554,000) | (1,492,000) | 3 |
| 4 | February | 307 | 87.7% | (2,834,000) | (2,485,000) | 4 |
| 5 | March | 276 | 78.9% | (2,834,000) | (2,236,000) | 5 |
| 6 | April | 246 | 70.3% | (2,834,000) | (1,992,000) | 6 |
| 7 | May | 215 | 61.4% | (2,834,000) | (1,740,000) | 7 |
| 8 | June | 185 | 52.9% | (2,835,000) | (1,500,000) | 8 |
| 9 | July | 154 | 44.0% | (2,834,000) | (1,247,000) | 9 |
| 10 | August | 123 | 35.1% | (2,834,000) | (995,000) | 10 |
| 11 | September | 93 | 26.6% | (2,834,000) | (754,000) | 11 |
| 12 | October | 62 | 17.7% | (2,834,000) | (502,000) | 12 |
| 13 | November | 32 | 9.1% | (2,834,000) | (258,000) | 13 |
| 14 | December | 1 | 0.3% | (2,834,000) | (9,000) | 14 |
| 15 | Balance 12/31/2012 | | | \$ <u>(376,550,000)</u> | \$ <u>(359,031,000)</u> | 15 |
| | Impact of Debasing | | | | <u>17,519,000</u> | |

Notes: (1) Total days in period: 350

Assumes a February 15, 2011 filing, so the new rates become effective January 18, 2012.