

North Shore Gas Company

JURISDICTIONAL RATE BASE SUMMARY BY ICC ACCOUNT

Line No.	Company Direct Filed Supporting Schedule (A)	ICC Account (B)	Rate Base Component (C)	Original Proposed Rate Base (Co. Schedule B-1) (D)	Adjustments (E)	Adjusted Rate Base (col D + col E) (F)	Line No.
1	B-5	101,106,107,117	Gross Utility Plant	\$ 422,385,000	\$ 11,165,000	\$ 433,550,000	1
2	B-6	108,111,254	Accumulated Provision for Depreciation and Amortization	180,540,000	(1,736,000)	178,804,000	2
3			Net Utility Plant (Line 1 minus Line 2)	<u>241,845,000</u>	<u>12,901,000</u>	<u>254,746,000</u>	3
4	B-8	131	Cash Working Capital	3,050,000	(900,000)	2,150,000	4
5	B-8.1	154,163	Materials and Supplies, Net of Account Payables	2,006,000	(221,000)	1,785,000	5
6	B-1.1	164.1, 164.2, 165	Gas in Storage, Net of Accounts Payable	6,894,000	(265,000)	6,629,000	6
7	B-1.2	129,182,228,242,254	Retirement Benefits, Net	(8,432,000)	5,628,000	(2,804,000)	7
8	B-14	142,242	Budget Plan Balances	2,085,000	-	2,085,000	8
9			Subtotal (Lines 4 to 8)	<u>5,603,000</u>	<u>4,242,000</u>	<u>9,845,000</u>	9
10	B-9	190,282,283	Accumulated Deferred Income Taxes	(55,089,000)	(11,257,000)	(66,346,000)	10
11	B-13	235	Customer Deposits	(2,650,000)	-	(2,650,000)	11
12	B-1.3	252	Customer Advances for Construction	(631,000)	-	(631,000)	12
13	B-1.4	228.2	Reserve for Injuries and Damages	(2,181,000)	-	(2,181,000)	13
14			Subtotal (Lines 10 to 13)	<u>(60,551,000)</u>	<u>(11,257,000)</u>	<u>(71,808,000)</u>	14
15			Total Rate Base (Lines 3 + 9 +14)	<u>\$ 186,897,000</u>	<u>\$ 5,886,000</u>	<u>192,783,000</u>	15

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SUMMARY OF UTILITY ADJUSTMENTS TO RATE BASE

TEST YEAR ENDING DECEMBER 31, 2012

Line No.	ICC Account [A]	Rate Base Component [B]	NS-PGL Ex. 23.3N Utility Plant in Service - Forecasted Additions [C]	NS-PGL Ex. 23.4N Utility Plant in Service - 2010 Actual [D]	NS-PGL Ex. 23.5N Gas in Storage [E]	Materials and Supplies [F]	NS-PGL Ex. 23.7N Adjustment Change in Deferred Taxes [G]	NS-PGL Ex. 23.8N Cash Working Capital [H]	NS-PGL Ex. 23.9N Adjustment Change in Retirement Benefits - Net [I]	NS-PGL Ex. 23.10N Adjustment ADIT Capitalization Repairs vs. Exp. [J]	NS-PGL Ex. 23.11N Adjustment ADIT 263A - Overhead Capitalization [K]	NS-PGL Ex. 23.12N Adjustment ADIT NOL [L]	Total Adjustments [M]
1	101,106,107,117	Gross Utility Plant	\$ 10,692,000	\$ 473,000									\$ 11,165,000
2	108,111,254	Accumulated Provision for Depreciation and Amortization	(751,000)	(985,000)									(1,736,000)
3		Net Utility Plant (Line 1 minus Line 2)	<u>11,443,000</u>	<u>1,458,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,901,000</u>
4	131	Cash Working Capital						(900,000)					(900,000)
5	154,163	Materials and Supplies, Net of Accounts Payable				(221,000)							(221,000)
6	164.1, 164.2, 165	Gas in Storage, Net of Accounts Payable			(265,000)								(265,000)
7	129,182,228,242,254	Retirement Benefits, Net							5,628,000				5,628,000
8	142,242	Budget Plan Balances											0
9		Subtotal (Lines 4 to 8)	<u>0</u>	<u>0</u>	<u>(265,000)</u>	<u>(221,000)</u>	<u>0</u>	<u>(900,000)</u>	<u>5,628,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,242,000</u>
10	190,282,283	Accumulated Deferred Income Taxes		(96,000)			(14,097,000)			704,000	2,065,000	167,000	(11,257,000)
11	235	Customer Deposits											0
12	252	Customer Advances for Construction											0
13	228.2	Reserve for Injuries and Damages											0
14		Subtotal (Lines 10 to 13)	<u>0</u>	<u>(96,000)</u>	<u>0</u>	<u>0</u>	<u>(14,097,000)</u>	<u>0</u>	<u>0</u>	<u>704,000</u>	<u>2,065,000</u>	<u>167,000</u>	<u>(11,257,000)</u>
15		Total Rate Base (Lines 3 + 9 +14)	<u>\$ 11,443,000</u>	<u>\$ 1,362,000</u>	<u>\$ (265,000)</u>	<u>\$ (221,000)</u>	<u>\$ (14,097,000)</u>	<u>\$ (900,000)</u>	<u>\$ 5,628,000</u>	<u>\$ 704,000</u>	<u>\$ 2,065,000</u>	<u>\$ 167,000</u>	<u>\$ 5,886,000</u>

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Rate Base - Gross Utility and Accumulated Depreciation

Line No.	ICC Account (A)	Description (B)	Original Filing			Rebuttal			Adjustment (I)	
			December 31, 2011 (C)	December 31, 2012 (D)	Average Test Year 2012 (E)	December 31, 2011 (F)	December 31, 2012 (G)	Average Test Year 2012 (H)		
1	101, 101.20, 106, 107, 117	Gross Utility Plant	\$ 412,319,888	432,449,205	\$ 422,384,547	416,943,394	449,209,710	\$ 433,076,552	\$ 10,692,006	
2	108,108001, 108.200,254485	Accumulated Provision for Depreciation and Amortization	175,981,841	185,098,350	180,540,096	175,633,124	183,945,254	179,789,189	\$ (750,907)	
3		Net Utility Plant (Line 1 minus Line 2)	\$ 236,338,047	\$ 247,350,855	\$ 241,844,451	241,310,270	\$ 265,264,456	\$ 253,287,363	\$ 11,442,912	
4	Rounded	Gross Utility Plant	\$ 412,320,000	\$ 432,449,000	\$ 422,385,000	416,943,000	\$ 449,210,000	\$ 433,077,000	10,692,000	
5		Accumulated Provision for Depreciation and Amortization	175,982,000	185,098,000	180,540,000	175,633,000	183,945,000	179,789,000	(751,000)	
6		Net Utility Plant (Line 1 minus Line 2)	\$ 236,338,000	\$ 247,351,000	\$ 241,845,000	241,310,000	\$ 265,265,000	\$ 253,288,000	\$ 11,443,000	
			INPUTS		INPUTS		INPUTS		INPUT DIFFERENCES	
7	101000	Utility Plant	\$ 407,913,827	428,043,144		412,537,333	444,803,649	4,623,506	16,760,505	
8	101200	Plant in Service - ARO	16,275,901	16,275,901		16,275,901	16,275,901	0	0	
9	104000	Plant Leased to Others	0	0		0	0	0	0	
10	106000	Completed Const Not Classified	3,473,162	3,473,162		3,473,162	3,473,162	0	0	
11	107000	Construction work in Progress - Gas	401,000	401,000		401,000	401,000	0	0	
12	117100	Gas Stored Underground - NonCurrent	531,899	531,899		531,899	531,899	0	0	
13		Sub-Total	\$ 428,595,789	448,725,106		433,219,295	465,485,611	4,623,506	16,760,505	
14		Less items not included in Rate Base:								
15	101200	Plant in Service - ARO	16,275,901	16,275,901		16,275,901	16,275,901	0	0	
16	104000	Plant Leased to Others	0	0		0	0	0	0	
17		Sub-Total	412,319,888	432,449,205		416,943,394	449,209,710	4,623,506	16,760,505	
18	108000	Accumulated Provision for Depreciation - Gas Plant	Cr. \$ 171,255,265	177,699,891		170,900,937	176,490,359	(354,328)	(1,209,532)	
19										
20	108001	Removal Work in Progress Utility Plant	37,819	37,819		37,819	37,819	0	0	
21	108200	Accumulated Provision for Depreciation - Gas Plant - ARO	2,429,658	2,837,905		2,429,658	2,837,905	0	0	
22	254485	Reg Liab - Non ARO COR Reserve	4,688,757	7,359,640		4,694,368	7,417,076	5,611	57,436	
23	111000	Accumulated Provision for Depreciation - Intangible Plant	Cr. 0	0		0	0	0	0	
24		Sub-Total	178,411,499	187,935,255		178,062,782	186,783,159	(348,717)	(1,152,096)	
25		Less:								
26		Rounding (to tie to Schedule B-6)		(1,000)						
27		Accumulated Provision for Depreciation - ARO	2,429,658	2,837,905		2,429,658	2,837,905	0		
28		Sub-Total	175,981,841	185,098,350		175,633,124	183,945,254	(348,717)	(1,152,096)	
29		Total	\$ 236,338,047	247,350,855		241,310,270	265,264,456	4,972,223	17,912,601	
30	104	Gas Plant Leased - not in Rate Base - PGL only	\$ -	0		-	0	-	0	

North Shore Gas Company

Utility Plant in Service - 2010 Actual

Line No.	Plant Function (1) [A]	Original Filing - 6&6 Forecasted Balance at 12-31-2010 [B]	Rebuttal Actual Balance at 12-31-2010 [C]	Difference [D]	Line No.
<u>Gross Plant</u>					
1	Distribution	\$339,287,000	\$339,897,000	\$610,000	1
2	Underground Storage	10,105,000	10,105,000	0	2
3	Liquefied Natural Gas	0	0	0	3
4	Transmission - Not Leased	30,073,000	30,029,000	(44,000)	4
5	General	14,077,000	13,361,000	(716,000)	5
6	Intangible	0	0	0	6
7	Production	6,768,000	6,741,000	(27,000)	7
8	ARO Obligation	16,276,000	16,276,000	0 (2)	8
9	Total Account 101	416,586,000	416,409,000	(177,000)	9
10					10
11	Recoverable Natural Gas (Account 117)	532,000	532,000	0	11
12	Total Plant in Service	417,118,000	416,941,000	(177,000)	12
13	Construction Work in Progress (Account 107)	459,000	1,109,000	650,000	13
14	Total Utility Plant	\$417,577,000	\$418,050,000	473,000	14
15			Less ARO	0	15
16			Gross Plant	\$473,000	16
<u>Accumulated Depreciation</u>					
17	Distribution	\$139,917,000	\$139,555,000	(\$362,000)	17
18	Underground Storage	6,515,000	6,514,000	(1,000)	18
19	Liquefied Natural Gas	0	0	0	19
20	Transmission - Not Leased	9,590,000	9,589,000	(1,000)	20
21	General	7,654,000	7,033,000	(621,000)	21
22	Intangible	0	0	0	22
23	Production	4,004,000	4,004,000	0	23
24	ARO Obligation	2,021,000	2,021,000	0 (2)	24
25	Total Account 101	\$169,701,000	\$168,716,000	(\$985,000)	25
26			Less ARO	0	26
27			Gross Plant	(\$985,000)	27

Notes: (1) Account 104, Gas Plant Leased to Others, is excluded from this Schedule.
(2) Asset Retirement Obligation (ARO) is excluded from Schedule B-1.

North Shore Gas Company
Utility Plant in Service - 2010 Actual

Line No.	Description [A]	Balance at 12/31/11 [B]	Balance at 12/31/11 [C]	Average [D]	Line No.
1	Accumulated Deferred Income Taxes	(\$95,000)	(\$99,000)		1
2	Impact of Proration	0	2,000		2
3	Total Accumulated Deferred Income Taxes	<u>(\$95,000)</u>	<u>(\$97,000)</u>	<u>(96,000)</u>	3

Source: See NS-PGL Ex. 22.3N

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Utility Plant in Service - 2010 Actual

Proration of Accumulated Deferred Income Taxes:

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			\$ (88,000)	\$ (88,000)	1
2	January 1-17		100.0%	(100)	(100)	2
3	January 18-31	336	96.0%	(200)	(192)	3
4	February	307	87.7%	(300)	(263)	4
5	March	276	78.9%	(300)	(237)	5
6	April	246	70.3%	(400)	(281)	6
7	May	215	61.4%	(300)	(184)	7
8	June	185	52.9%	(400)	(212)	8
9	July	154	44.0%	(300)	(132)	9
10	August	123	35.1%	(400)	(140)	10
11	September	93	26.6%	(300)	(80)	11
12	October	62	17.7%	(400)	(71)	12
13	November	32	9.1%	(300)	(27)	13
14	December	1	0.3%	(300)	(1)	14
15	Balance 12/31/2012			\$ <u>(92,000)</u>	\$ <u>(90,000)</u>	15
16				Impact of Proration	<u>2,000</u>	16

Notes: (1) Total days in period: 350

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

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Gas in Storage

Line No.	Month (A)	Original Filing 13 Month Ave Test Year 2012 (B)	Rebuttal 13 Month Ave Test Year 2012 (1) (C)	Change (D)
1	December, 2011	\$8,799,000	\$8,799,000	
2	January, 2012	3,723,000	3,723,000	
3	February	830,000	830,000	
4	March	361,000	361,000	
5	April	361,000	361,000	
6	May	1,075,000	1,075,000	
7	June	2,518,000	2,518,000	
8	July	4,152,000	4,152,000	
9	August	6,138,000	6,138,000	
10	September	9,372,000	9,297,000	
11	October	18,283,000	17,049,000	
12	November	25,212,000	23,077,000	
13	December	8,799,000	8,799,000	
14	13 Month Total	\$89,623,000	\$86,179,000	
15	13 Month Average	\$6,894,000	\$6,629,000	(\$265,000)

North Shore Gas Company

Gas in Storage - LIFO Layers

Test Year 2012

Line No.	Month (A)	Gas in Storage			LIFO Layers (E)
		Volume (B)	Dollars (C)	Lifo Rate (D)	
1	December, 2011	6,983,655	8,799,345.98	1.26	Includes LIFO layers from 1977 and 1999
2	January, 2012	3,232,816	3,722,907.35	1.1516	Includes only LIFO layer from 1977
3	February	720,609	829,852.53	1.1516	Includes only LIFO layer from 1977
4	March	313,556	361,090.74	1.1516	Includes only LIFO layer from 1977
5	April	933,843	1,075,412.57	1.1516	Includes only LIFO layer from 1977
6	May	2,186,558	2,518,037.79	1.1516	Includes only LIFO layer from 1977
7	June	3,605,668	4,152,283.30	1.1516	Includes only LIFO layer from 1977
8	July	5,330,138	6,138,181.06	1.1516	Includes only LIFO layer from 1977
9	August	7,076,767	9,297,495.18	1.3138	Includes LIFO layers from 1977, 1999 and current year
10	September	8,525,719	17,049,388.38	1.9998	Includes LIFO layers from 1977, 1999 and current year
11	October	9,653,192	23,081,368.93	2.3911	Includes LIFO layers from 1977, 1999 and current year
12	November	9,652,430	23,077,292.23	2.3908	Includes LIFO layers from 1977, 1999 and current year
13	December, 2012	6,983,655	8,799,345.98	1.26	Includes LIFO layers from 1977 and 1999

North Shore Gas 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	North Shore Gas Cd	190000	Def Inc Tax Asset - Sec 29 Credit	FAS 133 G/L INT SW OCI	-	24,465.22	(24,465.22)	No	24,465.22
2	North Shore Gas Cd	190000	Def Inc Tax Asset - Sec 29 Credit	OCI-Non Current	25,412.42	1,861.52	23,550.90	No	1,861.52
3			190000 Def Inc Tax Asset - Sec 29 Credit Total		25,412.42	26,326.74	(914.32)		
4									
5	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Basis Adjust (CWIP)	-	-	-		
6	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Benefits (Non-Current)	-	-	-		
7	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Customer Advances	220,813.06	220,813.06	-	Yes	220,813.06
8	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Def Inc & Deduct NonC	(3,675.00)	(3,675.00)	-	No	(3,675.00)
9	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	FAS 112 Post Empl Ben	150,631.60	244,752.56	(94,120.96)	Yes	244,752.56
10	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Gas Charge Settlement	401,737.23	14,455.58	387,281.65	No	14,455.58
11	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Group Insurance	4,438,318.15	4,438,318.15	-	Yes	4,438,318.15
12	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Healthcare Deferral Grossup-Federal	(772,332.75)	(772,332.75)	-	No	(772,332.75)
13	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	IL IRT Inv Credit Amortization	258,781.55	258,781.55	-	No	258,781.55
14	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	IL IRT Inv Credit Provision	87,187.88	87,187.88	-	No	87,187.88
15	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Incentives - 481 Adj	72,563.90	49,758.10	22,805.80	No	49,758.10
16	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Incentives Accrued(LTIC)	92,151.15	92,151.14	0.01	No	92,151.14
17	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Pension	667,097.94	(944,311.51)	1,611,409.45	Yes	(944,311.51)
18	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Performance Shares	1,011.85	1,011.85	-	No	1,011.85
19	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Post Retire - Cum Medicare	-	-	-	-	-
20	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Post Retirement - Med/Dental	(408,462.95)	(96,592.30)	(311,870.65)	Yes	(96,592.30)
21	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Reg Liabilities-Bad Debt Rider LT	-	-	-	-	-
22	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Restricted Stock	97,241.90	97,241.90	-	No	97,241.90
23	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Rider EEP	(199,349.15)	-	(199,349.15)	No	-
24	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Rider VBA	299,420.80	299,420.80	-	No	299,420.80
25	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	State Tax Deduction	29,064.00	29,064.00	-	No	29,064.00
26	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Stock Appreciation Rights	333.55	333.55	-	No	333.55
27	North Shore Gas Cd	190101	Fed Def Tax Asset - Oper	Workers Compensation	3,934.00	3,934.00	-	Yes	3,934.00
28			190101 Fed Def Tax Asset - Oper Total		5,436,468.71	4,020,312.56	1,416,156.15		
29	North Shore Gas Cd	190180	Fed Def Tax Asset FAS109	IL IRT Inv Credit Amortization	74,844.25	83,056.92	(8,112.67)	No	83,056.92
30	North Shore Gas Cd	190180	Fed Def Tax Asset FAS109	IL IRT Inv Credit Provision	6,965.93	9,152.32	(2,286.39)	No	9,152.32
31	North Shore Gas Cd	190180	Fed Def Tax Asset FAS109	ITC Amort	881,789.37	903,224.11	(21,434.74)	No	903,224.11
32			190180 Fed Def Tax Asset FAS109 Total		963,599.55	995,433.35	(31,834.80)		
33	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Basis Adjust (CWIP)	-	-	-	-	-
34	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Customer Advances	29,935.94	29,935.94	-	Yes	29,935.94
35	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Def Inc & Deduct NonC	(498.22)	(674.36)	176.14	No	(674.36)
36	North Shore Gas Cd	190201	State Def Tax Asset - Oper	FAS 112 Post Empl Ben	20,421.34	32,872.36	(12,451.02)	Yes	32,872.36
37	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Gas Charge Settlement	54,464.09	1,725.46	52,738.63	No	1,725.46
38	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Group Insurance	601,709.13	601,709.13	-	Yes	601,709.13
39	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Healthcare Deferral Grossup-State	(104,706.25)	(104,706.25)	-	No	(104,706.25)
40	North Shore Gas Cd	190201	State Def Tax Asset - Oper	IL IRT Inv Credit Amortization	31,333.73	31,333.73	-	No	31,333.73
41	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Incentives - 481 Adj	9,837.59	7,762.27	2,075.32	No	7,762.27
42	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Incentives Accrued(LTIC)	12,493.06	13,583.12	(1,090.06)	No	13,583.12
43	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Pension	90,439.42	(142,154.35)	232,593.77	Yes	(142,154.35)
44	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Performance Shares	137.18	137.18	-	No	137.18
45	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Post Retire - Cum Medicare	-	-	-	-	-
46	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Post Retirement - Med/Dental	(55,375.91)	(15,534.68)	(39,841.23)	Yes	(15,534.68)
47	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Reg Liabilities-Bad Debt Rider LT	-	-	-	-	-
48	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Restricted Stock	13,183.22	14,479.70	(1,296.48)	No	14,479.70
49	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Rider VBA	40,592.91	40,592.91	-	No	40,592.91
50	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Stock Appreciation Rights	45.22	45.22	-	No	45.22
51	North Shore Gas Cd	190201	State Def Tax Asset - Oper	Workers Compensation	533.34	533.34	-	Yes	533.34
52			190201 State Def Tax Asset - Oper Total		703,952.88	511,640.72	192,312.16		
53	North Shore Gas Cd	190280	State Def Tax Asset FAS109	IL IRT Inv Credit Amortization	13,909.95	28,976.34	(15,066.39)	No	28,976.34
54	North Shore Gas Cd	190280	State Def Tax Asset FAS109	IL IRT Inv Credit Provision	12,751.01	16,997.16	(4,246.15)	No	16,997.16
55	North Shore Gas Cd	190280	State Def Tax Asset FAS109	ITC Amort	119,545.31	159,354.54	(39,809.23)	No	159,354.54
56			190280 State Def Tax Asset FAS109 Total		146,206.27	205,328.04	(59,121.77)		
57	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	ALPORT	42,044.45	42,044.45	-	No	42,044.45
58	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Bad Debts	410,817.03	410,817.03	-	No	410,817.03
59	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Benefits (Current)	491.75	491.75	-	Yes	491.75
60	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Def Compensation	6,606.95	6,606.95	-	No	6,606.95
61	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Gas Cost Reconciliation	301,477.36	654,132.07	(352,654.71)	No	654,132.07
62	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Incentives Accrued Current	1,032.50	1,032.50	-	No	1,032.50
63	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Inventory Cost Capitalized	69,245.16	69,245.16	-	Yes	69,245.16
64	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Price Risk Hedging (Current-Asset)	17,634.80	17,634.80	-	No	17,634.80
65	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Reduction in Force	(128,671.55)	-	(128,671.55)	No	-
66	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Reg Assets (Current)	(731,372.60)	(731,372.60)	-	No	(731,372.60)
67	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Reg Liabilities-Bad Debt Rider ST	35,310.14	35,310.14	-	No	35,310.14
68	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Rider EEP	-	(199,349.13)	199,349.13	No	(199,349.13)
69	North Shore Gas Cd	190900	Federal Deferred Tax Asset - Current	Vacation	438,515.93	438,515.93	-	No	438,515.93
70			190900 Federal Deferred Tax Asset - Current Total		463,131.92	745,109.05	(281,977.13)		
71	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	ALPORT	5,700.03	5,700.03	-	No	5,700.03
72	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Bad Debts	55,695.05	54,830.67	864.38	No	54,830.67
73	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Benefits (Current)	66.67	90.63	(23.96)	Yes	90.63
74	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Def Compensation	895.71	895.71	-	No	895.71
75	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Gas Cost Reconciliation	40,871.72	104,273.82	(63,402.10)	No	104,273.82
76	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Incentives Accrued Current	139.98	139.98	-	No	139.98
77	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Inventory Cost Capitalized	9,387.66	9,387.66	-	Yes	9,387.66
78	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Price Risk Hedging (Current-Asset)	2,390.78	2,711.73	(320.95)	No	2,711.73
79	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Reduction in Force	(17,444.19)	-	(17,444.19)	No	-
80	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Reg Assets (Current)	(99,153.23)	(99,153.23)	-	No	(99,153.23)
81	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Reg Liabilities-Bad Debt Rider ST	4,548.97	4,548.97	-	No	4,548.97
82	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Rider EEP	(27,026.05)	(25,406.47)	(1,619.58)	No	(25,406.47)
83	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Rider VBA	40,592.91	40,592.91	-	No	40,592.91
84	North Shore Gas Cd	190910	State Deferred Tax Asset - Current	Vacation	59,450.23	58,711.17	739.06	No	58,711.17
85			190910 State Deferred Tax Asset - Current Total		76,354.32	116,730.67	(40,376.35)		

North Shore Gas Company

Accumulated Deferred Income Taxes

1	North Shore Gas Cd282100 Fed Def Tax Liab - Plant	Basis Adjustments (P-I-S)	3,622,851.28	(8,598,667.02)	12,221,518.30	Yes	(8,598,667.02)
2	North Shore Gas Cd282100 Fed Def Tax Liab - Plant	Depreciation - Fed Only	(41,821,368.51)	(37,761,230.34)	(4,060,138.17)	Yes	(37,761,230.34)
3	North Shore Gas Cd282100 Fed Def Tax Liab - Plant	Depreciation Step2	(11,242,248.50)	(11,242,248.50)	-	Yes	(11,242,248.50)
4	282100 Fed Def Tax Liab - Plant Total		(49,440,765.73)	(57,602,145.86)	8,161,380.13		
5	North Shore Gas Cd282180 Fed Def Tax Liab FAS109	Basis Adjustments (P-I-S)	(2,798.05)	(190,130.57)	187,332.52	No	(190,130.57)
6	North Shore Gas Cd282180 Fed Def Tax Liab FAS109	Depreciation - Fed Only	764,183.53	774,995.06	(10,811.53)	No	774,995.06
7	North Shore Gas Cd282180 Fed Def Tax Liab FAS109	Depreciation Step2	(304,176.08)	(584,862.65)	280,686.57	No	(584,862.65)
8	North Shore Gas Cd282180 Fed Def Tax Liab FAS109	Depreciation - State Only	(32,071.63)	(879,339.77)	847,268.14	No	(879,339.77)
9	North Shore Gas Cd282180 Fed Def Tax Liab FAS109	Depreciation - IL Only	-	208,853.77	(208,853.77)	No	208,853.77
10	North Shore Gas Cd282180 Fed Def Tax Liab FAS109	Non Plant FAS 109	-	1,029,638.20	(1,029,638.20)	No	1,029,638.20
11	282180 Fed Def Tax Liab FAS109 Total		425,137.77	359,154.04	65,983.73		
12	North Shore Gas Cd282200 Sta Def Tax Liab - Plant	Basis Adjustments (P-I-S)	492,825.32	(1,200,642.21)	1,693,467.53	Yes	(1,200,642.21)
13	North Shore Gas Cd282200 Sta Def Tax Liab - Plant	Depreciation Step2	(1,513,409.78)	(1,513,409.78)	-	Yes	(1,513,409.78)
14	North Shore Gas Cd282200 Sta Def Tax Liab - Plant	Depreciation - IL Only	-	(106,994.80)	106,994.80	Yes	(106,994.80)
15	North Shore Gas Cd282200 Sta Def Tax Liab - Plant	Depreciation - State Only	(4,885,388.95)	(4,592,726.88)	(292,662.07)	Yes	(4,592,726.88)
16	282200 Sta Def Tax Liab - Plant Total		(5,905,973.41)	(7,413,773.67)	1,507,800.26		
17	North Shore Gas Cd282280 State Def Tax Liab FAS109	Basis Adjustments (P-I-S)	(2,049.53)	(349,952.80)	347,903.27	No	(349,952.80)
18	North Shore Gas Cd282280 State Def Tax Liab FAS109	Depreciation - Fed Only	38,066.78	51,005.54	(12,938.76)	No	51,005.54
19	North Shore Gas Cd282280 State Def Tax Liab FAS109	Depreciation Step2	(51,955.49)	(573,230.54)	521,275.05	No	(573,230.54)
20	North Shore Gas Cd282280 State Def Tax Liab FAS109	Depreciation - IL Only	-	387,871.28	(387,871.28)	No	387,871.28
21	North Shore Gas Cd282280 State Def Tax Liab FAS109	Depreciation - State Only	(59,561.60)	(1,633,059.57)	1,573,497.97	No	(1,633,059.57)
22	North Shore Gas Cd282280 State Def Tax Liab FAS109	Non Plant FAS 109	-	1,921,726.14	(1,921,726.14)	No	1,921,726.14
23	282280 State Def Tax Liab FAS109 Total		(75,499.84)	(195,639.95)	120,140.11		
24	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Deprec (Adj-Tax Sys)	(398,815.20)	(398,815.20)	-	Yes	(398,815.20)
25	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Environmental Cleanup	(3,684,195.95)	(3,684,195.95)	-	Yes	(3,684,195.95)
26	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Injuries & Damages	418,026.32	418,026.32	-	Yes	418,026.32
27	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Interest - Non FIN 48	1,092.35	1,092.35	-	No	1,092.35
28	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Loss on Reacquired Debt	(507,077.66)	(507,077.66)	-	No	(507,077.66)
29	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Reduction in Force	-	(128,671.55)	128,671.55	No	(128,671.55)
30	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Reg Assets - Bad Debt Rider LT	-	-	-	No	-
31	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Reg Assets - SB1918	(322,725.03)	(331,396.46)	8,671.43	No	(331,396.46)
32	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Reg Assets (Non-Current)	(381,058.69)	(381,058.69)	-	No	(381,058.69)
33	North Shore Gas Cd283101 Fed Def Tax Liab - Oper	Regulatory Asset-Auto	(0.09)	-	(0.09)	No	(0.09)
34	283101 Fed Def Tax Liab - Oper Total		(4,874,753.95)	(5,012,096.93)	137,342.98		
35	North Shore Gas Cd283102 Fed Def Tax Liab - Excess	FIN 48 - 283102/409110	-	-	-	-	-
36	North Shore Gas Cd283102 Fed Def Tax Liab - Excess	FIN 48 - 283102/409110	-	-	-	-	-
37	283102 Fed Def Tax Liab - Excess Total		-	-	-		
38	North Shore Gas Cd283110 Fed Def Tax - M&S/CWIP	Basis Adjust (CWIP)	5,557.28	5,557.28	-	Yes	5,557.28
39	North Shore Gas Cd283110 Fed Def Tax - M&S/CWIP	Deprec (Adj-Tax Sys) Fed Only	11,300.47	11,300.47	-	Yes	11,300.47
40	North Shore Gas Cd283110 Fed Def Tax - M&S/CWIP	Incentives - 481 Adj	(22,805.80)	-	(22,805.80)	Yes	-
41	North Shore Gas Cd283110 Fed Def Tax - M&S/CWIP	Manlove Cushion Gas Adj	14,095.55	14,095.55	-	Yes	14,095.55
42	North Shore Gas Cd283110 Fed Def Tax - M&S/CWIP	Sec 481 (a) Adj	(806,920.80)	(806,920.81)	0.01	Yes	(806,920.81)
43	283110 Fed Def Tax - M&S/CWIP Total		(798,773.30)	(775,967.51)	(22,805.79)		
44	North Shore Gas Cd283201 State Def Tax Liab - Oper	Deprec (Adj-Tax Sys)	(54,067.95)	(54,067.95)	-	Yes	(54,067.95)
45	North Shore Gas Cd283201 State Def Tax Liab - Oper	Environmental Cleanup	(499,471.70)	(519,267.75)	19,796.05	Yes	(519,267.75)
46	North Shore Gas Cd283201 State Def Tax Liab - Oper	Injuries & Damages	56,672.43	58,102.43	(1,430.00)	Yes	58,102.43
47	North Shore Gas Cd283201 State Def Tax Liab - Oper	Interest - Non FIN 48	148.09	148.09	-	No	148.09
48	North Shore Gas Cd283201 State Def Tax Liab - Oper	Loss on Reacquired Debt	(68,745.24)	(68,112.53)	(632.71)	No	(68,112.53)
49	North Shore Gas Cd283201 State Def Tax Liab - Oper	Reduction in Force	-	(17,444.19)	17,444.19	No	(17,444.19)
50	North Shore Gas Cd283201 State Def Tax Liab - Oper	Reg Assets - Bad Debt Rider LT	-	-	-	No	-
51	North Shore Gas Cd283201 State Def Tax Liab - Oper	Reg Assets - SB1918	(43,752.29)	(57,947.50)	14,195.21	No	(57,947.50)
52	North Shore Gas Cd283201 State Def Tax Liab - Oper	Reg Assets (Non-Current)	(51,660.67)	(56,163.97)	4,503.30	No	(56,163.97)
53	North Shore Gas Cd283201 State Def Tax Liab - Oper	Regulatory Asset-Auto	(0.01)	(0.01)	-	No	(0.01)
54	283201 State Def Tax Liab - Oper Total		(660,877.34)	(714,753.38)	53,876.04		
55	North Shore Gas Cd283202 State Def Tax Liab - Excess	FIN 48 - 283202/409210	-	-	-	-	-
56	283202 State Def Tax Liab - Excess Total		-	-	-		
57	North Shore Gas Cd283210 State Def Tax - M&S/CWIP	Basis Adjust (CWIP)	753.41	753.41	-	Yes	753.41
58	North Shore Gas Cd283210 State Def Tax - M&S/CWIP	Deprec (Adj-Tax Sys) (State)	22,522.12	22,522.12	-	Yes	22,522.12
59	North Shore Gas Cd283210 State Def Tax - M&S/CWIP	Incentives - 481 Adj	(3,091.81)	-	(3,091.81)	Yes	-
60	North Shore Gas Cd283210 State Def Tax - M&S/CWIP	Manlove Cushion Gas Adj	1,910.95	1,910.95	-	Yes	1,910.95
61	North Shore Gas Cd283210 State Def Tax - M&S/CWIP	Sec 481 (a) Adj	(109,395.41)	(108,742.67)	(652.74)	Yes	(108,742.67)
62	283210 State Def Tax - M&S/CWIP Total		(87,300.74)	(83,556.19)	(3,744.55)		
63	North Shore Gas Cd283900 Federal Deferred Tax Liability - Cu	Prepaid Insurance	(158,774.09)	(158,774.09)	-	No	(158,774.09)
64	North Shore Gas Cd283900 Federal Deferred Tax Liability - Cu	Interest	(3,099.25)	(3,099.25)	-	No	(3,099.25)
65	North Shore Gas Cd283900 Federal Deferred Tax Liability - Cu	Reg Assets - Bad Debt Rider ST	-	-	-	No	-
66	283900 Federal Deferred Tax Liability - Cu Total		(161,873.34)	(161,873.34)	-		
67	North Shore Gas Cd283910 State Def Tax Liab-Non Oper Current	Prepaid Insurance	(21,525.23)	(21,525.23)	-	No	(21,525.23)
68	North Shore Gas Cd283910 State Def Tax Liab-Non Oper Current	Interest	(420.17)	(420.17)	-	No	(420.17)
69	North Shore Gas Cd283910 State Def Tax Liab-Non Oper Current	Reg Assets - Bad Debt Rider ST	-	-	-	No	-
70	283910 State Def Tax Liab-Non Oper Current Total		(21,945.40)	(21,945.40)	-		
71			(53,787,500.21)	(65,001,717.06)	11,214,216.85		(65,001,717.06)
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Debasing 0

(65,602,170.43)

Original B-1 amount (55,062,409.00)

Adjustment (10,539,761.43)

North Shore Gas Company
Accumulated Deferred Income Taxes

Line No.	December 31, 2012	Company	Account	Adjustment Description	EB TEE 1.17 Suppl	EB Rebuttal	Difference	In Rate Base	Out of Rate Base
1	North Shore G	190000	Def Inc Tax Asset - Sec 29 Credit	FAS 133 G/L INT SW OCI	-	12,631.53	(12,631.53)	No	12,631.53
2	North Shore G	190000	Def Inc Tax Asset - Sec 29 Credit	OCI-Non Current	13,989.71	1,861.52	12,128.19	No	1,861.52
3			190000 Def Inc Tax Asset - Sec 29 Credit Total		13,989.71	14,493.05	(503.34)		
4	North Shore G	190101	Fed Def Tax Asset - Oper	Basis Adjust (CWIP)	-	-	-	No	-
5	North Shore G	190101	Fed Def Tax Asset - Oper	Customer Advances	220,813.06	220,813.06	-	Yes	220,813.06
6	North Shore G	190101	Fed Def Tax Asset - Oper	Def Inc & Deduct NonC	(8,234.80)	(8,234.80)	-	No	(8,234.80)
7	North Shore G	190101	Fed Def Tax Asset - Oper	FAS 112 Post Empl Ben	128,583.70	222,704.65	(94,120.95)	Yes	222,704.65
8	North Shore G	190101	Fed Def Tax Asset - Oper	Gas Charge Settlement	388,437.23	1,155.58	387,281.65	No	1,155.58
9	North Shore G	190101	Fed Def Tax Asset - Oper	Group Insurance	4,438,318.15	4,438,318.15	-	Yes	4,438,318.15
10	North Shore G	190101	Fed Def Tax Asset - Oper	Healthcare Deferral Grossup-Federal	(772,332.75)	(772,332.75)	-	No	(772,332.75)
11	North Shore G	190101	Fed Def Tax Asset - Oper	IL IRT Inv Credit Amortization	249,083.67	249,083.67	-	No	249,083.67
12	North Shore G	190101	Fed Def Tax Asset - Oper	IL IRT Inv Credit Provision	125,427.48	125,427.48	-	No	125,427.48
13	North Shore G	190101	Fed Def Tax Asset - Oper	Incentives - 481 Adj	97,442.95	74,637.15	22,805.80	No	74,637.15
14	North Shore G	190101	Fed Def Tax Asset - Oper	Incentives Accrued(LTIC)	119,868.70	119,868.70	-	No	119,868.70
15	North Shore G	190101	Fed Def Tax Asset - Oper	Pension	373,085.69	(1,301,163.46)	1,674,249.15	Yes	(1,301,163.46)
16	North Shore G	190101	Fed Def Tax Asset - Oper	Performance Shares	1,011.85	1,011.85	-	No	1,011.85
17	North Shore G	190101	Fed Def Tax Asset - Oper	Post Retire - Cum Medicare	-	-	-	No	-
18	North Shore G	190101	Fed Def Tax Asset - Oper	Post Retirement - Med/Dental	(657,871.90)	(2,955,249.85)	2,297,377.95	Yes	(2,955,249.85)
19	North Shore G	190101	Fed Def Tax Asset - Oper	Reg Liabilities-Bad Debt Rider LT	-	-	-	No	-
20	North Shore G	190101	Fed Def Tax Asset - Oper	Restricted Stock	127,524.95	127,524.95	-	No	127,524.95
21	North Shore G	190101	Fed Def Tax Asset - Oper	Rider EEP	(199,349.15)	-	(199,349.15)	No	-
22	North Shore G	190101	Fed Def Tax Asset - Oper	Rider VBA	299,420.80	299,420.80	-	No	299,420.80
23	North Shore G	190101	Fed Def Tax Asset - Oper	State Tax Deduction	29,064.00	29,064.00	-	No	29,064.00
24	North Shore G	190101	Fed Def Tax Asset - Oper	Stock Appreciation Rights	333.55	333.55	-	No	333.55
25	North Shore G	190101	Fed Def Tax Asset - Oper	Workers Compensation	3,934.00	3,934.00	-	Yes	3,934.00
26			190101 Fed Def Tax Asset - Oper Total		4,964,561.18	876,316.73	4,088,244.45		
27	North Shore G	190180	Fed Def Tax Asset FAS109	IL IRT Inv Credit Amortization	72,135.72	79,944.36	(7,808.64)	No	79,944.36
28	North Shore G	190180	Fed Def Tax Asset FAS109	IL IRT Inv Credit Provision	9,877.25	13,166.42	(3,289.17)	No	13,166.42
29	North Shore G	190180	Fed Def Tax Asset FAS109	ITC Amort	840,491.01	860,922.84	(20,431.83)	No	860,922.84
30			190180 Fed Def Tax Asset FAS109 Total		922,503.98	954,033.62	(31,529.64)		
31	North Shore G	190201	State Def Tax Asset - Oper	Basis Adjust (CWIP)	-	-	-	Yes	-
32	North Shore G	190201	State Def Tax Asset - Oper	Customer Advances	29,935.94	29,935.94	-	Yes	29,935.94
33	North Shore G	190201	State Def Tax Asset - Oper	Def Inc & Deduct NonC	(1,116.40)	(1,478.84)	362.44	No	(1,478.84)
34	North Shore G	190201	State Def Tax Asset - Oper	FAS 112 Post Empl Ben	17,432.28	29,911.12	(12,478.84)	Yes	29,911.12
35	North Shore G	190201	State Def Tax Asset - Oper	Gas Charge Settlement	52,660.99	137.93	52,523.06	No	137.93
36	North Shore G	190201	State Def Tax Asset - Oper	Group Insurance	601,709.13	601,709.13	-	Yes	601,709.13
37	North Shore G	190201	State Def Tax Asset - Oper	Healthcare Deferral Grossup-Federal	(104,706.25)	(104,706.25)	-	No	(104,706.25)
38	North Shore G	190201	State Def Tax Asset - Oper	IL IRT Inv Credit Amortization	30,159.53	30,159.53	-	No	30,159.53
39	North Shore G	190201	State Def Tax Asset - Oper	Incentives - 481 Adj	13,210.48	12,151.65	1,058.83	No	12,151.65
40	North Shore G	190201	State Def Tax Asset - Oper	Incentives Accrued(LTIC)	16,250.77	18,473.29	(2,222.52)	No	18,473.29
41	North Shore G	190201	State Def Tax Asset - Oper	Pension	50,579.76	(205,113.23)	255,692.99	Yes	(205,113.23)
42	North Shore G	190201	State Def Tax Asset - Oper	Performance Shares	137.18	137.18	-	No	137.18
43	North Shore G	190201	State Def Tax Asset - Oper	Post Retire - Cum Medicare	-	-	-	No	-
44	North Shore G	190201	State Def Tax Asset - Oper	Post Retirement - Med/Dental	(89,188.63)	(519,883.55)	430,694.92	Yes	(519,883.55)
45	North Shore G	190201	State Def Tax Asset - Oper	Reg Liabilities-Bad Debt Rider LT	-	-	-	No	-
46	North Shore G	190201	State Def Tax Asset - Oper	Restricted Stock	17,288.74	19,822.50	(2,533.76)	No	19,822.50
47	North Shore G	190201	State Def Tax Asset - Oper	Rider VBA	40,592.91	40,592.91	-	No	40,592.91
48	North Shore G	190201	State Def Tax Asset - Oper	Stock Appreciation Rights	45.22	45.22	-	No	45.22
49	North Shore G	190201	State Def Tax Asset - Oper	Workers Compensation	533.34	533.34	-	Yes	533.34
50			190201 State Def Tax Asset - Oper Total		634,932.08	(47,572.13)	682,504.21		
51	North Shore G	190280	State Def Tax Asset FAS109	IL IRT Inv Credit Amortization	13,388.64	27,890.42	(14,501.78)	No	27,890.42
52	North Shore G	190280	State Def Tax Asset FAS109	IL IRT Inv Credit Provision	18,343.45	24,451.92	(6,108.47)	No	24,451.92
53	North Shore G	190280	State Def Tax Asset FAS109	ITC Amort	119,948.56	151,891.39	(31,942.83)	No	151,891.39
54			190280 State Def Tax Asset FAS109 Total		145,678.65	204,233.73	(58,555.08)		
55	North Shore G	190900	Federal Deferred Tax Asset - Current	ALPORT	42,044.45	42,044.45	-	No	42,044.45
56	North Shore G	190900	Federal Deferred Tax Asset - Current	Bad Debts	361,111.43	361,111.43	-	No	361,111.43
57	North Shore G	190900	Federal Deferred Tax Asset - Current	Benefits (Current)	1,019.55	1,019.55	-	Yes	1,019.55
58	North Shore G	190900	Federal Deferred Tax Asset - Current	Def Compensation	6,606.95	6,606.95	-	No	6,606.95
59	North Shore G	190900	Federal Deferred Tax Asset - Current	Gas Cost Reconciliation	718,254.21	1,070,908.92	(352,654.71)	No	1,070,908.92
60	North Shore G	190900	Federal Deferred Tax Asset - Current	Incentives Accrued Current	1,032.50	1,032.50	-	No	1,032.50
61	North Shore G	190900	Federal Deferred Tax Asset - Current	Inventory Cost Capitalized	69,245.16	69,245.16	-	Yes	69,245.16
62	North Shore G	190900	Federal Deferred Tax Asset - Current	Price Risk Hedging (Current-Asset)	19,546.50	19,546.50	-	No	19,546.50
63	North Shore G	190900	Federal Deferred Tax Asset - Current	Reduction in Force	(128,671.55)	-	(128,671.55)	No	-
64	North Shore G	190900	Federal Deferred Tax Asset - Current	Reg Assets-Bad Debt Rider ST	-	(7,522.59)	7,522.59	No	(7,522.59)
65	North Shore G	190900	Federal Deferred Tax Asset - Current	Reg Assets (Current)	(731,372.60)	(731,372.60)	-	No	(731,372.60)
66	North Shore G	190900	Federal Deferred Tax Asset - Current	Reg Liabilities-Bad Debt Rider ST	5,173.00	5,173.01	(0.01)	No	5,173.01
67	North Shore G	190900	Federal Deferred Tax Asset - Current	Rider EEP	-	(199,349.13)	199,349.13	No	(199,349.13)
68	North Shore G	190900	Federal Deferred Tax Asset - Current	Vacation	377,592.48	377,592.48	-	No	377,592.48
69			190900 Federal Deferred Tax Asset - Current Total		741,582.08	1,016,036.63	(274,454.55)		
70	North Shore G	190910	State Deferred Tax Asset - Current	ALPORT	5,700.03	5,700.03	-	No	5,700.03
71	North Shore G	190910	State Deferred Tax Asset - Current	Bad Debts	48,956.39	48,196.59	759.80	No	48,196.59
72	North Shore G	190910	State Deferred Tax Asset - Current	Benefits (Current)	138.22	183.75	(45.53)	Yes	183.75
73	North Shore G	190910	State Deferred Tax Asset - Current	Def Compensation	895.71	895.71	-	No	895.71
74	North Shore G	190910	State Deferred Tax Asset - Current	Gas Cost Reconciliation	97,374.75	177,805.16	(80,430.41)	No	177,805.16
75	North Shore G	190910	State Deferred Tax Asset - Current	Incentives Accrued Current	139.98	139.98	-	No	139.98
76	North Shore G	190910	State Deferred Tax Asset - Current	Inventory Cost Capitalized	9,387.66	9,387.66	-	Yes	9,387.66
77	North Shore G	190910	State Deferred Tax Asset - Current	Price Risk Hedging (Current-Asset)	2,649.95	3,049.01	(399.06)	No	3,049.01
78	North Shore G	190910	State Deferred Tax Asset - Current	Reduction in Force	(17,444.19)	-	(17,444.19)	No	-
79	North Shore G	190910	State Deferred Tax Asset - Current	Reg Assets-Bad Debt Rider ST	-	(1,327.20)	1,327.20	No	(1,327.20)
80	North Shore G	190910	State Deferred Tax Asset - Current	Reg Assets (Current)	(99,153.23)	(99,153.23)	-	No	(99,153.23)
81	North Shore G	190910	State Deferred Tax Asset - Current	Reg Liabilities-Bad Debt Rider ST	701.31	666.43	34.88	No	666.43
82	North Shore G	190910	State Deferred Tax Asset - Current	Rider EEP	(27,026.05)	(25,406.47)	(1,619.58)	No	(25,406.47)
83	North Shore G	190910	State Deferred Tax Asset - Current	Rider VBA	40,592.91	40,592.91	-	No	40,592.91
84	North Shore G	190910	State Deferred Tax Asset - Current	Vacation	51,190.75	50,554.40	636.35	No	50,554.40
85			190910 State Deferred Tax Asset - Current Total		114,104.19	170,691.82	(56,587.63)		

1	North Shore G	282100 Fed Def Tax Liab - Plant	Basis Adjustments (P-I-S)	2,884,671.30	(9,992,891.23)	12,877,562.53	Yes	(9,992,891.23)
2	North Shore G	282100 Fed Def Tax Liab - Plant	Depreciation - Fed Only	(41,971,286.09)	(42,004,863.75)	33,577.66	Yes	(42,004,863.75)
3	North Shore G	282100 Fed Def Tax Liab - Plant	Depreciation Step2	(11,242,248.50)	(11,242,248.50)	-	Yes	(11,242,248.50)
4		282100 Fed Def Tax Liab - Plant Total		(50,328,863.29)	(63,240,003.48)	12,911,140.19		
5	North Shore G	282180 Fed Def Tax Liab FAS109	Basis Adjustments (P-I-S)	(2,024.25)	(183,443.24)	181,418.99	No	(183,443.24)
6	North Shore G	282180 Fed Def Tax Liab FAS109	Depreciation - Fed Only	711,510.51	721,851.64	(10,341.13)	No	721,851.64
7	North Shore G	282180 Fed Def Tax Liab FAS109	Depreciation - IL Only	-	246,793.45	(246,793.45)	No	246,793.45
8	North Shore G	282180 Fed Def Tax Liab FAS109	Depreciation - State Only	(28,745.70)	(879,339.77)	-	No	(879,339.77)
9	North Shore G	282180 Fed Def Tax Liab FAS109	Depreciation Step2	(304,176.08)	(584,862.65)	280,686.57	No	(584,862.65)
10	North Shore G	282180 Fed Def Tax Liab FAS109	Non Plant FAS 109	-	1,040,458.20	-	No	1,040,458.20
11		282180 Fed Def Tax Liab FAS109 Total		376,564.48	361,457.63	15,106.85		
12	North Shore G	282200 Sta Def Tax Liab - Plant	Basis Adjustments (P-I-S)	392,641.30	(1,456,638.36)	1,849,279.66	Yes	(1,456,638.36)
13	North Shore G	282200 Sta Def Tax Liab - Plant	Depreciation - IL Only	-	(126,136.17)	126,136.17	Yes	(126,136.17)
14	North Shore G	282200 Sta Def Tax Liab - Plant	Depreciation - State Only	(4,986,075.34)	(4,592,726.88)	-	Yes	(4,592,726.88)
15	North Shore G	282200 Sta Def Tax Liab - Plant	Depreciation Step2	(1,513,409.78)	(1,513,409.78)	-	Yes	(1,513,409.78)
16		282200 Sta Def Tax Liab - Plant Total		(6,106,843.82)	(7,688,911.19)	1,582,067.37		
17	North Shore G	282280 State Def Tax Liab FAS109	Basis Adjustments (P-I-S)	(1,836.72)	(338,757.79)	336,921.07	No	(338,757.79)
18	North Shore G	282280 State Def Tax Liab FAS109	Depreciation - Fed Only	35,442.94	47,507.95	(12,065.01)	No	47,507.95
19	North Shore G	282280 State Def Tax Liab FAS109	Depreciation - IL Only	-	458,330.70	(458,330.70)	No	458,330.70
20	North Shore G	282280 State Def Tax Liab FAS109	Depreciation - State Only	(53,384.88)	(1,633,059.57)	-	No	(1,633,059.57)
21	North Shore G	282280 State Def Tax Liab FAS109	Depreciation Step2	(51,955.49)	(573,230.54)	521,275.05	No	(573,230.54)
22	North Shore G	282280 State Def Tax Liab FAS109	Non Plant FAS 109	-	1,942,991.02	-	No	1,942,991.02
23		282280 State Def Tax Liab FAS109 Total		(71,734.15)	(96,218.23)	24,484.08		
24	North Shore G	283101 Fed Def Tax Liab - Oper	Deprec (Adj-Tax Sys)	(398,815.20)	(398,815.20)	-	Yes	(398,815.20)
25	North Shore G	283101 Fed Def Tax Liab - Oper	Environmental Cleanup	(3,202,954.70)	(3,202,954.70)	-	Yes	(3,202,954.70)
26	North Shore G	283101 Fed Def Tax Liab - Oper	Injuries & Damages	444,276.32	444,276.32	-	Yes	444,276.32
27	North Shore G	283101 Fed Def Tax Liab - Oper	Interest - Non FIN 48	1,092.35	1,092.35	-	No	1,092.35
28	North Shore G	283101 Fed Def Tax Liab - Oper	Loss on Reacquired Debt	(467,502.11)	(467,502.11)	-	No	(467,502.11)
29	North Shore G	283101 Fed Def Tax Liab - Oper	Reduction in Force	-	(128,671.55)	128,671.55	No	(128,671.55)
30	North Shore G	283101 Fed Def Tax Liab - Oper	Reg Assets - Bad Debt Rider LT	-	-	-	No	-
31	North Shore G	283101 Fed Def Tax Liab - Oper	Reg Assets - SB1918	(307,479.74)	(315,741.50)	8,261.76	No	(315,741.50)
32	North Shore G	283101 Fed Def Tax Liab - Oper	Reg Assets (Non-Current)	(162,085.77)	(162,085.77)	-	No	(162,085.77)
33	North Shore G	283101 Fed Def Tax Liab - Oper	Regulatory Asset-Auto	(0.09)	(0.09)	-	No	(0.09)
34		283101 Fed Def Tax Liab - Oper Total		(4,093,468.94)	(4,230,402.25)	136,933.31		
35	North Shore G	283102 Fed Def Tax Liab - Excess	FIN 48 - 283102/409110	-	-	-		
36	North Shore G	283102 Fed Def Tax Liab - Excess	FIN 48 - 283102/409113	-	-	-		
37		283102 Fed Def Tax Liab - Excess Total		-	-	-		
38	North Shore G	283110 Fed Def Tax - M&S/CWIP	Basis Adjust (CWIP)	5,557.28	5,557.28	-	Yes	5,557.28
39	North Shore G	283110 Fed Def Tax - M&S/CWIP	Deprec (Adj-Tax Sys) Fed Only	11,300.47	11,300.47	-	Yes	11,300.47
40	North Shore G	283110 Fed Def Tax - M&S/CWIP	Incentives - 481 Adj	(22,805.80)	-	(22,805.80)	Yes	-
41	North Shore G	283110 Fed Def Tax - M&S/CWIP	Manlove Cushion Gas Adj	14,095.55	14,095.55	-	Yes	14,095.55
42	North Shore G	283110 Fed Def Tax - M&S/CWIP	Sec 481 (a) Adj	(757,017.10)	(757,017.10)	-	Yes	(757,017.10)
43		283110 Fed Def Tax - M&S/CWIP Total		(748,869.60)	(726,063.80)	(22,805.80)		
44	North Shore G	283201 State Def Tax Liab - Oper	Deprec (Adj-Tax Sys)	(54,067.95)	(54,067.95)	-	Yes	(54,067.95)
45	North Shore G	283201 State Def Tax Liab - Oper	Environmental Cleanup	(434,229.14)	(451,439.33)	17,210.19	Yes	(451,439.33)
46	North Shore G	283201 State Def Tax Liab - Oper	Injuries & Damages	60,231.18	62,733.68	(2,502.50)	Yes	62,733.68
47	North Shore G	283201 State Def Tax Liab - Oper	Interest - Non FIN 48	148.09	148.09	-	No	148.09
48	North Shore G	283201 State Def Tax Liab - Oper	Loss on Reacquired Debt	(63,379.93)	(62,796.65)	(583.28)	No	(62,796.65)
49	North Shore G	283201 State Def Tax Liab - Oper	Reduction in Force	-	(17,444.19)	17,444.19	No	(17,444.19)
50	North Shore G	283201 State Def Tax Liab - Oper	Reg Assets - Bad Debt Rider LT	-	-	-	No	-
51	North Shore G	283201 State Def Tax Liab - Oper	Reg Assets - SB1918	(41,685.47)	(55,210.06)	13,524.59	No	(55,210.06)
52	North Shore G	283201 State Def Tax Liab - Oper	Reg Assets (Non-Current)	(21,974.20)	(23,889.73)	1,915.53	No	(23,889.73)
53	North Shore G	283201 State Def Tax Liab - Oper	Regulatory Asset-Auto	(0.01)	(0.01)	-	No	(0.01)
54		283201 State Def Tax Liab - Oper Total		(554,957.43)	(601,966.15)	47,008.72		
55	North Shore G	283202 State Def Tax Liab - Excess	FIN 48 - 283202/409210	-	-	-		
56		283202 State Def Tax Liab - Excess Total		-	-	-		
57	North Shore G	283210 State Def Tax - M&S/CWIP	Basis Adjust (CWIP)	753.41	753.41	-	Yes	753.41
58	North Shore G	283210 State Def Tax - M&S/CWIP	Deprec (Adj-Tax Sys) (State)	22,522.12	22,522.12	-	Yes	22,522.12
59	North Shore G	283210 State Def Tax - M&S/CWIP	Incentives - 481 Adj	(3,091.81)	-	(3,091.81)	Yes	-
60	North Shore G	283210 State Def Tax - M&S/CWIP	Manlove Cushion Gas Adj	1,910.95	1,910.95	-	Yes	1,910.95
61	North Shore G	283210 State Def Tax - M&S/CWIP	Sec 481 (a) Adj	(102,629.89)	(102,017.51)	(612.38)	Yes	(102,017.51)
62		283210 State Def Tax - M&S/CWIP Total		(80,535.22)	(76,831.03)	(3,704.19)		
63	North Shore G	283900 Federal Deferred Tax Liability - Cu	Interest	(3,099.25)	(3,099.25)	-	No	(3,099.25)
64	North Shore G	283900 Federal Deferred Tax Liability - Cu	Prepaid Insurance	(158,774.09)	(158,774.09)	-	No	(158,774.09)
65	North Shore G	283900 Federal Deferred Tax Liability - Cu	Reg Assets - Bad Debt Rider ST	(7,522.63)	-	(7,522.63)	No	-
66		283900 Federal Deferred Tax Liability - Cu Total		(169,395.97)	(161,873.34)	(7,522.63)		
67	North Shore G	283910 State Def Tax Liab-Non Oper Current	Interest	(420.17)	(420.17)	-	No	(420.17)
68	North Shore G	283910 State Def Tax Liab-Non Oper Current	Prepaid Insurance	(21,525.23)	(21,525.23)	-	No	(21,525.23)
69	North Shore G	283910 State Def Tax Liab-Non Oper Current	Reg Assets - Bad Debt Rider ST	(1,019.85)	-	(1,019.85)	No	-
70		283910 State Def Tax Liab-Non Oper Current Total		(22,965.25)	(21,945.40)	(1,019.85)		
71				(54,263,717.32)	(73,294,523.79)	19,030,806.47		
72								(74,685,791.26)
73								1,391,267.47
74								(73,294,523.79)
75								0.00
76								
77								
78								
79			Debasing			2,186,000.00		
80								
81								(72,499,791.26)
82								
83								
84			Original B-1 amount			(56,042,521.00)		
85								
86			Adjustment			(16,457,270.26)		
87								
88			2011 Adjustment			(10,539,761.43)		
89								
90			Average Adjustment			(13,498,515.85)		
91								
92			Rounded			(13,499,000.00)		
93								
94			Adj Retirement Ben			(598,000)		
95								
96			Total Def Income Tax			(14,097,000.00)		

North Shore Gas 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			\$ (49,003,000)	\$ (49,003,000)	1
2	January 1-17		100.0%	(160,000)	(160,000)	2
3	January 18-31	336	96.0%	(194,000)	(186,000)	3
4	February	307	87.7%	(353,000)	(310,000)	4
5	March	276	78.9%	(354,000)	(279,000)	5
6	April	246	70.3%	(354,000)	(249,000)	6
7	May	215	61.4%	(353,000)	(217,000)	7
8	June	185	52.9%	(354,000)	(187,000)	8
9	July	154	44.0%	(354,000)	(156,000)	9
10	August	123	35.1%	(353,000)	(124,000)	10
11	September	93	26.6%	(354,000)	(94,000)	11
12	October	62	17.7%	(354,000)	(63,000)	12
13	November	32	9.1%	(353,000)	(32,000)	13
14	December	1	0.3%	(354,000)	(1,000)	14
15	Balance 12/31/2012			\$ <u>(53,247,000)</u>	\$ <u>(51,061,000)</u>	15
	Impact of Debasing				<u>2,186,000</u>	

Notes: (1) Total days in period: 350

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

North Shore Gas Company

Cash Working Capital

Test Year Ending December 31, 2012

Line No.	Item (A)	Amount (B)	Lag (Lead) (C)	CWC Factor (C) / 365 (D)	CWC Requirement (C) x (D) (E)	Column (B) Source (F)
1	Revenues	\$ 203,146,000	44.77	0.12266	\$ 24,917,000	NS-PGL Ex. 23.8N, page 2, line 7, column B
2	Pass Through Taxes	16,900,000	44.77	0.12266	2,073,000	Sum of lines 19 - 22 below
3	Total	<u>220,046,000</u>				
4	Payroll and Withholdings	8,135,000	(14.14)	(0.03874)	(315,000)	NS-PGL Ex. 23.8N, page 2, line 12, column B
5	Inter Company Billings (incl Payroll Tax)	32,937,000	(38.23)	(0.10474)	(3,450,000)	NS-PGL Ex. 23.8N, page 2, line 13, column B plus line 20, column B
6	Natural Gas	148,869,000	(40.53)	(0.11104)	(16,531,000)	NS-PGL Ex. 23.8N, page 2, line 2, column B
7	Other Operations and Maintenance	4,722,000	(42.44)	(0.11627)	(549,000)	NS-PGL Ex. 23.8N, page 2, line 15, column B
8	Taxes Other Than Income:					
9	Federal Insurance Contributions (FICA)	706,000	(16.14)	(0.04422)	(31,000)	Schedule C-18, line 2 column B less IBS billed FICA - see page 2
10	Federal Unemployment Tax	4,000	(76.38)	(0.20926)	(1,000)	Schedule C-18, line 3 column B
11	State Unemployment Tax	21,000	(79.70)	(0.21836)	(5,000)	Schedule C-18, line 10 column B
12	Property/Real Estate Taxes	236,000	(374.82)	(1.02690)	(242,000)	Schedule C-18, line 18 column B
13	Invested Capital Tax	1,685,000	(30.38)	(0.08323)	(140,000)	Schedule B-8, page 2, line 19, column B
14	Corporation Franchise Tax	25,000	(184.82)	(0.50636)	(13,000)	Schedule C-18, line 9 column B
15	Illinois Sales and Use Tax	5,000	(38.74)	(0.10614)	(1,000)	Schedule C-18, line 11 column B
16	Federal Excise Tax	2,000	(75.12)	(0.20581)	-	Schedule C-18, line 4 column B
17	Unauthorized Insurance Tax	14,000	136.91	0.37510	5,000	Schedule C-18, line 14 column B
18	Pass Through Taxes:					
19	ICC Gas Revenue Tax	239,000	32.31	0.08852	21,000	See WPB-8
20	Gross Receipts/Municipal Utility Tax	6,727,000	(74.81)	(0.20496)	(1,379,000)	See WPB-8
21	Energy Assistance Charges	1,787,000	(61.09)	(0.16737)	(299,000)	See WPB-8
22	Gas Revenue/Public Utility tax	8,147,000	(28.15)	(0.07712)	(628,000)	See WPB-8
23	Interest Expense	4,665,000	(91.25)	(0.25000)	(1,166,000)	
24	Federal Income Tax	-	(37.88)	(0.10378)	-	NS-PGL Ex. 22.1
25	State Income Tax	<u>1,119,000</u>	(37.88)	(0.10378)	<u>(116,000)</u>	NS-PGL Ex. 22.1
26	TOTAL	<u>220,045,000</u>			\$ 2,150,000	
27	Less - Direct Filing - CWC amount				<u>(3,050,000)</u>	
28	CWC Amount per Rebuttal				<u>\$ (900,000)</u>	

North Shore Gas Company

Cash Working Capital

Test Year Ending December 31, 2012

Line No. (A)	Description (A)	Amount (B)	Source (C)
1	Total Operating Revenues	\$ 85,263,000	NS-PGL 22.1N
2	Add: PGA Revenues	148,869,000	Schedule C-1, line 6, column C
3	Less: Uncollectible Accounts	(1,724,000)	NS-PGL 22.1N
4	Less: Depreciation & Amortization	(10,317,000)	NS-PGL 22.1N
5	Less Deferred Taxes and ITC	(7,224,000)	NS-PGL 22.1N
6	Less: Return on Equity	<u>(11,721,000)</u>	See line 10 below
7	Total Revenues for CWC calculation	<u>\$ 203,146,000</u>	
8	Total Rate Base	\$ 192,783,000	Schedule B-1, line 15, column H
9	Equity Weighted Component	<u>6.08%</u>	NS-PGL Ex. 18.1N
10	Return on Equity	<u>\$ 11,721,000</u>	
11	Other O & M Expenses	\$ 46,868,000	NS-PGL 22.1N
12	Payroll and Withholdings	(8,135,000)	See WPB-8
13	Inter Company Billings	(32,287,000)	See WPB-8
14	Uncollectible Accounts	<u>(1,724,000)</u>	NS-PGL 22.1N
15	Other Operations & Maintenance	<u>\$ 4,722,000</u>	
16	Invested Capital Tax		
17	Schedule C-18 -Operating Expense	\$ 1,645,000	Schedule C-18, line 8 column B
18	Schedule C-2 - Ratemaking Adjustment to Operating Income	40,000	Schedule C-2, page 3, line 27, column I
19	Invested Capital Tax for Cash Working Capital	<u>\$ 1,685,000</u>	
20	Inter Company Billings (Payroll Taxes in Acct 408)	<u>\$ 650,000</u>	See WPB-8

North Shore Gas Company

Retirement Benefits, Net

Item: Retirement Benefits, Net

Line No.	Description (A)	Original Filing			Revised - NS Rebuttal			Adjustment (H)	Line No.
		Balance at December 31,2011 (B)	Balance at December 31,2012 (C)	Average (D)	Balance at December 31,2011 (E)	Balance at December 31,2012 (F)	Average (G)		
1	Pension Asset/(Liability)								1
2	228331 Pension Plan	\$ (11,293,000)	\$ (9,177,000)	\$ (10,235,000)	\$ (8,498,000)	\$ (10,187,000)	\$ (9,342,500)		2
3	228333 Sup Ret Plan	0	0	0	0	0	0		3
4	242591 Current SERP	0	0	0	0	0	0		4
5	Net Pension Funded Status	<u>(11,293,000)</u>	<u>(9,177,000)</u>	<u>(10,235,000)</u>	<u>(8,498,000)</u>	<u>(10,187,000)</u>	<u>(9,342,500)</u>		5
6	Pension Reg Asset/(Liability)								6
7	182312 Reg Asset - FAS 158	5,666,000	5,320,000	5,493,000	5,602,000	5,066,000	5,334,000		7
10	182351 Reg Asset - Purch Acct	8,325,000	7,575,000	7,950,000	8,325,000	7,575,000	7,950,000		10
11	254490 Reg Liab FAS 158	0	0	0	0	0	0		11
12	Net Pens Reg Asset/(Liability)	<u>13,991,000</u>	<u>12,895,000</u>	<u>13,443,000</u>	<u>13,927,000</u>	<u>12,641,000</u>	<u>13,284,000</u>		12
13	Total Pension	<u>2,698,000</u>	<u>3,718,000</u>	<u>3,208,000</u>	<u>5,429,000</u>	<u>2,454,000</u>	<u>3,941,500</u>	<u>733,500</u>	13
14	Welfare Asset/(Liability)								14
15	228334 Welfare Liability	(13,414,000)	(13,029,000)	(13,221,500)	(12,864,000)	(3,319,000)	(8,091,500)		15
16	242080 Current Postretirement Welfare	0	0	0	0	0	0		16
17	242592 Current FAS 112 Obligation	(198,000)	(198,000)	(198,000)	(198,000)	(198,000)	(198,000)		17
18	253205 Post Empl Ben FAS 112	(501,000)	(438,000)	(469,500)	(366,000)	(301,000)	(333,500)		18
19	Net Welfare Funded Status	<u>(14,113,000)</u>	<u>(13,665,000)</u>	<u>(13,889,000)</u>	<u>(13,428,000)</u>	<u>(3,818,000)</u>	<u>(8,623,000)</u>		19
20	Welfare Reg Asset/(Liability)								20
21	182312 Reg Asset - FAS 158	0	0	0	0	0	0		21
22	182351 Reg Asset - Purch Acct	3,487,000	3,009,000	3,248,000	3,487,000	3,009,000	3,248,000		22
23	254490 Reg Liab FAS 158	(999,000)	(999,000)	(999,000)	(1,375,000)	(1,365,000)	(1,370,000)		23
24	Net Welfare Reg Asset/(Liability)	<u>2,488,000</u>	<u>2,010,000</u>	<u>2,249,000</u>	<u>2,112,000</u>	<u>1,644,000</u>	<u>1,878,000</u>		24
25	Total Welfare	<u>(11,625,000)</u>	<u>(11,655,000)</u>	<u>(11,640,000)</u>	<u>(11,316,000)</u>	<u>(2,174,000)</u>	<u>(6,745,000)</u>	<u>4,895,000</u>	25
26	Retirement Benefits, Net	<u>\$ (8,927,000)</u>	<u>\$ (7,937,000)</u>	<u>\$ (8,432,000)</u>	<u>\$ (5,887,000)</u>	<u>\$ 280,000</u>	<u>\$ (2,803,500)</u>	<u>5,628,500</u>	26
27	Rounded			<u>\$ (8,432,000)</u>			<u>\$ (2,804,000)</u>	<u>5,628,000</u>	27

North Shore Gas Company

Adjustment for ADIT - Repairs

Line No.	<u>Account</u> (A)	<u>Balance at December 31, 2011</u> (B)	<u>Balance at December 31, 2012</u> (C)	<u>Average Test Year 2012</u> (D)
	<u>Direct</u>			
1	Account 283 - Federal	\$ (835,000)	\$ (799,000)	\$ (817,000)
2	Account 283 - State	<u>(113,000)</u>	<u>(109,000)</u>	<u>(111,000)</u>
3	Total	<u>(948,000)</u>	<u>(908,000)</u>	<u>(928,000)</u>
4	Adjustment - Reverse 50%	<u>\$ 474,000</u>	<u>\$ 454,000</u>	<u>\$ 464,000</u>
	<u>Rebuttal</u>			
5	Account 283 - Federal			\$ -
6	Account 283 - State			<u>0</u>
7	Total	<u>(1,741,000)</u>	<u>(2,929,000)</u>	<u>(2,335,000)</u>
8	Adjustment - Reverse 50%	<u>\$ 870,500</u>	<u>\$ 1,464,500</u>	<u>\$ 1,168,000</u>
9	Rebuttal Adjustment			<u>\$ 704,000</u>

North Shore Gas Company
Adjustments for ADIT - Overheads

Line No.	Account (A)	Balance at December 31, 2011 (B)	Balance at December 31, 2012 (C)	Average Test Year 2012 (D)
	<u>Direct</u>			
1	Account 283 - Federal			\$ -
2	Account 283 - State			0
3	Total	-	-	-
4	Adjustment - Reverse 50%	\$ -	\$ -	\$ -
	<u>Rebuttal</u>			
5	Account 283 - Federal			\$ -
6	Account 283 - State			0
7	Total	(4,179,000)	(4,079,000)	(4,129,000)
8	Adjustment - Reverse 50%	\$ 2,089,500	\$ 2,039,500	\$ 2,065,000
9	Rebuttal Adjustment			\$ 2,065,000

North Shore Gas Company

Adjustment for ADIT - Net Operating Loss (NOL)

Line No.	Account (A)	Balance at December 31, 2011 (B)	Balance at December 31, 2012 (C)	Average Test Year 2012 (D)
	<u>Direct</u>			
1	Account 283 - Federal			\$ -
2	Account 283 - State			0
3	Total	-	-	-
	<u>Rebuttal</u>			
4	Account 283 - Federal	\$ 70,000	\$ 80,000	\$ 75,000
5	Account 283 - State	184,000	0	92,000
6	Total	254,000	80,000	167,000
7	Rebuttal Adjustment			\$ 167,000