

Staff Cross 15

**ICC Docket No. 11-0280**  
**North Shore Gas Company's Response to**  
**Staff Data Requests DAS 2.01-2.14**  
**Dated: March 16, 2011**

**REQUEST NO. DAS 2.06:**

For each of the products listed in DAS-2.01, please provide monthly customer counts since each program began. Additionally, for each month provide the new customers for each month and the customers who dropped the service for each month.

**RESPONSE:**

See NS DAS 2.06 Attach 01.

**OFFICIAL FILE**

I.C.C. DOCKET NO. 110280+11-0281  
Fee Replacement Exhibit No. 15  
Witness \_\_\_\_\_  
Date 3/16/11 Reporter TO

North Shore Gas Company  
Pipeline Protection Program  
Monthly Customer Count

	2004	2005	2006	2007	2008	2009	2010
January		2,077	4,377	4,304	4,436	4,045	3,721
February	98	2,135	4,370	4,316	4,463	4,017	3,706
March	145	2,247	4,385	4,321	4,448	3,981	3,674
April	330	2,321	4,405	4,316	4,347	3,950	3,652
May	663	2,331	4,408	4,310	4,301	3,922	3,632
June	1,443	2,604	4,391	4,332	4,284	3,892	3,600
July	1,663	3,286	4,364	4,373	4,247	3,861	3,581
August	1,821	3,525	4,335	4,411	4,217	3,831	3,555
September	2,014	3,529	4,322	4,420	4,173	3,807	3,530
October	2,076	3,938	4,309	4,427	4,131	3,789	3,505
November	2,082	4,326	4,300	4,430	4,096	3,765	3,486
December	2,086	4,395	4,312	4,432	4,065	3,741	3,465

North Shore Gas Company  
 Pipeline Protection Program  
 New Customers

	2004	2005	2006	2007	2008	2009	2010
January		21	52	46	42	6	2
February	98	76	30	45	57	4	5
March	52	147	60	44	38	5	6
April	188	101	63	40	25	4	6
May	345	37	30	48	27	3	7
June	797	304	27	77	35	5	5
July	239	717	27	94	31	-	5
August	187	297	27	89	13	1	10
September	233	50	53	67	17	6	4
October	93	444	37	61	9	8	4
November	48	443	42	57	3	4	3
December	37	121	51	42	10	9	4
Grand Total	2,317	2,758	499	710	307	55	61

North Shore Gas Company  
Pipeline Protection Program  
Canceled Customers

	2004	2005	2006	2007	2008	2009	2010
January		30	70	54	38	26	22
February		18	37	33	30	32	20
March	5	35	45	39	53	41	38
April	3	27	43	45	126	35	28
May	12	27	27	54	73	31	27
June	17	31	44	55	52	35	37
July	19	35	54	53	68	31	24
August	29	58	56	51	43	31	36
September	40	46	66	58	61	30	29
October	31	35	50	54	51	26	29
November	42	55	51	54	38	28	22
December	33	52	39	40	41	33	25
Grand Total	231	449	582	590	674	379	337

**ICC Docket No. 11-0281**  
**The Peoples Gas Light and Coke Company's Response to**  
**Staff Data Requests DAS 7.01-7.02**  
**Dated: May 3, 2011**

**REQUEST NO. DAS 7.02:**

Following up on the Companies response to DAS 6.06 and revenues and charges with Peoples Homes Services ("PHS"),

- a. Why do the responses to 6.06 not include bill and letter fee revenues in the corrected 2.10 exhibits?
- b. What is the difference between the bill and letter fee revenue and the Customer relation revenue?
- c. What happened in between 2007 and 2008 to cause the customer relations revenues to sharply decline?
- d. Why is the customer relations revenue from 2008-2010 the same as the repair revenue for the same period?
- e. Why doesn't North Shore collect any revenue other than repair revenue? Why doesn't North Shore bill for customer relation revenue?
- f. What is the basis for billing charges since there are other non-time components?
- g. What is the basis for billing charges since there are other non-time components such as repair parts?
- h. Please provide accounting (time) records to substantiate all PPP charges?
- i. What measures are in place to ensure full billing to PEHS?
- j. The Companies' responses to DAS 2.03 say that the Companies may provide three services. For each of the services listed and also for repairs, please list the dates that each local distribution company provided these services.

**RESPONSE:**

- a. The responses to 6.06 do not include bill and letter fee revenues in the corrected 2.10 exhibits because the bill and letter fee revenues are not collected from ratepayers and paid to the affiliate.
- b. The bill and letter fee revenue is revenue the utilities receive from the affiliate for billing the customers for the affiliate and inserting any letters in the customer bills for the affiliate. There is no Customer Relations revenue, the tab labeled Customer Relations costs refers mainly to costs that the call center billed to the affiliate for handling bill inquiries and soliciting customers.
- c. Peoples Gas understands this request to be referring to the customer relations costs, not revenues. The reason for the decline between 2007 and 2008 is that in 2008, the customer relations area became part of the service company, Integrity Business Support (IBS), therefore the costs billed by Peoples Gas to PEHS should be zero. While investigating this response, a couple of errors were found in the revised response to DAS 2.10. Please see the second revised response to Staff data request Peoples Gas DAS 2.10.
- d. See answer to c.
- e. Peoples Gas understands this request to be why North Shore does not bill for customer relation costs, not revenues. A majority of the work related to Peoples Home Services ran through the Peoples Gas customer relations area. Therefore,

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**Dated: May 3, 2011**

Peoples Gas billed the affiliate a percentage that represented the costs for both the Peoples Gas and North Shore customers that were customers of Peoples Energy Home Services.

- f. Prior to 2008, the basis for billing charges for both time and non-time components for non-operational work was based on an annual estimated percentage of time each area is doing work for Peoples Energy Home Services. This percentage applied to the customer relations, accounting and tax areas. After 2008, the basis for billing charges for both time and non-time components is direct billing.
- g. The basis for billing charges for non-time components like repair parts is based on the actual materials used on the job along with applicable loadings.
- h. See the responses to subparts (f) and (g). Peoples Gas does not have time sheets for this cost. Please see the attached support for the response.
- i. The method of determining charges for these services and materials is no different than for other intercompany services and is subject to the same controls and audit requirements. Peoples Gas' intercompany services agreement prescribes the costs for services are determined based on direct charges or allocations. The agreement also provides that materials and purchased services are directly charged to the service recipient (e.g., see the response to subpart (g) of this response).
- j. Peoples Gas began providing the aforementioned support services as well as customer repairs beginning in April, 2004 and continuing to present day.

**REVISED RESPONSE:**

- j. Peoples Gas began providing the aforementioned support services beginning in April, 2004 through December, 2007. Peoples Gas began providing the customer repairs service beginning in April, 2004 and continuing to present day.

**REVISED RESPONSE:**

- j. Peoples Gas began providing the aforementioned support services beginning in April, 2004 through December, 2007, except for billing services which continues to present day. Peoples Gas began providing the customer repairs service beginning in April, 2004 and continuing to present day.

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**The Peoples Gas Light and Coke Company's Response to**  
**Staff Data Requests DAS 11.01-11.02**  
**Dated: August 9, 2011**

**REQUEST NO. DAS 11.01:**

- DAS 11.01 With regard to the Companies revised corrected responses to DAS 2.10, please provide the following information:
- a. Why does the revised corrected response to DAS 2.10 no longer include the "Misc Revenues" tab which was entitled Bill and Letter fee revenue from the original response?
  - b. Do the Companies currently provide billing services to PEHS?
  - c. Please reconcile the answer to DAS 11.01a with the Companies' responses to Staff DR DAS 7.02j which state that both Companies have in the past and currently provide billing services for PEHS.
  - d. If the Companies do *not* provide billing to PEHS for PPP, then who does?
  - e. For each month since PPP's inception provide amount paid by PEHS to any entity for billing services on behalf of PPP.

**RESPONSE:**

- a. The revised corrected response should have included the Bill and Letter fee revenue in the answer to subpart b.
- b. Yes
- c. See the revised response to Staff data request DAS 7.02j. Currently, Peoples Gas only provides repair and billing services to PEHS. Billing services only refers to adding the PEHS charge on to the customer's bill or sending letters on half of PEHS). Beginning in 2008, all other services provided to PEHS are provided by Integrys Business Support.
- d. See c.
- e. See PGL DAS 11.01 Attach 01, Attach 02 and Attach 03 for amounts and support. See response to Interstate Gas Supply data request IGS 4.03 for details on how the charge per bill and letter was calculated.

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**The Peoples Gas Light and Coke Company's Response to**  
**Staff Data Requests DAS 12.01-12.06**  
**Dated: August 16, 2011**

**REQUEST NO. DAS 12.02:**

With regard to the Companies responses to DAS 9.07, please provide the basis for all allocation factors.

**RESPONSE:**

With regard to DAS 9.07, see Peoples Gas response to Staff data request DAS 9.07 for the basis for the allocation factors for 2005 and 2006 for Customer Relations. Support for the 2007 allocation factor cannot be found. See Peoples Gas response to Staff data request DAS 10.01 for the basis for the allocation factor for 2011.

**ICC Docket No. 11-0281**  
**The Peoples Gas Light and Coke Company's Response to**  
**Staff Data Requests DAS 13.01-13.05**  
**Dated: August 26, 2011**

**REQUEST NO. DAS 13.03:**

With regard to Ms. Gregor's surrebuttal testimony which includes an amount of the IBS expenses that includes \$16,572 for customer relations, please provide the following information:

- a. What is the basis of the calculation of that expense?
- b. What is the estimated percentage allocation?
- c. How was that allocation determined?
- d. Where in the Companies' testimony or exhibits is derivation of this amount?
- e. Where in the Companies' testimony or exhibits is the inclusion of this amount in the test year?
- f. Why is this amount less than the amount estimated by Ms. Gregor in her rebuttal testimony?
- g. Would base rate for ratepayers be higher under a test year amount of \$17,000 for customer relations expense for IBS of than estimate of almost \$70,000 provided in Ms. Gregor's rebuttal testimony?
- h. If the amount estimated by IBS for these expenses is lower than actual expenses, all other things being equal, will this result in a subsidy from ratepayers to PEHS?
- i. For the Companies 2007 rate case, how much customer relations revenues were included the test year? Provide full documentation showing this inclusion.
- j. What was the basis for this amount? Provide full documentation showing this derivation.
- k. For the Companies 2009 rate case, how much customer relations revenues were included the test year expenses for IBS? Provide full documentation showing this inclusion.
- l. What was the basis for this amount? Provide full documentation showing this derivation.

**RESPONSE:**

- a. The basis of the \$16,572 was an estimated allocation percentage for PEHS times the forecasted customer relations costs related to the call center.
- b. The estimated percentage allocation is .2%. See NS-PGL Ex 38.0 WP1 Customer Relations Billings to PEHS for 2012.
- c. See Peoples Gas response to DAS 10.01 for support on how this allocation percentage was derived.
- d. See NS-PGL EX 38.0 WP1 Customer Relations Billings to PEHS for 2012.
- e. The amount of the customer relations billings from IBS to PEHS is stated in NS-PGL Ex 38.0 (Gregor) Surrebuttal and shown in NS-PGL Ex 38.0 WP1 Customer Relations Billings to PEHS for 2012. However, since this is a billing from IBS to PEHS, it reduces the amount of billings to Peoples Gas and therefore will not show up as an identifiable amount on any of Peoples Gas' schedules.
- f. At the time of rebuttal testimony because there had been no actual billings from IBS to PEHS from 2008, Ms. Gregor thought that there were also no forecasted billings

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**Staff Data Requests DAS 12.01-12.06**  
**Dated: August 16, 2011**

and proposed an adjustment based on an average of all customer relations costs, not just customer call center costs, from 2005-2010. However, upon further investigation, it was determined that there were forecasted billings from the customer relations area to PEHS for solicitation and customer inquiries in the test year and that is the number that was stated in her surrebuttal. The other customer relations areas that were part of the average during 2005-2007 are longer supplying services to PEHS.

- g. Yes.
- h. All other things being equal, if the amount estimated by IBS for these expenses is lower than actual expense, this would result in ratepayers paying for costs related to PEHS. On the flip side, all other things being equal, if the amount estimated by IBS for these expenses is higher than actual expense, this would result in PEHS paying costs that the ratepayers should be paying.
- i. For the Company's 2007 rate case, which was based on a historical test year ending September 30, 2006, the amount of customer billings related to solicitation and other customer call inquiries billed to PEHS was \$27,000. See PGL DAS 13.03 Attach 01.
- j. The basis for the amount is based on an allocation percentage for PEHS times the total costs of the customer relations home center. See PGL DAS 13.03 Attach 02 for documentation of this number.
- k. For the Company's 2009 rate case, which was based on a 2010 forecasted test year, the amount of customer billings related to solicitation and other customer call inquires from IBS to PEHS was \$17,000. However, since this is a billing from IBS to PEHS, it reduces the amount of billings to Peoples Gas and therefore will not show up as an identifiable amount on any of Peoples Gas' schedules. See PGL DAS 13.03 Attach 03 showing the amount billed from IBS to PEHS for this service.
- l. The basis for the amount is based on an allocation percentage for PEHS times the forecasted customer relations costs related to the call center. See PGL DAS 13.03 Attach 03 for support of this number.

## Credits to Customer Care Cost Center for amounts billed to PEHS

Cost Ctr	Cost Elem.	Cost elem.name	Val.in RC	DocumentNo	Doc. Date	Postg Date	PartnerObj
11000795	900701	Overhead-Assessed	-614.8	300158756	11/4/2005	10/31/2005	PEHS
11000795	900701	Overhead-Assessed	-638.03	300163069	12/6/2005	11/30/2005	PEHS
11000795	900701	Overhead-Assessed	-631.28	300167483	1/6/2006	12/31/2005	PEHS
11000795	900701	Overhead-Assessed	-684.88	300171934	2/6/2006	1/31/2006	PEHS
11000795	900701	Overhead-Assessed	684.88	300171982	2/7/2006	1/31/2006	PEHS
11000795	900701	Overhead-Assessed	-684.88	300171985	2/7/2006	1/31/2006	PEHS
11000795	900701	Overhead-Assessed	-601.52	300176589	3/6/2006	2/28/2006	PEHS
11000795	900701	Overhead-Assessed	-712	300181202	4/6/2006	3/31/2006	PEHS
11000795	900701	Overhead-Assessed	-612.17	300184949	5/5/2006	4/30/2006	PEHS
11000795	900701	Overhead-Assessed	-703.86	300188999	6/6/2006	5/31/2006	PEHS
11000795	900701	Overhead-Assessed	-655.93	300192947	7/11/2006	6/30/2006	PEHS
11000795	900701	Overhead-Assessed	-603	300196575	8/4/2006	7/31/2006	PEHS
11000795	900701	Overhead-Assessed	603	300196602	8/4/2006	7/31/2006	PEHS
11000795	900701	Overhead-Assessed	-603	300196606	8/4/2006	7/31/2006	PEHS
11000795	900701	Overhead-Assessed	-685.6	300201369	9/8/2006	8/31/2006	PEHS
11000795	900701	Overhead-Assessed	-612.64	300205809	10/9/2006	9/30/2006	PEHS
11000795	900701	Overhead-Assessed	612.64	300205821	10/9/2006	9/30/2006	PEHS
11000795	900701	Overhead-Assessed	-612.64	300205827	10/9/2006	9/30/2006	PEHS
*		900701 Overhead-Assessed	-7,755.71				
11000795	900801	Assessm - Labor	-1,186.22	300158756	11/4/2005	10/31/2005	PEHS
11000795	900801	Assessm - Labor	-1,227.03	300163069	12/6/2005	11/30/2005	PEHS
11000795	900801	Assessm - Labor	-1,199.75	300167483	1/6/2006	12/31/2005	PEHS
11000795	900801	Assessm - Labor	-1,284.80	300171934	2/6/2006	1/31/2006	PEHS
11000795	900801	Assessm - Labor	1,284.80	300171982	2/7/2006	1/31/2006	PEHS
11000795	900801	Assessm - Labor	-1,284.80	300171985	2/7/2006	1/31/2006	PEHS
11000795	900801	Assessm - Labor	-1,139.56	300176589	3/6/2006	2/28/2006	PEHS
11000795	900801	Assessm - Labor	-1,321.56	300181201	4/6/2006	3/31/2006	PEHS
11000795	900801	Assessm - Labor	-1,216.78	300184922	5/4/2006	4/30/2006	PEHS
11000795	900801	Assessm - Labor	1,216.78	300184947	5/5/2006	4/30/2006	PEHS
11000795	900801	Assessm - Labor	-1,216.78	300184949	5/5/2006	4/30/2006	PEHS
11000795	900801	Assessm - Labor	-1,332.55	300188999	6/6/2006	5/31/2006	PEHS
11000795	900801	Assessm - Labor	-1,230.00	300192947	7/11/2006	6/30/2006	PEHS
11000795	900801	Assessm - Labor	-1,138.21	300196575	8/4/2006	7/31/2006	PEHS
11000795	900801	Assessm - Labor	1,138.21	300196602	8/4/2006	7/31/2006	PEHS
11000795	900801	Assessm - Labor	-1,138.21	300196606	8/4/2006	7/31/2006	PEHS
11000795	900801	Assessm - Labor	-1,267.92	300201369	9/8/2006	8/31/2006	PEHS
11000795	900801	Assessm - Labor	-1,198.03	300205809	10/9/2006	9/30/2006	PEHS
11000795	900801	Assessm - Labor	1,198.03	300205821	10/9/2006	9/30/2006	PEHS
11000795	900801	Assessm - Labor	-1,198.03	300205827	10/9/2006	9/30/2006	PEHS
*		900801 Assessm - Labor	-14,742.41				
11000795	900805	Assess-Out.Serv.	238.04	300158756	11/4/2005	10/31/2005	PEHS
11000795	900805	Assess-Out.Serv.	-207.89	300163069	12/6/2005	11/30/2005	PEHS
11000795	900805	Assess-Out.Serv.	-110.17	300167483	1/6/2006	12/31/2005	PEHS
11000795	900805	Assess-Out.Serv.	-156.64	300171934	2/6/2006	1/31/2006	PEHS
11000795	900805	Assess-Out.Serv.	156.64	300171982	2/7/2006	1/31/2006	PEHS
11000795	900805	Assess-Out.Serv.	-156.64	300171985	2/7/2006	1/31/2006	PEHS
11000795	900805	Assess-Out.Serv.	-111.57	300176589	3/6/2006	2/28/2006	PEHS
11000795	900805	Assess-Out.Serv.	-639.77	300181201	4/6/2006	3/31/2006	PEHS
11000795	900805	Assess-Out.Serv.	-337.23	300184922	5/4/2006	4/30/2006	PEHS



Costs for Customer Care

Row Labels	Sum of	Val.in RC	PEPP Billing %	Amount Billed PEPP
Build Lessee Job Exp		(107.00)		
Building Elec Exp		(4,692.52)		
Business Travel		25,728.87		
Communication Exp		528,121.58		
General Office Suppl		56,752.69		
Hardware Purch		410.31		
Labor Overhead		3,877,855.33		
Labor-Overtime		300,615.29		
Labor-Regular		6,885,396.57		
Labor-STIC		185,199.18		
Licenses-Trans Exp		40.00		
Meals Non-OT/OoT		23,290.74		
O/S Srvcs-Other		1,561,909.65		
Overhead Billed		0.00		
Postage-General		110.04		
Spot Bonus Exp		16,166.83		
Train-Meet-Sem Costs		8,364.82		
<b>Grand Total</b>		<b>13,465,162.38</b>	0.20%	26,930.32

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**The Peoples Gas Light and Coke Company's Response to**  
**Staff Data Requests DAS 13.01-13.05**  
**Dated: August 26, 2011**

**REQUEST NO. DAS 13.04:**

With regard to Ms. Gregor's surrebuttal testimony which acknowledges that the Companies failed to include the repair revenues in the test year, please provide the following information:

- a. How much was included originally for these repair revenues in the test year? Provide full documentation showing this inclusion.
- b. What was the basis for this amount? Provide full documentation showing this derivation.
- c. How much is currently included for these repair revenues in the test year? Provide full documentation showing this inclusion.
- d. What was the basis for this amount? Provide full documentation showing this derivation.
- e. For the Companies 2007 rate case, how much repair revenues were included the test year? Provide full documentation showing this inclusion.
- f. What was the basis for this amount? Provide full documentation showing this derivation.
- g. For the Companies 2009 rate case, how much repair revenues were included the test year? Provide full documentation showing this inclusion.
- h. What was the basis for this amount? Provide full documentation showing this derivation.

**RESPONSE:**

- a. See Ex. 38.3P PEPP Repair Billings, line 2 for the amount originally included in the test year, which was zero.
- b. See a.
- c. See Ex. 38.3P PEPP Repair Billings, line 1 for the amount currently included in the test year - \$11,000. See Ex. 39.1P to 39.8P showing the inclusion of the difference between the amount originally filed and the amount currently in the test year.
- d. The basis for the amount is based on the average cost of repairs for 2005-2010. See EX 38.3 WP for the calculation of this amount.
- e. For the Company's 2007 rate case, which was based on a historical test year ending September 30, 2006, the amount of repair revenues included was \$15,000. See PGL DAS 13.04 Attach 01 for support of this number.
- f. The basis for the amount is based the direct billing of field personnel to a specific work order that identifies the work he/she is performing to be worked related for a PEPP customer.
- g. For the Company's 2009 rate case, which was based on a 2010 forecasted test year, the amount of repair revenues included was zero.
- h. See g.

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**REQUEST NO. DAS 13.05:**

With regard to Ms. Gregor's surrebuttal testimony which acknowledges that the Companies failed to include the full billing revenues in the test year, please provide the following information:

- a. How much was included originally for these billing revenues in the test year? Provide full documentation showing this inclusion.
- b. What was the basis for this amount? Provide full documentation showing this derivation.
- c. How much is currently included for these billing revenues in the test year? Provide full documentation showing this inclusion.
- d. What was the basis for this amount? Provide full documentation showing this derivation.
- e. For the Companies 2007 rate case, how much billing revenues were included the test year? Provide full documentation showing this inclusion.
- f. What was the basis for this amount? Provide full documentation showing this derivation.
- g. For the Companies 2009 rate case, how much billing revenues were included the test year? Provide full documentation showing this inclusion.
- h. What was the basis for this amount? Provide full documentation showing this derivation.

**RESPONSE:**

- a. See Ex. 38.4P Bill and Letter Fee Revenues, line 2 for the amount originally included in the test year - \$77,000. See attachment to Attorney General data request AG 1.50, line 8 - I/C Rev - Cfirst Charges, for documentation showing the inclusion.
- b. The basis for the amount is based on the number of forecasted bills and letters for PEHS times the per bill/letter fee (\$0.40). See EX 38.4 WP, PEHS\_PEPP 8-2-2010 tab for the calculation of this amount.
- c. See Ex. 38.4P Bill and Letter Fee Revenues, line 1 for the amount currently included in the test year - \$107,000. See Ex. 39.1P to 39.8P showing the inclusion of the difference between the amount originally filed and the amount currently in the test year.
- d. The basis for the amount is based on the number of forecasted bills and letters for PEHS times the per bill/letter fee (\$0.54). See EX 38.4 WP, PEHS\_PEPP 8-18-2012 tab for the calculation of this amount.
- e. For the Company's 2007 rate case, which was based on a historical test year ending September 30, 2006, the amount of bill and letter fee included was \$138,000. See PGL DAS 13.05 Attach 01 for support of this number.

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- f. The basis for the amount is based on the number of forecasted bills and letters for PEHS times the per bill/letter fee (\$.040). See attachment DAS 11.01 Dec'05 – Dec '07 for support for December 2005 through September 2006. The back-up for October and November 2005 cannot be found at this time.
- g. For the Company's 2009 rate case, which was based on a 2010 forecasted test year, the amount of bill and letter fee included was \$92,000. See PGL DAS 13.05 Attach 02 for support of this number.
- h. The basis for the amount is based on the number of forecasted bills and letters for PEHS times the per bill/letter fee (\$.040). See NS-PGL DAS 13.05 Attach 03 for support.

## The Peoples Gas Light and Coke Company

G/L Account	1053000 Other Revenues
Company Code	1100
FERC Account	495

Type	Doc. Date	Amount in local cur.	DocumentNo	Text
SA	11/3/2005	-11,638.00	100406469	Pepp Program Service Charge Revenue
SA	12/5/2005	-11,365.20	100416375	Pepp Program Service Charge Revenue
SA	1/5/2006	-12,102.80	100425493	Pepp Per Letter/Bill Fee Revenue
SA	2/3/2006	-12,185.20	100434920	Pepp Per Letter/Bill Fee Revenue
SA	3/3/2006	-10,930.00	100445076	Pepp Per Letter/Bill Fee Revenue
SA	4/5/2006	-11,612.40	100450504	Pepp Per Letter/Bill Fee Revenue
SA	5/3/2006	-11,633.20	100459959	Pepp Per Letter/Bill Fee Revenue
SA	6/5/2006	-11,558.00	100472332	Pepp Per Letter/Bill Fee Revenue
SA	7/7/2006	-11,341.60	100480378	Pepp Per Letter/Bill Fee Revenue
SA	8/4/2006	-11,385.20	100493835	Pepp Per Letter/Bill Fee Revenue
SA	9/6/2006	-12,093.20	100503959	Pepp Per Letter/Bill Fee Revenue
SA	10/5/2006	-10,594.80	100512914	Pepp Per Letter/Bill Fee Revenue
*	Account 1053000	-138,439.60		
**		-138,439.60		

The Peoples Gas Light and Coke Company  
 DAS 13.05g

Detail Inc Stmt Comp  
 [PGL] [Approved Budget] [Total]

	2010 Budget	
495000 Other Gas Revenues	948,719.53	
495001 Pegasys	202,500.00	
495002 Muni Tax Service Fee	4,959,270.48	
495003 IL Tax Fee	168,086.00	
495010 Rider VBA Reconciliation Adjustment	(62,848.17)	
495011 VBA Monthly Reconciliation Adj	(892,229.93)	
495571 I/C Rev - CFirst Charges	<del>92,056.00</del>	
Total	5,415,563.91	Ties to C-23

The Peoples Gas Light and Coke CompanyMiscellaneous Operating Revenues

Line No.	Account Number	Description	Test Year Ending December 31, 2010	Forecasted Year Ending December 31, 2009 (1)	Forecasted Year Ending December 31, 2008 (2)	Historical Year Ended December 31, 2007	Line No.
	[A]	[B]	[C]	[D]	[E]	[F]	
1	487	Forfeited Discounts	\$ 11,636,000	\$ 11,636,000	\$ 10,739,000	\$ 10,079,000	1
2	488	Miscellaneous Service Revenues	3,325,000	2,872,000	3,094,000	2,311,000	2
3	489.3	Rev from Transp of Gas of Others Through Distribution Facilities	126,341,000	132,482,000	139,293,000	134,101,000	3
4	493	Rent from Gas Property	96,000	95,000	95,000	95,000	4
5	495	Other Gas Revenues	5,415,000	6,873,000	9,703,000	2,629,000	5
6							6
7		Total Miscellaneous Operating Revenues	\$ 146,813,000	\$ 153,958,000	\$ 162,924,000	\$ 149,215,000	7

Note: (1) Includes zero months of actual data and twelve months of forecasted data.

(2) Includes six months of actual data and six months of forecasted data.

**ICC Docket No. 11-0280**  
**North Shore Gas Company's Response to**  
**Staff Data Requests DAS 13.01-13.05**  
**Dated: August 26, 2011**

**REQUEST NO. DAS 13.04:**

With regard to Ms. Gregor's surrebuttal testimony which acknowledges that the Companies failed to include the repair revenues in the test year, please provide the following information:

- a. How much was included originally for these repair revenues in the test year? Provide full documentation showing this inclusion.
- b. What was the basis for this amount? Provide full documentation showing this derivation.
- c. How much is currently included for these repair revenues in the test year? Provide full documentation showing this inclusion.
- d. What was the basis for this amount? Provide full documentation showing this derivation.
- e. For the Companies 2007 rate case, how much repair revenues were included the test year? Provide full documentation showing this inclusion.
- f. What was the basis for this amount? Provide full documentation showing this derivation.
- g. For the Companies 2009 rate case, how much repair revenues were included the test year? Provide full documentation showing this inclusion.
- h. What was the basis for this amount? Provide full documentation showing this derivation.

**RESPONSE:**

- a. See Ex. 38.3N PEPP Repair Billings, line 2 for the amount originally included in the test year, which was zero.
- b. See a.
- c. See Ex. 38.3N PEPP Repair Billings, line 1 for the amount currently included in the test year - \$1,000. See Ex. 39.1N to 39.8N showing the inclusion of the difference between the amount originally filed and the amount currently in the test year.
- d. The basis for the amount is based on the average cost of repairs for 2005-2010. See EX 38.3 WP for the calculation of this amount.
- e. For the Company's 2007 rate case, which was based on a historical test year ending September 30, 2006, the amount of repair revenues included was \$2,000. See NS DAS 13.04 Attach 01 for support of this number.
- f. The basis for the amount is based the direct billing of field personnel to a specific work order that identifies the work he/she is performing to be worked related for a PEPP customer.
- g. For the Company's 2009 rate case, which was based on a 2010 forecasted test year, the amount of repair revenues included was zero.
- h. See g.

**ICC Docket No. 11-0280**  
**North Shore Gas Company's Response to**  
**Staff Data Requests DAS 13.01-13.05**  
**Dated: August 26, 2011**

**REQUEST NO. DAS 13.05:**

With regard to Ms. Gregor's surrebuttal testimony which acknowledges that the Companies failed to include the full billing revenues in the test year, please provide the following information:

- a. How much was included originally for these billing revenues in the test year? Provide full documentation showing this inclusion.
- b. What was the basis for this amount? Provide full documentation showing this derivation.
- c. How much is currently included for these billing revenues in the test year? Provide full documentation showing this inclusion.
- d. What was the basis for this amount? Provide full documentation showing this derivation.
- e. For the Companies 2007 rate case, how much billing revenues were included the test year? Provide full documentation showing this inclusion.
- f. What was the basis for this amount? Provide full documentation showing this derivation.
- g. For the Companies 2009 rate case, how much billing revenues were included the test year? Provide full documentation showing this inclusion.
- h. What was the basis for this amount? Provide full documentation showing this derivation.

**RESPONSE:**

- a. See Ex. 38.4N Bill and Letter Fee Revenues, line 2 for the amount originally included in the test year - \$15,000. See attachment to Attorney General data request AG 1.39, line 7 – I/C Rev – Cfirst Charges, for documentation showing the inclusion.
- b. The basis for the amount is based on the number of forecasted bills and letters for PEHS times the per bill/letter fee (\$0.40). See EX 38.4 WP, PEHS\_PEPP 8-2-2010 tab for the calculation of this amount.
- c. See Ex. 38.4N Bill and Letter Fee Revenues, line 1 for the amount currently included in the test year - \$21,000. See Ex. 39.1N to 39.NP showing the inclusion of the difference between the amount originally filed and the amount currently in the test year.
- d. The basis for the amount is based on the number of forecasted bills and letters for PEHS times the per bill/letter fee (\$0.54). See EX 38.4 WP, PEHS\_PEPP 8-18-2012 tab for the calculation of this amount.
- e. For the Company's 2007 rate case, which was based on a historical test year ending September 30, 2006, the amount of bill and letter fee included was \$21,000. See NS DAS 13.05 Attach 01 for support of this number.

**ICC Docket No. 11-0280**  
**North Shore Gas Company's Response to**  
**Staff Data Requests DAS 12.01-12.06**  
**Dated: August 16, 2011**

- f. The basis for the amount is based on the number of forecasted bills and letters for PEHS times the per bill/letter fee (\$.040). See attachment DAS 11.01 Dec'05 – Dec '07 for support for December 2005 through September 2006. The back-up for October and November 2005 cannot be found at this time.
- g. For the Company's 2009 rate case, which was based on a 2010 forecasted test year, the amount of bill and letter fee included was \$15,000. See NS DAS 13.05 Attach 02 for support of this number.
- h. The basis for the amount is based on the number of forecasted bills and letters for PEHS times the per bill/letter fee (\$.040). See NS-PGL DAS 13.05 Attach 03 for support.

## North Shore Gas Company

G/L Account	1053000 Other Revenues
Company Code	1200
FERC Account	495

Type	Doc. Date	Amount in local cur.	DocumentNo	Text
SA	11/3/2005	-1,660.40	100115791	Pepp Program Service Charge Revenue
SA	12/5/2005	-1,774.40	100119145	Pepp Program Service Charge Revenue
SA	1/5/2006	-1,784.40	100122391	Pepp Per Letter/Bill Fee Revenue
SA	2/3/2006	-1,819.60	100125904	Pepp Per Letter/Bill Fee Revenue
SA	3/3/2006	-1,762.00	100129064	Pepp Per Letter/Bill Fee Revenue
SA	4/5/2006	-1,801.60	100130837	Pepp Per Letter/Bill Fee Revenue
SA	5/3/2006	-1,786.40	100133852	Pepp Per Letter/Bill Fee Revenue
SA	6/5/2006	-1,774.80	100137324	Pepp Per Letter/Bill Fee Revenue
SA	7/7/2006	-1,795.60	100139864	Pepp Per Letter/Bill Fee Revenue
SA	8/4/2006	-1,790.80	100143440	Pepp Per Letter/Bill Fee Revenue
SA	9/6/2006	-1,858.00	100146186	Pepp Per Letter/Bill Fee Revenue
SA	10/5/2006	-1,770.80	100148853	Pepp Per Letter/Bill Fee Revenue
*	Account 1053000	-21,378.80		
**		-21,378.80		

North Shore Gas Company

Detail Inc Stmt Comp  
[NSG] [Approved Budget] [Total]

	2010	
	Budget	
495000 Other Gas Revenues	55,400.00	
495002 Muni Tax Service Fee	272,358.66	
495003 IL Tax Fee	35,553.00	
495010 Rider VBA Reconciliation Adjustment	6,387.56	
495011 VBA Monthly Reconciliation Adj	7,086.97	
495571 I/C Rev - CFirst Charges	<del>14,988.00</del>	
Total	391,774.19	Ties to C-23

North Shore Gas CompanyMiscellaneous Operating Revenues

Line No.	Account Number	Description	Test Year Ending December 31, 2010 [C]	Forecasted Year Ending December 31, 2009 (1) [D]	Forecasted Year Ending December 31, 2008 (2) [E]	Historical Year Ended December 31, 2007 [F]	Line No.
1	487	Forfeited Discounts	\$ 1,058,000	\$ 1,058,000	\$ 964,000	\$ 912,000	1
2	488	Miscellaneous Service Revenues	570,000	501,000	522,000	428,000	2
3	489.3	Rev from Transp of Gas of Others Through Distribution Facilities	14,550,000	14,267,000	14,325,000	14,095,000	3
4	495	Other Gas Revenues	392,000	254,000	561,000	134,000	4
5							5
6		Total Miscellaneous Operating Revenues	\$ 16,570,000	\$ 16,080,000	\$ 16,372,000	\$ 15,569,000	6

Note: (1) Includes zero months of actual data and twelve months of forecasted data.

(2) Includes six months of actual data and six months of forecasted data.

**ICC Docket No. 11-0280**  
**North Shore Gas Company's Response to**  
**Staff Data Requests DAS 7.01-7.02**  
**Dated: May 3, 2011**

**REQUEST NO. DAS 7.02:**

Following up on the Companies response to DAS 6.06 and revenues and charges with Peoples Homes Services ("PHS"),

- a. Why do the responses to 6.06 not include bill and letter fee revenues in the corrected 2.10 exhibits?
- b. What is the difference between the bill and letter fee revenue and the Customer relation revenue?
- c. What happened in between 2007 and 2008 to cause the customer relations revenues to sharply decline?
- d. Why is the customer relations revenue from 2008-2010 the same as the repair revenue for the same period?
- e. Why doesn't North Shore collect any revenue other than repair revenue? Why doesn't North Shore bill for customer relation revenue?
- f. What is the basis for billing charges since there are other non-time components?
- g. What is the basis for billing charges since there are other non-time components such as repair parts?
- h. Please provide accounting (time) records to substantiate all PPP charges?
- i. What measures are in place to ensure full billing to PEHS?
- j. The Companies' responses to DAS 2.03 say that the Companies may provide three services. For each of the services listed and also for repairs, please list the dates.

**RESPONSE:**

- a. The responses to 6.06 do not include bill and letter fee revenues in the corrected 2.10 exhibits because the bill and letter fee revenues are not collected from ratepayers and paid to the affiliate.
- b. The bill and letter fee revenue is revenue the utilities receive from the affiliate for billing the customers for the affiliate and inserting any letters in the customer bills for the affiliate. There is no Customer Relations revenue, the tab labeled Customer Relations costs refers mainly to costs that the call center billed to the affiliate for handling bill inquiries and soliciting customers.
- c. Not applicable to North Shore.
- d. See answer to c.
- e. North Shore understands this request to be why North Shore does not bill for customer relation costs, not revenues. A majority of the work related to Peoples Home Services ran through the Peoples Gas customer relations area. Therefore, Peoples Gas billed the affiliate a percentage that represented the costs for both the Peoples Gas and North Shore customers that were customers of Peoples Energy Home Services.
- f. Prior to 2008, the basis for billing charges for both time and non-time components for non-operational work was based on an annual estimated percentage of time each area is doing work for Peoples Energy Home Services. This percentage

**ICC Docket No. 11-0280**  
**North Shore Gas Company's Response to**  
**Staff Data Requests DAS 7.01-7.02**  
**Dated: May 3, 2011**

- applied to the customer relations, accounting and tax areas. After 2008, the basis for billing charges for both time and non-time components is direct billing.
- g. The basis for billing charges for non-time components like repair parts is based on the actual materials used on the job along with applicable loadings.
  - h. See the responses to subparts (f) and (g). North Shore does not have time sheets for this cost. Please see the attached support for the response.
  - i. The method of determining charges for these services and materials is no different than for other intercompany services and is subject to the same controls and audit requirements. North Shores' intercompany services agreement prescribes the costs for services are determined based on direct charges or allocations. The agreement also provides that materials and purchased services are directly charged to the service recipient (e.g., see the response to subpart (g) of this response).
  - j. North Shore began providing the aforementioned support services as well as customer repairs beginning in April, 2004 and continuing to present day.

**REVISED RESPONSE:**

- j. North Shore began providing the customer repairs service beginning in April, 2004 and continuing to present day.

**REVISED RESPONSE:**

- j. North Shore began providing billing and customer repairs services beginning in April, 2004 and continuing to present day.