

ICC Docket No. 12-0511
North Shore Gas Company's Response to
Attorney General Data Requests AG 3.01-3.12
Dated: September 25, 2012

REQUEST NO. AG 3.06:

Ref: NSG Response to BAP 2.02 (IBS Budgeted Charges) Please provide the following additional information associated with the test year proposed IBS budget and allocations of expenses to NSG:

- a. Provide the "current headcounts...as of the latest pay period in May" for each IBS department and home center.
- b. Provide a side-by-side comparison of actual IBS headcounts at 12/31/2011, the current May period referenced in part (a) and the adjusted test year forecasted headcounts by department/center with explanation for each individually significant change in such headcounts between periods.
- c. For each IBS center, provide an electronic excel file containing the labor cost calculations comparable to the Company's response to AG 1.04 Attach 01.
- d. For each IBS center, provide an electronic excel file containing the labor chartfield distribution detail comparable to the Company's response to AG 1.04 Attach 02.
- e. State and explain each labor cost escalation rate, wage rate adjustment and other input assumptions employed to estimate test year IBS labor costs within each center.
- f. Provide supporting detailed calculations and assumptions for the development of IBS non-labor costs within each center, including documentation for each adjustment for known and measurable changes.
- g. Provide a side by side comparison of recorded actual IBS labor hours in calendar 2010, calendar 2011 and 2012 year to date to comparable test year projected labor hours in each IBS center.
- h. Provide a side by side comparison of recorded actual IBS labor hours in calendar 2010, calendar 2011 and 2012 year to date to comparable test year projected labor hours in each IBS center non-labor expenses in calendar 2010, calendar 2011 and 2012 year to date to comparable test year projected non-labor costs in each IBS center, separately identifying each individual non-labor charge exceeding \$50,000 in each center.
- i. For each IBS center's total projected test year cost, provide a detailed breakdown of the directly assigned, cost causally allocated and generally allocated total costs among Integrys entities.
- j. Provide a side by side comparison of recorded actual IBS distributed costs for each cost center in calendar 2010, calendar 2011 and 2012 year to date to the comparable proposed distribution of IBS distributed costs by center for the test year, with explanations for individually significant shifts in cost

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assignment/allocations in the test year compared to historical cost distributions.

RESPONSE:

- a. See NS AG 3.06 Attach 01.
- b. See NS AG 3.06 Attach 01.
- c. See NS AG 3.06 Attach 02.
- d. See NS AG 3.06 Attach 03.
- e. At the time of the budget, when the latest actual headcount is loaded into Cognos, each individual's current salary is also loaded. There is no development of pay rates for each position. In addition, the general wage increase for the non-union, exempt and executive pay groups will be applied to the total labor calculated for each pay grade in the month the wage increase becomes effective, which for these three groups is March. This is a calculation within Cognos and is part of both the "Base Payroll" before Add/Deletes and Position Adds/Deletes lines.
- f. See NS AG 3.06 Attach 04
- g. As explained in North Shore's response to AG 3.04 (b), labor hours are not forecasted. In addition, most employees on IBS are exempt and are not required to record overtime hours. As a result, any report of labor hours could be understated.
- h. As explained in subpart (g), labor hours are not projected nor are they reliable for actual years. North Shore understands this request to also be asking for a comparison of total IBS non-labor expenses in calendar 2010, 2011, 2012 year to date and the test year forecasted non-labor costs with non-labor charges over \$50,000 broken out. See NS AG 3.06 Attach 05. Please note that non-labor charges were broken out by resource type, not just those over \$50,000.
- i. See NS AG 3.06 Attach 06 for breakdown of IBS costs charged to North Shore and Peoples Gas. North Shore objects to providing information for affiliates other than IBS' Illinois public utility affiliates. Such information is not relevant to these rate proceedings to set rates for North Shore and Peoples Gas and is not reasonably calculated to lead to the discovery of relevant and admissible evidence.
- j. See NS AG 3.06 Attach 07 for a comparison of IBS distributed costs to North Shore. As part of the difference analysis, the general wage increase, an average non-labor inflation rate and the shift of the loaders from a centrally managed home center in 2011 to the individual home centers in 2012 were separately identified and the remaining variance was then explained.

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REVISED RESPONSE

- f. See the CD marked "NS AG 3.06 REV Attach 04", which preserves the folder and file structure of the previously-compiled documents forming NS AG 3.06 Attach 04.

NSG AG 3.06 1200
Attachment 7

Integrus Business Support, LLC		2010	2011	2012 YTD	2013	2013 Test Year -	Total	Total	Total	Unexplained	Key Drivers of 2011 - 2013 Test Year Increase/(Decrease)
Cross Charges to the NSG Income Statement		Actual	Actual	Actual	Test Year	2011 Actual	GMW	Inflation	Loader Shift	Variance	
IBS Function						\$ Decr/(Incr)					
Shared Services Organization:											
A75	IBS Administrative Services	14,929	9,225	12,578	15,092	5,867	718	3	4,442	703	
A76	IBS Real Estate	12,503	10,421	11,245	47,390	36,969	474	177	3,647	32,671	Affiliate leases
A77	IBS Corporate Security	21,194	31,589	32,811	37,544	5,955	1,558	474	9,178	(5,256)	
A79	IBS-GB Facilities	1,476	475	2,935	301	(174)	37	0	102	(313)	
A80	IBS-Chic Facilities	3,045	5,982	1,726	1,486	(4,496)	122	179	(146)	(4,651)	Reduction for office relocation (AON Architect consulting shift to capital)
A81	IBS-Office Facilities	1,708	1,168	6,232	2,300	1,132	91	1	906	135	
A82	IBS-Print Shop	89,573	89,241	70,360	119,666	30,425	2,240	2,452	12,664	13,069	Copy Services and Bill print & insert moved from IT to Print Shop
	Administrative Services	144,429	148,099	137,886	223,778	75,678	5,241	3,285	30,793	36,359	
AB1	IBS Business Performance	(136)	0	0	0	0					
AG8	Business Performance Group	36,856	25,490	21,713	52,007	26,518	1,777	115	14,827	9,798	Consulting
	Business Performance	36,720	25,490	21,713	52,007	26,518	1,777	115	14,827	9,798	
AB0	IBS Environmental Services	103,036	111,195	136,128	296,786	185,592	8,490	122	123,914	53,066	
	Environmental	103,036	111,195	136,128	296,786	185,592	8,490	122	123,914	53,066	
A52	IBS Information Technology	34,186	0	0	0	0		0	0	0	
A53	IBS IT Infrastructure	1,190,517	1,081,920	876,388	1,217,257	135,337	24,170	31,268	98,320	(18,420)	
A54	IBS IT Operations	306,294	221,718	194,431	288,106	66,388	8,620	4,520	48,284	4,964	
											In 2011 IBS incurred a one-time savings from the software maintenance O&M costs shift to a prepaid (balance sheet). Also less contractors in 2011 than planned for 2013 (SharePoint).
A55	IBS IT Architecture	432,587	288,272	292,946	543,982	255,710	14,591	4,135	98,885	138,099	
A56	IBS ITS Applied Technology	27,501	16,026	28,032	25,842	9,815	1,174	43	7,122	1,476	
A57	IBS App Dev TEG Serv Develop	351,045	325,180	289,681	476,275	151,095	10,487	7,739	55,869	77,001	Anticipate increases for non-capital system enhancements for the upgrade of PeopleSoft.
A58	IBS IT Operations Development	1,041,236	882,941	584,720	446,263	(436,678)	19,559	25,603	27,743	(509,582)	Anticipate lower contractor costs in 2013 due to the completion of the WAM GAP project.
											Less contractors/consulting and training in 2011. anticipate increases in 2013 (to 2010 levels). Increased levels of 2013 anticipated usage based verification software (transunion POS ID. Transunion enrolment verification etc....).
A59	IBS IT CVS Development C-First	964,836	695,243	631,206	1,059,474	364,230	34,697	10,227	209,145	110,161	Transferred usage based software (Firstech, etc.) contracts to Customer
A60	IBS IT CVS Development Open-C	37,445	30,396	16,757	41,511	11,116	2,306	41	11,452	(2,683)	Relation (AE1)
A61	IBS E-Business Development	252,230	310,110	238,624	342,301	32,191	8,774	8,012	50,940	(35,535)	2011 costs included contractors for customer relations software O&M costs that are not included in 2013
A62	IBS IT Planning	125,957	155,926	80,534	111,945	(43,981)	7,430	2,475	20,938	(74,824)	
A63	IBS IT Cust Relations Develop	0	0	59,497	0	0					
	Information Technology	4,763,834	4,007,732	3,293,015	4,552,956	545,224	131,808	94,062	628,697	(309,343)	
A89	Project Services	45,179	28,087	13,016	76,687	48,600	2,130	38	29,583	16,848	Project management Labor Shift from Capital to O&M
	Project Services	45,179	28,087	13,016	76,687	48,600	2,130	38	29,583	16,848	
A70	IBS Supply Chain Services	29,708	25,582	28,288	44,620	19,038	1,900	56	13,606	3,477	
A71	IBS Fleet Services	19,393	(2,560)	845	0	2,560	86	(148)	(291)	2,912	
A72	IBS SCS Materials Management	3,308	1,067	913	235	(832)	73	6	(199)	(711)	
A73	IBS SCS Strategic Sourcing	45,682	36,380	35,158	52,130	15,749	2,732	63	17,422	(4,468)	
	Supply Chain Services	98,091	60,470	65,184	98,986	36,515	4,791	(23)	30,538	1,210	
	Total Shared Services Organization	5,191,289	4,381,073	3,666,943	5,299,200	918,126	154,237	97,599	858,352	(192,062)	
Corporate Services:											
A09	Board of Directors	91,936	67,890	83,642	128,172	40,283	5	3,548	9,303	27,426	Board consultant will be engaged in 2013 to identify potential candidates and anticipated compensation increase for Board
A51	Legal & Governance Services	257,749	218,367	277,885	427,042	208,675	12,912	2,175	156,359	37,229	Added Staff Attorney position in 2012
	Legal & Governance Services	349,685	306,257	361,527	555,214	248,958	12,917	5,723	165,662	64,655	
A11	HR	(2,497)	0	0	0	0					
A40	IBS-HR Services	22,932	21,109	20,868	29,362	8,253	1,464	99	8,076	(1,386)	
A41	IBS-Client&Workforce Relations	104,565	81,966	83,918	187,573	105,607	5,884	283	70,317	29,123	
A42	IBS-Benefits	126,916	98,260	94,782	108,182	9,822	2,931	2,461	14,831	(10,301)	
A43	IBS-Compensation	45,725	40,144	30,003	50,789	10,645	1,793	699	8,884	(731)	
A44	IBS-HR Services & Admin	68,554	55,346	55,203	82,783	27,437	3,578	394	22,259	1,206	
A45	IBS-Safety Health&Wellness	130,886	127,608	130,683	242,882	115,274	6,534	1,792	64,937	42,011	Continued roll out of wellness program
A46	IBS-Workforce&Organiz Develop	95,228	81,959	69,313	190,280	108,322	4,283	1,106	61,701	41,231	
	Human Resources	592,308	506,391	484,771	891,851	385,460	26,467	6,834	251,005	101,153	
A02	FINACTG	34,107	26,179	33,690	73,374	47,195	1,796	133	15,765	29,501	
A05	TEG Treasurer	446,096	528,728	513,938	601,574	72,846	9,472	16,485	93,388	(46,500)	Shifts in home center driven by banking fees
											Increase is mainly due to forecasted costs for International Financial Reporting Standards (IFRS) in 2013
A06	TEG Corporate Contoller	494,573	406,318	347,792	654,063	247,746	11,104	10,699	112,159	113,784	
A07	TEG Investor Relations	71,928	60,905	52,306	84,082	23,178	1,692	1,590	9,211	10,685	
A08	TEG Internal Audit	82,513	74,486	85,307	125,527	51,041	4,485	700	34,348	11,507	

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Cross Charges to the NSG Income Statement		Actual	Actual	Actual	Test Year	2011 Actual	GMW	Inflation	Loader Shift	Variance	
IBS Function						\$ Decr/(Incr)					
A21	IBS-Finance & Accounting	47,858	24,458	32,099	34,424	9,965	1,861	30	11,984	(3,910)	
A22	IBS-Fin Sys Planning&Coordin	20,360	15,840	16,553	25,117	9,277	1,160	43	6,425	1,649	
A23	IBS-GL Accounting	222,593	126,362	183,997	192,363	66,001	9,859	30	75,261	(19,149)	
A25	IBS-Property Accounting	83,185	67,390	79,297	123,271	55,880	5,138	78	45,263	5,402	
A26	IBS-Accounts Payable	45,094	33,490	34,192	54,751	21,261	2,667	(20)	15,164	3,450	
A27	IBS-Fuel&Supply Accounting	137,642	98,412	91,580	164,525	66,114	7,660	33	68,166	(9,745)	
A28	IBS-Benefits Accounting	18,052	14,030	15,689	21,954	7,923	1,073	14	6,308	528	
A29	IBS-Tax Services	(22,514)	0	0	0	0	0	0	0	0	
AH4	TEG Tax Strategy & Services	255,314	191,229	224,187	361,455	170,226	12,871	1,100	123,560	32,696	
CFO Services		1,936,799	1,667,828	1,710,627	2,516,480	848,653	70,838	30,915	617,002	129,897	
A13	TEG External Affairs	20,476	58,358	55,215	72,033	13,675	1,725	1,470	7,070	3,411	
A14	TEG Corporate Communications	383,666	594,002	423,359	623,551	29,549	9,738	18,985	74,103	(73,277)	
A15	TEG Government Relations	89,537	136,452	168,921	235,062	98,610	6,340	2,249	61,748	28,273	
A16	TEG Regulatory Affairs	268,409	241,909	405,262	349,116	107,206	17,674	675	140,915	(52,058)	
A17	TEG Public Affairs	80,389	0	0	0	0	0	0	0	0	
External Affairs		842,477	1,030,721	1,052,758	1,279,762	249,041	35,476	23,379	283,836	(93,651)	Driven by less planned labor charges to NSG in 2013.
A01	TEG Executive Office	114,761	132,095	88,811	193,099	61,004	6,896	1,787	51,749	572	
Executive Office		114,761	132,095	88,811	193,099	61,004	6,896	1,787	51,749	572	
Total Corporate Services		3,836,030	3,643,292	3,698,493	5,436,407	1,793,115	152,595	68,638	1,369,254	202,628	
Utility Services:											
										Consulting and other professional services not incurred in 2011	
AB2	Utility Group Exec Office	65,249	97,347	129,626	275,269	177,923	7,266	193	102,907	67,558	
Utility Group Exec Office		65,249	97,347	129,626	275,269	177,923	7,266	193	102,907	67,558	
AD0	TEG Gas Supply	66,473	66,279	46,507	68,865	2,586	4,802	206	12,334	(14,755)	
AD1	TEG Gas Supply-WPSC MGU	1,484	2,114	2,336	2,116	2	38	66	(107)	5	
AD2	TEG Supply MERC	728	290	381	0	(290)	3	10	(9)	(294)	
AD3	Gas Market Strat&Middle Office	67,946	98,803	53,204	142,893	44,090	6,588	601	51,375	(14,474)	
AD4	Gas Plan Model Contract Admin	87,383	89,744	80,941	171,458	81,714	6,498	281	63,198	11,737	
AD5	TEG Gas Control	278,239	223,991	282,582	315,529	91,538	14,929	1,364	121,681	(46,437)	
AD6	TEG Gas Storage	2,905	1,290	858	0	(1,290)	72	15	(208)	(1,170)	
										2013 includes an estimate for consultants to intervene in potential Pipeline rate cases before the FERC.	
AD7	TEG Gas Supply	128,702	93,016	91,790	190,144	97,128	6,885	214	53,646	36,383	
Gas Supply		633,860	575,528	558,600	891,005	315,477	39,813	2,757	301,911	(29,004)	
AC0	TEG Gas Engineering	48,687	27,703	56,562	42,154	14,451	1,491	352	9,084	3,524	
AC1	TEG Director Gas Engineering	10,537	6,632	3,177	335	(6,297)	7	(1,407)	(5,405)		
AC2	TEG GE Tech Train&Standards	267,448	129,370	315,324	354,537	225,167	5,055	1,595	151,756	64,760	2011 vacancies in AC2 plan to hire in 2013
AC3	TEG Gas Systems Support	35,400	26,092	18,921	81,502	55,409	736	675	11,469	42,529	
AC4	TEG GE Distrib Design North	60,433	67,418	52,417	43,326	(24,092)	5,139	78	12,830	(42,140)	
AC5	TEG GE Distrib Design South	38,683	124,422	37,201	23,482	(100,940)	9,039	374	4,105	(114,458)	Shift in workload from NSG to PGL due to AMRP
AC6	TEG GE Engineering Services	162,126	119,556	211,139	412,137	292,581	8,461	474	153,813	129,833	Increase in services/focus to NSG in 2013 compared to 2011 This new home center was added to standardize operations and maintenance of the gas systems. Home Center AC7 included the addition of 9 FTEs to 2013. This includes processes and manual for transmission, mains, services, meters, damage prevention, procedures, materials, and damage prevention and system design. Through this standardization, the company will be able to achieve savings such as better procurement practices. The 2011 actuals was for a partial year.
AC7	Gas Engin Standardization	0	17,218	91,026	137,225	120,007	1,323	15	56,124	62,545	
Engineering Services		623,314	518,412	785,766	1,094,697	576,286	33,750	3,570	397,776	141,189	
AE0	Cust Relations Exec Office	81,177	58,144	46,110	51,377	(6,767)	4,051	264	8,360	(19,441)	
AE1	TEG CR Strat&Bus Performance	191,302	182,105	171,898	362,548	180,443	13,027	651	115,186	51,578	Transferred usage based software (Firstech, etc.) contracts from IT (AE1) increase due to an enhancement of the incentive program with the outsourcer for the call center along with increased estimated call volumes in 2013.
AE8	TEG CR Call Center CHIC	715,326	658,855	483,288	1,120,587	461,732	6,187	23,433	125,378	306,734	
AE9	TEG CR Contact Supp CHIC	319,930	207,213	306,063	392,159	184,946	16,073	97	127,395	41,381	
AF0	CR Competitive Excellence & QA	278,675	215,080	231,323	355,424	140,343	16,639	124	109,263	14,317	
AF2	TEG CR C&I Acct Mgmt CHIC	12	0	0	0	0	0	0	0	0	
AF3	TEG CR MGU & MERC	10,755	2,593	2,406	1,274	(1,319)	143	31	522	(2,015)	
AF4	TEG M2C Billing CHIC	1,067,142	941,739	814,946	1,194,013	252,274	23,763	25,814	109,329	93,369	Forecasted increase in postage cost
AF5	TEG M2C Collections CHIC	352,620	261,073	258,337	278,982	17,909	11,060	4,854	67,223	(65,229)	
AF6	GTS	218,073	179,436	179,615	320,316	140,880	13,875	107	100,704	26,195	
AF7	Major Accounts	101,841	3,874	3,787	0	(3,874)	288	8	(1,226)	(2,944)	
AF8	Business Solutions Center	27,983	20,536	26,037	0	(20,536)	1,612	0	(4,742)	(17,406)	

NSG AG 3.06 1200
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Cross Charges to the NSG Income Statement		Actual	Actual	Actual	Test Year	2011 Actual	GWf	Inflation	Loader Shift	Variance	
IBS Function						\$ Decr/(Incr)					
AG9	TEG CR Operations IL	72,999	21,520	0	0	(21,520)	1,659	15	(5,190)	(18,004)	
AH0	TEG CR Strategic Partnerships	14,708	0	0	0			0	0	0	
AH5	Customer Care-WI MI	0	3,333	3,544	13,927	10,594	252	5	1,854	8,483	
AH6	Meter to Cash-WI MI	0	4,207	8,142	7,991	3,784	297	17	2,427	1,044	
	Customer Value	3,452,543	2,759,709	2,535,496	4,098,599	1,338,890	108,926	55,421	756,482	418,061	
	Total Utility Services	4,774,966	3,950,995	4,009,488	6,359,571	2,408,676	189,766	61,941	1,659,076	697,804	
A49	TEG NonProductive Labor	415,114	304,203	(97,141)	0	(304,203)	23,874	0	(304,203)	(23,874)	
AF9	Payroll Taxes - IBS	10,316	3,617	(1,573)	0	(3,617)	0	146	0	(3,764)	
AH1	Loader Benefits	981,527	1,752,895	48,148	(0)	(1,752,895)	48,006	46,105	(1,752,895)	(94,111)	
AH2	Loader Facilities	784,383	884,760	17,399	22,962	(861,798)	35,939	17,244	(874,474)	(40,507)	
AH3	Loader Payroll Tax	296,286	571,005	146,187	(0)	(571,005)	19,345	13,110	(571,005)	(32,456)	
	Centrally Managed -IBS Loaders (payroll tax, benefits, NI	2,487,625	3,516,480	113,019	22,962	(3,493,518)	127,165	76,606	(3,502,577)	(194,712)	
A30	CMI - Incentives	1,082,430	726,578	500,370	623,606	(102,972)	57,023	0	(251,221)	91,226	Increase is mainly due to higher forecasted incentives and restricted stock expense
	Total Centrally Managed Items-Intra IBS	3,570,055	4,243,058	613,389	646,567	(3,696,490)	184,188	76,606	(3,753,798)	(103,486)	
	Sub-Total IBS Departmental Costs	17,372,341	16,218,417	11,988,313	17,741,745	1,623,327	680,776	304,784	32,884	504,883	
	Centrally Managed Items - Non IBS										
A50	IBS Legal - Centrally Budgeted	495,743	488,094	401,966	568,382	80,289	0	19,719	0	60,570	Outside legal counsel anticipated rate increase and usage.
AG2	CMI - Insurance	1,134	500	0	0	(500)	0	20	0	(520)	Increase is primarily due to 2013 being forecasted at a representative level of claim activity, not on level of actual claims. 2011 had fewer claims than normal.
AG3	CMI - Claims	55,631	56,607	(19,386)	357,200	300,593	0	2,287	0	298,306	
Total	CMI - Claims & Legal	552,509	545,201	382,580	925,582	380,382	0	22,026	0	358,356	
AG1	CMI - Environmental	65,551	127,365	41,096	224,500	97,135	0	5,146	0	91,989	
A47	CMI - Human Resources	352,832	27,731	657,219	317,120	289,389	0	1,120	9,125	279,143	2011 workers comp was unusually low, 2013 more in line. 2011 workers comp had 2 claims settle for \$ lower than what the reserved amounts were and therefore the reserve and expenses were lowered. Increase is mainly due to higher forecasted incentives and restricted stock expense
A30	CMI - Incentives	236,274	112,224	133,507	228,164	115,940	0	4,534	0	111,406	
A48	CMI - Benefits Accounting	6,989,889	6,892,822	5,487,376	7,995,572	1,102,750	0	278,470	0	824,280	See Ms. Phillip's direct testimony NS Ex. 11.0, lines 95-250
	Total Centrally Managed Items Non-IBS	8,197,055	7,705,343	6,701,779	9,690,938	1,986,696	0	311,296	9,125	1,666,174	
	Depreciation	2,601,989	2,464,179	1,733,878	3,664,027	1,199,848	0	99,553	0	1,100,295	Increase is mainly due to \$800K increase related to the work asset management system and \$100K increase for transaction based software
	Return on Assets	1,088,803	945,300	583,731	710,162	(235,138)	0	38,190	0	(273,329)	Decrease is mainly due to lower return on investment based on the last rate case filing
	High Level IBS - Home Center A00	0	(1,039)	0	0	1,039	50	(68)	(426)	1,483	
	Intra IBS Charges - Home Center A99 & A12	1,509,388	1,000,919	779,808	1,226,586	225,667	46,156	16,677	205,884	(43,051)	
	Total Other	5,200,180	4,409,360	3,097,417	5,600,775	1,191,415	46,205	184,353	205,458	785,398	
	Total Pretax IBS	30,769,575	28,333,120	21,787,509	33,033,458	4,700,337	726,982	770,432	247,468	2,966,465	

ICC Docket No. 12-0512
The Peoples Gas Light and Coke Company's Response to
Attorney General Data Requests AG 3.01-3.16
Dated: September 25, 2012/October 9, 2012

REQUEST NO. AG 3.14:

Ref: PGL Response to BAP 2.02 (IBS Budgeted Charges) Please provide the following additional information associated with the test year proposed IBS budget and allocations of expenses to PGL:

- a. Provide the "current headcounts...as of the latest pay period in May" for each IBS department and home center.
- b. Provide a side-by-side comparison of actual IBS headcounts at 12/31/2011, the current May period referenced in part (a) and the adjusted test year forecasted headcounts by department/center with explanation for each individually significant change in such headcounts between periods.
- c. For each IBS center, provide an electronic excel file containing the labor cost calculations comparable to the Company's response to AG 1.04 Attach 01.
- d. For each IBS center, provide an electronic excel file containing the labor chartfield distribution detail comparable to the Company's response to AG 1.04 Attach 02.
- e. State and explain each labor cost escalation rate, wage rate adjustment and other input assumptions employed to estimate test year IBS labor costs within each center.
- f. Provide supporting detailed calculations and assumptions for the development of IBS non-labor costs within each center, including documentation for each adjustment for known and measurable changes.
- g. Provide a side by side comparison of recorded actual IBS labor hours in calendar 2010, calendar 2011 and 2012 year to date to comparable test year projected labor hours in each IBS center.
- h. Provide a side by side comparison of recorded actual IBS labor hours in calendar 2010, calendar 2011 and 2012 year to date to comparable test year projected labor hours in each IBS center non-labor expenses in calendar 2010, calendar 2011 and 2012 year to date to comparable test year projected non-labor costs in each IBS center, separately identifying each individual non-labor charge exceeding \$50,000 in each center.
- i. For each IBS center's total projected test year cost, provide a detailed breakdown of the directly assigned, cost causally allocated and generally allocated total costs among Integrys entities.
- j. Provide a side by side comparison of recorded actual IBS distributed costs for each cost center in calendar 2010, calendar 2011 and 2012 year to date to the comparable proposed distribution of IBS distributed costs by center for the test year, with explanations for individually significant shifts in cost assignment/allocations in the test year compared to historical cost distributions.

ICC Docket No. 12-0512

**The Peoples Gas Light and Coke Company's Response to
Attorney General Data Requests AG 3.01-3.16**

Dated: September 25, 2012/October 9, 2012

RESPONSE:

- a. See North Shore's response to AG 3.06 a.
- b. See North Shore's response to AG 3.06 b.
- c. See North Shore's response to AG 3.06 c.
- d. See North Shore's response to AG 3.06 d.
- e. See North Shore's response to AG 3.06 e. In addition, see Peoples Gas' responses to JMO 16.02, JMO 16.03, JMO 16.04 and future response to AG 7.31 for support regarding the general wage increase.
- f. See North Shore's response to AG 3.06 f.
- g. See North Shore's response to AG 3.06 g.
- h. See North Shore's response to AG 3.06 h.
- i. See North Shore's response to AG 3.06 i. In addition, below is a description of the columns:
 - \$ Direct** - \$ that are directly billed to either PGL or NSG
 - \$ Cost Causal** - \$ that are first charged to IBS and then are allocated based on a cost causal allocation factor to PGL and NSG. The cost causal principle links the relationship of costs to that type of service. By reflecting the operational characteristics of a service, this allocation methodology applies costs to PGL and NSG in a meaningful and impartial way that reflects how PGL and NSG "caused" the costs of a service to be incurred. A description of the costs causal allocation factors can be found on Peoples Gas' response to Staff Data Request BAP 2.05.
 - \$ Corporate Allocator** - \$ that are allocated based on the general corporate allocator. A description of the general corporate allocator can be found on Peoples Gas' response to Staff Data Request BAP 2.05.
 - \$ G&A** – General and administrative costs that are charged to IBS by each department for items like training, performance reviews, etc. These costs are allocated based on the same proportion that the direct and cost-causal labor activities are allocated.
 - Alloc \$ Other** – IBS functional areas may perform services for other functional areas within IBS (e.g., completing market studies, human resource related costs for IBS employees, cost of processing IBS invoices, etc...). The cost of that activity is charged to an IBS allocation pool that is allocated each month to each company based on the ratio of all other labor charges to each company as compared to the whole of such charges. In this manner, IBS's own internal "cost of doing business" is allocated and charged to the companies in a cost-causal manner – in proportion to all other labor billings in a given billing period.
 - Labor Loadings** – Benefit, payroll taxes based on labor, and the cost of providing work space for employees performing services for PGL and NSG.
 - Total \$ Other** – Total of "Alloc \$ Other" and "Labor Loadings" columns
- j. See Attach 01. In addition, below are additional descriptions of the "Total GWI", "Total Inflation" and Total Shift Labor Loaders" columns:

ICC Docket No. 12-0512

**The Peoples Gas Light and Coke Company's Response to
Attorney General Data Requests AG 3.01-3.16
Dated: September 25, 2012/October 9, 2012**

Total GWI – The general wage increase assumption for 2012 and 2013 was 3.85%. The labor dollars included in the 2011 actual IBS charges was multiplied by the general wage increase for both years to calculate the total GWI dollars.

Total Inflation – An average 2% inflation rate was used for 2012 and 2013 in this analysis. The non-labor dollars included in the 2011 actual IBS charges was multiplied by the inflation rate for both years to calculate the total inflation dollars.

Total Shift Labor Loaders – Labor loaders, including benefits, payroll taxes, non-productive time, incentives and facilities in 2011 were included in Centrally Managed – IBS Loaders home centers (see attachment, lines on 125-139). For 2013, these costs are being forecasted in each individual home center. In order to determine true variances, these costs needed to be treated the same way for both years. Therefore, this column represents the movement of the 2011 dollars from the Centrally Managed – IBS Loaders home centers into the individual home centers.

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Integrus Business Support, LLC		2010	2011	2012 YTD	2013	2013 Test Year -	Total	Total	Total Shift	Unexplained	2013 Test Year -
Cross Charges to the PGL Income Statement		Actual	Actual	Actual	Test Year	2011 Actual	GMW	Inflation	Labor Loaders	Variance	Key Drivers of 2011 - 2013 Test Year Increase/(Decrease)
IBS Function						\$ Incr/(Decr)					
Shared Services Organization:											
A75	IBS Administrative Services	192,430	162,247	182,109	282,821	120,575	12,581	78	90,484	17,431	
A76	IBS Real Estate	514,148	633,266	484,934	786,417	153,151	5,623	22,689	77,488	47,350	Affiliate Leases
A77	IBS Corporate Security	2,229,965	2,154,686	2,006,854	2,653,845	499,159	34,157	69,466	304,767	90,768	Detectant and guard vehicle set up/ Guard Services (107th St)
A79	IBS-GB Facilities	30,763	22,311	35,596	41,710	19,400	2,039	(148)	18,027	(518)	Reduction for office relocation (AON Architect consulting shift to capital)
A80	IBS-Chic Facilities	303,136	214,879	94,730	196,565	(18,314)	1,450	7,934	7,449	(35,148)	
A81	IBS-Office Services	53,825	30,294	23,376	70,471	40,176	2,209	87	28,809	9,072	
A82	IBS-Print Shop	468,947	549,296	516,885	843,848	294,552	12,940	15,530	73,494	192,587	Copy Services and Bill print & insert moved from IT to Print Shop
Administrative Services		3,793,214	3,766,978	3,344,484	4,875,677	1,108,698	71,000	115,638	600,519	321,542	
AB1	IBS Business Performance	(907)	0	0	0	0				0	
AG8	Business Performance Group	247,770	175,346	132,677	308,562	133,216	12,260	773	86,764	33,419	
Business Performance		246,862	175,346	132,677	308,562	133,216	12,260	773	86,764	33,419	
AB0	IBS Environmental Services	225,353	264,781	368,891	408,776	143,995	19,859	474	162,178	(38,517)	
Environmental		225,353	264,781	368,891	408,776	143,995	19,859	474	162,178	(38,517)	
A52	IBS Information Technology	147,701	0	0	0	0				0	
A53	IBS IT Infrastructure	6,212,809	6,132,280	5,321,254	7,192,244	1,059,964	122,653	184,607	624,491	128,214	Increase driven by telecommunication cost
A54	IBS IT Operations	1,624,357	1,181,675	1,260,052	1,884,134	702,460	44,816	24,670	376,047	256,927	Increase driven by growth in Toughbooks at PGL and the services and security associated with these devices. In 2011 IBS incurred a one-time savings from the software maintenance (MS EA, Sybase, Open Text) O&M costs shift to a prepaid (balance sheet). Also, less contractors in 2011 than planned for 2013 (Sharepoint).
A55	IBS IT Architecture	1,916,023	1,495,867	1,528,196	2,889,498	1,393,631	70,110	24,343	518,292	780,886	
A56	IBS ITS Applied Technology	155,313	91,868	202,160	178,956	87,089	6,662	282	53,366	26,779	
A57	IBS App Dev TEG Serv Develop	1,928,498	1,527,412	1,516,094	2,223,700	698,288	46,922	37,554	280,941	330,872	Anticipate increases for non-capital system enhancements for the upgrade of PeopleSoft.
A58	IBS IT Operations Development	1,666,943	2,430,955	2,054,950	1,854,427	(576,528)	65,163	64,667	257,962	(964,319)	Anticipate lower contractor costs in 2013 due to the completion of the WAM GAP project. Less contractors/consulting and training in 2011, anticipate increases in 2013 (to 2010 levels). Increased levels of 2013 anticipated usage based verification software (transunion POS ID, Transunion enrolment verification, etc...).
A59	IBS IT CVS Development C-First	5,027,386	3,616,580	3,283,218	5,508,484	1,891,904	180,611	53,137	1,089,119	569,037	
A60	IBS IT CVS Development Open-C	154,296	147,279	89,784	231,750	84,470	11,164	203	69,083	4,020	
A61	IBS E-Business Development	1,698,563	1,853,953	1,465,627	2,408,770	554,817	58,935	44,562	359,282	92,037	Increase driven by usage based software (Firstech, etc..) contracts
A62	IBS IT Planning	510,881	766,387	439,845	626,493	(139,894)	36,306	12,273	131,184	(319,657)	2011 costs included contractors for customer relations software O&M costs that are not included in 2013
A63	IBS IT Cust Relations Develop	0	0	308,928	0	0				0	
Information Technology		21,042,770	19,244,255	17,470,108	24,998,456	5,754,201	643,341	446,298	3,759,767	904,785	
A89	Project Services	731,761	393,049	321,515	842,228	449,179	28,153	1,387	387,177	32,462	
Project Services		731,761	393,049	321,515	842,228	449,179	28,153	1,387	387,177	32,462	
A70	IBS Supply Chain Services	147,445	152,184	152,594	242,382	90,198	11,290	336	76,487	2,085	
A71	IBS Fleet Services	92,630	(14,429)	1,515	0	14,429	412	(795)	(1,461)	16,272	
A72	IBS SCS Materials Management	14,986	21,039	9,179	2,084	(18,955)	1,597	28	(917)	(19,663)	
A73	IBS SCS Strategic Sourcing	365,182	246,193	328,568	526,616	280,423	18,660	341	199,148	62,275	2013 includes Contractor for PeopleSoft Upgrade & 2011 includes a one time credit
Supply Chain Services		620,243	404,987	491,856	771,082	366,095	31,959	(90)	273,256	60,969	
Total Shared Services Organization		26,660,203	24,249,396	22,129,530	32,204,781	7,955,385	806,572	564,479	5,269,662	1,314,671	
Corporate Services:											
A09	Board of Directors	601,734	528,279	496,246	760,358	232,080	30	21,327	55,162	155,560	Board consultant will be engaged in 2013 to identify potential candidates and anticipated compensation increase for Board
A51	Legal & Governance Services	1,382,538	1,388,921	1,573,724	1,925,256	536,335	83,499	0	602,091	(149,255)	Less consulting
Legal & Governance Services		1,984,272	1,917,200	2,069,970	2,685,614	768,414	83,529	34,457	657,253	(6,825)	
A11	HR	(15,591)	0	0	0	0				0	
A40	IBS-HR Services	149,885	146,527	157,429	216,832	70,305	10,129	705	63,392	(3,921)	
A41	IBS-Clients&Workforce Relations	626,207	620,143	650,162	1,068,556	448,412	44,608	2,091	388,669	13,044	
A42	IBS-Benefits	762,042	601,885	689,742	810,223	208,338	19,699	14,176	115,640	58,823	Higher benefit administration costs
A43	IBS-Compensation	294,809	259,675	224,873	378,878	119,203	11,206	4,722	69,488	33,786	
A44	IBS-HR Services & Admin	438,248	385,098	416,430	608,304	223,206	25,040	2,668	172,484	23,014	
A45	IBS-Safety Health&Wellness	697,309	751,514	873,784	1,531,742	780,227	38,908	10,332	388,300	342,686	Continued roll out of wellness program
A46	IBS-Workforce&Organiz Develop	682,110	768,014	748,040	904,238	136,224	38,109	11,410	245,472	(158,768)	2011 PGL HR usage for hiring resulting in higher direct charges for staffing in 2011 compared to 2012
Human Resources		3,635,018	3,532,856	3,760,459	5,518,772	1,985,916	187,700	46,106	1,443,445	308,665	
A02	FINACTG	164,100	134,416	159,537	262,902	128,486	9,239	674	52,772	65,801	2013 includes consulting fees
A05	TEG Treasurer	1,806,279	1,924,723	1,581,462	1,975,587	50,863	40,945	56,682	355,142	(401,905)	Decrease in treasury driven primarily by credit line fees

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Integrus Business Support, LLC		2010	2011	2012 YTD	2013	2013 Test Year -	Total	Total	Total Shift	Unexplained	Key Drivers of 2011 - 2013 Test Year Increase/(Decrease)
Cross Charges to the PGL Income Statement		Actual	Actual	Actual	Test Year	2011 Actual	GMW	Inflation	Labor Loaders	Variance	
IBS Function						\$ Incr/(Decr)					
Increase is mainly due to forecasted costs for International Financial Reporting Standards (IFRS) in 2013 and increased Audit Fees in 2013											
A06	TEG Corporate Controller	1,569,633	1,390,366	1,227,595	2,291,962	901,597	54,811	27,956	317,139	501,691	
A07	TEG Investor Relations	467,155	363,857	308,167	498,862	135,005	10,018	9,543	54,676	60,768	Increased consulting fees
A08	TEG Internal Audit	546,809	511,073	578,902	682,930	171,856	30,384	5,007	177,794	(41,329)	
A21	IBS-Finance & Accounting	130,852	115,218	154,445	176,623	61,405	8,792	129	59,203	(6,718)	
A22	IBS-Fin Sys Planning&Coordin	122,345	91,972	95,951	149,061	57,089	6,765	233	38,512	11,578	
A23	IBS-GL Accounting	405,015	410,653	477,829	649,658	239,005	31,953	142	238,421	(31,511)	
A25	IBS-Property Accounting	379,858	368,428	409,521	548,349	179,921	28,207	364	184,575	(33,226)	
A26	IBS-Accounts Payable	182,183	147,876	174,841	280,501	132,825	11,810	(105)	82,718	38,202	
A27	IBS-Fuel&Supply Accounting	208,104	206,464	212,204	298,944	92,480	15,894	159	102,820	(26,393)	
A28	IBS-Benefits Accounting	105,642	87,470	109,485	156,514	69,044	6,725	72	47,281	14,967	
A29	IBS-Tax Services	(115,384)	0	0	0	0	0	0	0	0	
AH4	TEG Tax Strategy & Services	705,805	442,601	506,990	647,084	204,482	27,877	3,531	209,807	(36,732)	
CFO Services		6,678,395	6,195,117	5,996,928	8,618,977	2,423,860	283,421	104,387	1,920,860	115,192	
A13	TEG External Affairs	131,933	186,676	194,774	260,330	73,654	6,819	4,032	42,773	20,031	
A14	TEG Corporate Communications	2,565,457	3,492,150	2,643,725	3,817,691	325,541	61,304	0	488,912	(224,675)	Less use of contractors and savings on communications in 2013
A15	TEG Government Relations	655,099	882,358	840,853	1,331,598	449,241	26,431	22,042	260,717	140,052	Consulting shift from PGL to IBS
A16	TEG Regulatory Affairs	500,366	332,721	564,827	704,390	371,669	24,554	802	263,552	82,761	Labor shift from deferred to O&M - 2011 included rate case costs
A17	TEG Public Affairs	796,215	(1,215)	0	0	1,215	0	(49)	0	1,265	
External Affairs		4,649,070	4,892,689	4,244,179	6,114,010	1,221,321	119,108	136,352	1,077,451	(111,590)	
A01	TEG Executive Office	508,554	693,603	532,013	1,082,548	388,945	36,650	9,156	295,037	48,103	Increase in strategic planning
Executive Office		508,554	693,603	532,013	1,082,548	388,945	36,650	9,156	295,037	48,103	
Total Corporate Services		17,455,308	17,231,465	16,603,549	24,019,922	6,788,456	710,408	330,457	5,394,046	353,545	
Utility Services:											
Additional consulting and other professional services not incurred in 2011											
AB2	Utility Group Exec Office	289,033	295,161	365,759	917,856	622,695	20,987	1,121	390,628	209,959	2011
Utility Group Exec Office		289,033	295,161	365,759	917,856	622,695	20,987	1,121	390,628	209,959	
AD0	TEG Gas Supply	326,250	319,528	232,160	332,921	13,383	23,051	1,043	57,548	(68,249)	
AD1	TEG Gas Supply-WPSC MGU	8,437	8,163	15,357	2,116	(6,047)	444	101	(1,279)	(5,313)	
AD2	TEG Supply MERC	15,121	3,543	5,450	0	(9,543)	30	128	(97)	(3,603)	
AD3	Gas Market Strat&Middle Office	398,501	374,601	214,621	446,527	71,926	23,313	3,133	126,852	(81,372)	2011 had \$31K higher WoodMac consulting costs
AD4	Gas Plan Model Contract Admin	382,105	320,152	282,458	518,827	198,676	22,236	1,488	162,337	12,615	
AD5	TEG Gas Control	2,493,018	1,984,167	2,368,217	3,667,387	1,683,220	113,544	21,712	1,067,965	479,999	Increased labor costs due to increased headcount, much of which is due to increased gov't regulations. Increased maintenance projects in 2013 as compared to 2011. Decrease in 2013 test year is driven by less planned maintenance on storage lines and equipment by outside contractors, as well as less planned contractors for other maintenance functions and lower company use fuel.
AD6	TEG Gas Storage	8,954,043	9,647,428	7,001,518	10,409,492	762,064	204,884	284,289	2,008,448	(1,735,557)	
AD7	TEG Gas Supply	695,555	500,222	481,936	885,885	385,663	36,652	1,342	239,858	107,812	
Gas Supply		13,271,032	13,157,803	10,601,717	16,263,156	3,105,353	424,155	313,235	3,661,631	(1,293,668)	
AC0	TEG Gas Engineering	256,795	287,853	585,335	324,215	36,362	18,496	2,108	93,379	(77,621)	
AC1	TEG Director Gas Engineering	51,725	48,198	39,618	8,391	(39,807)	3,635	76	(8,822)	(36,697)	Decreased use of contractors (replaced by employees) for 2013. These contractors were performing quality assurance audits.
AC2	TEG GE Tech Train&Standards	1,766,087	2,208,040	2,400,324	2,607,815	399,775	95,029	40,287	1,020,534	(756,075)	
AC3	TEG Gas Systems Support	942,779	1,065,036	1,418,581	1,937,107	872,071	49,440	17,577	732,531	72,522	
AC4	TEG GE Distrib Design North	306,906	219,208	322,073	105,810	(113,398)	16,177	529	5,061	(135,164)	
AC5	TEG GE Distrib Design South	250,758	335,755	607,016	748,953	413,198	22,652	1,904	283,072	105,570	Shift in workload from NSG to PGL due to AMRP
AC6	TEG GE Engineering Services	604,019	451,246	474,909	629,582	178,336	23,273	6,250	182,890	(34,077)	Shift in services/workload from PGL to NSG compared to 2011. This new home center was added to standardize operations and maintenance of the gas systems. Home Center AC7 included the addition of 9 FTE's to 2013. This includes processes and manual for transmission, mains, services, meters, damage prevention, procedures, materials, and damage prevention and system design. Through this standardization, the company will be able to achieve savings such as better procurement practices. The 2011 actuals was for a partial year.
AC7	Gas Engin Standardization	0	82,638	636,580	931,402	848,764	6,348	71	388,711	453,634	
Engineering Services		4,179,068	4,697,974	6,484,435	7,293,274	2,595,300	235,050	68,802	2,699,355	(407,907)	Less outside professional services planned for 2013 test year and changes associated with Team Future restructuring. Labor increases as a result of Team Future restructuring. Also, increase in usage based software costs.
AE0	Cust Relations Exec Office	448,734	323,520	252,151	267,004	(56,516)	22,546	1,464	43,251	(123,777)	
AE1	TEG CR Strat&Bus Performance	991,823	926,508	898,635	1,538,630	612,122	65,947	3,484	442,524	100,167	
AE8	TEG CR Call Center CHIC	7,155,375	5,610,380	4,168,884	6,688,105	1,077,725	63,666	193,866	825,591	(5,418)	

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Integrus Business Support, LLC		2010	2011	2012 YTD	2013	2013 Test Year -	Total	Total	Total Shift	Unexplained	Key Drivers of 2011 - 2013 Test Year Increase/(Decrease)
Cross Charges to the PGL Income Statement		Actual	Actual	Actual	Test Year	2011 Actual	GWII	Inflation	Labor Loaders	Variance	
IBS Function						\$ Incr/(Decr)					
AE9	TEG CR Contact Supp CHIC	1,790,082	1,337,548	1,688,526	2,038,674	701,126	103,973	515	660,804	(64,166)	Shifting of employees and therefore labor associated with Team Future restructuring.
AF0	CR Competitive Excellence & QA	1,452,821	1,128,422	1,204,139	1,848,903	720,481	87,305	646	567,368	65,162	Shifting of employees and therefore labor associated with Team Future restructuring.
AF2	TEG CR C&I Acct Mgmt CHIC	66	0	0	0	0	0	0	0	0	
AF3	TEG CR MGU & MERC	79,825	16,529	11,635	6,663	(9,866)	949	179	2,715	(13,709)	
AF4	TEG M2C Billing CHIC	5,890,905	5,074,551	4,303,521	6,203,095	1,128,544	92,910	157,185	567,633	310,816	Anticipated increase in postage costs
AF5	TEG M2C Collections CHIC	2,457,884	1,832,244	1,567,676	2,873,852	1,041,609	57,159	44,599	348,988	590,863	Shifting of employees and therefore labor associated with Team Future restructuring and the addition of tertiary collection agencies.
AF6	GTS	1,473,261	894,675	912,397	1,665,017	770,341	69,179	534	532,509	168,120	Shifting of employees and therefore labor associated with Team Future restructuring.
AF7	Major Accounts	202,473	118,407	19,675	0	(118,407)	9,098	100	(6,373)	(121,232)	Merged into AF6 as part of Team Future restructuring.
AF8	Business Solutions Center	146,246	106,701	135,284	0	(106,701)	8,374	0	(24,638)	(90,437)	Merged into AF6 as part of Team Future restructuring.
AG9	TEG CR Operations IL	388,228	112,926	0	0	(112,926)	8,703	82	(27,129)	(94,582)	Work group disbanded as part of Team Future restructuring.
AH0	TEG CR Strategic Partnerships	76,789	0	0	0	0	0	0	0	0	
AH5	Customer Care-WI MI	0	17,659	17,709	72,830	55,171	1,339	24	9,653	44,155	
AH6	Meter to Cash-WI MI	0	21,678	40,542	41,789	20,111	1,520	94	12,808	5,689	
	Customer Value	22,554,511	17,521,748	15,220,775	23,244,562	5,722,814	592,667	402,794	3,955,704	771,649	
Total Utility Services		40,293,645	35,672,686	32,672,686	47,718,848	12,046,162	1,272,859	785,952	10,707,318	(719,968)	
A49	TEG NonProductive Labor	2,355,182	1,935,952	(543,054)	0	(1,935,952)	151,938	0	(1,935,952)	(151,938)	
AF9	Payroll Taxes - IBS	28,440	26,527	2,386	0	(26,527)	0	0	0	(26,527)	
AH1	Loader Benefits	5,158,418	9,916,056	277,633	(0)	(9,916,056)	315,367	0	(9,916,056)	(315,367)	See Ms. Phillip's direct testimony PGL Ex. 11.0, lines 95-250
AH2	Loader Facilities	3,726,094	4,948,299	96,344	108,801	(4,839,498)	214,855	0	(4,899,622)	(154,731)	
AH3	Loader Payroll Tax	1,535,654	3,182,513	878,010	(0)	(3,182,513)	118,241	0	(3,182,513)	(118,241)	
	Centrally Managed -IBS Loaders (payroll tax, benefits, NPT,	12,803,787	20,009,346	711,319	108,801	(19,900,545)	800,401	0	(19,934,143)	(766,804)	
A47	CMI - Human Resources	0	0	0	0	0	0	0	0	0	
A30	CMI - Incentives	5,656,853	4,280,421	2,976,494	3,699,267	(581,154)	335,937	0	(1,424,211)	507,119	Increase is mainly due to higher forecasted incentives and restricted stock expense
A48	CMI - Benefits Accounting	0	0	0	0	0	0	0	0	0	
Total Centrally Managed Items-Intra IBS		18,460,640	24,289,768	3,687,813	3,808,068	(20,481,700)	1,136,338	0	(21,358,353)	(259,685)	
Sub-Total IBS Departmental Costs		102,869,796	101,443,315	75,093,578	107,751,618	6,308,304	3,926,178	1,680,889	12,673	668,565	
Centrally Managed Items - Non IBS											
A50	IBS Legal - Centrally Budgeted	2,921,302	2,653,677	589,343	3,352,077	698,400	0	107,209	0	591,191	Outside legal counsel anticipated rate increase and usage.
AG2	CMI - Insurance	9,137	500	0	0	(500)	0	20	0	(520)	
AG3	CMI - Claims	(354,719)	2,405,789	3,773,055	1,542,800	(862,989)	0	0	0	(862,989)	2011 was especially high, 2013 more in line. In 2011, there were 2 major incidents which caused accruals of \$1M and \$0.5M. Large incidents like this are normally not budgeted.
Total	CMI - Claims & Legal	2,575,720	5,059,966	4,362,398	4,894,877	(165,089)	0	0	0	(165,089)	
AG1	CMI - Environmental	230,276	109,802	57,346	196,900	87,098	0	0	0	87,098	
A47	CMI - Human Resources (WC)	4,295,426	5,677,945	2,123,449	5,516,543	(161,402)	0	0	68,041	(229,443)	2013 forecast assumes slightly lower workers compensation costs due to continuing safety initiative and tighter controls.
A30	CMI - Incentives	1,306,537	1,054,619	821,140	1,603,422	548,803	0	0	0	548,803	Increase is mainly due to higher forecasted incentives and restricted stock expense
A48	CMI - Benefits Accounting	40,401,887	45,512,682	37,754,072	60,674,893	15,162,211	0	0	0	15,162,211	See Ms. Phillip's direct testimony PGL Ex. 11.0, lines 95-250
Total Centrally Managed Items Non-IBS		48,809,846	57,415,015	45,118,405	72,886,635	15,471,620	0	0	68,041	15,403,579	
Depreciation											
		6,681,875	5,332,137	3,731,200	8,880,769	3,548,631	0	215,418	0	3,333,213	Increase is mainly due to depreciation increases related to the work asset management system, customer based software, mainframe/servers, transaction based software and other net assets
	Return on Assets	2,479,923	1,765,164	1,289,340	1,836,446	71,282	0	71,313	0	(31)	
	High Level IBS - Home Center A00	0	(4,594)	0	0	4,594	307	(344)	(2,696)	7,327	
	Intra IBS Charges - Home Center A99 & A12	6,411,671	5,208,621	4,620,057	6,798,945	1,590,324	239,271	87,260	1,187,523	76,271	
	Total Other	15,573,469	12,301,328	9,640,597	17,516,159	5,214,832	239,578	373,647	1,184,827	3,416,780	
Total Pretax IBS		167,253,111	171,159,657	129,852,580	198,154,413	26,994,756	4,165,755	2,054,536	1,265,541	19,508,924	