

ICC Docket No. 12-0511
North Shore Gas Company's Response to
Interstate Gas Supply Data Requests IGS 3.01-3.05
Dated: January 7, 2013

REQUEST NO. IGS 3.03:

Please identify with specificity any and all costs incurred by the Companies in developing and implementing hedging strategies.

RESPONSE:

North Shore incurs internal and external costs in developing and implementing hedging strategies. For calendar 2012 the internal costs are for labor associated with the development, approval and implementation of the strategies. These costs are not separately tracked. For calendar 2012 the external costs are limited to monthly consultant fees of \$1,250 and the carrying costs on an average balance of \$5,021.69 of collateral on deposit with a broker. The carrying costs are \$316.37 per year.

OFFICIAL FILE

ICC DOCKET NO. 12-0511/12-0512
IGS X Exhibit No. IGS Energy
Cross Ex. 116
Witness Valerie Grace
Date 2/8/13 Reporter [Signature]

ICC Docket No. 12-0512
The Peoples Gas Light and Coke Company's Response to
Interstate Gas Supply Data Requests IGS 3.01-3.05
Dated: January 7, 2013

REQUEST NO. IGS 3.03:

Please identify with specificity any and all costs incurred by the Companies in developing and implementing hedging strategies.

RESPONSE:

Peoples Gas incurs internal and external costs in developing and implementing hedging strategies. For calendar 2012 the internal costs are for labor associated with the development, approval and implementation of the strategies. These costs are not separately tracked. For calendar 2012 the external costs are limited to monthly consultant fees of \$1,250 and the carrying costs on an average balance of \$5,032.72 of collateral on deposit with a broker. The carrying costs are \$299.45 per year.